

Rate case information effective May 14

USPS eliminates Foreign Periodicals rates

While Periodicals rates and rules resulting from the current rate case will not go into effect until July 15, there is one obscure change for newspapers being made on the May 14 date when all rates other than Periodicals go into effect. The change is unrelated to the 2006 rate case, but stems from an International Rates filing last December, and is being placed into effect by a final rule recently issued.

"Publishers Periodicals" has been eliminated as a rate category and foreign papers can no longer be mailed on Periodicals Postage

Statement 3541 as of May 14. Why? The Postal Service, whose International Rates are not under the regulation of the Postal Regulatory Commission, decided to "simplify the international product offering from eight products to four which closely mirror the domestic products." The filing eliminated "surface" transportation products, which often took six weeks or more to deliver, and were only about 2.7 percent of total international volume. Publishers Periodicals were part of "Economy (surface)" rates.

The replacement category for mailing newspapers to

foreign countries is First-Class Mail International, which means that newspapers would either mail copies individually at their post office window, or go online to www.usps.com and find "Click-N-Ship." First Class flat mail envelopes can have stamps or online-printable postage affixed. There are six rate groups by countries. Prices for a typical 4-ounce newspaper range from \$1.62 to \$3.60 per copy, depending on which rate group the country is in.

This change has no effect on military newspapers mailed to APOs and FPOs, etc. They are handled domes-

tically to a port of embarkation where the military takes over delivery.

Publishers' Periodicals rates increased more than 28 percent in January 2006. Foreign subscriptions were difficult to sell at a profitable rate and experienced lousy delivery. Most newspapers have no foreign copies, but some have a small number, usually to missionaries or overseas students or workers.

My best advice is to sell electronic subscriptions of full PDFs of the newspaper available on your web site. But if someone insists on being mailed the hard copy, the only option is that above.

PRC lowers Standard Mail Enhanced Carrier Route rates requested by USPS

I want to elaborate on the Enhanced Carrier Route Standard Mail rates used by shoppers, free newspapers, and even renewal notices mentioned here in summary last month, because they also change May 14. Newspapers mailing ECR will likely save considerably more postage dollars on Standard Mail than they will pay via higher-than-hoped-for Periodicals rates, delayed to July 15.



POSTAL TIPS

Max Heath

A chart outlining the complete changes for Enhanced Carrier Route mail entered at the office of delivery accompanies this column. The PRC lowered the rates most often used by newspapers from those requested by USPS.

One important change is that the **discount for DDU entry has increased sharply to 5.1 cents** minimum per piece (from 3.3 cents earlier)

and rising as weight increases to more than 3.3 ounces. It is more imperative than ever that newspapers enter ECR mail at the office of delivery. Postage can be paid at the office of entry with weight verification there and publications taken to other offices with a Drop Shipment Clearance Document (Form 8125) accompanying.

Saturation ECR rates used by full-coverage shoppers to 90 percent or more of residential addresses in walk-sequence order will experience no increase over current rates up to 3.3 oz., and declines ranging from almost 2 percent at 4 oz. up to nearly 16 percent at 16 oz., the maximum weight of a piece.

High Density ECR rates used by non-subscriber shoppers sent to 125 or more stops per route in walk-sequence order increase 6.2 percent up to 3.3 oz. then start to decline slightly at 4 oz. up to 14 percent at 16 oz.

Only the Basic ECR rates, paid when newspapers lack 125 copies per route, or don't walk-sequence, will increase more than USPS requested, by 15.8 percent up to 3.3 oz. versus the 11.7 percent proposed by USPS. But even those rates still

decline with higher weights. Pieces from 4-6 oz. pay lower than the minimum, while costs decline from 8-16 oz., at a maximum of 9.85 percent.

The new 3602-R has increased to 11 pages, but only those pages actually used must be submitted. Enhanced Carrier Route rates are in Part I, page 9.

Renewal notices will use Part D for Nonautomation letters, paying line D2, Mixed AADC rate of 25.5 cents for letters not carrier-route sorted.

Renewals sorted 10 or more to the postal carrier route pay postage in Part H, page 9. Line H9 DSCF rate applies to copies entered at the DDU and sorted to routes, paying 18.4 cents.

Should you be applying 11-digit barcodes for automation letters and be able to mail 500 renewals at one time, you will pay postage in Part A, Automation Letters.

NNA will post the new 3602-R for May 14, 2007, on its web site.

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See postal charts on other side

SHOPPER RATES -- DELIVERY OFFICE (DDU) ENTRY

R-2006-1 PRC Final Rates Effective Mid-2007
Enhanced Carrier Route Flat Rates
Enhanced Carrier Route Commercial

| Entry Level Discounts: | DDU | DDU | DDU |
|-------------------------------|----------|--------------|----------|
| Sortation Discounts: | Basic | High Density | Sat |
| 1 oz. | \$0.1980 | \$0.1540 | \$0.1360 |
| 2 oz. | \$0.1980 | \$0.1540 | \$0.1360 |
| 3 oz. | \$0.1980 | \$0.1540 | \$0.1360 |
| 4 oz. | \$0.2143 | \$0.1703 | \$0.1523 |
| 5 oz. | \$0.2376 | \$0.1936 | \$0.1756 |
| 6 oz. | \$0.2609 | \$0.2169 | \$0.1989 |
| 7 oz. | \$0.2842 | \$0.2402 | \$0.2222 |
| 8 oz. | \$0.3075 | \$0.2635 | \$0.2455 |
| 9 oz. | \$0.3308 | \$0.2868 | \$0.2688 |
| 10 oz. | \$0.3541 | \$0.3101 | \$0.2921 |
| 11 oz. | \$0.3774 | \$0.3334 | \$0.3154 |
| 12 oz. | \$0.4008 | \$0.3568 | \$0.3388 |
| 13 oz. | \$0.4241 | \$0.3801 | \$0.3621 |
| 14 oz. | \$0.4474 | \$0.4034 | \$0.3854 |
| 15 oz. | \$0.4707 | \$0.4267 | \$0.4087 |
| 16 oz. | \$0.4940 | \$0.4500 | \$0.4320 |

R2006-1 PRC Final Rates
Enhanced Carrier Route Commercial
Percent Change, 2007 compared with 2006

| Entry Level Discounts: | DDU | DDU | DDU |
|-------------------------------|--------|--------------|---------|
| Sortation Discounts: | Basic | High Density | Sat |
| 1 oz. | 15.79% | 6.21% | 0.00% |
| 2 oz. | 15.79% | 6.21% | 0.00% |
| 3 oz. | 15.79% | 6.21% | 0.00% |
| 4 oz. | 12.61% | 3.65% | -1.93% |
| 5 oz. | 7.95% | -0.26% | -5.13% |
| 6 oz. | 4.40% | -3.13% | -7.45% |
| 7 oz. | 1.61% | -5.32% | -9.20% |
| 8 oz. | -0.65% | -7.05% | -10.56% |
| 9 oz. | -2.51% | -8.46% | -11.67% |
| 10 oz. | -4.06% | -9.62% | -12.57% |
| 11 oz. | -5.39% | -10.59% | -13.33% |
| 12 oz. | -6.53% | -11.42% | -13.97% |
| 13 oz. | -7.52% | -12.14% | -14.52% |
| 14 oz. | -8.40% | -12.76% | -15.00% |
| 15 oz. | -9.17% | -13.31% | -15.42% |
| 16 oz. | -9.85% | -13.79% | -15.79% |