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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91204122
Party	Plaintiff Empire State Building Company L.L.C.
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Date	10/09/2015
Attachments	Opposer's opposition to motion to strike (full papers with decl and exhs).pdf(1376647 bytes)

Opposer's Pretrial Disclosures Were Timely Served

Applicant claims Opposer's pretrial disclosures were not timely served. These allegations are false and based on nothing more than mere speculation. Opposer timely served via first class mail its pretrial disclosures on February 11, 2015. Shimanoff Decl. ¶ 4. As shown in Exhibit A to Applicant's own motion, the disclosures contained a certificate of service by Opposer's counsel, dated February 11, 2015, attesting to that fact. This certificate is "prima facie proof" that the disclosures timely were mailed on that date. *See* 37 CFR § 2.119(a); TBMP §§ 113.03, 113.04.¹

Fact of timely service also is shown by the appearance of the February 11, 2015 date stamp on the postage on the envelope in which the disclosures were mailed, as shown in Exhibit B to Applicant's own motion. This stamp was made by a Pitney Bowles postage evidencing system owned and operated by Opposer's counsel. Shimanoff Decl. ¶ 5. Such systems are fully authorized by the United States Postal Service ("USPS"). *See* Shimanoff Decl. Exhibit A. Moreover, the date on a postage stamp created by a Pitney Bowes system cannot be backdated. *See* Shimanoff Decl. ¶ 7 & Exhibit B.

Applicant's claim of untimeliness is based solely on his counsel's unsworn allegation that he did not receive the disclosures until eight days after they were mailed. Applicant's mere speculation is not proof of untimely disclosure, especially where all the documentary evidence shows that service was timely. Moreover, USPS delivery delays are common, especially after numerous USPS cut-backs over the past year. *See* Shimanoff Decl. Exh. C. By way of example in the instant proceeding, Opposer's counsel has received via first class mail documents from

¹ That the language of the certificate of service is not identical to the Board's "suggested" format is immaterial as the certificate contains the date and manner of service, including the recipient and his address, as required by CFR § 2.119(a) and TBMP §§ 113.03, 113.04.

Applicant weeks after the date indicated on the certificate of service and/or postmark on the envelope. Shimanoff Decl. ¶ 9.

Moreover, Applicant has not alleged any prejudice resulting from his claim of untimeliness. Nor could he. Any claim of prejudice would be belied by Applicant's delay of over seven months—until after the trial periods had concluded and Opposer submitted its trial brief and two days before his own brief was due—before making his dubious motion. “[W]here a party believes the adverse party's pretrial disclosures are . . . untimely . . . judicial economy is best accomplished by bringing such issue to the Board's attention promptly by a motion to quash the deposition or to strike the pretrial disclosures as insufficient *before the deposition takes place.*” *Spier Wines (PTY) Ltd. v. Shepherd*, 105 U.S.P.Q.2d 1239, 1240 (T.T.A.B. 2012) (emphasis added). Yet Applicant did not make any objection at the time he received the pretrial disclosures, at the time he received Opposer's trial deposition notices or at any time during Opposer's testimony period. Shimanoff Decl. ¶ 10. Applicant instead waited until two days before his own trial brief was due before filing the instant motion, shedding light on his true motivation to delay.²

Opposer's Pretrial Disclosures Are Adequate and Sufficient

Also without merit is Applicant's claim that Opposer's pretrial disclosures are inadequate because they allegedly did not disclose that Opposer intended to proffer testimony and documentary evidence on one specific unregistered stylization of its mark. Opposer's pretrial disclosures clearly stated that Opposer's witnesses would testify about and introduce documents

² Two other facts illuminate Applicant's likely disingenuous motivation behind the instant motion. *First*, Applicant previously misrepresented a date of service on one of his own certificates, as detailed in Opposer's reply papers on summary judgment. *See* Dkt.#39. *Second*, on July 8, 2015, Applicant belatedly served copies of his trial testimony, taken on May 22, 2015, nearly two weeks after the deadlines set in 37 CFR § 2.125 (a) and TBMP 703.01. *See* Shimanoff Decl. ¶ 11 & Exhibit D.

concerning the use of “Opposer’s Empire State Building Marks (as defined in Paragraph 1 of the Notice of Opposition in this proceeding).” *See* Exhibit A to Applicant’s Motion. The definition of “Opposer’s Empire State Building Marks” in Paragraph 1 of the Notice of Opposition includes “various marks depicting the visual equivalent of the world-renowned Empire State Building, which is located in New York City.” *See* Exhibit C to Applicant’s Motion. The common law mark referenced in Applicant’s motion papers, shown below, clearly falls within this definition.³



In addition to information about the witness, 37 CFR § 2.121(e) requires only that a party disclose “a general summary or list of subjects on which the witness is expected to testify, and a general summary or list of the types of documents and things which may be introduced as exhibits during the testimony of the witness.” *See also Carl Karcher Enterprises Inc. v. Carl's Bar & Delicatessen Inc.*, 98 U.S.P.Q.2d 1370, 1371 (T.T.A.B. 2011) (pretrial testimony and document descriptions such as “selection and adoption of the marks,” “fame of such marks” and “likelihood of confusion” sufficient). “[T]he Board does *not* require pretrial disclosure of each document or other exhibit that a party plans to introduce at trial.” TBMP § 702.01 (emphasis added). Opposer’s disclosures meet these standards and are sufficient.⁴

³ While the notice of opposition provides a few examples of such marks as illustrations, these examples are “without limitation.” *See id.*

⁴ Applicant’s argument that Opposer did not disclose a specific picture of a licensed use of Opposer’s Empire State Building Marks fails for the same reason. Opposer’s pretrial disclosures clearly stated that each of its corporate witnesses would testify about and introduce documents concerning “licensing” and “use” of the marks. *See* Exhibit A to Applicant’s Motion.

Moreover, Applicant hardly can claim any surprise by Opposer’s reliance on this mark when, as set forth in detail in Opposer’s trial brief, Dkt.#53, Applicant *literally copied* this mark when creating his own logo, as shown below:

Opposer’s Mark



Building in Applicant’s Mark



Applicant also cannot complain that the specific stylization was not disclosed during discovery, since Applicant did not take any discovery. Nor did Applicant’s attorney even attend the deposition where evidence of the use of this mark first was introduced, despite having adequate notice and confirmation of the testimony date. Shimanoff Decl. ¶ 12.

As with his arguments concerning timely service, Applicant’s arguments concerning the adequacy of Opposer’s disclosures are wholly unfounded and show the instant motion is nothing more than a last-minute and desperate attempt to delay his own trial brief submission.

The Board Should Not Suspend the Proceedings

There is no basis to suspend the proceedings—including *today’s* due date for Applicant’s trial brief—pending determination of the instant motion. Applicant’s motion is *not* “a motion to dismiss, or a motion for judgment on the pleadings, or a motion for summary judgment, or any other motion which is potentially dispositive of a proceeding.” 37 CFR § 2.127(d). *See also* TBMP § 528.03; *SDT Inc. v. Patterson Dental Co.*, 30 U.S.P.Q.2d 1707, 1708 (T.T.A.B. 1994) (denying request to suspend for non-dispositive motion).

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Opposer's Opposition to Applicant's Motion to Strike Opposer's Pretrial Disclosures, including the supporting Declaration of Eric J. Shimanoff, Esq. and the exhibits thereto, was mailed on October 9, 2015 via First Class Mail, postage prepaid, to counsel for Applicant at the address below, with a courtesy copy sent via email to davidyanlawfirm@yahoo.com:

David Yan, Esq.
Law Offices of David Yan
136-20 38th Avenue, Suite 11E
Flushing, New York 11354-4232

Dated: New York, New York
October 9, 2015

/Eric J. Shimanoff/
Eric J. Shimanoff

5. This postage stamp on the envelope enclosing the service copy of Opposer's pretrial disclosures, shown in Exhibit B to Applicant's motion, was made by a Pitney Bowles postage evidencing system owned and operated by my firm.

6. Attached hereto as **Exhibit A** (*see* Section 4.0, pp. 9-15) is a true and correct copy of a printout from the website of the United States Postal Service ("USPS"), showing that the Pitney Bowles postage evidencing system is fully authorized by the USPS.

7. Attached hereto as **Exhibit B** is a printout from the Pitney Bowles website explaining that the date on a postage stamp created by a Pitney Bowes postage evidencing system cannot be backdated.

8. Attached hereto as **Exhibit C** are articles detailing recent cut-backs in the USPS over the past year and how such cut-backs have delayed mail service.

9. In the instant proceedings, I have received via first class mail documents from Applicant weeks after the date indicated on the certificate of service and/or postmark on the envelope.

10. Applicant did not make any objection to Opposer's pretrial disclosures at the time he received the pretrial disclosures, at the time he received Opposer's trial deposition notices or at any time during Opposer's testimony period.

11. Applicant took testimony of his own witnesses on May 22, 2015. Pursuant to 37 CFR § 2.125 (a) and TBMP 703.01, Applicant was required to serve copies of the transcripts and exhibits on counsel for Opposer within 30 days. However, as shown in **Exhibit D** hereto, which is a true and correct copy the envelope in which the transcripts were served, Applicant did not serve these transcripts and exhibits until July 8, 2015, nearly two weeks late.

12. Applicant did not take any discovery during the instant proceedings. Nor did Applicant's attorney attend the deposition of Opposer's witness Stacey-Ann Hosang, where evidence of the use of Opposer's below mark first was introduced, despite having adequate notice and confirmation of the testimony date:



13. Applicant's counsel arrived significantly late to every other deposition during Opposer's trial period.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. EXECUTED ON OCTOBER 9, 2014 AT NEW YORK, NEW YORK.

Handwritten signature of Eric J. Shimanoff in blue ink.

ERIC J. SHIMANOFF

EXHIBIT A



[DMM TOC](#) > [600 Basic Standards for All Mailing Services](#)

604 Postage Payment Methods and Refunds

- [1.0 Stamps](#)
- [2.0 Stamped Stationery](#)
- [3.0 Precanceled Stamps](#)
- [4.0 Postage Meters and PC Postage Products \("Postage Evidencing Systems"\)](#)
- [5.0 Permit Imprint \(Indicia\)](#)
- [6.0 Payment of Postage](#)
- [7.0 Computing Postage](#)
- [8.0 Insufficient or Omitted Postage](#)
- [9.0 Exchanges and Refunds](#)
- [10.0 Revenue Deficiency](#)
- [11.0 Postage Due Weight Averaging Program](#)
- [12.0 Scan Based Payment](#)

1.0 Stamps

- 1.1 Postage Stamp Denominations
Postage stamps are available in various denominations. For information on types and denominations, see [Notice 123—Price List](#).
- 1.2 Postage Stamps Valid for Use
All postage stamps issued by the United States since 1860, unless listed in [1.3](#), are valid for postage from any point in the United States or from any other place where U.S. Mail service operates. Precanceled stamps may be used to pay regular postage and fees for extra services if the mailpiece is endorsed under the standards for the class of mail and service requested. Precanceled postage may be used only by permit holders authorized under [3.0](#). Unless excepted by standard, the total postage affixed must equal at least the postage charge for the class of the mail and, if applicable, the fee for the extra service requested. All nondenominated postage and makeup price stamps, including official mail stamps, are valid at the original prices of issue.
- 1.3 Postage Stamps Invalid for Use
The following are not valid to pay postage for U.S. domestic or U.S.-originated international mail:
 - a. Postage due, special delivery, special handling, and Certified Mail stamps.
 - b. Stamps of other countries.
 - c. United Nations stamps, unless on mail deposited at the United Nations, NY.
 - d. U.S. stamps that are mutilated or defaced; cut from stamped envelopes, aerogrammes, or stamped cards; covered or coated in such a manner that canceling or defacing marks cannot be printed onto the stamps; or overprinted with an unauthorized design, message, or other marking.

e. Nonpostage stamps, such as migratory-bird hunting and conservation stamps, U.S. saving and thrift stamps.

1.4 Imitations of Stamps

Matter bearing imitations of postage stamps, in adhesive or printed form, or private seals or stickers resembling a postage stamp in form and design, is not acceptable for mailing.

1.5 Imitations of Markings

Matter bearing decorative markings and designs, in adhesive or printed form, resembling the markings and designs of official postal services, is not accepted for mailing (see [Exhibit 1.5](#)).

Exhibit 1.5 Prohibited Imitations



1.6 Stamp Reproduction

Postmasters may not advise the public about the reproduction of foreign or domestic postage stamps. Such information is available from Stamp Development, USPS Headquarters (see [608.8.0](#) for address).

1.7 Position of Stamp on Mailpiece

Stamps must be affixed firmly in the upper right corner of the address side of the mail cover. Any stamp partly concealed by an overlapping stamp may not be counted as postage.

1.8 Reuse of Stamps

Reuse of stamps with intent to cause loss to the government or the USPS is punishable by fine and imprisonment.

1.9 Perforating Stamps

Postage stamps may be marked with perforation holes. The mark may not cover more than 1/4 square inch (1/2 inch by 1/2 inch) of the stamp, and the diameter of the holes may not exceed 1/32 inch.

1.10 Additional Standards for Forever Stamps

Forever stamps are sold for the price of the current First-Class Mail single-piece 1-ounce letter price. The postage value of each forever stamp is the current First-Class Mail single-piece 1-ounce letter price. Forever stamps may be used only on single-piece price mail.

1.11 Additional Standards for Semipostal Stamps

Semipostal stamps are subject to the following special conditions:

a. Semipostal stamps are stamps sold for a price that exceeds the postage value of the stamp. The difference between the price and postage value (also known as the "differential") less an offset for reasonable USPS costs, as determined by the USPS, is contributed to a specific cause. Semipostal stamps are offered for sale for a limited time as provided by law or by the USPS.

b. The following semipostal stamps are available for sale:

1. The Breast Cancer Research semipostal stamp. The difference between the purchase price and the First-Class Mail single-piece first-ounce letter price in effect at the time of purchase constitutes a contribution to breast cancer research and cannot be used to pay postage. Funds (net of reasonable USPS costs) from the sale of the Breast Cancer Research semipostal stamp are transferred to the Department of Defense and the National Institutes of Health.
 2. The Save Vanishing Species™ semipostal stamp. The difference between the purchase price and the First-Class Mail single-piece first-ounce letter price in effect at the time of purchase constitutes a contribution to the Multinational Species Conservation Funds. Funds (net of reasonable USPS costs) from the sale of the Save Vanishing Species semipostal stamps are transferred to the United States Fish and Wildlife Service.
- c. The postage value of each semipostal stamp is the First-Class Mail single-piece first-ounce letter price in effect at the time of purchase. Additional postage must be affixed to pieces weighing in excess of 1 ounce, pieces subject to the nonmachinable surcharge, or pieces for which extra services have been requested. The postage value of semipostal stamps purchased before any subsequent change in the First-Class Mail single-piece first-ounce letter price is unaffected by any subsequent change in that price. The purchase price is listed in [1.1](#).

1.12 Paying for Stamps

Payment may be made in U.S. currency. Foreign or mutilated money is not acceptable. The USPS may require payment of the exact amount of the purchase. Checks are acceptable subject to USPS check-acceptance policy and the assessment of charges to the customer for an uncollectible check returned by the bank. The customer must use a money order or certified check if the amount due is sent by mail.

1.13 Seals and Stickers

The nonaddress side of mail may have seals or stickers, if they do not imitate postage stamps and do not have words, numerals, or other markings indicating a value.

[Back to Top](#)

2.0 Stamped Stationery

2.1 Plain Stamped Envelope

2.1.1 Fee

Fee is in addition to the postage value preprinted on the envelope. See [Notice 123—Price List](#).

2.1.2 Availability

Plain stamped envelopes are available at all Post Offices. Only sizes 6-3/4 and 10 envelopes are sold in less than full box lots (a full box contains 500 envelopes).

2.1.3 Envelope Dimensions

Envelope dimensions, which can vary 1/16 inch, are as follows:

- a. Size 6-3/4: 3-5/8 by 6-1/2 inches.
- b. Size 10: 4-1/8 by 9-1/2 inches.
- c. Intermediate sizes (between 6-3/4 and 10, as determined by surface area in square inches) are not less than 6-1/2 or more than 9-1/2 inches long, not less than 3-5/8 or more than 5 inches high, have a surface area of not more than 39 square inches, and have an aspect ratio (length divided by height) not less than 1.3 or more than 2.5.

2.1.4 Window Sizes

Window envelopes are available with these window sizes:

- a. The standard window is 1-1/8 inches high and 4-3/4 inches wide, and is placed 5/8 inch from the bottom edge of the envelope.
- b. In size 6-3/4 envelopes, the window is 7/8 inch from the left edge; in size 10 envelopes, 1 inch from the left edge.
- c. On double window envelopes, the second window (designed for a return address) is 1/2 inch from the top and left edges, and measures 3/4 inch high and 2-1/2 inches wide.
- d. Other window sizes and locations can be produced, if the window size is not more than 1-1/2 inches high and 5 inches wide, and the window is not less than 3/8 inch from any envelope edge. Windows must allow compliance with general USPS addressing guidelines.

2.1.5 Imprinting

Stamped envelopes may be privately imprinted in any style, if at least 3-1/2 inches of clear space remains at the right end of the address side.

2.2 Personalized Stamped Envelopes

2.2.1 Fee

Fee is in addition to the postage value preprinted on the envelope. See [Notice 123—Price List](#).

2.2.2 Availability

Personalized envelopes (stamped envelopes imprinted with a return address) are available by mail order only. Customers mail Form 3203, with the full payment (by check or money order) for the envelopes ordered, to Stamp Fulfillment Services (see [608.8.0](#) for address).

2.2.3 Printing Specifications

All printing on personalized envelopes is subject to these specifications:

- a. Any line of printing is limited to 47 characters and spaces.
- b. The total number of lines is limited to seven.
- c. The last two lines of printing must be reserved for the street address or Post Office box number where mail is to be delivered, and the city, state, and ZIP Code.
- d. Stamp Development, USPS Headquarters, must approve any printing not permitted under [2.2.4](#) through [2.2.6](#). Requests for nonstandard printing are considered on orders of one million or more identical envelopes. Stamp Development's decision is final.
- e. Each envelope must bear a return address printed in uppercase and lowercase letters, with flush left margin, using 8-point Helvetica type. The firm name or main lines are in bold type.

2.2.4 Printed Return Address Standards

The printed return address must include the local address that includes a street address; a Post Office box number; a rural route and box number; a building name, room number, and street address; or both a street address and Post Office box number; and the name of the Post Office or branch Post Office, state, and either the ZIP+4 or the 5-digit ZIP Code. The ZIP Code must be correct for the address on the line immediately preceding the city and state. The postmaster determines whether the address is adequate to ensure return of undeliverable mail.

2.2.5 Printed Return Address Options

The printed return address may include:

- a. The name and title of an individual, or the name of a firm, corporation, institution, association, or society.
- b. Descriptive words that represent business or professional names.
- c. The branch or department name of a business if necessary to ensure return of undeliverable mail.
- d. The telephone number of an individual or group if printed immediately

preceding the local address.

- e. A brief advertising statement or descriptive phrase following the name or on up to two separate lines. Indecent matter may not appear on wrappers or envelopes (18 USC 1463).

2.2.6 Optional Information

The following endorsements and instructions printed in at least 8-point type may be included as part of the return address:

- a. Any ancillary service endorsement under [507.1.1](#) through [507.1.9](#) that requests address correction, forwarding, or return appropriate for the intended class of mail (e.g., "Address Service Requested"). The endorsement must appear directly below the return address, separated with a minimum clear space of 1/4 inch.
- b. Any sender instruction that specifies a period for holding mail, not fewer than 3 and not more than 30 days. The instruction must appear directly above the return address.

2.2.7 Premium Options

Personalized stamped envelopes may be ordered with the following premium options:

- a. Pressure-sensitive sealing.
- b. 10-point or 12-point font size.
- c. Script or Times New Roman font style.
- d. Blue, red, or green font color.

2.2.8 Rejected Envelopes

A customer may reject personalized envelope orders for defective manufacture or mistakes in printing, denomination, size, etc.:

- a. If the purchaser's error, only the value of the postage is refunded. Such a refund may be made at a Post Office or by returning the envelopes to Stamp Fulfillment Services (see [608.8.0](#) for address). If the customer wants the envelopes replaced instead, the customer must pay the difference between the full selling price of the envelopes and the postage value. The customer must include an explanation for rejecting the envelopes in a request for replacement or refund.
- b. If an error is made by the USPS, Stamp Fulfillment Services refunds the total cost of the envelopes. The envelopes must be returned to Stamp Fulfillment Services (see [608.8.0](#) for address) with an explanation of the error. Only the customer whose name is in the return address, or the customer's representative, may submit rejected personalized envelopes for a refund. Rather than seeking a refund, the customer may request that the envelopes be replaced.

2.3 Other Stationery

2.3.1 Stamped Cards

2.3.2 Fee for Stamped Cards

Fee is in addition to the postage value preprinted on the card. See [Notice 123—Price List](#).

2.3.3 Validity of Postal Stationery

All stamped envelopes, stamped cards (formerly called "postal cards"), and aerogrammes issued by the United States since 1873 are valid for postage from any point in the United States or from any other place where U.S. domestic mail service operates, under the same conditions as for postage stamps in [1.0](#).

2.3.4 Printing Specifications

The printing specifications for personalized stamped envelopes also apply to stamped postcards (see [2.2.3](#)).

2.4 Stamp Fulfillment Service

2.4.1 Description

Stamp Fulfillment Services provides the fulfillment of stamp orders placed by

customers via mail, phone, fax, or online to the Stamp Fulfillment Services organization. Stamp Fulfillment Services charges shipping and handling fees associated with fulfilling stamp orders. The fees vary depending on the dollar amount of the order. All prices and fees are listed on [Notice 123—Price List](#).

[Back to Top](#)

3.0 Precanceled Stamps

3.1 General Information

3.1.1 Definition

Precanceling is the cancellation of adhesive postage, stamped envelopes, or stamped cards before mailing. Precanceling may be done by the mailer under a postal permit, or mailers may purchase precanceled stamps bearing a price category from the USPS.

3.1.2 Use of Precanceled Stamps

Precanceled postage is an optional postage payment method for mailings at Presorted and automation First-Class Mail prices and at all Standard Mail prices.

3.1.3 Prohibited Use of Precanceled Stamps

Precanceled postage stamps may not be used on any reusable mailing containers, such as boxes, cases, or bags.

3.1.4 Documentation

Unless excepted by standard, a precanceled stamp mailing must be accompanied by documentation subject to the standards for documentation for each class of mail if the mailing contains nonidentical-weight pieces or pieces without the full postage at the applicable price.

3.1.5 Amount of Postage

The value of precanceled stamps affixed to each piece in a mailing must be either the exact amount due or the exact monetary value of the USPS precanceled stamp appropriate to the price category of the mailpiece. Unless permitted by other standards or Business Mailer Support authorization, the same monetary value of stamp(s) must be affixed to every piece in the mailing. Refunds for overpayment must meet the standards in [9.0](#).

3.1.6 Depositing Precanceled Stamp Mailings

Mail bearing precanceled postage must be presented to the Post Office where the permit is held, at the times and places designated by the postmaster. Mail bearing precanceled postage must not be deposited in street collection boxes.

3.1.7 Combining Precanceled Stamps With Other Postage Payment Methods

Precanceled mail may be combined in a mailing with mail paid with other means only if authorized by the USPS.

3.1.8 Return Address

Except for mailpieces otherwise requiring a return address under [602.1.5.3](#), Standard Mail pieces, 13 ounces or less and bearing stamps precanceled with a mailer's postmark, are not required to include a return address. All other mailpieces bearing precanceled stamps must have a complete domestic return address. Mailpieces bearing precanceled stamps and any return addresses outside the Post Office of mailing must meet one of the following standards:

- a. At the time of mailing, the mailer must submit a duplicate of the postage statement and a sample mailpiece, enclosed in a stamped envelope and addressed to the postmaster at the Post Office of the return address.
- b. The mailer must put a cancellation endorsement to the left of the postage showing the city, two-letter state abbreviation, and ZIP Code of the office of mailing.

- c. The mailer must use the cancellation endorsement "Mailed From ZIP Code" followed by the 5-digit ZIP Code assigned to the postmaster at the office of mailing.

3.1.9 Markings and Endorsements

Whether the mailer or the USPS precanceled the stamps, each mailpiece with precanceled postage must bear markings and endorsements required for the price claimed or services requested.

3.2 Permit to Use Precanceled Stamps

3.2.1 Authorization to Use Precanceled Stamps

A mailer who wants to use USPS-precanceled stamps and stamped envelopes must complete Form 3615 and file it at the Post Office where mailings are to be deposited. If an applicant has a completed Form 3615 on file for other services, precanceled authorization is annotated on the existing application. There is no fee for this permit.

3.2.2 Revocation of Precanceled Stamp Permit

A permit may be revoked if used in operating any unlawful scheme or enterprise, or for buying or acquiring stamps or mailer's precancel postmarks for other than mailing, or for failing to comply with the format requirement or instructions on Form 3615. The permit holder has 10 days to file a written statement showing why the permit should not be revoked. The manager, customer service support (district), issues the decision on such appeals.

3.3 USPS Precanceled Stamps

USPS precanceled stamps are preprinted with a price category as the precancellation method. The following also applies:

- a. Unless used to pay single-piece postage under [3.3d](#), or to pay postage under [3.5](#) or [3.6](#), or permitted by other standards or Business Mailer Support authorization, only one USPS precanceled stamp may be affixed to each piece in a mailing.
- b. Mailpieces bearing a USPS precanceled stamp must include the return address.
- c. If the return address is not within the delivery area of the Post Office of mailing, the mailer must place a cancellation endorsement on the piece or provide mailing information to the Post Office shown in the return address.
- d. USPS precanceled stamps may be used to pay single-piece postage if the piece bearing the stamps has the correct marking (e.g., "First-Class Mail") immediately under the postage.

3.4 Precancellation of Stamps by Mailer

3.4.1 Definition of Stamps Precanceled by Mailer

A mailer meeting the standards in [3.4](#) may precancel adhesive stamps, stamped cards, and stamped envelopes with a mailer's precancel postmark. Mailers authorized under [3.4](#) may precancel one or more postage stamps provided the total of the postage on the mailpiece equals the exact monetary value of the corresponding USPS precanceled stamp appropriate to the price category of the mailpiece. Stamped cards are precanceled at the time of printing and do not require a mailer's precancel postmark.

3.4.2 Authorization to Precancel Stamps

A mailer must request authorization to preprint price markings on precanceled stamps or to use a precancel postmark on adhesive stamps, stamped cards, and stamped envelopes. The applicant must submit a specimen mailpiece showing the preprinting method or proposed precancel postmark. If more than one preprinted marking is prepared or more than one format is used, a specimen for each must be submitted. Form 3615 must be endorsed "Preprinting of Price Markings," or "Mailer's Precancel Postmark," or both, as appropriate. The application and format samples must be submitted to the postmaster of the office where the precanceled mailings are to be deposited for approval by the district Business Mail Entry manager. If the application and samples are approved, the applicant receives written notice of approval from

the postmaster and a unique permit number assigned by the postmaster.

3.4.3 Authorization Conditions

Mailer precancellation is authorized only for the specimen mailpieces submitted and approved. After that, a specimen must be submitted and approved for each new precancel postmark format or preprinted marking to be used.

3.4.4 Denial of Authorization to Precancel Stamps

If the application and format samples are not approved by the district Business Mail Entry manager, the applicant receives written notice from the postmaster stating the reasons for the denial and the applicant's appeal rights. The applicant may file a written appeal with the Pricing and Classification Service Center (PCSC). (See [608.8.4](#).)

3.4.5 Revocation of Authorization to Precancel Stamps

A permit may be revoked for operating any unlawful scheme or enterprise, for buying or acquiring stamps for other than mailing, or for failing to comply with the required format standards. Within 10 days of receipt of the revocation notice, the permit holder may file a written appeal with the PCSC. (See [608.8.4](#).) The PCSC issues the final agency decision.

3.4.6 Design and Content of Mailer's Postmark

The mailer's precancel postmark must contain specific elements:

- a. The mailing date (day, month, and year) if used on First-Class Mail; the month and year of mailing may be shown on Standard Mail.
- b. The words "Mailer's Postmark" followed by the permit number and enough lines to deface (cancel) the postage.
- c. Either the city, state, and 5-digit ZIP Code of the Post Office where the precancel permit is held and the mailing is to be deposited, or the words "Mailed From ZIP Code" followed by the 5-digit ZIP Code of the mailing office. (If that Post Office is assigned more than one 5-digit ZIP Code, the precancel postmark must show the 5-digit ZIP Code assigned to the postmaster.)

3.4.7 Price Marking

The precancel postmark may include the words or authorized abbreviations of the price marking required for the price claimed. Alternatively, if authorized under [3.4.2](#), the mailer may preprint price markings required by other standards on adhesive stamps to be used for mailings at the corresponding prices. Such preprinted markings must be in uppercase letters of at least 6-point type, printed in black indelible ink on the stamp where optimum contrast is possible. A preprinted price marking applied by the mailer, by itself or with a precancel postmark, must not obscure other printing on the stamp that is part of the USPS design (e.g., "USA").

3.4.8 Cancellation of Stamps

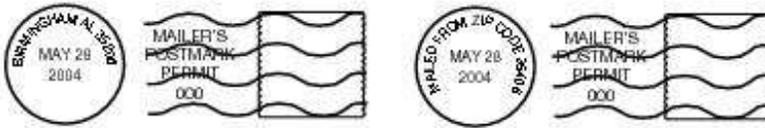
Black ink must be used for cancellation. It must provide enough indelibility and contrast to prevent reuse of the stamps. The precancel permit number must not be obscured by the cancellation.

3.4.9 Required Format

A mailer must use one of the Format A designs in [Exhibit 3.4.9](#). Format B may be used only by a mailer previously authorized to do so and who has the necessary die. The only permissible alternative or modification to any format is the addition of a price marking permitted by [3.4.7](#).

Exhibit 3.4.9 Format for Mailer's Precancel Postmarks

Format A



Format B



3.5 Stamp Collectors

Subject to USPS policy in [608.4.0](#), precanceled postage may be bought for philatelic purposes as well as postage payment. A stamp collector may mail matter bearing precanceled postage if the collector has a permit to use precanceled postage at the Post Office where the mail is presented. Creating philatelic oddities or precanceling issues or denominations that would not otherwise see legitimate mail use is not permitted. Mail orders must include a stamped, self-addressed envelope.

3.6 Using High Value Stamps

If precanceled postage on a single piece is more than \$1.00, the precanceled stamps must be overprinted or handstamped in black ink with the mailer's initials and the numerical abbreviations of the month and year for use (e.g., "A. B. Co. 9-78"). These stamps are acceptable on mail during the month shown and through the 10th of the following month.

[Back to Top](#)

4.0 Postage Meters and PC Postage Products ("Postage Evidencing Systems")

4.1 Basic Information

4.1.1 Definitions

[\[9-14-15\]](#) Postage meters and PC Postage products are collectively identified as "postage evidencing systems." A postage evidencing system is a device or system of components a customer uses to print evidence that postage required for mailing has been paid. Postage evidencing systems print indicia such as information-based indicia (IBI) or intelligent mail indicia (IMI), to indicate postage payment. Customers print indicia directly on a mailpiece or on a label that is affixed to a mailpiece. Customers must place indicia in the upper-right corner of the mailpiece or label, according to [4.3.3](#). When used to apply postage to commercial mailings, the postage evidencing system indicia must bear the numerical value of postage.

4.1.2 Product Categories

[\[9-14-15\]](#) Product categories include postage meters and PC Postage products. The primary characteristics of postage meters and PC Postage products are described below.

- a. Postage meters are devices that allow download, storage, and accounting of postage in the device. Meters print indicia that may be IBI or IMI, to indicate postage payment and are digitally generated indicia that include a two-dimensional barcode. IBI are digitally generated indicia that include a two-dimensional barcode. Postage meters are available only through authorized providers. Meters may only be leased or rented and may not be sold or resold. Some components of metering systems may be purchased

as authorized by the USPS.

- b. PC Postage products allow customers to purchase and print postage with IBI or IMI indicia directly onto mailpieces, shipping labels, and USPS-approved customized labels.
- c. USPS-approved commercial providers offer PC Postage products for customers through subscription service agreements.

4.1.3 Authorized Meter Providers

The following providers are authorized:

DATA-PAC MAILING SYSTEMS CORP
1217 BAY RD
WEBSTER NY 14580-1958
800-355-1755
www.data-pac.com

FP MAILING SOLUTIONS
140 N MITCHELL CT STE 200
ADDISON IL 60101-5629
800-341-6052
www.fpusa.net

NEOPOST INC
478 WHEELERS FARMS RD
MILFORD CT 06461
800-624-7892
www.neopostinc.com

PITNEY BOWES INC
1 ELMCROFT RD
STAMFORD CT 06926-0700
800-322-8000
www.pitneybowes.com

4.1.4 Authorized PC Postage Providers

The following providers are authorized:

ENDICIA.COM
385 SHERMAN AVE
PALO ALTO CA 94306-1864
800-576-3279 x140
www.endicia.com

PITNEY BOWES INC
1 ELMCROFT RD
STAMFORD CT 06926-0700
800-322-8000
www.pitneybowes.com

STAMPS.COM
1990 E. GRAND AVE
EL SEGUNDO CA 90245-5013
888-434-0055
www.stamps.com

4.1.5 Authorized Classes of Mail

[9-14-15] Customers may use postage evidencing systems to affix or apply indicia on any class of mail except Periodicals and Bound Printed Matter and as follows:

- a. Metered indicia may not be used for First-Class Package Service

commercial plus parcels.

- b. PC Postage products may be used for Standard Post only by USPS-Approved Shippers.

4.2 Authorization to Use Postage Evidencing Systems

4.2.1 Customer Agreement

[9-14-15] Customers must enter into an agreement with the USPS for authorization to use postage evidencing systems. By entering into the agreement, the customer accepts responsibility for control and use of the system and agrees to abide by all rules and regulations governing its use. The following conditions apply to these agreements.

- a. Customers enter into an agreement with the USPS (e.g., via electronic click-through or contract signature) in conjunction with executing a separate agreement with the provider for rental, lease, or use of a postage evidencing system. Actual implementation of the agreement with the USPS varies by product category and provider and is typically facilitated by the provider on behalf of the USPS. Postage evidencing systems are rented or leased. They may not be purchased, sold, or resold.
- b. A meter lease or rental agreement with an authorized provider is required for postage meter use. Registration with an authorized provider is required for PC Postage system use.
- c. The customer must provide updated address information to the provider in the event of relocation.
- d. The customer agrees to make the postage meter available for provider or USPS examination upon request.
- e. The customer agrees to promptly report a defective meter, or loss or theft of a meter, to the provider.

4.2.2 Authorized Possession

[9-14-15] Only authorized customers may possess or use postage evidencing systems. Customers must surrender postage evidencing systems to the provider or its agent as follows:

- a. Upon termination of the lease or rental agreement.
- b. Upon device malfunction.
- c. Upon a 30-day notice by the USPS in writing.

4.2.3 Use Outside the United States

[9-14-15] The manager of Payment Technology (see [608.8.0](#)) must give specific approval to the provider before a provider may place or operate a postage evidencing system for use outside the customs territory of the United States.

4.2.4 Denial of Use

[9-14-15] The customer authorized to use a postage evidencing system may be denied use when the customer:

- a. Fails to comply with mailing standards.
- b. Submits false or incomplete information.
- c. Enters mailpieces for which there is a postage discrepancy into the mailstream.

4.2.5 Surrender of Postage Evidencing System

[9-14-15] If authorization to use a Postage Evidencing System is denied, the customer must surrender the systems, upon request, to the service provider, or USPS authorized agent.

4.3 Postage Payment

4.3.1 Paying for Postage

[9-14-15] The numerical value of the postage displayed on each mailpiece must be equal to or greater than the amount due for the applicable price and any extra service fees, or another amount permitted by mailing standards. Authorized USPS payment options vary by provider and product category.

4.3.2 Legibility of Postage

[9-14-15] Postage indicia must be legible (readable by mail processing equipment) and meet the reflectance measurements in 708.4.4. Illegible or unreadable (unscannable) indicia are not acceptable as payment of postage.

4.3.3 Placement of Postage

[9-14-15] Customers must print or apply indicia in the upper-right corner of the envelope or, if postage is printed on an address label, the upper-right corner of that label. When placing indicia on mailpieces, position indicia at least 1/4 inch from the right edge of the mailpiece and 1/4 inch from the top edge of the mailpiece and as follows:

- a. Position indicia within the required boundaries. The boundaries of indicia are defined by the right edge of the envelope, the top edge of the envelope, and the bottom edge and the left edge of any USPS-required indicium element printed by the postage evidencing system.
- b. Maintain the required 1/2-inch clear zone to the left of and below all elements of the indicium, within which nothing must be printed or placed, except as follows:
 1. Indicia containing images obtained from a USPS-approved licensed vendor of customized PC Postage.
 2. For letterpress indicia only, advertising material may be printed with the indicia within space limitations. These advertising messages and slogans are known as "ad plates." Customers must obtain the ad plates from their authorized postage meter provider. Ad plate messages must be distinguished by the inclusion of the name of the mailer or words such as "Mailer's Message."
- c. For postage evidencing systems that print digital indicia, an approved indicium must include within its boundaries only postal markings and text required or recommended by the USPS, except that the indicium may identify the provider. Other material may be printed only outside the boundaries of the clear zone identified in 4.3.3b.
- d. Any additional material printed by a postage evidencing system under 4.3.3b and 4.3.3c must comply with the following requirements:
 1. The material must be consistent with the Postal Service's intent to maintain neutrality on religious, social, political, legal, moral, or other public issues.
 2. The material must not be obscene, deceptive, or defamatory of any person, entity, or group and must not advocate unlawful action.
 3. The material must not emulate any form of valid postage, government, or other official indicia or payment of postage.
 4. The material must not harm the public image, reputation, or goodwill of the Postal Service and must not be otherwise derogatory or detrimental to the Postal Service's interest.
- e. Do not allow the indicia to infringe on the areas reserved for the FIM, POSTNET barcode, or optical character reader (OCR) clear zone.
- f. Orient indicia with the longest dimension parallel to the address.
- g. Single-piece, First-Class Mail letters must contain a mechanism so that the Postal Service can face the mailpiece during automated processing. Acceptable methods for a mailpiece produced by a postage meter or PC Postage system include:
 1. Printing postage meter indicia with fluorescent ink approved by the Postal Service. To determine if an ink has been approved by the Postal Service, send written requests to the Manager, Payment Technology (see 608.8.1 for address).
 2. Printing a postage meter or PC Postage indicia directly on a label containing fluorescence that has been approved by the Postal Service. To determine if a label has been approved by the Postal Service, send

written requests to the Manager, PaymentTechnology.

3. Printing a FIM D with the indicia or applying the indicia to an envelope containing a preprinted FIM. Position the FIM according to standards in [708.9.0](#).
- h. When placing multiple indicia on an envelope (e.g., for redate or postage correction) the indicia must not overlap each other. Overlapping indicia are not acceptable as payment of postage.

4.3.4 Postal Markings

[9-14-15] Indicia are comprised of human-readable information. Information-based indicia (IBI) and intelligent mail indicia (IMI) also contain machine-readable information that identifies the postage evidencing system, postage payment information, and mail service requested. There are particular data sets associated with different types of indicia, depending on the product and the type of mailing. Indicia may include postal markings related to the class of mail and presort level and an ancillary service endorsement. All words must be legible and in bold capital letters at least 1/4 inch high or 18-point type. See [202.3.0](#) for standards on markings and [202.4.0](#) for placing ancillary service endorsements on letter-size mailpieces, flat-size mailpieces, and parcels.

4.3.5 Refund Procedures

Refund procedures for unused printed postage, postage purchased but not printed, and postage lost due to postage evidencing system failure varies by product category. See [9.0](#) for refund procedures.

4.4 Postage Discrepancies

4.4.1 Definitions

[9-14-15] Mailpieces with a postage discrepancy are those for which the total postage and fees affixed are not equal to the postage required for the applicable price and any extra services fees as determined by current, at the time of mailing, Postal Service prices. Postage discrepancies include no postage paid, or the use of counterfeited, replicated, duplicated, falsified, otherwise modified postage or postage with zero value.

4.4.2 Detection Process for Postage Discrepancies

[9-14-15] For mailpieces with shortpaid or unpaid postage found in the mailstream, both manual and automated processes are used to detect and verify the discrepancy. Comparisons of the piece characteristics captured within the mail processing network will be matched against the characteristics affirmed by the customer to identify where a potential postage discrepancy exists.

4.4.3 Handling of Mailpieces with IBI Postage Revenue Deficiencies

[9-14-15] For mailpieces with a detected postage discrepancy when postage is due, corrective measures may include one of the following:

- a. A payment adjustment from the customer, facilitated by the PES provider in the amount equivalent to the postage due, described in [4.4.4](#).
- b. Returning the mailpiece to the sender.
- c. Delivering the mailpiece to the addressee and collecting the deficiency as postage due.
- d. If identified at the time of induction, collecting the postage due from the customer at the retail location.

4.4.4 Notification of Payment Adjustments for Postage Discrepancies and Suspension

[9-14-15] PC Postage customer discrepancies may be resolved via an automated payment adjustment from the customer when possible which will be reflected in the customer's account by the PES provider. If an adjustment for the entire postage discrepancy amount is not possible, the customer will be notified by the PES provider to provide funds to resolve the discrepancy within 14 calendar days, or 10 business days if by electronic means, from the date of the notification. The PES provider may be notified to temporarily suspend the

customer's ability to print PC Postage under the following circumstances:

- a. After the 14- or 10-day notification payment period has ended and the customer has not paid the postage due.
- b. When an electronic notification to the customer is undeliverable.
- c. Following notification, the customer's cumulative revenue deficiency increases during the 14- or 10-day period due to additional mailpieces being identified as shortpaid or unpaid.
- d. Suspensions may be reversed and the ability to print PC Postage may be reactivated once the postage discrepancy resulting in the suspension is resolved, or the Manager of Payment Technology provides written approval based on exceptional circumstances.

4.4.5 PC Postage Discrepancies Dispute Process

[9-14-15] Customers wishing to dispute postage discrepancies must do so electronically through the PES provider within 60 calendar days of either 1) the reflection in the customer's account of the automated payment adjustment by the PES provider; or 2) the notification by the PES provider to make funding available to resolve identified discrepancies, whichever is applicable. Customers must substantiate that the postage affixed was valid and sufficient for the postage and applicable fees owed. An electronic notification will be sent to the customer of the decision to uphold or deny the dispute along with a brief rationale. The USPS reserves the authority to make the final decision on all disputes.

4.5 Special Indicia

4.5.1 Date and Postage Corrections

Mailers may print a date correction or additional postage indicium directly on the mailpiece or on a USPS-approved label under the following conditions.

- a. A date correction indicium is required for any mailpiece not deposited by the date of mailing in the indicium. Only one date correction indicium is permitted on a mailpiece. For all postage evidencing systems except PC Postage systems, a date correction must show the actual date of deposit and zero postage value ("0.00"). Place the date correction as follows:
 1. On letter-size mail, place the date correction on the nonaddress side in the upper right corner or on the address side in the lower left corner.
 2. On flat-size mail or parcels, place the date correction next to the original indicium, except when applied by an ink jet printer on barcoded flats.
- b. Indicia for additional postage on shortpaid mailpieces must equal the total amount of required postage.

4.5.2 Reply Postage

[5-31-15] Mailers may use indicia generated by any postage evidencing system to prepay reply postage as provided under [505.2.0](#).

4.6 Mailings

4.6.1 Mailing Date Format

The mailing date in meter indicia must meet the format standards in this section. The year must be represented by all four digits or by the last two digits. Mailers may print the indicia directly onto mailpieces or onto separate labels or tape affixed to mailpieces. The mailing date format used in the indicia is also subject to the following conditions.

- a. Complete Date. Mailers must use a complete date for the following:
 1. All Priority Mail Express, Priority Mail, First-Class Mail, and First-Class Package Service pieces.
 2. All mailpieces with Insured Mail, COD, or Special Handling service.
 3. All mailpieces prepared with the indicia printed on nonadhesive paper (e.g., computer printer paper) and affixed to the mailpiece or used as part of an insert in a window envelope.

- b. Month and Year. Mailers may use a complete date or a mailing date consisting solely of the month and year in the indicia only for Standard Mail and Package Services pieces.
- c. No Date. Mailers must use indicia with no mailing date for prepaid metered reply postage. As an option, mailers may use indicia with no mailing date for Standard Mail and Package Services pieces not subject to [4.6.2a](#).

4.6.2 Mailing Date Accuracy and Mailing Periods

The date or period when mailers may deposit or present metered mail for mailing is controlled by the mailing date in the indicia under the following conditions.

- a. Complete Date. Mailpieces bearing a complete date in the indicia must be deposited or presented on that date, except that pieces entered after the day's last scheduled collection from the Post Office or collection box may bear the actual date of entry or the date of the next scheduled collection from the Post Office or collection box. When authorized by USPS, presort mail accepted after midnight may bear the previous day's date. If the mailer knows that the mail is not to be deposited or presented on the date in the indicia, the mailer must use a date correction indicium under [4.5.1](#).
- b. Month and Year. Mailpieces bearing only the month and year in the indicia may be deposited or presented for mailing on any day during the month shown in the indicia and through the third day of the following month.
- c. No Date. Mailpieces bearing no date in the indicia may be deposited or presented for mailing on any date.

4.6.3 Deposit of Mail

Mailers must deposit or enter mailpieces with metered or PC Postage indicia according to the following conditions.

- a. Mailers may deposit Priority Mail Express, Flat Rate Priority Mail, Priority Mail weighing one pound or less, single-piece price First-Class Mail, single-piece price Media Mail, and single-piece price Library Mail items with a metered or PC Postage indicia at any postal facility, preferably within the area of the customer's local Post Office. Mailers may also deposit zone-priced Priority Mail pieces at any postal facility, provided the postage affixed to each mailpiece is calculated to include the amount due as specified in [4.3.1](#), taking into account the weight, shape, and the zone from the ZIP Code of the office where the mailpiece is deposited to the ZIP Code of the destination address.
- b. Mailers must deposit all mail not specified in [4.6.3a](#) as follows:
 1. At a postal facility within the ZIP Code shown in the indicia.
 2. For Presort price mail, at the authorized mailing office if not at a facility within the ZIP Code shown in the indicia.
- c. Mailers also may dropship metered mail according to standards in [705.19.0](#).

- 4.7 Authorization to Produce and Distribute Postage Evidencing Systems Title 39, Code of Federal Regulations, part 501, contains information concerning authorization to produce and distribute postage evidencing systems. Additional information may be obtained from the manager, Payment Technology (see [608.8.1](#) for address).

[Back to Top](#)

5.0 Permit Imprint (Indicia)

5.1 General Standards

5.1.1 Definition

A mailer may be authorized to mail material without affixing postage when payment is made at the time of mailing from a permit imprint advance deposit

account established with USPS. This payment method may be used for postage and extra service fees for Priority Mail Express (“eVS” only), Priority Mail, First-Class Mail, First-Class Package Service, Standard Mail, Package Services, and Parcel Select mailpieces. This method is not available for Periodicals. A picture permit imprint indicia (5.4) may not be used on reply mail pieces.

5.1.2 Minimum Volume

Permit imprint mailings must contain at least 200 pieces or 50 pounds of mail, except:

- a. Other higher minimum quantities may apply, depending on the price claimed.
- b. An occasional First-Class Mail mailing may contain fewer than 200 pieces if from a mailer whose total daily mailings are not much more than 200 pieces but who, to cooperate with the Post Office, presents a part of that mail early in the day.
- c. A mailing may contain fewer than 200 pieces if it is the completion of a large mailing extending over 2 or more consecutive days and the mailer includes an explanation on the accompanying postage statement.
- d. Single-piece price mailings submitted either, under the terms of an approved manifest mailing system agreement with a minimum volume reduction provision, or when using electronic documentation, including piece-level barcode information, for First-Class Mail letters as authorized by Business Mailer’s Support (see [608.8.0](#) for address).
- e. Bound Printed Matter nonpresorted, non-discounted mailings.
- f. Parcel Select Nonpresort mailings made under [253.4.3](#).
- g. A mailing containing 50 pieces or 50 pounds of nonpresorted single-piece domestic mail parcels submitted under the terms of an approved Manifest Mailing System (including eVS) agreement under [705.2.0](#). Mailers may include any combination of the following products under this provision: Priority Mail Express (eVS only), Priority Mail, First-Class Package Service parcels, First-Class Mail parcels, nonpresorted Bound Printed Matter parcels, Parcel Select Nonpresort parcels, and single-piece Media Mail and Library Mail parcels. Parcels in USPS-provided packaging, including Flat Rate Envelopes and Boxes, may be included.*

5.1.3 Use of Permit Imprint

Each mailpiece sent under this payment method must bear a permit imprint indicia showing that postage is paid. Permit imprint indicia may be printed directly on mailpieces, on labels (including address labels) permanently affixed to mailpieces, or on mailpiece wrappers, envelopes, and other containers. Except where the enclosure is prohibited by other standards, matter bearing a permit imprint indicia may be mailed as an enclosure when postage for the enclosure or the host matter is not paid with the enclosed permit imprint, and the enclosed permit imprint indicia is not visible when the matter is mailed.

5.1.4 Permit and Fees

A mailer may obtain a permit to use a permit imprint indicia by submitting Form 3615 and paying the applicable fees to the Post Office where mailings are made, or online under the terms and conditions in the Business Customer Gateway portal at <https://gateway.usps.com>. Except for mailpieces bearing picture permit imprint indicia (5.4), there are no other fees for the use of a permit imprint indicia but other fees (e.g., an annual presort mailing fee) may be due depending on the class of mail to be prepared.

5.1.5 Application Fee

Except for eVS mailers under [705.2.0](#), the application fee is required. See [Notice 123—Price List](#).

5.1.6 Payment of Permit Imprint Postage

Payment must be made for each mailing, either in cash or through an advance deposit account, before the mailing can be released for processing. Funds to pay postage must be deposited as directed by the USPS. If the funds paid or on deposit are less than that necessary to pay for a mailing, the difference must be paid or deposited before the mailing or other permit imprint mailings can be

accepted. Credit for postage is not allowed. Postage may not be paid partly in money and partly by postage stamps unless permitted by standard.

5.1.7 Preparation of Mailing

All pieces in a permit imprint mailing must be faced (positioned with all addresses in the same direction, unless counterstacked under the applicable standards) and meet the preparation standards for the price claimed. Mail claimed at a postage price that varies by zone must be separated by zone when mailed, unless otherwise authorized by the USPS.

5.1.8 Weight Standards for Permit Imprint Mailing

All pieces in a permit imprint mailing must be of identical weight unless otherwise authorized by the USPS.

5.1.9 Combining Permit Imprint Mailings With Other Payment Methods

Mailpieces paid with permit imprint may be combined in the same mailing with pieces paid with other methods only if authorized by the USPS.

5.1.10 Presenting Mailings to be Weighed

Permit imprint mailings with postage paid by advance deposit account must be presented to the USPS for weighing, unless otherwise authorized by Business Mailer Support, USPS Headquarters.

5.1.11 Depositing Permit Imprint Mailings

Mail must be deposited and accepted at the Post Office that issued the permit, at a time and place designated by the postmaster, except as otherwise provided for plant-verified drop shipments.

5.2 Suspension and Revocation

5.2.1 Suspension of Authorization

The USPS may immediately suspend the authorization to use a permit imprint if the permit holder or its agent refuses or fails to provide information in a timely manner (as specified in [604.5.3.9](#)) to the USPS about the use of its company permit.

5.2.2 Revocation of Permit

A permit may be revoked for use in operating any unlawful scheme or enterprise, if no mailings or payment of fees occurred during any consecutive 2-year period, for refusal to provide information about permit imprint use or mailings, and for noncompliance with any standard applicable to permit imprints. The permit holder may submit a written appeal to the postmaster within 10 days of receipt of the revocation notice.

5.3 Indicia Design, Placement, and Content

5.3.1 Production

Embossed or unembossed permit imprint indicia may be made by printing press, hand stamp, lithography, mimeograph, multigraph, address plate, or similar device. They may not be typewritten or hand-drawn.

5.3.2 Permit Imprint Indicia Content and Format

The content and format of a permit imprint indicia must meet the standards below. No other formats may be used.

5.3.3 Indicia Legibility and Color

The permit imprint indicia must be legible and of a color that contrasts sufficiently with the paper and the indicia's background for readability. A different color may be used to highlight the background of an indicia.

5.3.4 Indicia Placement on Mailpiece

Permit imprint indicia must read in the same direction as the delivery address on the mailpiece. The indicia may not be placed below the address or encroach on reserved space (e.g., ACS participant code, delivery point barcode). The indicia can be placed in one of these four positions:

- a. Upper right corner of the mailpiece. (Also the recommended location for

- picture permit imprint indicia).
- b. Upper right corner of the address area.
- c. Upper right area (not lower than the address area) on an affixed address label or when printed in an address block.
- d. To the right of the address on an insert appearing through a window envelope.

5.3.5 Marking Expedited Handling on Permit Imprint Mail

[5-31-15] Mailpieces bearing unofficial markings that reference directly or indirectly expedited attention, handling or delivery (e.g., “Urgent,” “Rush Delivery,” “Time Sensitive”) must meet the following conditions:

- a. The indicia must show the class of mail (e.g. “Standard” or “STD”; “Presorted Standard” or “PRSRT STD”; or “Nonprofit Organization,” “Nonprofit Org.,” or “Nonprofit” or as applicable for the class of mail as provided under [5.3.6](#) or [5.3.7](#)) more prominently than other words in the indicia.
- b. Include a clear space of at least 3/8 inch around the entire indicia.
- c. Pieces may not include markings identical to or confusingly similar to USPS trademarks (word marks or logos), trade dress, or other words, symbols, or designs used by the USPS to identify a class of mail, price of postage, or level of service, unless such markings are correctly used under the applicable standards for the mailpiece on which they appear and the corresponding postage and fees have been paid. Words, symbols or designs that are unlawful or legally actionable, or create a claim for false advertisements or contributory infringement (infringement of third party rights) are not permitted.

5.3.6 Priority Mail Express, Priority Mail, Critical Mail, First-Class Mail and First-Class Package Service Format

A permit imprint indicia on Priority Mail Express, Priority Mail, Critical Mail, First-Class Mail, or First-Class Package Service mailpieces must show “Priority Mail Express,” “Priority Mail” (or “Priority”), “Critical Mail,” “First-Class Mail,” or “First-Class Package” (or “First-Class Pkg”) as applicable; “U.S. Postage Paid”; city and state; and permit number. If the Electronic Verification System (eVS) is used under [705.2.9](#), the marking “eVS” (or the alternative “e-VS” or “E-VS”) must appear directly below the permit number. The “Priority Mail Express,” “Priority Mail” (or “Priority”), or “Critical Mail” marking may be omitted when using USPS-provided Priority Mail Express, Priority Mail, and Critical Mail envelopes and containers. The indicia may show the mailing date, amount of postage paid, or the number of ounces for which postage is paid. The ZIP Code of the permit holder may be shown directly after the state name or in a separate inscription reading “ZIP Code 00000,” when that ZIP Code does not create uncertainty about the permit holder’s correct address or permit number. Instead of printing the city and state of mailing in the indicia, the mailer may print “Mailed From ZIP Code,” followed by the 5-digit ZIP Code assigned to the postmaster of the mailing office. The indicia may also include required price markings.

5.3.7 Standard Mail, Parcel Select and Package Services Format

A Standard Mail, Parcel Select or Package Services permit imprint indicia must contain the same information required in [5.3.6](#), except that the Standard Mail, the applicable Parcel Select (Parcel Select or Parcel Select Lightweight), or the applicable Package Services (Bound Printed Matter, Media Mail or Library Mail) marking must be used instead of “First-Class Mail.” If eVS is used under [705.2.9](#), the marking “eVS” (or alternative “e-VS” or “E-VS”) must appear directly below the permit number. The indicia may include the amount of postage paid, the weight of the piece, and price markings as required. The indicia must not include the mailing date.

5.3.8 Indicating Extra Services

Mailpieces for which postage and extra services fees are paid for by permit imprint must show the applicable class of mail (“First-Class Mail,” for example); “U.S. Postage Paid” (or “U.S. Postage and Fees Paid”, at the mailer’s option); city and state; and permit number. The city, state, and permit number may be

omitted in a company permit imprint indicia, subject to [5.3.9](#).

5.3.9 Use of a Company Permit Imprint

A company permit imprint is one in which the exact name of the company or individual holding the permit is shown in the indicia in place of the city, state, and permit number. If a company permit imprint is used for eVS under [705.2.9](#), the marking “eVS” (or alternative “eVS” or “E-VS”) is placed directly below the name on a separate line. As an option for eVS mail only, “Permit No.” and the permit number used exclusively for eVS may appear on a separate line between the company name and the marking “eVS.” The following standards apply:

- a. For 1 year from the date of mailing, the permit holder or its agent must keep records for each mailing paid with a company permit imprint and make them available for USPS review on request. These records include (for each version of what was mailed, if applicable) the weight of a single piece; the total number of pieces mailed; the total postage; the date(s) and Post Office(s) of mailing; and other records required by the postage price claimed or the payment method used. A complete sample mailpiece must be included for each identical-weight mailing, or each commingled or combined version in a nonidentical-weight mailing. Sample pieces are not required for nonidentical-piece Standard Mail and Package Services machinable or irregular parcel mailings (e.g., merchandise and other fulfillment mailings).
- b. Each mailpiece must bear a complete domestic return address. The return address on official mail is subject to the corresponding standards. On unendorsed Standard Mail and Bound Printed Matter, the return address is permitted below the indicia. Except for official mail, if the return address is not the physical location at which the USPS may review the records listed in [5.3.9a](#) (i.e., where they are kept or can be made available) or is not a point of contact from which such a physical location can be readily determined, the mailer must:
 1. Include in the indicia the 5-digit ZIP Code of the physical location at which the records listed in [5.3.9a](#) are either kept or can be made available for USPS review.
 2. Provide the postmaster of that Post Office with a complete sample mailpiece (except as noted above); the date(s) and Post Office(s) of mailing; and the name and local address of the party from whom the records listed in [5.3.9a](#) may be obtained.

5.3.10 Use of a Local Permit Imprint in Other Mailing Locations

A permit imprint displaying the city, state, and permit number of a mailer's original permit may be applied to pieces in a mailing presented for verification and acceptance at another Post Office location under the following conditions:

- a. Mailers must pay all applicable fees at every acceptance location.
- b. Mailpieces must be entered as part of a full-service automation mailing (see [705.23.0](#)) within an authorized First-Class Mail or Standard Mail Mailings With Different Payment Methods Mailing System (under [705.5.0](#)).
- c. For 2 years from the date of mailing, the permit holder or its agent must keep records, including copies of postage statements and all other required documentation, for each mailing that is presented for acceptance at another mailing location, and must make these available for USPS review on request.
- d. For each mailing, the mailer must provide documentation, to the postmaster of the Post Office displayed in the permit imprint, showing the mailing date(s), the Post Office location(s) of mailing, and the name and local address of the customer from whom the records listed in [5.3.10c](#) may be obtained.

5.3.11 Indicia Formats

Unless prepared under [5.3.12](#) or [5.4](#), permit imprint indicia on mailpieces must be prepared in one of the formats in [Exhibit 5.3.11](#), as applicable to the price claimed or type of mail. (Not all permissible combinations of content elements are shown.) Specific markings may be required as applicable for the price

claimed.

Exhibit 5.3.11 Indicia Formats for Official Mail and Other Classes

Priority Mail Express Official Mail:

PRIORITY MAIL EXPRESS POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999 eVS
--

Note: For this example, when not in indicia, mail class or price must be marked on mailpiece, directly below or to the left of the indicia. The "Priority Mail Express" marking may be omitted when using USPS-provided Priority Mail Express envelopes.

First-Class Mail Official Mail:

FIRST-CLASS MAIL POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999
--

FIRST-CLASS MAIL PRESORTED POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999

FIRST-CLASS MAIL AUTO POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999
--

Note: These are only examples; not all possible variations are shown. When not in indicia, class or price must be marked on mailpiece, directly below or to the left of the indicia.

Standard Mail Official Mail:

PRSRT STD POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999

PRESORTED STANDARD POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999
--

PRSRT STD AUTO POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999

Note: "Standard" (or "STD") may also be used. These are only examples; not all possible variations are shown. When not in indicia, class or price must be marked on mailpiece, directly below or to the left of the indicia.

Package Services Official Mail:

POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999
--

MEDIA MAIL POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999
--

PRSRT BOUND PRINTED MATTER POSTAGE & FEES PAID AGENCY NAME PERMIT NO. G-999

Note: These are only examples; not all possible variations are shown. When not in indicia, class or price must be marked on mailpiece, directly below or to the left of the indicia.

Priority Mail Express:



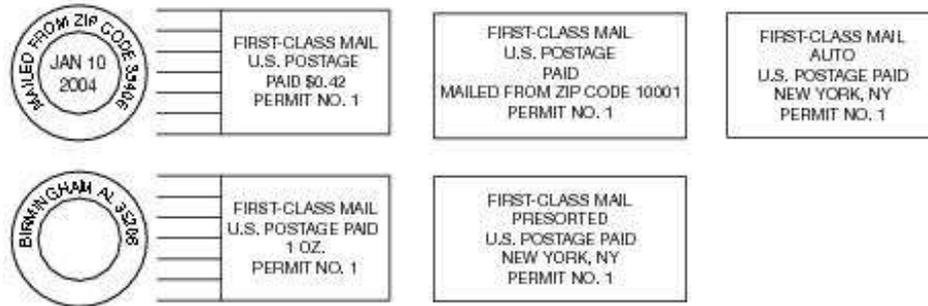
Note: For this example, when not in indicia, mail class or price must be marked on mailpiece, directly below or to the left of the indicia. The "Priority Mail Express" marking may be omitted when using USPS-provided Priority Mail Express containers.

Priority Mail:



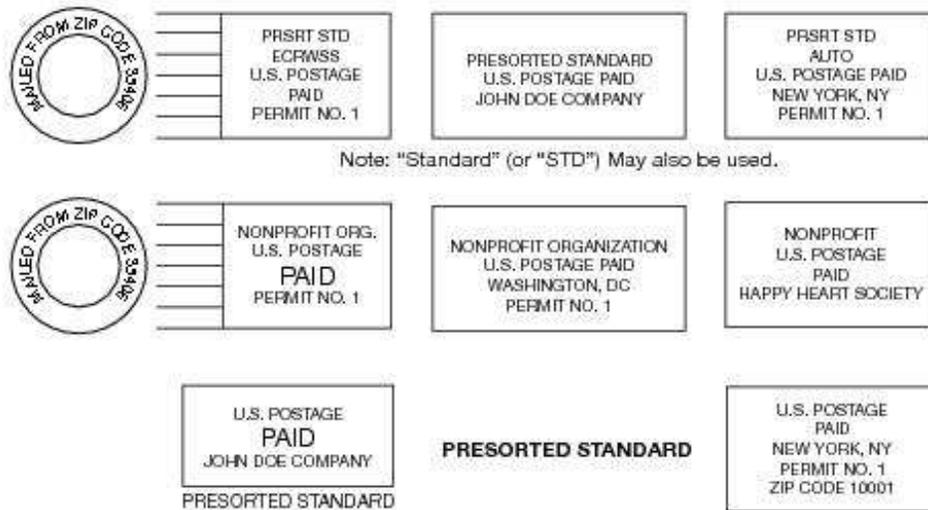
Note: For this example, when not in indicia, mail class or price must be marked on mailpiece, directly below or to the left of the indicia. The "Priority Mail" marking may be omitted when using USPS-provided Priority Mail containers.

First-Class Mail:



Note: These are examples; not all possible variations are shown. When not in indicia, class or price must be marked on mailpiece, directly below or to the left of the indicia.

Standard Mail:

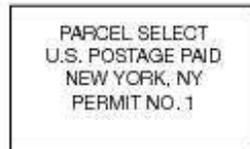


Note: "Standard" (or "STD") May also be used.

(Class omitted from indicia - see note below)

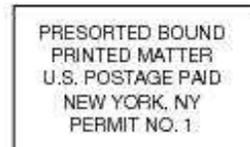
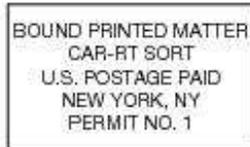
Note: These are only examples; not all possible variations are shown. When not in indicia, class or price must be marked on mailpiece, directly below or to the left of the indicia.

Parcel Select



Package Services

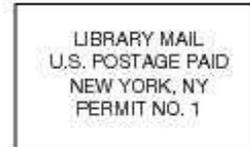
Bound Printed Matter:



Media Mail:



Library Mail:



5.3.12 Optional Indicia Format

As options to the basic format under [5.3.11](#), permit imprint indicia may be prepared as picture permit imprint indicia under [5.4](#) or in other formats subject to these conditions:

- The rule that forms a box around the content of the indicia may be omitted if the content remains as specified in [5.3.6](#) through [5.3.9](#) and [Exhibit 5.3.11](#).
- Unless printed directly on an address label, the indicia content must be placed within a clear area no smaller than 1/2 inch high and 1/2 inch wide, no more than 1-1/2 inches below or left from the upper right corner of the mailpiece or of the address area when oriented to read the address, regardless of processing category or postage price claimed. If printed on an address label (including paper, adhesive, and multilayer sandwich labels), the space allowed for the indicia content must be rectangular, large enough to ensure legibility of that content from a normal reading distance and to separate it from other information on the label, and located in the upper right corner of the label when oriented to read the address.
- No printing appears in the indicia other than that required or allowed under [5.3.6](#) through [5.3.9](#).
- Except as required to enclose the permit information, no printing appears above or to the right of the permit information when the indicia is printed directly on the mailpiece or within the address area or on the address label.
- Except for indicia printed on address labels, the permit information is printed in no smaller than 4-point type. In indicia printed on address labels under [5.3.12b](#), the permit information must be legible.
- Except as required to enclose the permit information, decorative designs intended to be part of the indicia design must appear below or to the left of the permit information in an area extending no farther than 4-1/2 inches to the left of the right edge, and 1-1/2 inches below the top edge of the mailpiece, address area, or address label, as applicable. Such designs must not resemble or imitate a postage meter imprint, postage stamp, postcard postage, or other postage payment method; and they must not include words, symbols, or designs used by the USPS to identify a class of mail, price of postage, or level of service, unless such elements are

correctly used under the applicable standards for the mailpiece on which they appear and the corresponding postage and fees have been paid.

- g. All other applicable standards in 5.0 are met.

5.4 Picture Permit Imprint Indicia

5.4.1 Description

Picture permit imprint indicia may contain business-related color images, such as corporate logos, brand, trademarks and other pictorial business images. These images are known as picture permit imprints. Picture permit imprints may be used to pay postage and extra service fees on commercial mailings of full-service automation First-Class Mail or Standard Mail postcards, letters, or flats.

5.4.2 Postage and Fees

[1-25-15] Except when used under 5.5, picture permit imprint is charged a per piece fee, in addition to the postage applicable for the class of mail. See [Notice 123–Price List](#).

5.4.3 Prohibitions

Color images used in picture permit imprint indicia must maintain neutrality on social or political issues in order to avoid the creation of a public forum for the debate or dissemination of political ideas by private parties and images must also adhere to the following prohibitions:

- a. Must not resemble or imitate U. S. postage stamps, postage evidencing system indicia (4.0), postcard postage, Customized Postage, postage printed from USPS self-service kiosks and USPS Certified 3rd Party Kiosks, precancelled postage stamps or other postage payment methods.
- b. The color image used in picture permit imprint indicia must not include USPS-registered trademarks or words, symbols, or designs used by the USPS to identify a class of mail, price of postage, or level of service, unless such elements are correctly used for the mailpiece on which they appear and the corresponding postage and fees have been paid.
- c. Two-toned, black and white images are not permitted.
- d. Only commercial images and/or text are eligible for inclusion. Commercial images and/or text means images and/or text that promote only a product or service available in commerce. Images and/or text that take a position, explicitly or implicitly, on government, public policy, morality, politics, or religion (whether or not they also convey a commercial message) are not eligible for inclusion.
- e. Eligible commercial images and/or text must not: (1) be indecent or obscene; (2) depict violent or sexual material that would be harmful to minors; (3) be unlawful or legally actionable; (4) compete with a Postal Service product or service; or (5) promote alcohol, tobacco, weapons, or gambling.
- f. A picture permit imprint indicia may not be used on reply mail pieces.

5.4.4 Application

[4-26-15] An application to use picture permit imprint must be completed and Postal Service authorization must be obtained for each picture permit imprint indicia prior to the acceptance of mailpieces bearing these indicia. Customers must sign an indemnification statement and, upon request, provide valid addressed samples of mailpieces bearing the color images for testing. Contact the manager, Transaction and Correspondence (608.8.1) for more information. Additional information is available at <https://www.usps.com/business/postage-options.htm>.

5.4.5 Picture Permit Imprint Indicia Format

As options to the basic format under 5.3.11 and if all other applicable standards in 5.0 are met, permit imprint indicia may be prepared in picture permit imprint format subject to these conditions:

- a. Printed Indicia elements, as required in 5.3.6 through 5.3.9, must be OCR readable (prefer sans serif) and no smaller than 8 point font.
- b. The class of mail must be printed in all capital letters.

- c. Indicia must not be placed in any location lower than the complete address information. The upper right corner of the mailpiece is the preferred location.
- d. A clear space of at least 0.25 (1/4) inch must be maintained to the right and above the picture permit imprint indicia.
- e. A clear space of at least 0.50 (1/2) inch must be maintained to the left and below the picture permit imprint indicia.
- f. Commercial mailings of First-Class Mail and Standard Mail postcards, letters or flats bearing picture permit indicia must be prepared as IMb full-service automation mailings under [705.23.0](#). Residual mailpieces that result from a mailer's normal preparation of the full-service IMb mailing also can be mailed bearing a picture permit imprint and not be paid at the full-service price.
- g. All pieces in the mailing must bear a picture permit.
- h. Imprint (i.e.: image and text area) dimensions may be between 1.625" to 2.00" in height and between 1.31" to 1.50" in width.
- i. Image dimensions may be between .84" to 1.00" in height and between 1.31" to 1.5" in width.
- j. A clear space of 5/32 inch (+/- 1/32 inch) on all sides must be maintained between the color image and indicia text.
- k. Only color images are permitted in image area (two-tone, black and white print is prohibited).

5.5 Alternate Postage

[\[1-25-15\]](#) Alternate Postage is an electronic postage payment mechanism for single-piece First-Class Mail letters or postcards, addressed to any domestic address by the sender, that weight no more than one ounce each. Customers wishing to participate in this program must submit their request in writing to the Manager, New Solutions, Mailing Services, USPS, 475 L'Enfant Plaza SW, Room 5440, Washington, DC 20260-4440. Customers participating in the Alternate Postage payment program, must, at a minimum, meet the following requirements:

- a. Have a Centralized Account Processing System (CAPS) account link with USPS;
- b. Have a signed marketing agreement between the mailer and the USPS;
- c. Submit production-quality mailpieces to USPS for pre-approval and have received subsequent USPS approval; and
- d. Have approved mailpieces that bear: unique Intelligent Mail barcodes, an approved permit imprint indicia or picture permit imprint indicia and any associated required markings located in the upper-right hand corner of the mailpiece, and a special facing identification mark (FIM E) (see [708.9.2e.](#)).

[Back to Top](#)

6.0 Payment of Postage

6.1 Basic Standards

[\[5-31-15\]](#) [\[1-25-15\]](#) The mailer is responsible for proper payment of postage. Postage on all mail must be fully prepaid at the time of mailing, except as specifically provided by standard for:

- a. Reply mail and return services under [505](#).
- b. Alternate Postage payment under [5.5](#).
- c. Certain mail sent by members of the Armed Forces (see [703.4.0](#)).
- d. Certain matter by or for the blind or handicapped (see [703.5.0](#)).
- e. Official mail (see [703.6.0](#) and [703.7.0](#)).
- f. Keys and identification devices returned to owners (see [123.1.8](#) and [133.1.4](#)).
- g. Packages from private carriers being delivered to a customer at a

competitive Post Office Box service location, when using the street addressing designation option, as provided under [508.4.5.4](#).

- 6.2 **Unpaid Mailable Matter for Private Delivery**
If mailable matter without postage, intended for delivery by a private delivery company, is found in USPS collection boxes (or other receptacles for mail deposit), USPS facilities, or USPS mail processing operations, the company is contacted to pick up the matter by the close of the next workday. If the company does not pick up the matter, it is returned to the sender, postage due. If the sender cannot be identified or refuses the matter, it is treated as dead mail.
- 6.3 **Payment for Postage Due Mail**
Customers must pay in cash for postage-due mail before the mail is delivered. If postage-due collections equal about \$10 or more every 60 days, payment may be made by advance deposit of money in a postage due account. Postage on quantity mailings found in private mailboxes is subject to [8.1.1](#). Government agencies using penalty mail must pay postage due through an OMAS postage due account. Government agencies may no longer use penalty meter strips or penalty mail stamps to pay postage due.
- 6.4 **Advance Deposit Account**
Mailers may choose to establish an advance deposit account(s) from which postage, per piece charges, and other fees are deducted. For certain extra services, an advance deposit account is required. Mailers may use a single advance deposit account to pay postage due charges for more than one extra service (e.g., business reply mail, merchandise return service, and bulk parcel return service).
- 6.5 **Annual Accounting Fee for Extra Services**
Except for accounts used solely to pay postage due for shortpaid mail, address correction notices, and undeliverable-as-addressed pieces returned to sender (e.g., return service requested), mailers must pay a separate annual accounting fee for each extra service paid through an advance deposit account. This fee covers the administrative cost of maintaining the account and provides the mailer with the accounting of all charges deducted from that account. The accounting fee is charged once each 12-month period on the anniversary date of the initial accounting fee payment. The fee may be paid in advance only for the next year and only during the last 60 days of the current service period. The fee charged is that which is in effect on the date of payment.

[Back to Top](#)

7.0 Computing Postage

7.1 General Standards

7.1.1 **Determining Single-Piece Weight for Retail and Commercial Mail**
To determine single-piece weight in any mailing at single-piece prices, in a bulk mailing at Media Mail, or Library Mail prices, or in any bulk price mailing of nonidentical-weight pieces, weigh each piece individually. To determine single-piece weight in any other bulk or presort price mailing, weigh a sample group of at least 10 randomly selected pieces and divide the total sample weight by the number of pieces in the sample. Express all single-piece weights in decimal pounds rounded off to two decimal places for the following mailpieces: Priority Mail Express, Priority Mail (except Critical Mail), Parcel Select, Bound Printed Matter, Media Mail, and Library Mail prices. Mailers using eVS may round off to two or four decimals, because eVS automatically rounds to the appropriate decimal place. For all other mailpieces, express all single-piece weights in decimal pounds rounded off to four decimal places.

7.1.2 Expression of Numerical Values

For these standards, express:

- a. Piece counts in whole numbers.

- b. Weights in decimal pounds (e.g., 1.1250 pounds) rounded as shown below.
- c. Postage in decimal dollars (e.g., \$0.1625) rounded as shown below.
- d. Intermediate postage figures on all permit imprint and Periodicals statements (rounded off) to four decimal places. On all postage affixed statements (rounded off) to three decimal places. An intermediate postage figure is defined as follows: For First-Class Mail, Standard Mail, and Package Services mailings, any figure on any line of a postage statement, with the exception of the "Total Postage" line, is an intermediate figure. For Periodicals mailings, any figure on any line of a Form 3541, with the exception of the "Total Outside-County Postage," "Total In-County Postage," and "Total Postage" lines is an intermediate figure.
- e. Total postage figures (rounded off) to two decimal places. A total postage figure is defined as follows: For First-Class Mail, Standard Mail, and Package Services mailings any figure on a "Total Postage" line. For Periodicals mailings, any figure on a "Total Outside-County Postage," "Total In-County Postage," and "Total Postage" line.

7.1.3 Rounding Numerical Values

For these standards:

- a. Round off requires increasing by 1 the last digit to be kept if the digit to its right, which is not to be kept, is 5 or greater. If that digit is 4 or less, the last digit kept is unchanged (e.g., 3.376 rounded off to two decimal places is 3.38, 3.374 is 3.37).
- b. Round up requires increasing by 1 the last digit to be kept if there are any digits to its right, regardless of significance (e.g., rounding up either 3.3701 or 3.379 to two decimal places yields 3.38).
- c. Round down requires eliminating any digits to the right of the last number to be kept (e.g., rounding down either 3.371 or 3.379 to two decimal places yields 3.37).

[Back to Top](#)

8.0 Insufficient or Omitted Postage

8.1 Insufficient Postage

8.1.1 Definition

Mail of any class, including mail indicating extra services (except Priority Mail Express, Registered Mail, and nonmachinable First-Class Mail), that is received at either the office of mailing or office of address without enough postage is marked to show the total (rounded off) deficiency of postage and fees. Such individual pieces (or quantities fewer than 10) are delivered to the addressee on payment of the charges marked on the mail. For mailings of 10 or more pieces, the mailer is notified so that the postage charges may be paid before dispatch. For any mailpiece with insufficient postage generated by postage evidencing systems, the USPS may follow the process in [4.4.4](#) through [4.4.5](#).

8.1.2 Undeliverable and Refused Mail

Mail with insufficient postage that is refused by the addressee or otherwise undeliverable is:

- a. Returned to the sender with the reason for nondelivery "Returned for Additional Postage" if First-Class Mail with a return address. The sender may affix the additional postage, cross out the reason for nondelivery, and remail the piece.
- b. Returned to the sender and delivered when the sender pays the total deficient postage and additional postage for forwarding or return if other than First-Class Mail and with a return address.
- c. Treated as dead mail if it has no return address.

8.1.3 Nonmachinable Mail

Shortpaid nonmachinable First-Class Mail letters are returned to the sender for additional postage.

8.1.4 Adding to Original Postage

Postage stamps or meter stamps originally affixed to insufficiently prepaid mail are accepted in payment of postage to the amount of their face value when the mail is again presented for mailing.

8.1.5 Damaged Postage

When the cancellation impression shows that a postage stamp (or stamps) was wholly or partly lost, the piece is handled as if correct postage had been paid for the class and weight of the piece absent any evidence to the contrary.

8.1.6 Registered Mail With Insufficient Postage

If shortpaid Registered Mail is found in ordinary mail, with only the First-Class Mail price of postage paid, the piece is delivered to the addressee as ordinary First-Class Mail. If the amount of postage and fees affixed indicates that the piece was intended to be registered, the piece is priced as postage due and forwarded to the addressee through the Registered Mail. If shortpaid Registered Mail is found in the Registered Mail, the piece is delivered without the collection of postage due. The additional postage is collected from the sender.

8.1.7 USPS Corporate Accounts and Federal Agency Accounts

USPS Corporate accounts and federal government accounts that use a "Postage and Fees Paid" indicia are debited for the correct amount of postage and fees at the time of mailing.

8.1.8 Priority Mail Express with Insufficient Postage—Acceptance

When Priority Mail Express items are received at the office of mailing with insufficient postage, the Postal Service will contact the mailer to correct the postage deficiency prior to dispatch of the item. If the mailer cannot be contacted prior to dispatch, the deficiency is handled under [8.1.9](#).

8.1.9 Priority Mail Express with Insufficient Postage—Processing Operations

For Priority Mail Express items with insufficient postage that are identified during processing operations or at the destination Post Office, the Postal Service will:

- a. Endorse the item "Postage Due."
- b. Mark the item to show the total deficiency of postage and fees.
- c. Deliver the item to the addressee upon payment of the postage due.
- d. If payment is refused by addressee, endorse the item "Return to Sender—Refused" and return the item to the sender, upon collection of the postage deficiency.

8.1.10 Priority Mail Express with Insufficient IBI Postage—Postage Evidencing Systems

For Priority Mail Express items with insufficient IBI postage generated by postage evidencing systems, USPS may follow the process in [4.4.4](#) through [4.4.5](#).

8.1.11 Remailing Priority Mail Express with Insufficient Postage

Priority Mail Express items with insufficient postage are returned to the sender after collecting the postage deficiency when an effort to contact the sender before dispatch fails and when the addressee refuses to pay the postage due. If the item is remailed as Priority Mail Express, the sender must affix a new Priority Mail Express label with new postage and any applicable fees.

8.2 Omitted Postage

8.2.1 Handling Mail With Omitted Postage

Matter of any class, including that for which extra services are indicated, received at either the office of mailing or office of address without postage, is endorsed "Returned for Postage" and is returned to the sender without an attempt at delivery. If a mail recipient attempts to return or forward the mail without paying additional postage when required, the mail is endorsed "Returned for Postage" and returned to the recipient. If no return address is

shown, or the delivery and return addresses are identical, or the delivery and return addresses are different but for the same person or organization, the piece is treated as dead mail.

8.2.2 Handling Unpaid Metered Reply Mail

Metered reply mail on which the mailer failed to imprint a meter stamp is treated as business reply mail (BRM). Such mail is delivered on payment of postage and the applicable business reply per-piece charge for basic BRM.

8.3 Mailable Matter Without Postage in or on Mail Receptacles

8.3.1 Penalty

Whoever knowingly and willfully deposits any mailable matter (such as statements of account, circulars, sale bills, or other like matter) on which no postage is paid, in any letterbox established, approved, or accepted by the Postal Service for the receipt or delivery of mail matter on any route, with intent to avoid payment of lawful postage thereon, shall for each such offense be fined not more than \$5,000.00 per individual or \$10,000.00 per organization (18 USC 1725, 3571).

8.3.2 Liability for Postage

Except for limited use by newspapers under [508.3.0](#), any mailable matter not bearing postage found in, upon, attached to, supported by, or hung from private mail receptacles described in [508.3.0](#) is subject to payment of the same postage if carried by mail.

8.3.3 Full Distribution

If there is a distribution of identical pieces to all or substantially all addresses on a route, only a representative number of pieces is returned to the delivery unit. Postage is computed as described in [8.3.4](#).

8.3.4 Partial Distribution

If there is a distribution of pieces to some, but not all, addresses on a route, pieces are returned to the delivery unit for use in computing the postage due. First-Class Mail prices are applied to matter that would require First-Class Mail postage if mailed. For other matter, if the piece weighs less than 16 ounces, the applicable single-piece First-Class Mail or Priority Mail price based on the weight of the piece is applied, or Standard Post or an applicable Package Services price is applied, whichever is lower. If the piece weighs 16 ounces or more, the Standard Post or applicable Package Services price is applied.

8.3.5 Known Distributor

If there is reason to believe that a private delivery firm or an individual within the Post Office delivery area is responsible for the delivery, the local postmaster notifies that party of the number of pieces and the postage due. If, within 5 days after notice, the firm or individual agrees to pay the postage due, payment is accepted and the pieces are delivered to the addressees. The party paying the postage may choose to redeliver the pieces rather than have the USPS deliver them. If the pieces are found to have been removed from receptacles improperly, they are delivered without postage charge.

8.3.6 Unknown Distributor

If the party responsible for delivery is not known or if the firm requested fails to pay the postage, the pieces are returned to the publisher or manufacturer, postage due and endorsed to show they were found in or on the addressee's mailbox without postage. If a publisher or manufacturer gives the name and telephone number of a person to contact and guarantees postage payment, the pieces are redelivered to the addressees. If the publisher or manufacturer is unknown or refuses the pieces, the matter is treated as dead mail.

[Back to Top](#)

9.0 Exchanges and Refunds

9.1 Stamp Exchanges

9.1.1 USPS Fault

The Post Office may correct mistakes in selling damaged, defective, or otherwise unserviceable stamps by exchanging stamps at full postage value.

9.1.2 Unusable, Damaged Stamps, or Stamped Paper

[1-25-15] Stamps, including stamped paper (cards and envelopes), that are damaged or otherwise unusable for postage (because of humidity, moisture, or other causes) while in a customer's possession may be exchanged only for an equal number of stamps, or stamped paper, alike and of the same denomination. Unusable stamps, including stamped paper, accepted from a customer must be those on sale at Post Offices within 12 months before the transaction. Quantities of the same denomination totaling over \$10 (i.e., sheets, coils, booklets) must be returned in the same configuration as when bought. Except as provided in items d. and e., each such transaction is limited to \$100 worth of postage from each customer. These additional conditions apply to exchanges of damaged or unusable stamps or stamped paper:

- a. Only the buyer may exchange stamped paper with a printed return address or other matter printed by the buyer.
- b. Stamped envelopes (mutilated no more than is necessary to remove contents): Postage value plus value of any added postage due to a price increase or for additional service.
- c. Unmutilated single and double stamped cards: 85% of postage value, plus full value of postage added. Unused double stamped cards printed for reply should not be separated but, if they are separated in error and the buyer presents both halves, the cards may be redeemed. Reply halves of double stamped cards returned to sender outside of the mail are not redeemable by the original buyer, even though the reply half received no postal service.
- d. Postage stamps (ordinary or precanceled when applicable) affixed to commercial envelopes and postcards: 90% of postage value. Envelopes and postcards must be in substantially whole condition and in lots of at least 50 of the same denomination and value.
- e. Unused precanceled stamps in full coils and in full sheets redeemed from precanceled permit holders: 90% of postage value.

9.1.3 Condition and Quantity

The stamps presented for exchange must be in substantially whole condition, with the denomination evident. If coils of stamps are partially stuck together and cannot be counted, the postmaster may accept the customer's estimate of the number of stamps left in the coil and give equal quantities in exchange.

9.1.4 Purchase Error

If a customer bought the wrong denomination stamps (or the wrong kind, size, or denomination envelope), they may be exchanged at full postage value. Only full panes of stamps, coils of stamps in the original sealed wrappers, full boxes of stamped envelopes, or original sealed packs of stamped cards may be exchanged. A customer exchanging \$250 or more of such stock must show proof of identity (e.g., a driver's license) and must present the stock for exchange to the postal unit from which his or her mail is delivered.

9.1.5 Semipostal Stamps

Customers may exchange semipostal stamps for their postage value (i.e., the price of the stamps less the contribution amount) to the extent that exchange of postage stamps is permitted. The postage the customer exchanges is equal to the First-Class Mail single-piece one-ounce letter price in effect at the time of exchange. However, if the customer provides a receipt showing the date of purchase, the postage exchanged is equal to the postage price in effect at the time of purchase. The contribution amount is not refundable and is not included in the exchange value.

9.1.6 Not Exchangeable

The following postage items cannot be exchanged:

- a. Adhesive stamps, unless mistakes were made in buying (9.1.4), stamps

were defective, stamps are affixed to commercial envelopes and postcards, or under [9.1.2](#).

- b. Stamps cut from stamped cards, stamped envelopes, or aerogrammes (airletter sheets).
- c. Parts and pieces of stamped cards.
- d. Stamped cards, stamped envelopes, and aerogrammes received for reply.
- e. Mutilated and defaced stamps.

9.1.7 Appeal of Denied Exchange

Any customer denied an exchange for damaged stamps may appeal the postmaster's decision to the Consumer Advocate, USPS Headquarters (see [608.8.0](#) for address).

9.2 Postage and Fee Refunds

9.2.1 General Standards

A refund for postage and fees may be made:

- a. Under the standards below if postage and retail or extra service fees are paid and no service is rendered, or if the amount collected was more than the lawful price.
- b. Under [9.3](#) for postage evidencing systems refund requests ([4.0](#)), which includes postage meters and PC Postage products.
- c. Under [9.4](#) for Value Added Refund (VAR) requests made at the time of mailing.
- d. Under [2.0](#) for rejected personalized envelopes.
- e. Under [9.5](#) for Priority Mail Express postage and Sunday/holiday premium and 10:30 a.m. delivery fees refunds.

9.2.2 Ineligible Matter

The USPS is presumed at fault and no service is rendered in cases involving returned articles improperly accepted in either domestic or international service because of excess size or weight. Any mailer who customarily weighs and prices mail is expected to be familiar with basic standards. The USPS is not at fault if the mailer is required to withdraw articles from the mail before dispatch.

9.2.3 Full Refund

[3-2-15] A full refund (100%) may be made when:

- a. The USPS is at fault.
- b. Postage or fees are paid in excess of the lawful price.
- c. Service to the country of destination is suspended.
- d. Postage is fire-scarred while in USPS custody (including in the letterbox), and the mail is returned to sender without service.
- e. Fees are paid for special handling, Certified Mail, USPS Tracking, Adult Signature, or Signature Confirmation, and the article fails to receive the extra service for which the fee is paid.
- f. Surcharges are mistakenly collected on domestic Registered Mail or collected over the proper amount, or represented by stamps affixed to matter not actually accepted for registration.
- g. Fees are paid for return receipt or for restricted delivery, and the USPS (through fault or negligence) fails to furnish the return receipt or its equivalent, or makes erroneous delivery or nondelivery.
- h. An annual presort mailing fee is paid for Presorted First-Class Mail, Standard Mail, Presorted Media Mail, or Presorted Library Mail or a destination entry mailing fee is paid for Parcel Select or Bound Printed Matter and no mailings are made during the corresponding 12-month period. The permit holder should request a credit to its advance deposit account, unless an advance deposit account is not used or is unavailable and a refund is requested.
- i. Customs clearance and delivery fees are erroneously collected.
- j. Fees are paid for registry or insurance service on mail addressed to a country to which such services are not available, unless claim for indemnity

is made.

- k. Priority Mail Express is not delivered according to the applicable service standard, except as provided in [9.5.5](#).
- l. If a First-Class Mail, First-Class Package Service, Standard Post or Package Services mailpiece is torn or defaced during USPS handling so that the addressee or intended delivery point cannot be identified. Where possible, the damaged item is returned with the postage refund.
- m. Under the terms of a contract between a contract postal unit (CPU) and the USPS for unused postage printed by the CPU.

9.2.4 Postage Refunds Not Available

Refunds are not made for the following:

- a. An application fee to use permit imprints.
- b. Collect on delivery (COD), Priority Mail Express insurance, insured mail, and Registered Mail fees, after the USPS accepts the article (even if the article is later withdrawn from the mail).
- c. Unused adhesive stamps (may be exchanged under [9.1](#)).
- d. Adhesive stamps affixed to unmailed matter.
- e. Unused Priority Mail Forever Prepaid Flat Rate packaging. Only same packaging exchanges may be made directly through the Express and Priority Mail Supply Center (EPMSC) by calling 800-610-8734. Exchanges are only authorized when the unused packaging, purchased by credit card from <http://www.usps.com/>, arrives in damaged condition.
- f. For postage (and/or fees for extra services not rendered) when a postmarked (round-dated) mailing receipt, retail Post Office mailing receipt or valid USPS acceptance/mail processing scan events are not available.
- g. For extra service fees, when the service could not be provided and the mailpieces are properly returned to sender as undeliverable.
- h. For fees paid for extra services, as allowed under [9.2.3](#), when refund request is made by the mailer less than 10 days, or more than 60 days, from the date the service was purchased, unless otherwise authorized by the manager, Revenue Field Accounting (see [608.8.0](#) for address).

9.2.5 Applying for Refund

[5-31-15] For refunds under [9.2](#), excluding postage refunds for extra service fees under [9.2.7](#), the customer must apply for a refund on Form 3533; submit it to the postmaster; and provide the envelope, wrapper (or a part of it) showing the names and addresses of the sender and addressee, canceled postage and postal markings, or other evidence of postage and fees paid. The local postmaster grants or denies refund requests under [9.2](#). Payment processing is through Accounting Service Center. Adverse rulings may be appealed through the postmaster to the manager, Pricing and Classification Service Center (see [608.8.0](#)), who issues the final agency decision. Refunds for postage evidencing systems postage, excluding postage refunds for extra service fees under [9.2.7](#), are submitted under [9.3](#).

9.2.6 Postage Affixed to Business Reply Mail

A business reply mail (BRM) permit holder may request a credit to an advance deposit account for postage affixed to returned BRM pieces. A refund may be requested for postage affixed to BRM only if an advance deposit is not used or is unavailable. Only the value of the postage affixed may be credited or refunded. Refunds are not given for foreign postage affixed to BRM. The permit holder must submit a completed Form 3533 to the postmaster documenting the excess postage payment for which a credit or refund is desired. The permit holder also must present properly faced and banded bundles of 100 (when quantities allow) identical BRM pieces with identical amounts of postage affixed. A charge of \$50.00 per hour, or fraction thereof, is assessed for the workhours used to process the credit or refund. Credits or refunds are not given for any BRM or QBRM per piece charges, annual accounting fees, quarterly fees, or monthly maintenance fees.

9.2.7 Applying for Extra Service Refund

[5-31-15] For refunds for fees paid for extra services, as allowed under applicable standards in 9.2, the customer must apply for a refund online at www.usps.com/domestic-claims.

9.3 Refunds for Postage Evidencing Systems

9.3.1 Description

Postage meters and PC Postage products are collectively identified as postage evidencing systems. A postage evidencing system is a device or system of components a customer uses to print evidence that required postage has been paid. Refunds for postage and fees when payment is made by postage evidencing system indicia are granted as applicable in 9.3.2 through 9.3.12 and as follows:

- a. Refund requests must include the entire envelope or wrapper or a sufficient portion of the container showing the indicia must be included to validate that the item was never deposited with the USPS. Unused metered postage must not be removed from the mailpiece (including unmailed meter reply mail).
- b. Indicia printed on labels or tapes not adhered to wrappers or envelopes must be submitted loose and must not be stapled together or attached to any paper or other medium. Self-adhesive labels printed without a backing may be submitted on a plain sheet of paper.
- c. If a part of one indicium is printed on one envelope or card and the remaining part on one or others, the envelopes or cards must be fastened together to show that they represent one indicium.
- d. Refunds are allowable for indicia on metered reply envelopes only when it is obvious that an incorrect amount of postage was printed on them.

9.3.2 General Standards for Metered Indicia Refunds

Unused metered indicia are postage amounts (which may include fees) already imprinted onto any mailpiece, shipping label or meter strip (stamp) that was never mailed. Such meter indicia are considered for refund only if complete, legible, and valid. Authorized users must submit requests within 60 days of the date(s) shown in the indicia. Requests must include proof (such as a copy of the lease or contract) that the person or entity requesting the refund is the authorized user of the postage meter that printed the indicia. See 9.3.3 for additional standards applicable to dated, unused metered indicia and 9.3.4 for additional standards applicable to undated, unused metered indicia. For both types of unused metered indicia, submit refund requests as follows:

- a. The items with unused postage must be sorted by meter used and then by postage value shown in the indicia, and must be properly faced and bundled in groups of 100 identical items when quantities allow.
- b. Submit a refund request with a separate Form 3533 for each meter for which a refund is requested. Complete all identifying information and sections of the form. Charges for processing a refund request for unused, dated meter indicia are as follows, depending on the total face value of the indicia:
 1. When the total face value of the indicia is \$500.00 or less, the amount refunded is 90% of the face value. USPS may process the refund payment via a no-fee postal money order.
 2. When the total face value of the indicia is more than \$500.00, the amount refunded is the total face value reduced by \$50.00 per hour for the USPS time to process the refund, with a minimum charge of \$50.00. The charge is \$50.00 for each hour spent, with the last fraction of an hour treated as a full hour. Payment processing for refunds of \$500.01 or more is through the Accounting Service Center.
- c. If a request is denied, the authorized user may appeal within 30 days of the ruling to the Manager, Pricing and Classification Center (see 608.8.0), who issues the final agency decision. The original meter indicia must be submitted with the appeal.

9.3.3 Dated, Unused Meter Indicia

Refund requests for dated, unused meter indicia must be submitted to the local Post Office, under [9.3.1](#) and [9.3.2](#). The request is processed by the local Postmaster, who grants or denies the refund.

9.3.4 Unused, Undated Meter Indicia

Authorized users, or the commercial entity that prepared the mailing for the authorized user, must submit refund requests for undated, unused meter indicia under [9.3.1](#) and [9.3.2](#) as follows:

- a. The request must include a letter signed by the authorized user, or by the commercial entity that prepared the mailing, explaining why the mailpieces were not mailed.
- b. The minimum quantity of unused, undated metered postage that may be submitted for refund is 500 pieces from a single mailing or indicia with a total postage value of at least \$500 from a single mailing.
- c. Supporting documentation must be submitted to validate the date. Examples of supporting documentation include the job order from the customer, production records, the USPS qualification report, spoilage report, and reorders created report, as well as customer billing records, postage statements, and a sample mailpiece.
- d. The request must be submitted (with the items bearing unused postage and the documentation) to the manager, business mail entry at the USPS district overseeing the mailer's local Post Office, or to a designee authorized in writing. The manager or designee approves or denies the refund request.

9.3.5 Ineligible Metered Postage Items

The following metered postage items are ineligible for refunds:

- a. Meter reply pieces unless an incorrect postage price was printed.
- b. Indicia printed on labels or tape removed from wrappers or envelopes.
- c. Loose indicia printed on labels or tape that have been stapled together or attached to paper or other medium, except under [9.3.2c](#).
- d. Indicia lacking identification of the local Post Office or other required information.
- e. Indicia printed on mail returned to sender as undeliverable as addressed.

9.3.6 Rounding Numerical Values

Any fraction of a cent in the total to be refunded is rounded down to the whole cent. Any such rounding is unrelated to calculating a 90% maximum.

9.3.7 Unused Postage Value in Meter

The unused postage value remaining in a meter system when withdrawn from service may be refunded, depending upon the circumstance and the ability of the USPS to make a responsible determination of the actual or approximate amount of the unused postage value. When postage meters are withdrawn because of faulty operation, a final postage adjustment or refund will be withheld pending the system provider's report of the cause. Once provided, the USPS will make the determination of whether a refund is warranted and any refund amount, if applicable. When a meter damaged by fire, flood, or similar disaster is returned to the provider, postage may be refunded or transferred when the registers are legible and accurate, or the register values can be reconstructed by the provider based on adequate supporting documentation. When the damaged meter is not available for return, postage may be refunded or transferred only if the provider can accurately determine the remaining postage value based on adequate supporting documentation. The authorized user may be required to provide a statement as to the cause of the damage and the absence of any reimbursement by insurance or otherwise, and that the authorized user will not also seek such reimbursement. No refund is given for faulty operation caused by the authorized user, for a decertified meter, or if a meter is reported lost by the provider and recovered after 365 days. Refunds for unused postage value in meter systems are provided as follows:

- a. Authorized users must notify their provider to withdraw the meter and to refund any unused postage value remaining on it.
- b. The meter must be examined to verify the amount before any funds are

cleared from the meter. Based on what is found, a refund or credit may be initiated for unused postage value, or additional money owing for postage value used.

- c. The provider forwards the refund request to the USPS for payment or credit to the authorized user's mailing account.
- d. The USPS will not issue individual customer refunds for unused postage value less than \$25 remaining in a meter.

9.3.8 General Standards for PC Postage Indicia Refunds

Unused PC Postage indicia are considered for refund only if complete, legible, valid and documented pursuant to 9.3.1. See 9.3.9 for additional standards applicable to requests for undated unused PC Postage indicia and 9.3.10 and 9.3.11 for additional standards applicable to requests for refunds of dated unused PC Postage indicia. For all types of unused PC Postage indicia, submit refund requests as follows:

- a. Only authorized PC Postage users may request a refund.
- b. The PC Postage system provider grants or denies a request for a refund for PC Postage indicia using established USPS criteria.
- c. If a request is denied, the authorized user may appeal within 30 days of the adverse ruling through the manager, Payment Technology, USPS Headquarters (see 608.8.0) who issues the final agency decision. Requests for appeal must include the physical submission of the original label. If the exact numerical value of postage paid is not displayed in the indicia, the customer must submit the corresponding transaction log. The customer's specific reason for requesting the appeal must be included. If the appeal to an unfavorable refund request ruling results in a refund being granted, the amount refunded may not exceed 90% of the indicia's face value.

9.3.9 Unused, Undated PC Postage Indicia

Refunds will not normally be provided for valid, undated, serialized PC Postage indicia containing commonly used postage values. If the authorized user believes extraordinary circumstances justify an exception, requests for such refunds must include a detailed explanation. Requests will be considered by the PC Postage system provider on a case by case basis and as provided in 9.3.1 and 9.3.8.

9.3.10 Unused, Dated PC Postage Indicia With PIC

The refund request should reflect any package identification code (PIC). Requests for refund of international mail postage (domestic origin only) and fees may include valid PICs for any form of USPS Tracking, Signature Confirmation, Adult Signature, or Priority Mail Express, and include those PICs available through Track & Confirm on www.usps.com. Requests for refund of PC Postage indicia that contain a valid PIC are provided as follows:

- a. Requests must be submitted by authorized users to their provider electronically in accordance with procedures available from their provider. Physical submission of labels to the provider is not permitted.
- b. Requests must be initiated for within thirty (30) days of printing the indicia.
- c. If a postage refund is granted, the original physical shipping label must be destroyed by the authorized user.
- d. The provider may, at its discretion, charge for processing a refund request.

9.3.11 Unused, Dated PC Postage Indicia Without PIC

Requests for refund of dated, unused PC Postage indicia which do not have an associated package identification code (PIC) must be submitted as provided in 9.3.1 and as follows:

- a. Must be physically submitted by authorized users to their provider, along with the items bearing the unused postage, in accordance with procedures available from their provider. Authorized users must submit the refund request within sixty (60) days of the date(s) shown in the indicia.
- b. The provider may, at its discretion, charge for processing a refund request.

9.3.12 Unused Postage Value in PC Postage Systems

Authorized users must notify their PC Postage provider to withdraw a system

and to refund any unused postage value remaining in that account. The provider refunds the unused postage value remaining in the user's system on behalf of the USPS. Individual customer refunds are not issued for unused postage value less than \$25 remaining in a PC Postage system.

9.4 Value Added Refunds

9.4.1 Definition of Value Added Refund

Subject to the standards in 9.4, a presenter (i.e., the mailer or other party, such as a presort service bureau), who prepares letter-size First-Class Mail or Standard Mail under 9.4.12 and 9.4.13 for their customers and presents it to the USPS in their behalf, may request a value added refund (VAR) for postage affixed to mail in excess of the price applicable to that mail when presented to the USPS. A presenter must be authorized by the USPS to seek the refund. Any refund is issued to the presenter, and the disposition of any such refund is a private matter between the presenter and the presenter's customer.

9.4.2 Application

The presenter must make a written application to the postmaster serving each location where VAR mailings are to be deposited, verified, and paid. The application must describe the presenter's mail preparation system and the documentation that it can produce. The application must also show that the presenter can produce the postage statements and the refund documentation required by 9.4.17. The postmaster forwards the application and supporting documentation for approval to the Business Mailer Support manager, USPS Headquarters.

9.4.3 Mailer System

Eligibility to submit requests for VARs requires that the presenter process and document mail through a fully automated mail sorting system. The system must include barcoding equipment (e.g., multiline optical character readers) to read the address information and determine the correct ZIP+4 code; an ink jet or laser printer to apply the correct POSTNET barcode in the required location; and a barcode reader (BCR) to read the POSTNET barcode, verify it for accuracy, and sort the mailpiece to the correct location.

9.4.4 Presenter Agreement

In applying for authorization to make VARs, the presenter agrees:

- a. That verification samples taken by the USPS represent the entire mailing and are to be used to adjust the total refund amount requested.
- b. To provide the USPS with advance written notice of plans for system changes that affect the calculation of postage, amount of refund, generation of required documentation, or mail presorting.
- c. To cooperate with the USPS during mail verification or system audits, and to process sampled mail through barcode readers (BCRs) when requested.

9.4.5 Authorization

If the application is approved, an authorization to make refund requests remains in effect until such time as the Business Mailer Support manager or the mailer cancels the agreement. If Postal Service periodic reviews or mailer supplied information demonstrates a need for a modification, the authorization will be modified, with concurrence by the Business Mailer Support manager and the mailer.

9.4.6 Appeal

If the application is denied, the presenter may file a written appeal within 15 days through Business Mailer Support, USPS Headquarters, to the Marketing and Technology Channel Management manager, who issues the final agency decision.

9.4.7 Suspension

The Business Mailer Support manager may suspend an authorization after determining that the presenter does not meet the standards in 9.4.

9.4.8 Cancellation

The Business Mailer Support manager may cancel an authorization for any of these reasons:

- a. The presenter consistently provides incorrect information and is unwilling or unable to correct the problem.
- b. The presenter continually fails to meet the standards in [9.4](#).
- c. No mailings are made under these procedures during any 12 consecutive months.

9.4.9 Appeal of Cancellation or Suspension

A cancellation or suspension takes effect 15 days from the presenter's receipt of the notice unless, during that time, the presenter files a written appeal with the Business Mailer Support manager, USPS Headquarters, stating why the authorization should not be canceled or suspended. If the manager upholds the action, the appeal is forwarded to the Marketing and Technology Channel Management manager, USPS Headquarters, who issues the final agency decision. A final cancellation takes effect 15 days after receipt by the presenter.

9.4.10 Form 8096 Required

An original PS Form 8096 must be completed and signed by each of the presenter's customers whose metered pieces are eligible for a VAR. The original PS Forms 8096 and a list of customers presenting a PS Form 8096 must be on file with the postmaster where the mailings are deposited for acceptance and payment. If postage is affixed to the pieces using a postage evidencing system by an intermediate agent (not the presenter of the mailing) for the owner of the pieces, a signed Form 8096 must be on file from the agent whose postage evidencing systems were used to affix the postage. Refund requests are denied if all required Forms 8096 are not provided.

9.4.11 Form 8096 Not Required

Form 8096 is not required for a customer whose mail is metered by the presenter with the presenter's own postage evidencing system. In such cases, the presenter must provide the Post Office where it submits refund requests with a list, in ascending numeric order, of its own postage evidencing system serial numbers and those of any intermediate agent used for affixing postage to the pieces included in the mailing.

9.4.12 First-Class Mail

If a VAR request is submitted when a First-Class Mail mailing is presented to the USPS, each piece in the mailing must be:

- a. Letter-size and weigh less than the applicable maximum weight for automation price mail as required in [201.3.4](#).
- b. Part of an automation price mailing prepared by the presenter.
- c. Metered by the presenter or the presenter's customer at the Presorted First-Class Mail or automation prices applicable to a piece of that weight, including the full postage for the second and third ounces, if applicable.

9.4.13 Standard Mail

If a VAR request is submitted when a Standard Mail mailing is presented to the USPS, each piece in the mailing must be:

- a. Letter-size and weigh less than the applicable maximum weight for automation price mail as required in [201.3.5](#).
- b. Part of an automation price mailing prepared by the presenter.
- c. Metered by the presenter or the presenter's customer at a nonautomation price or at any automation minimum per piece price. Pieces for each entry must be prepared as a separate mailing if the destination entry prices are claimed.

9.4.14 Criteria for Mailing

A mailing for which a VAR request is submitted must meet these criteria:

- a. The presenter must process the mail for each customer so that the price of postage affixed on each piece can be documented by customer, unless otherwise authorized by Business Mailer Support, USPS Headquarters, and price category.

- b. Documentation must be kept showing internal quality control procedures done for each mailing submitted for which a VAR is claimed.
- c. Mail must be prepared by the standards corresponding to the First-Class Mail or Standard Mail price claimed.
- d. The presenter must be authorized by Business Mailer Support to submit Standard Mail mailings that contain both Regular and Nonprofit price pieces under the applicable standards.
- e. Each piece in the mailing for which barcodes are applied by an MLOCR must bear an automation marking that also describes the method of postage payment and the price of postage affixed for metered and precanceled stamp mail or other postage information for permit imprint mail as described in [705.5.0](#).
- f. Each mailing refund request must be for at least \$50 in postage. Customers may not combine multiple postage statements on a single Form 3533 to reach the \$50 minimum threshold.

9.4.15 Postage Statement

The presenter must provide a complete and accurate postage statement with each mailing annotated to show the presort option used to prepare that mailing, and reporting postage data based on the price category for which each piece qualifies when presented to the USPS.

9.4.16 Applying for Refund

To request a VAR, Form 3533 and supporting documentation as described below must be provided with the corresponding mailing at the time of mailing. After the time of mailing, refund applications are not considered. The entry office postmaster pays refunds weekly or on another schedule agreed to with the mailer.

9.4.17 Documentation for Mailing

Mailers are required to submit or generate the following reports:

- a. Each mailing must be accompanied by all of the following documentation to enable the VAR request and the specific and efficient USPS verification of that request:
 - 1. Form 3533, if a net VAR refund is due.
 - 2. The applicable postage statement.
 - 3. The USPS qualification report in standardized format detailing by ZIP Code the number of pieces qualifying for each price by presort level. If plant-verified drop shipment (PVDS) is used for Standard Mail, a separate USPS qualification report must be generated for each entry destination.
 - 4. The USPS Summary ZIP Destination report in one of two standardized formats that lists by tray destination and price category: each mail category, postage payment type, weight and price affixed (report all postage affixed First-Class Mail pieces as weighing one ounce); number of pieces; dollar amount of postage affixed to those pieces; cumulative postage affixed; total postage; net postage due; cumulative postage due; and a running total of the number of pieces. If plant-verified drop shipment (PVDS) is used for Standard Mail, a separate USPS Summary ZIP Destination report must be generated for each entry destination. This report is not required if there is only one metered price in the mailing. Business Mailer Support, USPS Headquarters, may authorize submission of only portions of this report.
 - 5. The USPS Postage Summary in a standardized format. This report shows, by type of payment method, the total postage claimed for all pieces in the mailing by price level and the total postage affixed by price level. It also shows a grand total summary of postage affixed, postage claimed, and total postage due. If plant-verified drop shipment (PVDS) is used for Standard Mail, a separate USPS Postage Summary report must be generated for each entry destination.

6. Other documentation that may be required by other standards for the price claimed.
- b. The USPS Customer Mail Report must be generated for each mailing, but is required to be submitted to the USPS only when requested by USPS personnel for the resolution of errors (shortpaid and potential MLOCR profiling) detected in a specific mailing. The Customer Mail Report must list each customer by name and provide the following information about their mail: price affixed, mail category including postage payment type, weight, total postage, postage affixed, number of pieces, cumulative number of pieces, number of pieces rejected, and total pieces fed.

9.5 Priority Mail Express Postage and Fees Refunds

9.5.1 Priority Mail Express 1-Day and 2-Day Delivery

For Priority Mail Express 1-Day and 2-Day Delivery, the USPS refunds the postage and Sunday or holiday premium fee and/or the 10:30 a.m. delivery fee for an item not available for customer pickup at destination or for which delivery to the addressee was not attempted, subject to the standards for this service, unless the delay was caused by one of the situations in [9.5.5](#).

9.5.2 Priority Mail Express Military Service (PMEMS)

For PMEMS, the USPS refunds postage for an item not available for customer pickup at the APO/FPO or DPO address or for which delivery to the addressee was not attempted domestically within the times specified by the standards for this service, unless the item was delayed by Customs; the item was destined for an APO/FPO or DPO that was closed on the intended day of delivery (delivery is attempted the next business day); or the delay was caused by one of the situations in [9.5.5](#).

9.5.3 Who May Apply

A claim for a refund for Priority Mail Express postage may be made only by the mailer (the sender of a Priority Mail Express item or the holder of the USPS Corporate Account used to pay for postage).

9.5.4 Conditions for Refund

A postage refund request must be made within 30 days after the date of mailing. Except as provided in [9.5.5](#), a mailer may file for a postage refund only if the item was not delivered, delivery was not attempted, or if the item was not made available for claim by the delivery date and time specified at the time of mailing.

9.5.5 Refunds Not Given

A postage refund will not be given if the guaranteed service was not provided due to any of the following circumstances:

- a. The item was properly detained for law enforcement purposes (see Administrative Support Manual 274).
- b. The item was delayed due to strike or work stoppage.
- c. The item was delayed because of an incorrect ZIP Code or address; or forwarding or return service was provided after the item was made available for claim.
- d. The shipment is available for delivery, but the addressee made a written request that the shipment be held for delayed delivery.
- e. The shipment is undeliverable as addressed.
- f. If authorized by USPS Headquarters, and the delay was caused by governmental action beyond the control of USPS or air carriers; war, insurrection, or civil disturbance; delay or cancellation of flights; projected or scheduled transportation delays; breakdown of a substantial portion of USPS transportation network resulting from events or factors outside the control of USPS; or acts of God.
- g. The shipment contained live animals and was delivered or delivery was attempted within 3 days of the date of mailing.
- h. The Priority Mail Express 1-Day shipment was mailed December 22 through December 25 and was delivered or delivery was attempted within 2

business days of the date of mailing.

- i. The postage refund was other than for loss, and the Priority Mail Express piece was destined to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia (see [608.2.4.1](#) for ZIP Codes).

9.5.6 How to Apply for a Refund

The mailer must complete Part I of Form 3533 in duplicate and submit it, along with the original customer copy of Label 11, to any Post Office.

9.5.7 Immediate Refund

If the USPS can determine immediately that the mailer is entitled to a refund and the Priority Mail Express item had postage affixed, then the USPS refunds the postage immediately in cash or with a no-fee money order.

9.5.8 Deferred Refund

If the USPS cannot determine immediately that the mailer is entitled to a refund, then the USPS researches the application and, if appropriate, issues a refund to the mailer within 5 business days.

9.5.9 Refunds Through a Corporate or Agency Account

If the USPS determines that the mailer is entitled to a refund and postage was paid through a USPS Corporate Account or a federal government agency account, then the USPS refunds the postage by issuing a credit to that account within 5 business days.

[Back to Top](#)

10.0 Revenue Deficiency

10.1 General

10.1.1 Definition of Revenue Deficiency

Revenue deficiency means a shortage or underpayment of postage or fees. Revenue deficiencies are generally assessed by the postmaster; manager, Business Mail Entry; or the manager, Revenue Assessment and Control, who issues a written notification to the customer citing the amount of the deficiency and the circumstances.

10.1.2 Appeal of Ruling

Except as provided in [4.4.4](#) through [4.4.5](#), [10.2](#), and [703.1.0](#), a mailer may appeal a revenue deficiency assessment by sending a written appeal to the postmaster or manager in [10.1.2a](#) through [10.1.2c](#) within 30 days of receipt of the notification. In all cases, the mailer may be asked to give more information or documentation to support the appeal. Failure to do so within 30 days of the request is grounds for denying an appeal. Any decision that is not appealed as prescribed becomes the final agency decision. Mailers may send appeals as follows:

- a. To the district manager, Finance, for revenue deficiencies for fees. The district manager, Finance, issues the final USPS decision.
- b. To the postmaster, manager, Business Mail Entry, or manager, Revenue Assessment and Control for revenue deficiencies for postage. The postmaster; manager, Business Mail Entry; or manager, Revenue Assessment and Control forwards the appeal to the PCSC manager, who issues the final agency decision.
- c. To the manager, Product Classification (see [608.8.0](#) for address), if the PCSC manager first assessed the deficiency. The manager, Product Classification issues the final agency decision.

10.2 Nonprofit Standard Mail

10.2.1 Assessment and Appeal

A revenue deficiency may be assessed in the amount of the unpaid postage against any person or organization that mailed, or caused to be mailed, ineligible matter at the Nonprofit Standard Mail prices in violation of [703.1.0](#). Nonprofit mailers have two levels of appeal. They may appeal revenue deficiency assessments as follows:

IF THE INITIAL REVENUE DEFICIENCY ASSESSMENT WAS MADE BY:	FIRST-LEVEL APPEAL	SECOND-LEVEL APPEAL AND FINAL USPS DECISION
Postmaster; manager, Business Mail Entry; or manager, Revenue Assessment and Control	PCSC	Manager, Product Classification
PCSC	Manager, Product Classification (see 608.8.0 for address)	Vice President, Pricing and Classification (see 608.8.0 for address)

All appeals must be submitted in writing within 30 days of the previous USPS decision. Any decision that is not appealed as prescribed becomes the final agency decision; no appeals are available within the USPS beyond the second appeal.

10.2.2 Collection

Any deficiency assessed under [10.2.1](#) that is found to be due and payable to the USPS in the final USPS decision must be paid promptly. If the USPS does not receive payment within 30 days, the USPS may deduct from the violator's trust account or any other funds in USPS possession any deficiencies incurred within 12 months of the date of the final mailing on which the deficiency was assessed.

[Back to Top](#)

11.0 Postage Due Weight Averaging Program

11.1 Basic Information

11.1.1 Description

The Postage Due Weight Averaging (PDWA) program is a comprehensive, statistically valid program to calculate postage due returns in bulk, rather than rating each individual piece. This program, subject to application, approval, and authorization, is available for customers who receive a minimum of 50,000 combined postage due parcels and flats, Merchandise Return Service (MRS) pieces, or Bulk Parcel Return Service (BPRS) pieces. The PDWA program applies a postage due cost factor, generated through a 4-week rolling average sampling period, to assess postage and fees based upon the net weight of each container. A new postage due cost factor is calculated and applied weekly, based on the previous 4 weeks of sampling data. The 4-week rolling average is not applicable if a new PDWA system is implemented or if there is a postage price change. When these circumstances occur, the new postage due cost factor is determined through the sampling in the first week. That new postage due cost factor is then applied in the first 2 weeks. After the fourth week of sampling, the postage due cost factor is a complete 4-week rolling average. PDWA is designed to significantly reduce processing time and provide for shorter verification time for customers.

11.1.2 General Qualification

A PDWA program may be authorized for applicants who receive a minimum of 50,000 combined returns per year. Returns can include all classes of mail where postage due fees are assessed, including MRS and BPRS return pieces. Only parcels and flats may be processed through the PDWA program. See [11.2](#)

for application process.

11.1.3 Quality Control

PDWA customers may elect to establish a quality control program to ensure that all missorted and accountable mail (including Certified Mail, collect on delivery (COD), return receipt for merchandise, USPS Tracking, Adult Signature, and Signature Confirmation) is identified and returned to the servicing Post Office prior to being opened. If the customer elects to not implement a quality control program, the customer must assume all responsibility for claims filed by clients who returned their product to them via accountable mail. The program must include:

- a. Training all employees who process returns on how to identify accountable items.
- b. Permanently displaying examples of accountable return items in full view of employees responsible for the identification of accountable returns.
- c. Instructional material pertaining to identifying accountable returns.
- d. The random selection and tracking of individual sample pieces within the customer's operational process to assure that they are identified.

11.2 Authorization

11.2.1 Application

The customer or agent must submit a PDWA application to the postmaster of the office through which delivery service is provided. The customer must provide information including current permits, authorizations, and average volume figures. The postmaster will provide input regarding staffing, hours of operation, standard operating procedures, and recommendations or comments for approval.

11.2.2 Approval

The Business Mailer Support manager, USPS Headquarters, approves or denies applications for PDWA systems. Approved mailers are provided an authorization letter (or previously-approved service agreement) specifying, among other things, the customer's quality control procedures and procedures for handling missorted and accountable mail.

11.2.3 Denial

If the PDWA application is not approved, the Business Mailer Support manager will send a written notice to the applicant with the reason for denial.

11.2.4 Authorization Period

Authorization remains in effect until the Business Mailer Support manager or the customer cancels the agreement. If Postal Service periodic reviews or customer-supplied information indicates a need for modification, then the authorization or service agreement will be amended with concurrence of the Business Mailer Support manager and the customer.

11.2.5 USPS Suspension

The Business Mailer Support manager may suspend a PDWA at any time if the authorization or service agreement does not provide adequate revenue protection, or the customer (or agent) fails to meet the criteria established by the agreement.

11.2.6 Mailer Cancellation

The customer may cancel a PDWA authorization (or service agreement) by writing to the Business Mailer Support manager (see DMM 608.8.0 for address).

[Back to Top](#)

12.0 Scan Based Payment

12.1 Basic Information

12.1.1 Description

The scan based payment (SBP) program is designed to calculate postage based on sampling, rather than weighing and rating each individual piece. Participation in this program, subject to application and authorization, is available for customers who receive a minimum of 10,000 combined SBP parcel returns to one or more locations. Prices are calculated as follows:

- a. Applicants are provided with an initial agreed-upon uniform price per mailpiece, from the published price schedules, through an initial USPS/mailler agreement.
- b. Mailpieces are identified by the presence of one or more USPS scan events.
- c. Program volume is sampled for each participant and an adjusted average uniform price, from the published price schedules, is developed through revolving 4-week sampling periods. During these sampling periods, postage and fees are assessed based upon the weight and zone of sampled pieces.
- d. The participant's initial uniform price, from the published price schedules, is adjusted in accordance with the result of the sampling.
- e. A new SBP value is calculated and applied monthly, based on the previous 4 weeks of sampling data. The adjusted uniform price, from the published price schedules, will become effective on the 11th of each month.
- f. If there is a general change in the published price schedules, prices under this program will automatically adjust to reflect the new prices.

12.1.2 Eligibility

SBP participation may be authorized for applicants who receive a minimum of 10,000 combined qualifying returns per year to one or more locations. Returns include Ground Return Service, First-Class Package Return Service, Priority Mail Return Service (including Critical Mail), and Parcel Return Service shipments. Only parcels and flat rate parcels and flats may be processed through the SBP program. Participants must pay for postage through a Centralized Account Processing System (CAPS) debit account.

12.2 Authorization

12.2.1 Application

Application for this program is available through the Business Customer Gateway via the USPS.com website.

12.2.2 Authorization Period

Authorization remains in effect until the USPS or the customer cancels the agreement. The authorization or agreement may be modified with concurrence by USPS and the mailer.

12.2.3 USPS Suspension

The USPS may suspend an SBP authorization at any time, pending investigation, if the authorization does not provide adequate revenue protection, or the customer (or agent) fails to meet the criteria established by the authorization. The decision to suspend the authorization may be appealed to the vice president, Mail Entry and Payment Technology, within 15 days of the receipt of the notice, by submitting a written appeal with explanation.

12.2.4 Mailer Cancellation

The customer may cancel an SBP authorization by writing to the manager, Business Mailer Support (see [608.8.1](#)). Customers are responsible for payment on all outstanding packages even after cancellation of the SBP agreement.

12.3 Price Adjustment

Each price change will take effect on the 11th of the month. Following a price adjustment, the customer will have ten days to dispute the change in writing to the manager, Business Mailer Support.

[Back to Top](#)

EXHIBIT B

How to manually change the printed date for the meter stamp on your DM225TM Digital Mailing System

You may want to advance the date printed on the meter stamp if it is after normal business hours and you want to prepare outgoing mail for a future business day's mailing.

IMPORTANT:

- You can advance the date up to 30 days from the current date.
- Changing the printed date does not change the meter's internally held date.
- You can always return the printed date to the current date.
- You cannot change the printed date to a date earlier than the meter's internally held date (in an effort to "backdate" the mail).
- Accounting data is posted on the actual date the mail piece is run (per the internal clock/calendar in the mailing system), not by the date printed on the meter stamp.

At your PC (#at_pc)

At your meter (#at_meter)

To change the date at your PC:

Step	Action
1	At the My Meter tab, select Meter Settings
2	Select Date and Time
3	In the Print Date field, access the dropdown calendar. Use the < or > keys to select the month, then click on the day you want to print on your meter stamp
4	Click Apply. A confirmation screen displays the new date. Click OK
5	To set the date on your mail back to the current date, repeat steps 1-4 and select today's date

NOTE: If you are accessing features from PC Meter Connect (Enhanced version), please keep in mind the following:

- If the meter is in "sleep" mode, accessing a feature from the Main Window will "awaken" the meter.
- Once in an awaken state, the meter must be at the "Home" screen (ready to print postage) to use features found on the Postage, Updates, and My Meter tabs on the Main Window. Otherwise, a "meter is busy" message displays on the PC. This condition can happen, for example, if you have the Accounting option set up on the meter and the meter is waiting for someone to select an account for printing postage.

[Back to the Top \(#TOP OF PAGE\)](#)

To change the date at your meter:

Step	Action
1	Press Options
2	Select Advance the date
3	Displays current date in MM DD YY format. You may either: <ul style="list-style-type: none">• Select Add one day to advance date one day for each pressing of the key• Key in a number (in US from 1-30) representing the number of days you want to advance the date, then select Add x days (1-30)
4	Select Continue. The new date now appears in the Home screen
5	To set the date on your mail back to the current date, press Options and select Set to today's date. You will be returned to the Home screen with the current (today's) date set.

[Back to the Top \(#TOP OF PAGE\)](#)

Updated: January 28, 2013

EXHIBIT C

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Snail Mail Gets Slower: Why USPS Is Missing Its Own Mail Delivery Goals

By Eric Katz | October 28, 2014 | 29 Comments



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The U.S. Postal Service has delivered mail at a slower clip this year, but -- despite claims to the contrary -- the agency maintains the diminished service standards are not a reflection of cutting staff and closing facilities.

Even despite shifting the standards to allow for the consolidation of its mail processing network, USPS has been delivering mail on time less often this year than in 2012 and 2013, according to a Government Accountability Office report. The Postal Service met its "delivery performance" goals with increasing frequency until around mid-2013, when the amount of mail delivered on time for most products either leveled off or declined.

Previously, USPS significantly reduced the amount of mail that it delivered overnight. It also shifted a substantial amount of mail from a two-day delivery standard to the three-to-five day range. Overall, USPS downgraded its delivery standards for about 28 percent of first-class mail (when an individual sends a letter or bill). The Postal Service said these changes allowed it to consolidate facilities and rely less heavily on air delivery. USPS has shuttered 141 processing facilities since 2012 and will close an additional 82 in 2015.

The Postal Service still struggled to live up to its revised standards, GAO found. For example, USPS delivered single-piece letters and

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INSIGHTS

postcards in the three-to-five day category on time 95 percent of the time in the third quarter of fiscal 2012. By the third quarter of fiscal 2014, that success rate had dropped to 91 percent.

The Postal Service dismissed GAO's findings, saying that while the aforementioned statistics were taken from nationwide data, GAO's separate case studies in the Dakotas and Chicago were not representative of the agency at large. USPS also pointed to "historically severe winter weather" in the first half of fiscal 2014 as responsible for any drop offs in delivery performance.

Sen. Tom Carper, D-Del., was equally dismissive of the Postal Service's excuses, saying the report illustrates the problem with USPS' attempt to cut its way out of fiscal difficulties.

"Continuous budget cuts to services affect the Postal Service's ability to thrive and provide a dependable service that all Americans and businesses can count on," Carper said.

Mark Dimondstein, president of the American Postal Workers Union, said the shortfalls of the "cutting, cutting, cutting" strategy were coming to light.

"Every single patron and customer of the Postal Service would know that GAO is correct, just in the way their own mail service has declined under the false leadership of Postmaster General Patrick Donahoe," Dimondstein told Government Executive. He added USPS has changed its delivery standards but it "can't even meet those."

"If they change [the delivery standards] to 10-day maybe they'll meet them," Dimondstein said.

Both the union president and Carper advocated for comprehensive postal reform legislation (though they [disagree on what that should look like](#)). An overhaul would free the Postal Service from constantly having to reduce costs, they said.

"In the absence of reform, the Postal Service will be forced to continue these painful measures and others in order to keep the lights on," Carper said. "To create a service that Americans can rely on -- a robust institution to serve generations to come -- Congress must take action."

Carper recently penned an [op-ed](#) in USA Today calling on his colleagues to pass his bipartisan, USPS-backed postal reform bill, which he introduced with the op-ed's co-author Sen. Tom Coburn, R-Okla. Carper has appeared on local media and put out a series of releases as part of a renewed push for a vote on the bill during the upcoming lame duck session of Congress.

Congress faces a full schedule upon its return after the midterm election, and even if it made time for postal issues, the Senate and House versions of reform remain largely at odds.

The GAO audit was not the only negative light shed on USPS this week, as a New York Times [report](#) on Monday found the Postal Service approved nearly 50,000 requests from law enforcement agencies -- including its own -- to secretly monitor the mail of individual Americans as part of various investigations. The program, known as mail covers, is more than 100 years old, but the vast extent of its use raised civil liberty concerns among privacy



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[jreynold](#) · a year ago

We just sent 12 packages from NY to Idaho. 5 of the USPS and 7 FEDEX. The 5 USPS packages were all there in three days. The FedEx packages trickled in over a two week period. All contents from both came through in fine condition.

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[Tom Johnson](#) · a year ago

Worse? It can't get much worse. Living in the rural midwest, snail mail from the coasts now takes 4 - 6 days to get here. Minneapolis to my home about 4 days on average. There are two real eye openers. Junk mail moves as fast or faster than ever. Bills from companies on the coasts arrive so late that payment due dates and the slowness of service require paying the bill and sending it back the very next day just to get there in time. Thankfully there are on line payments because the USPS can't do it. And the USPS wants to know why their volume is dropping? Duh.

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[Liam Skye](#) → [Tom Johnson](#) · a year ago

Of course "junk mail" moves just as fast as ever. Here's why: It doesn't move through the postal network. The reason "junk mail" receives reduced prices is that it is presorted and dropped at, or near, its destination by the mailer. All the post office has to do is "take it to the street." There really isn't much opportunity for network changes to have any effect on it.

Report cites unusually slow mail delivery



Melanie Eversley, USA TODAY 9:54 p.m. EDT August 14, 2015



(Photo: David Goldman, AP)

If you've been driving your spouse to drink with questions about your missing [Publisher's Clearing House](#) entry, or you falsely accused your agent of failing to mail the book contract from your latest bestseller, you need to settle down. The problem is not them, it's with the post office.

It's no secret that the [U.S. Postal Service](#) has been consolidating and shutting down mail sites as more people abandon mail for communicating and paying bills through the Internet. But the agency had no idea that its cost-saving measures and other delaying complications would push the envelope.

Mail delays rose by almost 50% to the tune of almost 500 million pieces of mail in the first six months of the year compared to last year, the U.S. Postal Service self-monitoring office said in an audit report to managers. In the 12-page document dated Aug. 13, the agency's [Office of Inspector General](#) blamed Post Office organizational changes and the brutal winter.

Winter storms from January through March affected mail delivery, including storms that shut down East Coast highways and closed a contractor's hub in Memphis, the report said.

Many cities in the central and eastern United States logged record low temperatures, according to [Weather.com](#), and snowfall was so great that in Boston, snow had to be plowed to a section of the city to get it out of the way. At least 72 cities reached record lows during one day in February, according to the website.

The report is just the latest in a series of bumps that the Postal Service has experienced in recent years as it struggles to survive. The public has scrapped birthday cards for birthday texts and many pay bills on their phones. In some circles, people will ask if you are serious if you pull out a checkbook. For the Post Office, this has meant frequent warnings from agency leadership that it is bleeding money.

Despite the problems, consumers had mostly good things to say on the Postal Service Facebook page. They praised carriers for the work that they do. Some customers said they understood mail delays, and some said they noticed a significant difference.

But there are still many naysayers. In Texas, mail services are "no good," griped Rosa Isela Pacheco. "It took a month for this post office to deliver my package and it had tracking."

Complained Angelo Thompson, "Stop advertising 2 day priority mail when in fact it's like 3-4 day mail."

The post office is trying to act, however,

After drastic delays took place in January, the agency sent teams to 20 Postal Service sites to try to fix the problem, the report said. It also added transportation.

A statement from the Postal Service from earlier this month shows the agency is continuing to lose money but also continuing to revamp itself.

The agency reported a net loss of \$586 million from April through June, but that was \$1.4 billion less than its net loss of \$2 billion for the same period last year. At the same time, shipping and package revenue and volume rose by

And there is relatively good news. Since the delivery dive in January, delayed mail has decreased each month, the audit said.

The report made a number of recommendations, including making sure adequate transportation is in place and making sure there is appropriate staff and they are trained to insure mail is delivered on time. Management responded that it already is following a number of the recommendations.

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Mail seem slow? Postal service change is likely the cause

February 01, 2015 8:45 pm • [CARA SPOTO](#) cara.spoto@journaltimes.com

[\(10\) Comments](#)

RACINE COUNTY — If you've recently suspected that letters and bills have been bit slower in arriving in your mailbox, you're not imagining it.

Last month, the United States Postal Service implemented changes to the way it processes all First-Class Mail that isn't big enough to be considered a parcel.

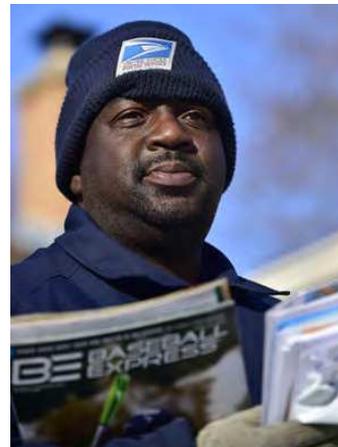
Facing a dramatic decline in the mail volume, the agency announced in 2011 that it would be consolidating the processing and distribution facilities and making revisions to its First-Class Mail service standards.

Those standard changes, which took place nationwide on Jan. 5, resulted in the average processing and delivery time for a piece of First-Class Mail, such as a birthday card or magazine, to increase from an average of 1-2 days to an average of 1-3 days, explained Sean Hargadon, spokesman for United States Postal Service.

Despite efforts by the U.S. Postal Service to educate the public about the adjustments, Hargadon said it's likely that those who noticed the delays weren't aware the changes were coming.

"First-Class Mail has dropped by more than 50 percent in the last 10 years, so we have adjusted the standard to reflect that," Hargadon said. "With First-Class Mail, what people are used to is: 'If I drop it today my friend will get it tomorrow.' Well, not necessarily anymore."

While there is a chance the changes could be leading to delays longer than a day or two, Hargadon said U.S. Postal Service customers should contact their local post office or postmaster if there is a longer delay. There could



Tavis Weaver, 49, a veteran mail carrier with the U.S. Postal Service, delivers mail along Ohio Street on Friday morning.

[\(1\) More Photos](#)

At a Glance

The United States Postal Service has increased the average delivery time for First-Class Mail from an average of 1-2 days to 1-3 days. The changes — officially implemented on Jan. 5 — were made to help the agency adjust to a dramatic decline in mail volumes. Delivery standards have not changed for packages, medicine sent through the mail in any type of package form or Standard Mail, the primary source of advertising mail.

be something else going in their region or at their post office that could be causing the problem, he said.

That's likely the situation in the Village of Rochester, Hargadon said, where a village employee and a village trustee said they have noticed delays in First-Class Mail of more than a week.



Village of Rochester Deputy Clerk Treasurer Sandi Swan said Thursday that she had just received a "big batch of mail" and found a piece that had a postmark date of Jan. 6, as well as other pieces of mail postmarked Jan. 20.

Village Trustee Chris Bennett, a candidate for village president, said he had been expecting an agenda for a village meeting that took place on Jan. 20, only to receive it in the mail on Wednesday, more than a week after the meeting actually took place.

At first Bennett had heard the delay might be due to staff reduction at an area sorting facility, but Hargadon said that wasn't the case. The USPS did recently dismiss some seasonal employees that had been working during December, but that likely would not lead to the kind of delay Bennett and Swan experienced, he said.

"Sometimes there are glitches in the system," Hargadon said of the Rochester situation. "They are going to look at it closer and keep an eye on it. With that being the case, what we recommend is that anybody from the Village of Rochester that has an issue contact the postmaster locally."

The postmaster for the Village of Rochester, Jeanette Kennedy, can be reached at 262-534-6100.

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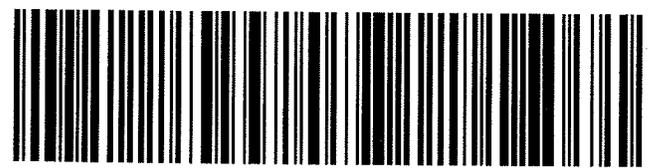
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