

POSTAL NEWS

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U.S. Postal Service Announces Bid Solicitation for Access to Last-Mile Delivery Network

This is a new approach for using more than 18,000 entry points

WASHINGTON — The U.S. Postal Service today announced that it will open up entry to its valuable last mile delivery network. Shippers large and small will be able to access the more than 18,000 USPS delivery destination units (DDUs) nationwide via a solicitation process that will begin accepting bids in late January or early February 2026.

Shippers who wish to access the DDU network will have the ability to propose a combination of volume, pricing and tender times at each location, with deliveries for successful bidders being made by USPS that same day or the next day, at the customer's preference.

"In the logistics business, the most expensive part of delivery is generally the 'last mile' portion of a route. As part of our universal service obligation, we deliver to more than 170 million addresses at least six days a week, so we are the natural leader in last-mile delivery. We want to make this valuable service available to a wide range of customers that see the worth of last mile access — other logistics companies and retailers large and small," said Postmaster General and CEO David Steiner.

"We see this initiative as a compelling value proposition for many shippers who we know are wrestling with the need to deliver to their customer as quickly and reliably as possible. Our solution is to establish a fair bidding process that enables the marketplace to find the best mix of local shipping attributes for the best volume-driven pricing. Because our delivery operations are already visiting every home and business daily, we can help shippers reduce their costs while generating much-needed revenue for the Postal Service."

Prior to establishing a dedicated bid solicitation platform, the Postal Service will engage shippers to discuss the procedure, gauge interest in participation, and fine-tune the bidding process based on feedback to provide the most effective platform.

The Postal Service will provide more details in the coming months.

"We want to allow customers to custom-build their last mile solution. We want to make the service as convenient, cost-effective and efficient as possible. We have achieved impeccable service performance scores for our last mile, which reflects the simple, quick-turn processing that occurs at a local DDU," said Steiner.

"The Postal Service's valuable last-mile network can now be our customer's advantage. Our last mile can become our customer's last mile. Remember, our universal service obligation means we are already going to every address six days a week, and so businesses — large and small, national, regional and local — can achieve same-day or next-day service through our ubiquitous reach. All of the current entry point locations will continue to exist and serve customers upstream, but our highly prized DDU last mile entry will be the subject of this access initiative."

As a result of extensive recent modernization investments, USPS has package processing and delivery capacity to meet a much larger percentage of the nation's shipping needs than it currently provides and is seeking to work with customers with a wide range of needs and shipping volumes.

USPS expects to formalize accepted bids for this direct-to-customer capability for its Parcel Select product through a negotiated service agreement contract, or NSA. The organization expects to notify winning bidders in the second calendar quarter, and service under those NSAs would begin in the third calendar quarter of 2026.

The Postal Service has been selling delivery service direct from its DDUs for years. However, this has generally been for a limited number of very large customers.

The organization wants to open up DDU delivery to a broader audience. This will benefit both shippers and the Postal Service, which is extremely confident that the total amount of revenue generated by the organization's DDUs will increase through this process and make USPS a more financially viable institution.

By changing the way last-mile service is offered, the Postal Service is expanding the reach of retailers and others who value same-day or next-day delivery. USPS wants to provide a reach that is unparalleled in the history of the United States. The Postal Service has done that for the American public for more than 250 years and is adapting its network to benefit America for the next 250 years.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to more than 170 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is celebrating its 250th year of service to customers amidst a network modernization plan aimed at restoring long-term financial sustainability, improving service, and maintaining the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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