

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

RATES AND CLASSIFICATIONS FOR COMPETITIVE PRODUCTS
NOT OF GENERAL APPLICABILITY

Docket No.
CP2008-4

**NOTICE OF UNITED STATES POSTAL SERVICE
OF GOVERNORS' DECISION ESTABLISHING PRICES AND CLASSIFICATIONS
FOR GLOBAL EXPEDITED PACKAGE SERVICES CONTRACTS**
(May 20 , 2008)

The United States Postal Service ("Postal Service") hereby gives notice, pursuant to 39 USC § 3632(b)(3) and 39 CFR §§ 3015.5 and 3020.90, that the Governors have established prices and classifications for competitive products not of general applicability for Global Expedited Package Services ("GEPS") Contracts. The Attachment to this notice consists of previously proposed Mail Classification Schedule language concerning GEPS contracts¹ with facilitative changes noted in legislative format that reflect the Governors' Decision.

The Governors' Decision, which includes a statement of explanation and justification, and attachments thereto as well as the record of proceedings in connection with the Decision, are being filed separately with the Postal Regulatory Commission under seal. Contract prices are highly confidential in the business world so the Postal Service is protecting them in accordance with industry standards. The ability of the Postal Service to negotiate individual contracts would be severely compromised if prices

¹ See United States Postal Service Submission of Additional Mail Classification Schedule Information in Response to Order No. 43, November 20, 2007.

for these types of agreements were publicly disclosed. Public disclosure would also compromise the ability of respective shippers to negotiate favorable shipping services contracts in the future.

UNITED STATES POSTAL SERVICE

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MAIL CLASSIFICATION SCHEDULE

2610.2 Global Expedited Package Services (GEPS) Contracts

These are contracts that provide for ~~discounts~~ incentives for Express Mail International (EMI) and/or Priority Mail International (PMI) for all destinations served by Express Mail International and Priority Mail International. Preparation requirements are the same as for all Express Mail International and/or Priority Mail International shipments with the following exceptions: The mailer is required to use USPS-supplied labeling software, or a non-USPS supplied labeling software that has the same functionality as the USPS-supplied labeling software. The software allows for preparation of address labels and Customs declarations and submission of electronic shipment information to the Postal Service, as well as prepayment of Customs duties and taxes and pre-advice for foreign Customs authorities by the Postal Service. The mailer may be required to prepare specific shipments according to country specific requirements. To qualify for a contract, a mailer ~~must tender all of its qualifying mail to the Postal Service~~ and must be capable, on an annualized basis of either tendering at least ~~600~~ 5,000 pieces of ~~non-First-Class Mail International~~ international mail to the Postal Service, or paying at least \$100,000 in international ~~\$12,000 in non-First-Class Mail International~~ postage to the Postal Service. For a mailer to qualify, the contract must cover its attributable costs.

Size and Weight for Express Mail International:

	Length	Width	Height	Weight ¹
Minimum	Large enough to accommodate postage, address and other required elements on the address side.			
Maximum	36 inches	Length plus girth: 79 inches		

¹ Country-specific restrictions may apply as specified in the International Mail Manual.

Size and Weight for Priority Mail International:

	Length	Width	Height	Weight ¹
Minimum ²	5.5 inches	None	3.5 inches	None
Maximum	42 inches	Length plus girth: 79 inches Circular parcels: diameter: 64 inches		70

¹ Weight and other exceptional size limits based on shape and destination country restrictions may apply as specified in the International Mail Manual.

² Items must be large enough to accommodate postage, address and other required elements on the address side.

Minimum Volume or Revenue Commitment:

Mailers must commit to tender varying minimum volumes or postage of Express Mail International, Priority Mail International or both, on an annualized basis. The mailer is required to meet the minimum volume or weight requirements in effect for manifest mailing as specified by the Postal Service.

Price Categories:

The ~~discount is a fixed discount~~ incentives are based on the volume or revenue commitment above a specified cost floor. Also, separate charges apply if the customer has ~~the Postal Service label the mailpieces~~ labeling, for harmonization ~~and for~~ or return services.

GEPS – Express Mail International

GEPS – Priority Mail International

Optional Features:

Pickup On-Demand

International Ancillary Services

- International Certificate of Mailing (PMI flat-rate envelope only)
- International Insurance
- International Registered Mail (PMI flat-rate envelope only)
- International Restricted Delivery (PMI flat-rate envelope only)
- International Return Receipt

Software-Related Services:

- Labeling: At the mailer's request, the Postal Service will arrange for ~~apply~~ labels and Customs declarations ~~at a postal location~~ to be applied.
- Harmonization: At the mailer's request, the Postal Service ~~facilitates~~ will arrange for classification of merchandise according to country specified Customs regulations to determine applicable duties and taxes.
- Returns: At the mailer's request, the Postal Service will ~~contracts~~ with a returns center appropriate for the particular country. The returns center inspects the goods it receives from the mailer's customers and returns the goods in bulk to the mailer in the United States. The Postal Service invoices the mailer for appropriate charges. The Postal Service may also charge for certain Express Mail International and Priority Mail International undeliverable-as-addressed returns when customs duties have been prepaid.