

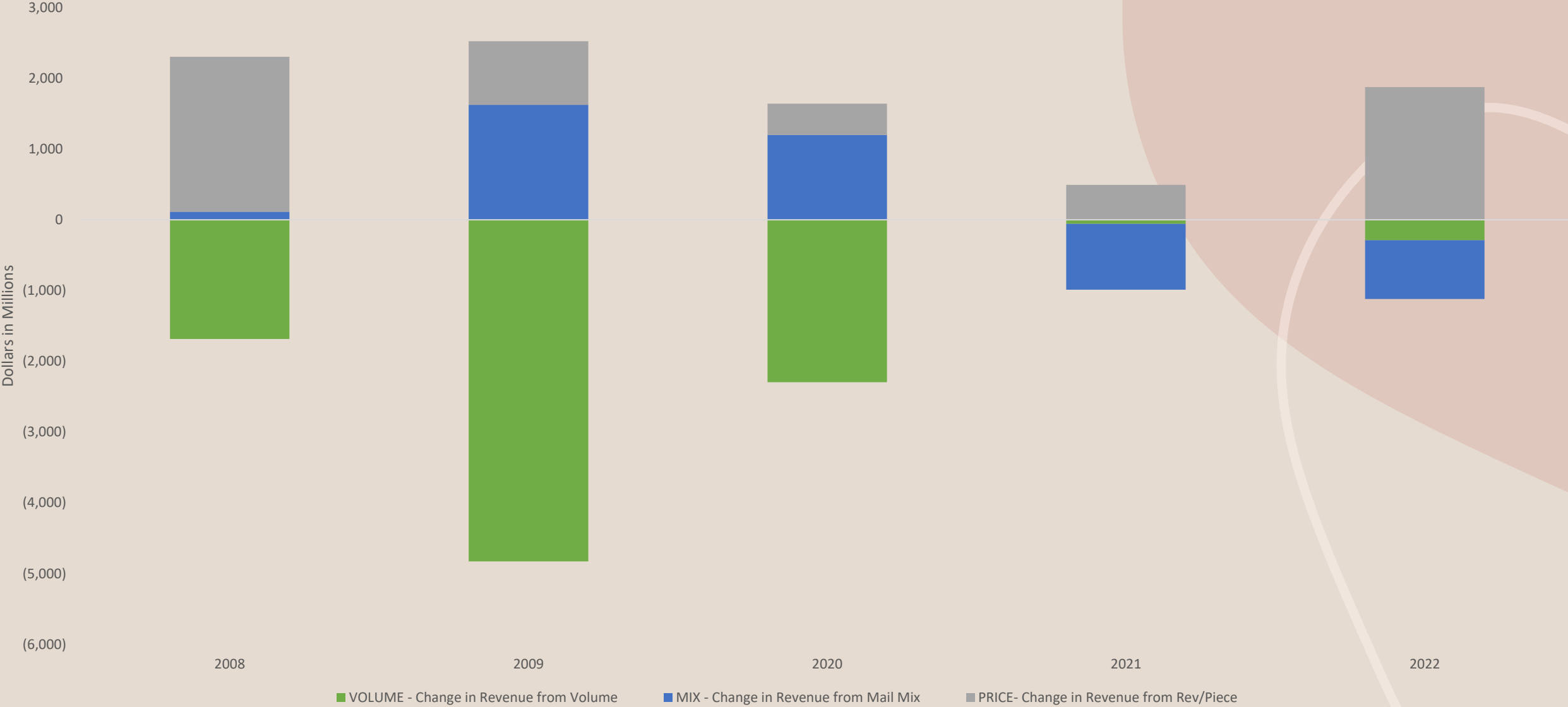
Postal operations and COVID-19 – a temporary or structural change?

**Margaret Cigno and Cassie D'Souza U.S. Postal Regulatory
Commission**

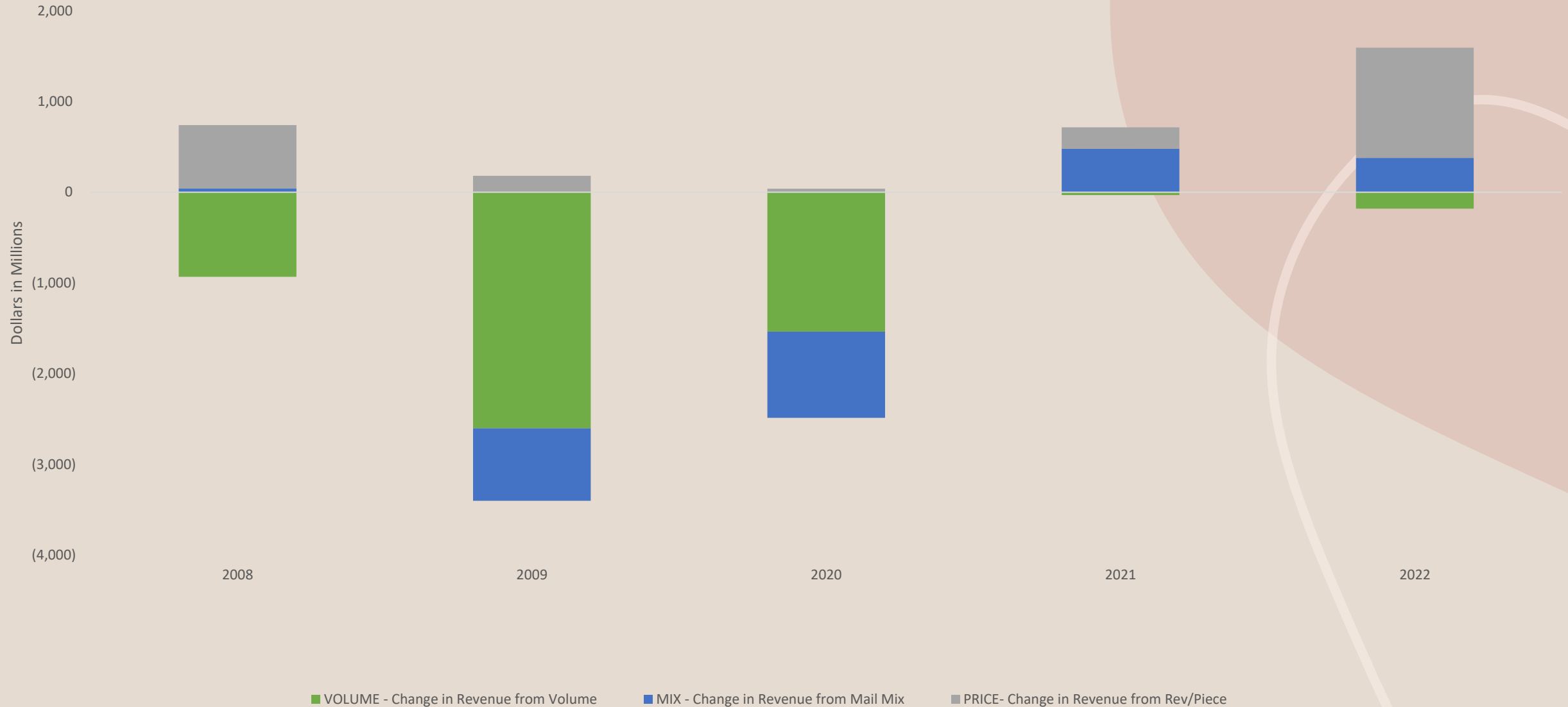
Average Annual Percent Change in Mail Volume

| | Great Recession | Stable Period | Initial Year COVID-19 | Pandemic Period |
|---------------------|----------------------------|--------------------------|----------------------------------|----------------------------|
| | 2008-2009 | 2010-2019 | 2020 | 2020-2022 |
| First Class Letters | -6.5% | -3.8% | -4.6% | -4.6% |
| Marketing Mail | -11.2% | -0.9% | -16.5% | -4.0% |
| Packages | -8.3% | 14.1% | 22.9% | 5.6% |
| Total Mail Volume | -9.1% | -2.2% | -9.9% | -3.8% |

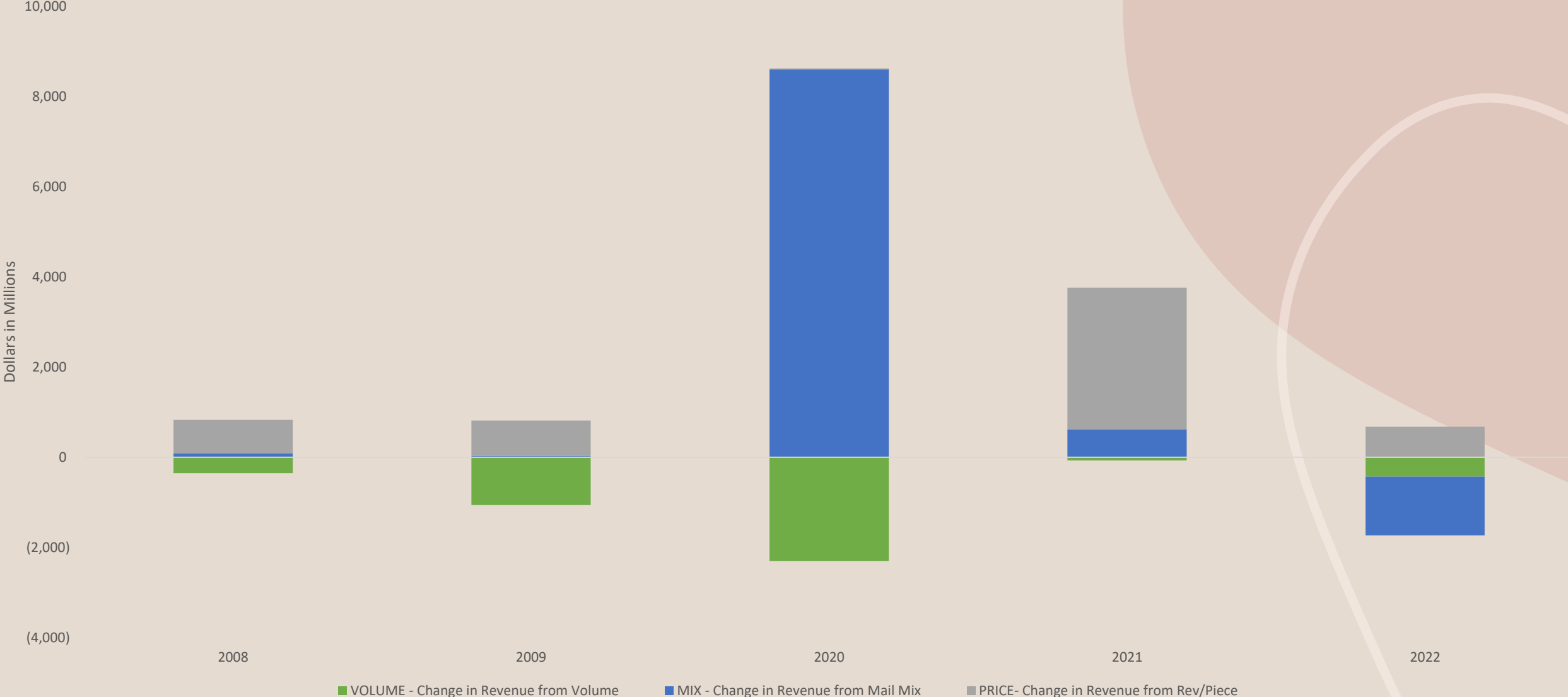
First Class Letter Revenue - Change from prior year



Marketing Mail Revenue – Change from prior year



Package Revenue - Change from prior year



Average Annual Percent Change in Workhours

| | Great Recession | Stable Period | Initial Year COVID-19 | Pandemic Period |
|------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|
| | 2008-2009 | 2010-2019 | 2020 | 2020-2022 |
| Straight | -3.2% | -1.5% | -1.4% | -0.4% |
| Overtime | -39.3% | 7.1% | 8.9% | 4.8% |
| Sick | -3.9% | -2.1% | 6.8% | 4.8% |
| Total Workhours | -6.2% | -0.7% | 0.1% | 0.2% |

Influence of Macroeconomic factors on Volume

| | Great Recession 2008-2009 | Stable Period 2010-2019 | Initial Year COVID-19 2020 | Pandemic Period 2020-2022 |
|---------------------|--|--|---|--|
| First Class Letters | -6.5% | -3.8% | -4.6% | -4.6% |
| Marketing Mail | -11.2% | -0.9% | -16.5% | -4.0% |
| Packages | -8.3% | 14.1% | 22.9% | 5.6% |
| Total Mail Volume | -9.1% | -2.2% | -9.9% | -3.8% |
| GDP | -1.0% | 2.2% | -1.8% | 1.8% |
| Employment | -1.8% | 1.3% | -4.1% | 0.2% |
| Retail Sales | -4.7% | 4.0% | 2.1% | 8.9% |
| E-commerce Sales | 3.6% | 13.7% | 30.1% | 20.5% |

So...

Did COVID-19 cause temporary or structural change to the postal sector?





thank you

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