

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Modification of Mail Classification  
Schedule Regarding the Issuance  
of New Forever Stamps

Docket No. MC2015-42

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE  
NOTICE OF MINOR CLASSIFICATION CHANGE CONCERNING  
ISSUANCE OF NEW FOREVER STAMPS

(April 2, 2015)

The Public Representative hereby provides comments pursuant to Order No. 2414.<sup>1</sup> In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of a minor classification change pursuant to 39 C.F.R. §§ 3020.90 and 3020.91.

In its Notice, the Postal Service proposes to add non-denominated, non-expiring (“Forever”) status to stamps for five additional First-Class Mail Single-Piece price categories: (1) the postcard stamp, (2) the two-ounce letter stamp, (3) the three-ounce letter stamp, (4) the additional ounce stamp, and (5) the first-ounce nonmachinable surcharge stamp.<sup>2</sup> Attachment A to the Notice presents the changes to the text of the Mail Classification Schedule (MCS). *Id.*, Attachment A. In addition, the Postal Service proposes to modify the definition of Forever stamps included in MCS § 3007, Glossary of Terms and Conditions, to include these new Forever stamps. *Id.*

The Postal Service asserts that the proposed changes to the MCS are consistent with 39 U.S.C. § 3642, because no product is being added or removed from a product

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<sup>1</sup> Order No. 2414, Notice and Order Concerning Minor Classification Change, March 26, 2015.

<sup>2</sup> Notice of the United States Postal Service of Minor Classification Changes Related to the Issuance of Forever Stamp Status to the Postcard, Two-Ounce, Three-Ounce, Additional Ounce, and Nonmachinable Surcharge Stamps, March 25, 2015 (Notice), at 1.

list, or transferred between the market-dominant and competitive product lists. Notice at 3. Therefore, the Postal Service Notice was filed pursuant to 39 C.F.R §§ 3020.90 and 3020.91. The Postal Service also observes that the proposed classification changes have been approved by the Governors, to become effective April 26, 2015.<sup>3</sup>

The Postal Service states that introduction of the new Forever stamps serve its policy objective of simplifying transactions associated with price changes. Notice at 2. For postal customers from the general mailing public, the new Forever stamps should enhance convenience by eliminating the need for customers to acquire denominated stamps in anticipation of price changes for these First-Class Mail categories. *Id.*

Introduction of the new Forever stamps is also expected to reduce Postal Service stamp inventory maintenance and distribution costs. The Postal Service indicates that future price changes for these First-Class Mail categories will no longer require the retrieval and destruction of outdated denominated stamp stocks and replacement with new denominated stamps. *Id.* Moreover, the continued production of particular Forever stamp designs, without regard to price changes, will enable better management of stamp printing. *Id.*

In support of its proposal, the Postal Service surveyed postal administrations in other countries to determine their use of non-denominated, non-expiring stamps with respect to different mail categories or weights. *Id.* The Postal Service observes that the number and variety of non-denominated, non-expiring stamps issued by Royal Mail, known as non-value indicator (NVI) stamps in the United Kingdom, most closely parallels the Forever stamp proposals presented by the Postal Service. *Id.* In this regard, Royal Mail issues NVI stamps for standard-size letters and large letters at different prices for each weight and class category. *Id.*

*Background.* The first Forever stamp, and the one familiar to most general postal customers, is the Forever stamp for the First-Class Mail letter weighing one-

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<sup>3</sup> In its notice in Docket No. R2015-4, the Postal Service announced that price adjustments for all market-dominant classes of mail would take effect April 26, 2015. Docket No. R2015-4, United States Postal Service Notice of Market-Dominant Price Adjustment, January 15, 2015, at 1. The Postal Service subsequently postponed the effective date for all market-dominant price adjustments for an indefinite period.

ounce or less.<sup>4</sup> This Forever stamp was formally proposed by the Postal Service, and approved by the Commission, in Docket No. R2006-1.<sup>5</sup> More recently, the Postal Service introduced a Global Forever stamp for use with Outbound International Single-Piece First-Class Mail and a Forever stamped card.<sup>6</sup>

## COMMENTS

The Public Representative recommends Commission approval of the addition of Forever stamps for five additional First-Class Mail categories effective when the rates in Docket No. R2015-4 are implemented.<sup>7</sup> Prices for the five additional First-Class Mail rate categories will be as follows: second-ounce letter—\$0.70, third-ounce letter—\$0.91, additional ounce—\$0.21, first-ounce nonmachinable surcharge—\$0.70; and, Single-Piece Postcards, \$0.34. The Public Representative believes the new Forever stamps will enhance customer convenience for the most common First-Class Mail categories.

Over time, the image on the First-Class Mail letter Forever stamp has varied, and included the Liberty Bell, Lady Liberty, and the Stars and Stripes, among others. However, the stamp image has always included the word “Forever.” In response to an inquiry by the Public Representative, Postal Service counsel states that the new Forever stamps will feature a unique stamp image, but the word “Forever” will not be included on the image. However, Postal Service counsel confirms that each of the new Forever stamps will include the words “Second Ounce,” “Third Ounce,” “Additional Ounce,” “Nonmachinable,” and “Postcards,” respectively, to indicate its intended use.

The Public Representative considers the inclusion of these words on the new Forever stamps to be essential, not only for the convenience of postal customers but to avoid customer confusion. Customers will likely purchase a mix of the First-Class Mail letter Forever stamps and some of the five new forever stamps, especially the second-

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<sup>4</sup> MCS, § 1105.5 Prices, Single-Piece Machinable Stamped Letter, Note 1.

<sup>5</sup> Opinion and Recommended Decision, Vol. 1, February 26, 2007 at 180-184.

<sup>6</sup> MCS, §§ 1125.6, Note 1 and 1105.5, Note 1.

<sup>7</sup> The Public Representative has carefully considered the Postal Service’s reasoning for applying 39 C.F.R. §§ 3020.90 and 3020.91 in this case and does not oppose their application in this case for this unique purpose. See Notice at 1.

ounce and third-ounce stamps. The second-ounce and third-ounce Forever stamps, and the nonmachinable first-ounce stamp, will have a price at purchase that exceeds the First-Class Mail one-ounce Forever stamp. In the absence of words indicating their intended use, confusion might result in the overpayment of postage on letters eligible for the First-Class, first-ounce postage rate—the most common mailpiece used by the general mailing public—when customers exhaust their supply of the First-Class Mail letter Forever stamp.

Postal Service counsel has also acknowledged that, consistent with the current use of the Forever stamp, the new stamps will be valid for any postage stamp use at the prevailing value of the primary use of the stamp, regardless of the price at purchase.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration and recommends approval of the Postal Service's proposed classification changes to be effective when the price adjustments are effective in Docket No. R2015-4 for the relevant categories.

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