

# Postal, Paper & Logistics Update

September 2025

*In brief:* Postmaster General (PMG) David Steiner confirmed that there will be no price increase for Market Dominant mail this January. Quad visited with Steiner to present our perspective on the challenges mailers face. Plant closings and price increases continue in the paper industry. Freight markets are relatively calm, but several package shipping price increases are in the works.

*Built on our roots as a printer, mail industry partner and logistics leader, Quad is a marketing experience (MX) company focused on delivering streamlined solutions at scale to our clients. As the largest USPS customer, we are uniquely positioned to provide clients with best practices and insights on the latest postal, paper and logistics topics. If you have any questions or concerns during these challenging times for our industry, contact your Quad representative. We'll tap our in-house experts to investigate and get you the answers you need.*

## Postal

### **No price increase for Market Dominant Mail in January**

The mailing industry heaved a sigh of relief on Sept. 24 when PMG Steiner [announced](#) that Market Dominant mail would not see any rate hikes at the start of 2026.

The Market Dominant category includes First-Class Mail (so, no rise in the price of a stamp), Marketing Mail, Bound Printed Matter and Periodicals.

Explaining the decision, Steiner said: “We continually strive to balance our pricing approach both to meet the revenue needs of the Postal Service and to deliver affordable offerings that reflect market conditions. We have therefore decided at this time to forgo a price change for First-Class Mail postage and other Market Dominant services until mid-year 2026.”

There was no word on whether the prices for Competitive products would increase in January 2026. However, January is the month USPS competitors typically raise prices. The USPS usually announces proposed January rate changes in October.

## **The new PMG is listening**

PMG Steiner has shown that he is willing to engage with the mailing industry. Quad CEO Joel Quadracci and members of the Quad postal team met with him at USPS headquarters earlier this month.

It was a good meeting in which Quad presented data that showed specific impacts on commercial mailers of previous actions taken by the USPS under the Delivering for America plan, particularly the twice-a-year price increases. Joel discussed the challenges of operating in a declining market like commercial mailing, especially the importance of taking costs out of operations — for both businesses and the USPS — to remain on a strong financial footing.

The next day, a smaller group led by Don McKenna, Quad Executive VP and Chief Administrative Officer, met with Sharon Owens, USPS VP of Pricing & Costing, and Finona Machado, USPS Director of Pricing & Costing Strategy Support, to review the same presentation Quad made the previous day and discuss more specific technical topics. The discussion and information were helpful, according to the USPS team in attendance. However, no immediate decisions came out of the meeting.

## **Miscellaneous updates**

- The USPS is proposing changes to how Service Standard performance is measured. The changes would expand the list of events that are recognized as causing delivery delays and exclude delays due to those reasons from its reporting. Public comments were due by Sept. 23.
- The Postal Regulatory Commission (PRC) approved the competitive time-limited price change; it is scheduled to take effect on Oct. 5.
- The USPS announced that Australia and some other countries that had recently suspended package deliveries to the U.S. — due to the uncertainty surrounding tariffs — are starting to lift those suspensions.

## USPS delivery performance

Below are the average in-home curves for our Marketing Mail clients who tracked their mail with Quad's IMsight application over the five weeks specified. There has been a slight shift in the curves since Labor Day — basically a flattening of the curves, with more mail delivered in-home one day past the target window. We believe this is due to increased volume.

	Week of 8/11	Week of 8/18	Week of 8/25	Week of 9/1	Week of 9/8
<b>Early</b>	34%	29%	28%	20%	19%
<b>Day 1</b>	56%	53%	56%	48%	37%
<b>Day 2</b>	71%	73%	76%	68%	57%
<b>Day 3</b>	84%	85%	88%	81%	74%
<b>Day 4</b>	93%	92%	96%	88%	89%
<b>1 Day Late</b>	95%	93%	97%	95%	92%

Sixty-five Sectional Center Facilities (SCFs) have struggled with processing Flat mail for the last month, averaging less than 70% in-home by Service Standard. This explains why we are seeing flattening in-home curves. Here are the most-delayed facilities:

Entry Type	City	In-Home by Service Standard %
SCF	Syracuse, N.Y.	32%
SCF	Tacoma, Wash.	41%
SCF	Omaha, Neb.	41%
SCF	St. Louis	44%
SCF	Birmingham, Ala.	44%
SCF	Buffalo, N.Y.	45%
SCF	Pittsburgh	45%
SCF	Spokane, Wash.	47%
SCF	Albany, N.Y.	49%
SCF	New York City	49%

## USPS volume

Mail volume for the week ended September 13, compared to last year		
Total Mail Volume	<b>Down 7.4%</b>	▼
Packages	<b>Down 8.8%</b>	▼
Single Piece	<b>Down 17.8%</b>	▼
Presort First Class	<b>Down 8.2%</b>	▼
Marketing Mail	<b>Down 9.5%</b>	▼
Periodicals	<b>Down 16.5%</b>	▼

Mail volume for the week ended September 6, compared to last year		
Total Mail Volume	<b>Down 6.4%</b>	▼
Packages	<b>Down 7.7%</b>	▼
Single Piece	<b>Down 17.9%</b>	▼
Presort First Class	<b>Down 2.9%</b>	▼
Marketing Mail	<b>Down 13.4%</b>	▼
Periodicals	<b>Down 4.5%</b>	▼

Mail volume for the week ended August 30, compared to last year		
Total Mail Volume*	<b>Up 9.2%</b>	▲
Packages	<b>Down 6.0%</b>	▼
Single Piece	<b>Down 11.6%</b>	▼
Presort First Class	<b>Down 3.1%</b>	▼
Marketing Mail	<b>Down 4.4%</b>	▼
Periodicals	<b>Down 21.2%</b>	▼

Mail volume for the week ended August 23, compared to last year		
Total Mail Volume	<b>Down 5.5%</b>	▼
Packages	<b>Down 5.8%</b>	▼
Single Piece	<b>Down 9.1%</b>	▼
Presort First Class	<b>Down 4.1%</b>	▼
Marketing Mail	<b>Down 11.8%</b>	▼
Periodicals	<b>Up 1.8%</b>	▲

\*The USPS said the discrepancy between increased total mail volume and decreased category volumes was due to “flash volumes.”



## Paper Market

New developments in the paper industry this month include:

- Domtar announced the indefinite idling of its newsprint paper mill in Grenada, Miss. This will eliminate about 10% of newsprint production in North America. Other North American newsprint paper mills are scheduling production downtime to match lower demand.
- Several coated freesheet producers announced a price increase of about 5% (sheets and rolls) to take effect Oct. 1. Quad is currently negotiating this increase with the producers that announced it.
- UPM announced an 8% price increase on its products as of Oct. 1. The company said the higher prices were an effort to recover some of the 15% tariffs it now pays for paper exported to the U.S. from Europe.
- UPM will shut its Kaukas paper mill in Finland during Q4 this year. This mill produced about 300,000 tons of coated groundwood grades per year.
- In August, Pixelle Specialty Solutions closed its uncoated freesheet-producing paper mill in Chillicothe, Ohio. The mill produced about 400,000 tons of uncoated freesheet and specialty paper grades per year.

## Logistics

The freight market remains relatively stable, though there are several price increases that will affect shippers in the next few months, including:

- On Sept. 12, FedEx [announced](#) an average 5.9% increase on U.S. package shipping services, effective Jan. 5, 2026. FedEx also will impose a bevy of surcharge hikes on the same date. In addition, FedEx Freight announced rates will jump 5.9% or 6.9% on average, depending on the service.
- UPS announced it will implement temporary surcharges starting on Sept. 28 and Oct. 26 for certain packages shipped to and from the U.S. The surcharges apply to goods imported into the U.S. from multiple countries in Europe plus India and Canada, as well as to U.S. exports throughout the world. The additional fees are set to expire Jan. 17, 2026. A list of the surcharges can be found [here](#). (Back in July, FedEx announced [demand surcharges](#) for this fall.)

As always, your Quad representative will work diligently to find you the lowest rates with the most efficient transportation available.

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