

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

MARKET-DOMINANT PRICE CHANGE

Docket No. R2026-1

**COMMENTS OF THE
NEWS/MEDIA ALLIANCE
(May 11, 2026)**

The News/Media Alliance (“N/MA”) respectfully submits these comments on the Postal Service’s Notice of Market-Dominant Price Changes.¹ N/MA is the largest trade association representing around 2,200 news, magazine, and digital media organizations and their multiplatform businesses in the United States and globally. Our members are trusted and respected providers of quality journalism.

I. Rate Increases Continue Unabated While Service And Volume Decline

At a time when the publishing industry is facing soaring costs due to tariffs, digital competition, physical threats against journalists, and a difficult advertising market, the Postal Service is once again imposing the maximum rate increase allowed on Periodicals mail. The average class increase is 6.803 percent, with increases for Outside County of 6.562 percent but 9.325 percent for In-County Periodicals, with some publications reporting 11 to nearly 50 percent increases, well above what they budgeted for. Subscribers pay In-County periodicals to receive critical information about what is

¹ Docket No. R2026-1 (April 9, 2026) (“USPS Notice”). The Commission issued public notice of the filing in Order No. 9512 (April 10, 2026), 91 *Fed. Reg.* 19218 (April 14, 2026).

happening in their communities, yet when costs continue to climb at an outrageous pace, our members lose both subscribers and advertisers.

When implemented, these increases will result in compounded increases of nearly *73 percent* for Periodicals mail since the current rate system took effect in August 2021. Because a service reduction is tantamount to a rate increase, the effective rate increase is even higher after considering the repeatedly reduced service standards and subpar service quality provided to many Periodicals mailers. In short, the Postal Service demanding publishers pay more in postage while receiving less in service.

A portion of those increases is due to the two percent non-compensatory surcharge, which the Postal Service persists in applying despite its being discretionary. N/MA continues to oppose the surcharge, which unnecessarily harms Periodicals mailers and brings in only a very small amount of revenue for the Postal Service.

The repeated steep price hikes facing publishers continue to force them to make difficult decisions regarding editorial staffing, distribution areas, frequency of publication, or even whether to cease publishing altogether. Reduced hard-copy news and information does not serve the public interest, particularly in rural areas with little or no broadband Internet.

The *USPS Notice* illustrates once again the urgent need for modification of the system by which Market Dominant rates are set. N/MA respectfully refers the Commission to the recommendations it has made in the ongoing review of that system.²

² See *Comments of the News/Media Alliance*, Docket No. RM2024-4 *et al.* (July 9, 2024); *Petition of the News/Media Alliance for Modification of the System for Regulating Rates for Market Dominant Products*, Docket No. RM2024-4 *et al.* (February 17, 2026).

The rate levels and pricing announced in this docket demonstrate the continued need for positive reform.

II. Implementation of the New Outside County Rate Structure

This case introduces the new rate structure for Periodicals that the Commission approved last fall in Docket No. MC2025-1483,³ with N/MA's support.⁴ The Postal Service appears to have implemented the new rate structure in a manner consistent with its proposal in that docket. While N/MA understands that the redesign is to simplify the rate structure, it is not price neutral.

As the *USPS Notice* (at 22) observes, the new rates continue the Postal Service's recent policy of recovering most Outside County revenue through the piece charges. This is a response to the generally reduced weight of periodicals, as the Commission has noted. See *Annual Compliance Determination Report*, Docket No. ACR2025, at 31 (March 27, 2026) ("*FY2025 ACD*"). The redesigned rate structure appears to have resulted in significantly different effects on publishers depending upon their preparation methods. While the piece charges alone can have large increases, particularly for Nonbarcoded Flats, the new Delivery Sort Container and SCF Pallet discounts only partly offset those increases.

N/MA is disappointed that the Postal Service did not make more of an effort to mitigate the price increases and reduce costs by setting higher passthroughs for the new SCF Pallet and Delivery Sort containerization preparation discounts. Mailers' use

³ See Order No. 9086, Docket No. MC2025-1483 (August 14, 2025).

⁴ See *Comments of the News/Media Alliance*, Docket No. MC2025-1483 (July 11, 2025).

of SCF pallet and delivery sort containers reduce the Postal Service's costs of handling Outside County mail, as the Postal Service acknowledges.⁵ Yet the Postal Service is setting passthroughs of about only 85 percent for both prices.⁶

A larger passthrough could have provided a stronger incentive for mailers to invest in using these lower cost preparation methods as a critical part of the overall effort to control Periodicals costs. Although N/MA is optimistic that these containerization discounts will be helpful, this is a lost opportunity to bring Periodicals costs, including the costs of Periodicals flats, under better control.

III. The Pricing of the In-County DDU Rate Is Counterproductive

The Postal Service is proposing to reduce both the absolute amount (from \$0.026 to \$0.020) and the percentage passthrough of the In-County DDU dropship discount. This presumably is because the Commission found the current discount exceeded the avoided costs in the most recent ACD proceeding. See *FY2025 ACD*, App. A at 1.⁷ Approximately two-thirds of In-County mailers use the DDU discount and by doing so significantly reduce postal costs.⁸ Reducing the discount to comply with the

⁵ *USPS Notice (at 23)* (stating that the SCF Pallet and Delivery Sort Container discounts "further the efficient flow of Periodicals through the Postal Service network").

⁶ See USPS-LR-R2026-1-3, USPS-COMPCALC-PER-R2026-1, Tab Passthrough Outside County. It set similar passthroughs in Docket No. R2025-1. USPS-LR-R2025-1-3, USPS-COMPCALC-PER-R2025-1, Tab Passthrough Outside County.

⁷ The new discount will be \$0.020, a sharp reduction from the current \$0.026. The new passthrough of 85 percent is smaller than the 88.5 percent set in R2025-1.

⁸ See USPS-LR-R2026-1-3, USPS-COMPCALC-PER-R2026-1, Tab Within County BD, lines 21 & 24.

ACD is the apparent cause of the 9.325 percent increase in In-County rates, which the *USPS Notice* (at 22) states is “in part to meet workshare passthrough requirements.”

In-county newspapers rarely touch the expanded postal network, including the large mail processing facilities which is costing billions to build, and our members workshare by sorting them for same day walk sequence for the mail carrier. Yet they feel that they are being penalized.

The reduction in the DDU dropship discount, while within the Postal Service’s discretion, is unfortunate and counterproductive. A more moderate reduction could have ameliorated the increases imposed on other mailers. N/MA regrets that the Postal Service chose not to seek to apply the statutory exception set forth at 39 U.S.C. §3622(e)(2)(C)⁹ as a means of both encouraging destination entry and also moderating the In-County rate increases.

IV. Conclusion

The News/Media Alliance respectfully urges the Commission to consider these comments and look to moderate the punishing rate increases on Periodicals Mail in recent years and to require more efficient pricing in the future. Similar to the Postal Service, the news media provides an essential public service by informing communities and supporting civic engagement across the country helping to connect and inform the

⁹ See *Comments of the News/Media Alliance*, Docket No. ACR2025, at 5 (January 27, 2026) (encouraging the Postal Service to invoke that exception, noting that DDU entry both reduces postal costs and should improve service performance by bypassing all other aspects of the postal network).

American people. Our products contribute to the “mailbox moment” and must be considered as a valuable part of the overall postal delivery system.

Respectfully submitted,

N/MA – The News/Media Alliance

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