

Postal, Paper & Logistics Update

September 2026

In brief: The USPS announced that it will not implement or enforce its new mail-in ballot rule for the 2026 midterm elections. In the paper market, higher tariffs on paper imports have enabled domestic U.S. paper mills to increase prices despite declining overall demand. Fuel costs continue to impact the logistics market, with average U.S. diesel prices hitting more than \$6.50 a gallon for the first time ever in September.

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

USPS stops work on new mail-in ballot system for 2026 elections, gets the OK to raise Competitive Product prices for the upcoming holiday season

The USPS said that it will not implement or enforce the Federal Ballot Mail Rule for the 2026 federal election. The Postal Service acted after the U.S. Supreme Court [denied an application to stay](#) the lower court injunction blocking the new rule, which was based on a March presidential executive order.

On Sept. 9, the Postal Regulatory Commission (PRC) approved [the USPS time-limited price change for Competitive Products](#). The PRC's action followed the USPS Board of Governors' approval of the change. The peak season increase will affect Priority Mail Express, Priority Mail, USPS Ground Advantage and Parcel Select.

The average 6% price increase will go into effect Oct. 4 through Jan. 17, 2027. More details on the changes can be found [here](#).

In its original announcement, the USPS said the seasonal adjustment “will bring prices for the Postal Service’s retail and commercial customers in line with competitive practices.”

The USPS already has an 8% transportation-related, time-limited price increase on these domestic package and shipping services that is in effect until Jan. 17, 2027.

Miscellaneous updates

- A September [audit report](#) by the USPS Office of Inspector General (OIG) found that counterfeit package postage labels remain a widespread and costly fraud scheme affecting USPS package operations. While the USPS and the U.S. Postal Inspection Service have made progress identifying and intercepting fake labels, weaknesses in oversight, detection and fraud-response processes continue to allow substantial revenue leakage, per the OIG’s investigation. According to the report:
 - The USPS experienced \$3.1 billion in revenue losses from counterfeit postage labels from March 2024 through February 2026.
 - There could be an additional \$520 million in unrecoverable revenue at risk by February 2028 if current issues are not fully addressed.
 - The result is a \$3.62 billion total negative revenue impact over four years.
 - The Postal Service also incurs millions of dollars annually in reprocessing costs associated with identifying and handling suspected counterfeit labels.

Including this latest report on postage label fraud, the OIG’s broader work on postage fraud has identified nearly \$5.8 billion in USPS revenue losses across multiple related fraud investigations and reports.

USPS delivery performance

In August, the USPS performed well all month despite circumstances that could have delayed delivery in some regions. In mid-August, parts of the Midwest (the Ohio Valley, Illinois and Indiana) were hit with strong storms, heavy winds and widespread power outages. The Pacific Northwest and Western states dealt with the impact of wildfires during the month. Below are the average in-home curves for Quad's Marketing Mail clients that used our IMsight application to track their mail in August.

	Week of 8/3	Week of 8/10	Week of 8/17	Week of 8/24
Early	18%	35%	20%	23%
Day 1	41%	63%	45%	50%
Day 2	64%	77%	67%	73%
Day 3	80%	89%	86%	90%
Day 4	91%	94%	93%	95%
1 Day Late	94%	97%	95%	98%

The Sectional Center Facilities (SCFs) below struggled to hit 70% in-home on average by USPS Service Standards for Letter mail. Flat mail moved according to Service Standards throughout the U.S.

Letters

Entry Type	City	In-Home by Service Standard %
SCF	Champaign, Ill.	65%
SCF	Duluth, Minn.	51%

USPS volume

Mail volume for the week ended September 12, compared to last year		
Total Mail Volume	Down 15.5%	▼
Packages	Down 15.2%	▼
Single Piece	Down 21.8%	▼
Presort First Class	Down 14.3%	▼
Marketing Mail	Down 6.8%	▼
Periodicals	Down 20.8%	▼

Mail volume for the week ended September 5, compared to last year		
Total Mail Volume	Up 15.3%	▲
Packages	Up 7.4%	▲
Single Piece	Up 2.4%	▲
Presort First Class	Up 2.9%	▲
Marketing Mail	Up 20.3%	▲
Periodicals	Up 10.4%	▲

Mail volume for the week ended August 29, compared to last year		
Total Mail Volume	Down 4.1%	▼
Packages	Down 5.7%	▼
Single Piece	Down 13.8%	▼
Presort First Class	Down 7.9%	▼
Marketing Mail	Down 2.0%	▼
Periodicals	Down 13.1%	▼

Mail volume for the week ended August 22, compared to last year		
Total Mail Volume	Down 2.3%	▼
Packages	Down 5.4%	▼
Single Piece	Down 10.3%	▼
Presort First Class	Down 3.1%	▼
Marketing Mail	Up 2.4%	▲
Periodicals	Down 16.5%	▼

Mail volume for the week ended August 15, compared to last year		
Total Mail Volume	Up 1.4%	▲
Packages	Down 5.5%	▼
Single Piece	Down 10.8%	▼
Presort First Class	Down 4.8%	▼
Marketing Mail	Up 0.4%	▲
Periodicals	Down 31.9%	▼

Paper Market

Paper demand and operating rates are generally stable; however, prices remain sensitive to energy, pulp, logistics and geopolitical pressures related to tariffs and the Middle East conflict.

- Higher tariffs on foreign suppliers including Brazil have contributed to curtailed printing paper imports on certain grades into the U.S. Restricted offshore supply has consequently given domestic paper mills stronger pricing power to push through multiple price hikes this year, despite declining overall demand.

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- The Sappi–UPM graphic-paper joint venture has not yet closed. The companies signed a definitive agreement in May and are preparing the management team, but the 50/50 venture still requires EU and other regulatory approvals. On Sept. 18, [Reuters reported](#) that the European Commission, the EU's antitrust authority, is expected to veto the proposed venture. The Commission has until Nov. 11 to make a final decision. Both businesses continue operating independently in the meantime.

Logistics

As we enter the busiest time of year, our team remains committed to servicing our clients with the consistency, responsiveness and reliability you expect.

- September began with added pressure from the Commercial Vehicle Safety Alliance [Brake Safety Week](#) during the last full week of August. This involved Department of Transportation (DOT) roadside inspections of commercial motor vehicles and prohibited any that had brake-related out-of-service safety violations from operating until repairs were made. This was followed by the Labor Day holiday, which also affected capacity and scheduling.
- The freight market is facing additional capacity constraints following the DOT's announcement that more than 110 truck-driving schools have been removed from the federal registry amid a nationwide crackdown on schools' failure to adhere to federally mandated Commercial Driver's License (CDL) standards, primarily English-language proficiency. [According to FreightWaves](#), another 160-plus schools are also potentially facing removal after investigations found issues such as inadequate training space. Federal officials also continue to audit third-party CDL skills testers. This enforcement will likely further tighten the driver pipeline.
- Fuel costs are adding pressure on the logistics market, with average U.S. diesel prices hitting more than \$6.50 a gallon for the first time ever in September. [According to the U.S. Energy Information Administration](#) (EIA), the national average on-highway diesel price reached \$6.529 per gallon for the week ended Sept. 21, creating additional operating-cost burdens for transportation providers.
- With fewer drivers entering the market, fewer training schools available, higher fuel and operating costs and a tighter freight environment, the conditions facing providers remain challenging. Quad continues to adapt by staying close to our carrier network, planning proactively and maintaining a strong focus on execution.

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

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