



# Postal, Paper & Logistics Update

June 2026

*In brief:* The Postal Regulatory Commission approved the USPS's proposed Competitive product price increases that will take effect on July 12 alongside previously approved Market Dominant price increases. The USPS has proposed new rules that would require states to submit data on voters who use mail-in ballots for federal elections. Paper prices continue to rise. And transportation costs remain elevated as the industry navigates seasonal demand, capacity constraints and ongoing market uncertainty.

*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 for 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

### **USPS Competitive mail price increases are approved**

After an extended period of public comment, the Postal Regulatory Commission (PRC) approved the USPS filing for price increases on Competitive products on June 12. The increases will take effect on July 12 along with previously approved rate hikes for Market Dominant products. The final list of all the July 12 changes can be found on the [USPS Postal Explorer page](#).

One issue Quad is monitoring: The original USPS Competitive price change filing included pricing for a new fee-based Addresses API (application programming

interface), a set of tools allowing businesses to integrate USPS shipping and mailing services directly into their own websites, e-commerce platforms and applications. Industry associations pushed back on that in comments filed with the PRC, expressing concern that it appears to compete directly with existing solutions that are licensed through the USPS. The PRC approved the change but recommended that the USPS “further engage with the shipping industry” and implement a “grandfathering” period to minimize disruption.

## **Judge permits challenges to Executive Order 14399 on mail-in ballot rules in advance of midterm elections**

On June 2, the USPS issued [proposed rules](#) for mail-in ballots in federal elections. The rules would set new standards for the outbound and return envelopes, including requiring Intelligent Mail barcodes (IMBs) on the envelopes that are associated with individual voters. The states would also need to provide the USPS with the name and envelope IMB for each voter receiving a mail-in ballot through a new federal Ballot Mail Portal at least 30 days before the election. The comment period for the proposed rules ends on July 2.

The proposed rules follow the President’s [March 31 Executive Order 14399](#) that directed the USPS to begin rulemaking relating to mail-in and absentee ballots. That order faces several pending legal challenges in court. On June 18, a federal judge in Massachusetts denied in part the federal government’s motion to dismiss these challenges. The plaintiffs’ claims relating to the November midterms will move forward, but the court dismissed claims related to future elections as premature until it was clearer how the USPS would implement the executive order.

## **Miscellaneous updates**

- “Right now, marketers who bet everything on the algorithm are discovering the algorithm isn’t the same as the consumer. What really matters to the consumer hasn’t changed much at all. People still make memories with media, whether it’s digital or physical. A funny video ad might prompt a like and a share, while a thoughtfully curated catalog that sits on the kitchen counter for days invites discovery across the household by virtue of its very presence. A well-timed piece of direct mail — targeted, relevant, beautifully made — can be built with a digital mindset, with digital KPIs, and even elicit digital responses.”

That’s an excerpt from “Marketers Left The Customers Behind. It’s Time To Go Back,” a new piece by Quad Chairman & CEO Joel Quadracci and Stagwell Vice Chairman David Sable. [Read the whole article at Forbes.com.](#)

- The mailing industry held recent discussions with the USPS about the new Marketing Mail Heavy Printed Matter (HPM) category, specifically regarding what pieces will be eligible for the direct container discount. It appears that the discount will be limited to 5-digit pallets of pure CART (carrier route) bundles. This will require a Domestic Mail Manual (DMM) update and necessitate that presort software vendors add this as a new presort level to allow eligibility for the discount.
- In a meeting with the postal trade organization [PostCom](#) in early June, USPS Acting VP of Pricing and Costing Fiona Machado provided preliminary guidance for the July 2027 price changes (based on current rate authority rules, which are under review by the PRC and are subject to change):

- First-Class 7.8%
  - Periodicals 9.8%
  - Marketing Mail Letters 7.8%
  - MM Flats, CART 7.8%
  - MM Flats, non-CART 9.8%
  - Bound Printed Matter 7.8%
- In a recent industry briefing, the USPS noted that it is seeing a significant bump in political mail volume, particularly in areas where there are contested primaries.
  - The USPS resumed mail acceptance to Kuwait effective June 12 and to Venezuela on May 19.

## USPS delivery performance

Mail volume remained steady in May, the most recent month for which we have complete results, and the USPS performed according to its Service Standards.

Below are the average in-home curves for Quad's Marketing Mail clients who used our IMsight application to track their mail in May. Summer is typically a period of lower mail volume, and we expect that processing through all postal facilities will proceed without major delays for the next couple of months.

	Week of 5/4	Week of 5/11	Week of 5/18	Week of 5/25
<b>Early</b>	22%	32%	21%	15%
<b>Day 1</b>	54%	58%	43%	48%
<b>Day 2</b>	79%	76%	71%	78%
<b>Day 3</b>	91%	87%	89%	87%
<b>Day 4</b>	96%	93%	93%	94%
<b>1 Day Late</b>	97%	94%	96%	94%

For Marketing Mail Flats, the Sectional Center Facilities (SCFs) listed here did not meet our 70% benchmark:

Entry Type	City	In-Home by Service Standard %
SCF	Dayton, Ohio	66%
SCF	Greenville, S.C.	54%
SCF	Jackson, Miss.	63%
SCF	Shreveport, La.	63%

## USPS volume

Mail volume for the week ended June 6, compared to last year		
Total Mail Volume	Up 4.8%	▲
Packages	Down 5.4%	▼
Single Piece	Down 10.1%	▼
Presort First-Class	Down 1.5%	▼
Marketing Mail	Up 6.5%	▲
Periodicals	Down 19.4%	▼

Mail volume for the week ended May 30, compared to last year		
Total Mail Volume	Up 2.4%	▲
Packages	Down 5.5%	▼
Single Piece	Down 10.5%	▼
Presort First-Class	Down 3.8%	▼
Marketing Mail	Up 10.1%	▲
Periodicals	Up 41.1%	▲

Mail volume for the week ended May 23, compared to last year		
Total Mail Volume	Up 4.8%	▲
Packages	Down 5.4%	▼
Single Piece	Down 10.4%	▼
Presort First-Class	Down 2.3%	▼
Marketing Mail	Up 0.8%	▲
Periodicals	Down 10.8%	▼

Mail volume for the week ended May 16, compared to last year		
Total Mail Volume	Up 1.8%	▲
Packages	Down 4.1%	▼
Single Piece	Down 8.4%	▼
Presort First-Class	Down 8.5%	▼
Marketing Mail	Up 4.4%	▲
Periodicals	Down 43.2%	▼

## Paper Market

- International Paper (IP) completed its acquisition of North Pacific Paper Co. (NORPAC) in June. IP is one of the world's largest producers of fiber-based packaging and pulp products.
- Paper prices are continuing to rise, with the latest increases affecting uncoated freesheet offset, digital and opaque grades as well as uncoated groundwood high-brightness grades. The shift in the uncoated freesheet (UFS) market is being driven by the combination of high-capacity utilization and significant inflationary pressure. The market has transitioned into a "supply-tight" environment due to a series of paper production plant closures and conversions, accompanied by a reduction in paper imports due to the continuing impact of U.S. tariffs. These ongoing developments have removed significant volume from the industry.
- The uncoated groundwood (UGW) market is also currently experiencing significant tightening as high-brightness and book grades of paper see a demand surge that has pushed operating rates toward capacity limits. This supply-demand imbalance has been exacerbated by a shrinking production base and unexpected operational hurdles.

# Quad

## Logistics

Transportation costs remain elevated as the industry continues to navigate seasonal demand, capacity constraints and ongoing market uncertainty.

Recent developments in the Middle East have contributed to ongoing volatility in oil prices. Quad continues to monitor the situation closely.

Despite potential fuel price relief, overall operating costs continue to impact trucking companies. [FreightWaves reported](#) that more than 20 trucking and logistics companies filed for bankruptcy protection in May as carriers faced elevated operating expenses, uneven freight demand and tight margins.

Produce season, freight activity over the recent Memorial Day holiday and lingering impacts from DOT Week inspections continue to tighten capacity and raise transportation costs across many markets.

As we approach the Fourth of July holiday, Quad remains committed to providing reliable transportation solutions and maintaining service for our customers. Through strong carrier partnerships, proactive planning and continuous market monitoring, we will continue working to minimize disruptions and keep freight moving efficiently despite ongoing challenges.

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

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