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# Postal Affairs Update – April 14, 2020

As the Covid-19 Pandemic continues, our Postal Affairs team remains committed to keeping you and your clients up to date with developments related to USPS operations during this time of uncertainty. As a significant mailing industry partner, we are in a unique position to provide clear and accurate information, dispel rumors and suggest best practices during the pandemic. Please notify the Quad Postal Affairs team when you become aware of any changes, questions or something new related to how the USPS is reacting. We will investigate and update all. Please send inquiries to the Quad Postal Affairs Distribution list (Postal Affairs – Team) or ask your Quad representative.

There were several areas of significant development in the last week:

## Update on the overall state of affairs for the USPS

Since our update last week there have been a variety of developments, legislative actions and USPS announcements, but overall **the postal service is fully functional**, and in some cases, service is actually providing faster than normal service due to reduced mail volume.

Monday April 13th the USPS shared volumes for the previous week compared to SPLY (Same Period Last Year):

Total	Down 32.2%
Letter	Down 25.2%
Flats	Down 36.5%
Packages	Up 20.7%

## Delivery Performance

The USPS continues to make it clear that despite significant volume reductions, they are operating normally with delivery six days each week. If there are any places where that USO does not occur, it is due to isolated contingency plans put into effect. The six-day delivery will resume as soon as it is feasibly possible. We have also heard of isolated instances where local retail services may be suspended temporarily for health reasons, but we have no reports of this impacting business mailing operations.

Quad Postal Solutions team, particularly Postal Affairs, is working daily with the USPS to ensure our clients' mail is delivered, and monitoring any issues that may arise. We'll be updating this communication as often as is necessary to be sure everyone has the correct information.

## Policy Updates

The USPS acknowledged that the date of mandated seamless acceptance needs to be evaluated due to the available bandwidth to implement on both the industry and the USPS side. A final rule

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will be out later this month, but at this point there are no plans to delay turning on all Full Service mailers onto Seamless Parallel. Seamless Parallel activates a new portion of the mailer scorecard, but does not activate the penalties associated with going live with Seamless Acceptance.

The USPS is discussing a possible update to how outbound international mail is being handled, and if necessary, how refunds will be handled for international non-shipment.

The Postal Service has implemented two new processes to allow businesses to submit Hold Mail requests in bulk (10 or more), as well as requests to forward mail from many locations (10 or more) to one. The new process will require businesses with 10 or more requests to submit specific data on an Excel spreadsheet. There are currently no changes to the maximum timeframe for holding mail (which was recently extended from 10 days to 30 days).

The Postal Service also announced that five of their help desks are currently operating under a contingency. Voice service may be impacted, and they are encouraging mailers to get in contact via email.

PostalOne!: [PostalOne@usps.gov](mailto:PostalOne@usps.gov)

FAST: [FAST@usps.gov](mailto:FAST@usps.gov)

eVS: [Evs@usps.gov](mailto:Evs@usps.gov)

Delivery Confirmation: [Delivery.Confirmation@usps.gov](mailto:Delivery.Confirmation@usps.gov)

Informed Visibility: [InformedVisibility@usps.gov](mailto:InformedVisibility@usps.gov)

## Legislative Updates

The most significant and heavily reported postal news event since our last update occurred last Thursday when the USPS requested \$75 billion through a combination of cash, grants and loans to avoid a liquidity crisis this Fall.

Postmaster General Megan Brennan told the House Oversight and Reform Committee that USPS would lose \$13 billion in fiscal 2020 due to the economic downturn resulting from the coronavirus pandemic, and the agency would “run out of cash” before Sept. 30. The board of governors is asking Congress for a \$25 billion cash injection to offset expected losses, a \$25 billion grant to fund “shovel ready” projects to modernize USPS and \$25 billion in unrestricted borrowing authority.

Certain members of the House and Senate pushed for a \$25 billion cash infusion for the Postal Service as part of the last stimulus package, but unfortunately the Administration opposed a direct appropriation for the USPS. Negotiators ultimately opted to include only a \$10 billion line of credit. Postal management has said that amount would be insufficient for preventing fiscal calamity this year.

Below are several articles on the topic:

<https://www.npr.org/2020/04/08/828949609/youve-got-less-mail-the-postal-service-is-suffering-amid-the-coronavirus>

<https://news.yahoo.com/trump-coronavirus-privatize-us-portal-service-173250637.html>

<https://abcnews.go.com/Politics/postal-service-broke-due-pandemic-trump-flatly-opposes/story?id=70119153>

<https://thehill.com/homenews/administration/492377-trump-threatened-to-veto-stimulus-package-if-it-contained-bailout>

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## CALL TO ACTION:

The COVID-19 pandemic is having a substantial impact on the nation's economy, and affects every industry. Congress has shown a willingness to ensure the viability of the USPS during this emergency and by extension the viability of mailers across the country. Unfortunately, the White House does not share that same willingness.

Congress is considering another COVID related stimulus bill. Please contact your U.S. Representatives and U.S. Senators and urge their continued support for the USPS through a direct appropriation. But it cannot stop there — Congress must impress upon the White House the critical role the USPS plays in the lives of their constituents as the only universal communication format that delivers medications, health related information, stimulus checks and so much more to the American public on a daily basis. The mailing industry and the 7.3 million people it employs are counting on Congress and the President to ensure that the USPS remains viable. The American people cannot wait any longer for our leaders in Washington to step up and support them — the time to act is now.

## Pricing Updates

Last Wednesday, various industry leaders met with postal authorities on the state of pricing. Sharon Owens VP of USPS pricing and costing stated that a task team is working on some form of a product and or pricing relief with a focus on what can feasibly be done quickly. She noted that any changes would require BOG and PRC approval and that management has decided not to allow pricing changes or payment terms based on the current pandemic.

In this incredible period of disruption, misinformation and rumors are likely to surface. Please notify the Postal Affairs team when you become aware of any changes, questions or something new related to how the USPS is reacting. We will investigate and update all. Please send inquiries to the Postal Affairs Distribution list (Postal Affairs – Team).

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See how we can help.

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