

As the Covid-19 Pandemic continues, our Postal Affairs team remains committed to keeping you informed with up to date 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 updates in the last week:

POSTAL IN THE PRESS

Changes at Board of Governors.

Last week, David Williams announced his resignation from the Board of Governors effective April 30, 2020. Governor Williams term had expired on December 8, 2019, and he had continued to serve as a Governor in a holdover year. Williams previously had been the Inspector General of the USPS for several years and advocated innovation, efficiency, and entry into new revenue sources. He was the Governor most experienced with USPS issues.

New Postmaster General announced.

On Wednesday, the Board of Governors announced that Louis DeJoy has been selected to serve at the nation's 75th Postmaster General. DeJoy is an accomplished business executive with more than 35 years of experience. As Chairman and CEO of New Breed Logistics, DeJoy spent decades in collaboration with the U.S. Postal Service, Boeing, Verizon, Disney, United Technologies and other public and private companies to provide supply chain logistics, program management and transportation support. He is expected to begin serving in his new role effective June 15th. DeJoy's appointment comes upon the retirement of Megan Brennan, the nation's 74th Postmaster General, who announced her intent to step down in October 2019.

DeJoy becomes the fifth Postmaster General to join the institution from the private sector since the Postal Service became an independent establishment within the Executive Branch in 1971.

POLICY UPDATES

Hold Policy Update:

The USPS has announced an update to the hold policy. All mailings that have been placed on hold due to COVID-19 should be mailed no later than June 30, 2020. Any mailings entered after this date will be verified under the established assessment process for each metric with the expectation they are compliant with all mailer quality metrics. Quad postal solutions can help customers determine the impact on their mailings as a result of this policy update.

UPDATE ON THE OVERALL STATE OF AFFAIRS FOR THE USPS

Since our update last week there have been a variety of USPS announcements, but overall the postal service is fully functional, with some isolated hot spots experiencing service delays due to COVID related staffing shortages.

The USPS has provided volume statistics compared to the same period last year:

Total	Down 27%
Flats	Down 30.1%
Single Piece	Down 21.7%
First Presort	Down 3.3%
Marketing Mail	Down 45.3%
Periodicals	Up 10.2%
Packages	Up 59.4%

DELIVERY PERFORMANCE

The USPS continues to make it clear that despite significant volume reductions, they are operating normally with delivery 6 days a week. If there are any places where that USO is not occurring, it is due to isolated contingency plans being put into effect and 6-day delivery will resume as soon as it is feasibly possible.

There have been some instances of service delays, particularly in NY and MI where the Covid-19 virus is most prevalent and affecting staffing. As previously stated, 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.

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

The positive impact of mail during the pandemic.

The USPS recently fielded a survey measuring customer sentiment during the pandemic. The survey highlighted the important role that mail plays in helping Americans stay connected during a time of social distancing and stay-at-home mandates. More than ever, consumers rely on cards and mail to keep in touch with family and friends and to overcome feelings of isolation.

The majority, or 65% of respondents, said that receiving "cards and letters from family and friends lifts my spirits during this time" while 62% said that "receiving a card or letter in the mail makes me feel more connected during social distancing." Another 60% said it means more to me to receive a card/letter in the mail than an email, while 55% said they feel less isolated when receiving a card or letter in the mail.

Other Survey highlights include:

- Approximately 67% of consumers are feeling increasingly isolated and distant from people, and have acknowledged the effect of the pandemic on their mental well-being.
- When asked how the pandemic has changed their activities over the past few weeks, approximately 1-in-6 consumers said they have sent more mail to family and friends over the past few weeks.
- During the corona virus pandemic, two-thirds of those surveyed indicated that they would be likely to send mail. Family members and friends would be the most common recipients. Those who are younger, have higher income and those with children in the home are more likely to want to send cards and letters.
- 42% said they were more reliant on mail as a result of social distancing and 38% indicated the importance of being able to shop for mail products such as cards and stationery in retail locations permitted to be open during the pandemic.

LEGISLATIVE UPDATES

Last Friday, the Postal Industry sent a letter to Congressional Leadership signed by more than 1,000 associations and businesses calling on Congressional leadership to provide the financial support needed to ensure that the Postal Service is able to continue its vital mission in the face of the unprecedented pandemic. It is anticipated that this letter will make a positive impact on future stimulus packages.

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. As in past weekly updates, we have provided a sample letter that can be personalized with company information and sent to congressional representatives.

In this incredible period of disruption, misinformation and rumors are likely to surface. 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 Postal Affairs Distribution list (Postal Affairs – Team) or contact your representative.

See how we can help.

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