

**EMA Foundation's
Institute of Postal Studies Presents:**

EMA's 2023 U.S. Mailing Industry Economic Job and Revenue Study

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**The U.S. Mailing Industry
remains a major driver
of the American economy,
and changes in the
Mailing Industry
resonate throughout
the entire marketplace.**

MAILING INDUSTRY PROVIDES SIGNIFICANT U.S. JOBS

- The U.S. mailing industry consisted of:
 - **7.91 million mailing industry jobs**
- The U.S. mailing industry provides:
 - **5.0% of the nation's 158 million jobs**
 - **Each USPS employee supports 11.4 other workers**



Policies that have a dramatic influence on the USPS impact many workers.

MAILING INDUSTRY IS CRITICAL TO THE ECONOMY

- **The U.S. mailing industry contributes to the economy with:**
 - **\$1.92 Trillion in Sales Revenue**
- **The U.S. mailing industry provides:**
 - **4.1% of U.S. Total Output of \$46.7 Trillion**



MAILING INDUSTRY GREW IN BOTH JOBS AND SALES REVENUE DUE TO E-COMMERCE SALES AND DISTRIBUTION

- **The mailing industry provided:**
 - 7.91 million jobs in 2022 vs. 7.32 million jobs in 2018 - an 8% gain of 584,013 jobs
 - \$1.92 trillion in sales revenue in 2022 vs. \$1.55 trillion in sales revenue 2018 - a 23.7% gain of \$367 billion in sales revenue

Jobs

+8.0%

from
2018

**584,013
Jobs Gain**

Revenue

+23.7%

from
2018

**\$367 Billion
Revenue
Gain**

HOWEVER, JOBS FROM TRADITIONAL MAIL DECLINED SUBSTANTIALLY WHILE PACKAGING RELATED JOBS GREW

Mailing Industry Jobs

Mailing Industry Jobs consisted of 5.4 million associated with Traditional Mail and 2.5 million associated with Packaging.

From 2018 to 2022, the number of Traditional Mail jobs dropped by 7%, a loss of 409,400 jobs, whereas, the number of Packaging Related Jobs grew by 65% or almost 1 million jobs.

JOBS DECLINED SIGNIFICANTLY IN THE TRADITIONAL MAIL INDUSTRY AND GREW IN PACKAGING

▪ Decline in Jobs

- ↓ Paper, Printing, Printing Industry Suppliers, and Direct Mail Design
- ↓ Mail Management in all Industries
- ↓ Traditional Direct Mail, Catalog, and Magazine

▪ Growth in Jobs

- ↑ Private Sector Delivery Services (e.g. FedEx, UPS)
- ↑ Delivery Suppliers
- ↑ Internet Shopping and Mail Order Houses (e.g. Amazon)
- ↑ Brick and Mortar Retailers Fulfilling Sales through the Mail Stream

REVENUE ASSOCIATED WITH TRADITIONAL MAIL JOBS DECREASED SUBSTANTIALLY WHILE PACKAGING REVENUE INCREASED

Mailing Industry Revenue

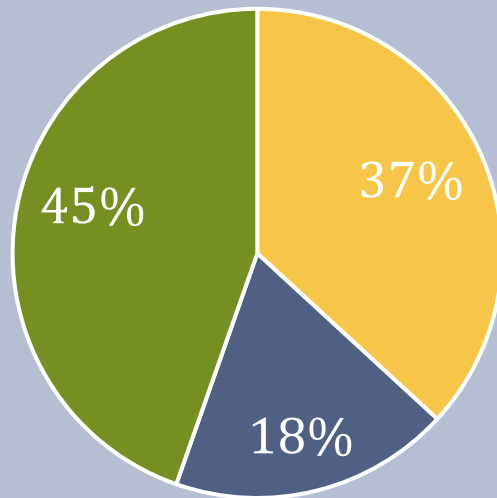
In 2022, the Mailing Industry Revenue consisted of \$806.16 billion associated with Traditional Mail and \$1.113 billion associated with Packaging.

From 2018 to 2022, Traditional Mail Revenue dropped by 8%, a loss of \$69 billion, whereas, Packaging Revenue grew by 65% or \$437 billion.

MAILING INDUSTRY JOBS

THE MAILING INDUSTRY CONSISTS OF THREE MAIN JOB CATEGORIES

% of Mailing Industry Jobs (2022)



- Group A – Mail Production and Distribution
- Group B – Management of Mail in all Industries
- Group C – Mail Advertised and Delivered Goods & Services



THE U.S. MAILING INDUSTRY CONSISTS OF 7.9 MILLION JOBS

- Overall, Mailing Industry Jobs Increased by 8.0% totaling 584,013 Jobs from 2018 to 2022.

Job Categories	# of Jobs (2011)	# Jobs (2014)	# Jobs (2018)	# Jobs (2022)	Change # of Jobs 2018 to 2022	% Change
Group A – Mail Production and Distribution	2,013,070	2,009,877	2,348,846	2,912,436	563,591	24.0%
Group B – Management of Mail	2,335,196	1,834,916	1,674,782	1,465,291	-209,491	-12.5%
Group C – Mail Advertisements and Delivered Goods & Services	3,481,654	3,392,044	3,298,254	3,528,167	229,913	7.0%
Total	7,829,920	7,236,837	7,321,882	7,905,894	584,013	8.0%

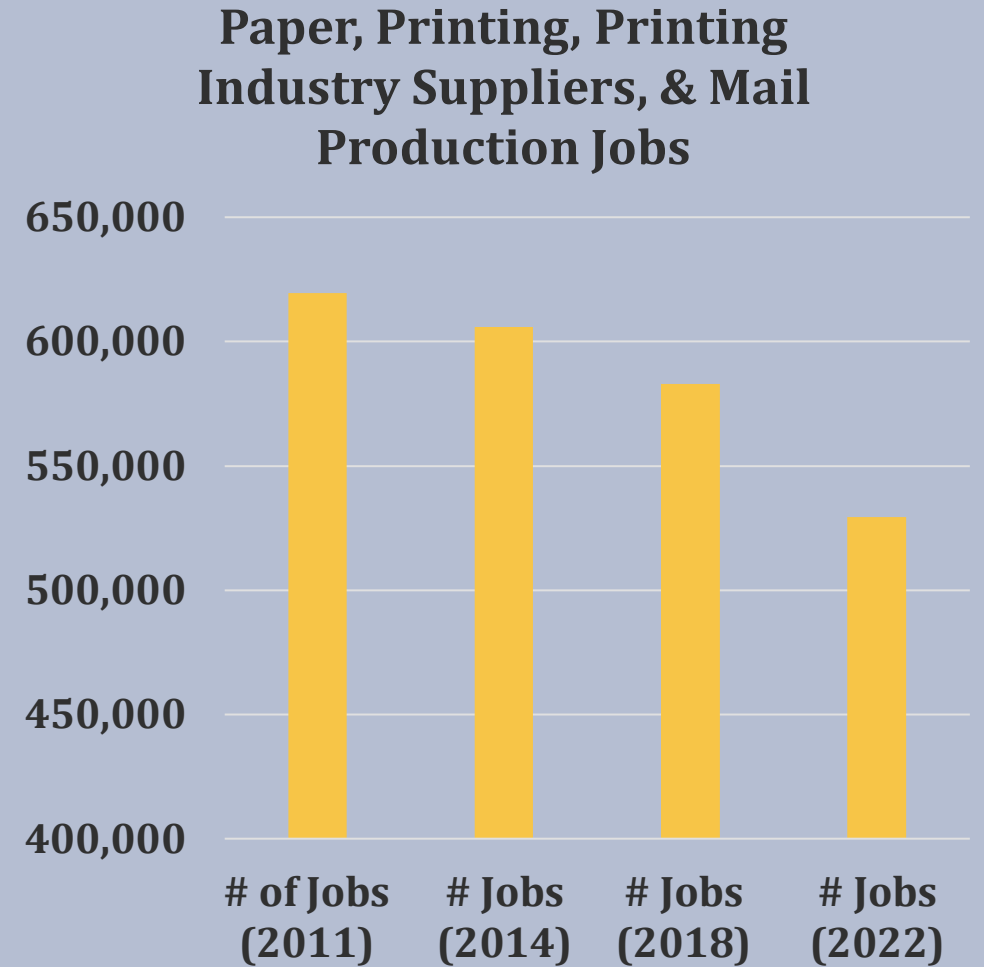
JOBS FROM MAIL PRODUCTION, DISTRIBUTION, AND HANDLING INCREASED BY 24% AMOUNTING TO 563,591 JOBS DUE TO E-COMMERCE PACKAGING & DELIVERY

- **Group A – Mixed Results from 2018 to 2022**
 - With the loss of Traditional Mail volume, Jobs from Paper, Printing, Paper & Printing Industry Suppliers, and Traditional Mail Production have been reduced by 9%.
 - Postal Service jobs remained at the same level.
 - Jobs associated with Private Sector Delivery along with Delivery Suppliers have significantly climbed.

#	Group A - Mail Production, Distribution, and Handling Jobs	# of Jobs (2011)	# Jobs (2014)	# Jobs (2018)	# Jobs (2022)	Change # of Jobs 2018 to 2022	% Change
1	Paper, Printing, Industry Suppliers, & Mail	619,675	605,864	582,865	529,273	-53,593	-9.2%
2	Postal Service	648,350	617,254	634,447	635,250	803	0.1%
3	Private Sector Delivery (FedEx, UPS, etc.)	565,659	605,376	751,530	1,183,137	431,608	57.4%
4	Delivery Suppliers (to USPS & Private Sector)	179,386	181,382	380,004	564,777	184,773	48.6%
	Total	2,013,070	2,009,877	2,348,846	2,912,436	563,591	24.0%

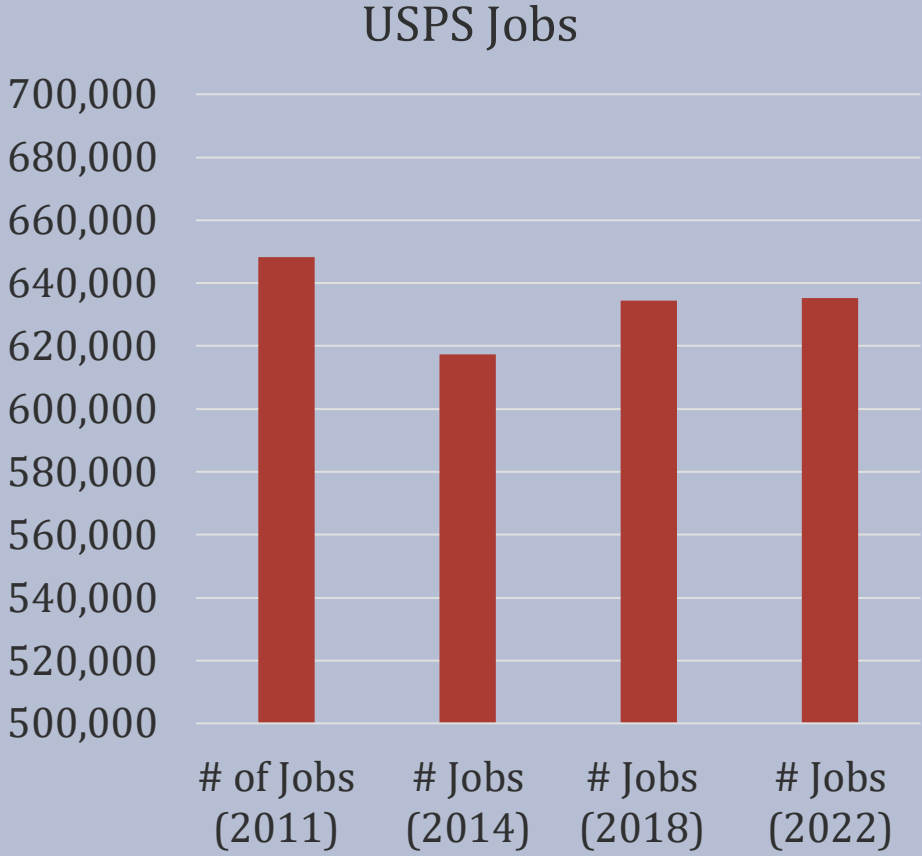
THE MAIL INDUSTRY'S PAPER, PRINTING, PRINTING INDUSTRY SUPPLIERS, & MAIL MANUFACTURING JOBS HAVE DECLINED SIGNIFICANTLY DURING THE LAST 10 YEARS BY OVER 90,000 JOBS

- **Group A1 - Paper, Printing, Printing Industry Suppliers, & Mail Manufacturing Jobs have declined by 9% amounting to 53,593 jobs from 2018 to 2022.**
 - Some of the causes include consumers moving to electronic communications and some mailers shifting to other types of advertising to avoid the substantial postal rate increases.



THE USPS HAS MAINTAINED ITS NUMBER OF JOBS

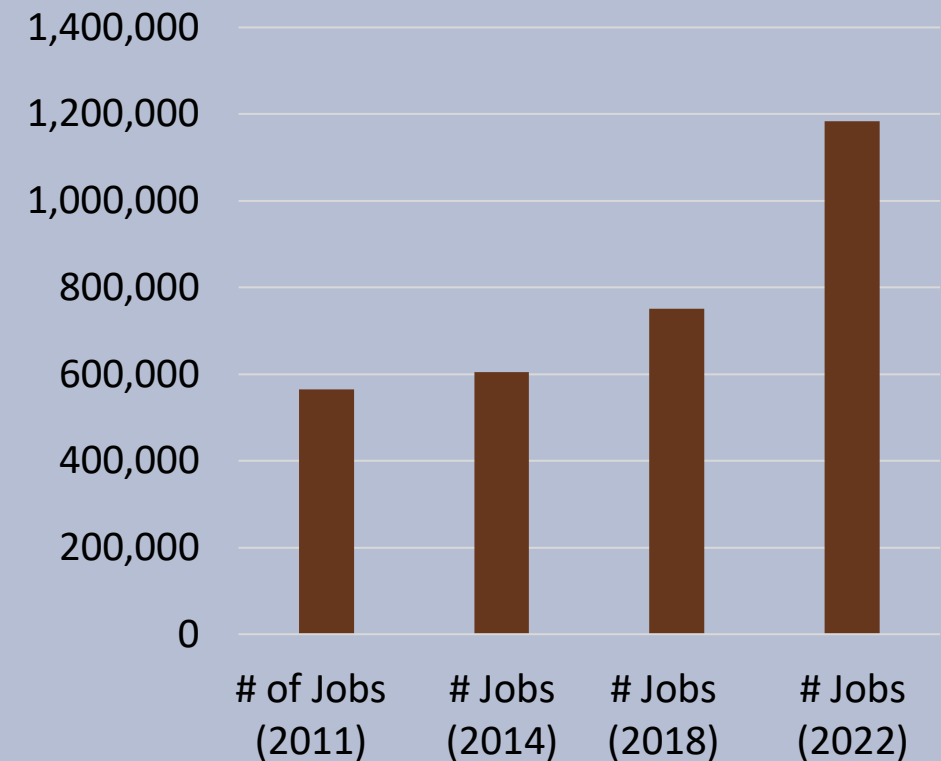
- **Group A2 – After its 2011 peak, USPS’s employment has stabilized from 2018 to today at around 635,000 workers.**



THE NUMBER OF PRIVATE SECTOR DELIVERY JOBS HAVE SIGNIFICANTLY INCREASED

- **Group A3 - Private sector delivery (UPS, FedEx, etc.) jobs have grown by 57% since 2018, 109% since 2011.**
 - Most of this increase is due to long-term growth in remote retailing producing more parcel delivery.
 - This trend was accelerated by pandemic remote shopping and working.

Private Sector Delivery Jobs
(FedEx, UPS, Amazon, etc.)



Source: US Labor of Bureau Statistics,
"Delivery Truck Drivers and
Driver/Sales Workers"

THE U.S. PACKAGE DELIVERY AND COURIER INDUSTRY HAS GROWN SIGNIFICANTLY WITH UPS BEING THE MOST EFFICIENT

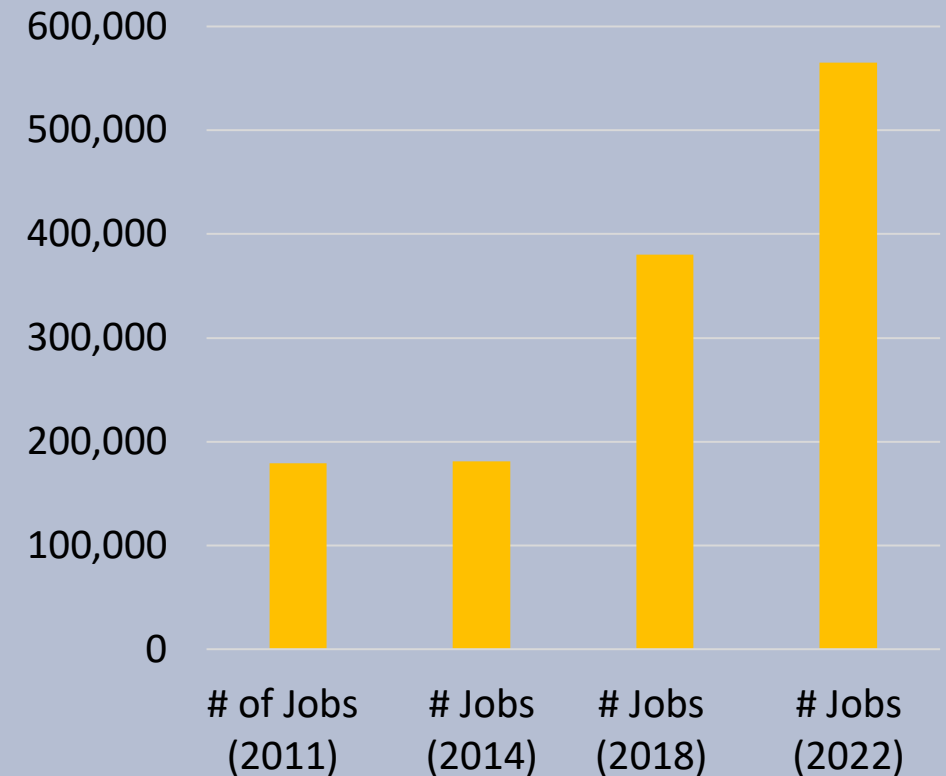
- The U.S. package delivery and courier industry is highly competitive, with many companies vying for a share of the market.
 - The top couriers are UPS, DHL Group, FedEx, and USPS with UPS having by far the best \$ Revenue per Employee.

#	Company	Annual Revenue (\$ Billions)	# of Employees	\$ Revenue Per Employee	Headquarters
1	UPS	\$97.287	534,000	\$182,185	Atlanta, GA
2	DHL Group	\$90.000	590,000	\$152,542	Bonn, Germany
3	FedEx	\$83.959	547,000	\$153,490	Memphis, TN
4	USPS	\$77.041	630,000	\$122,287	Washington D.C.

SUPPLIERS FOR THE USPS AND PRIVATE SECTOR DELIVERY JOBS HAVE ALSO INCREASED TO SERVICE THE DELIVERY COMPANIES

- **Group A4 - Delivery Suppliers' Employment has grown by 48% since 2018, and 214% since 2011.**
 - Employment increases are broadly consistent with the growth of e-commerce driven parcel delivery, as well as some increased sub-contracting.

Delivery Suppliers' Jobs
(USPS & Private Sector Couriers)



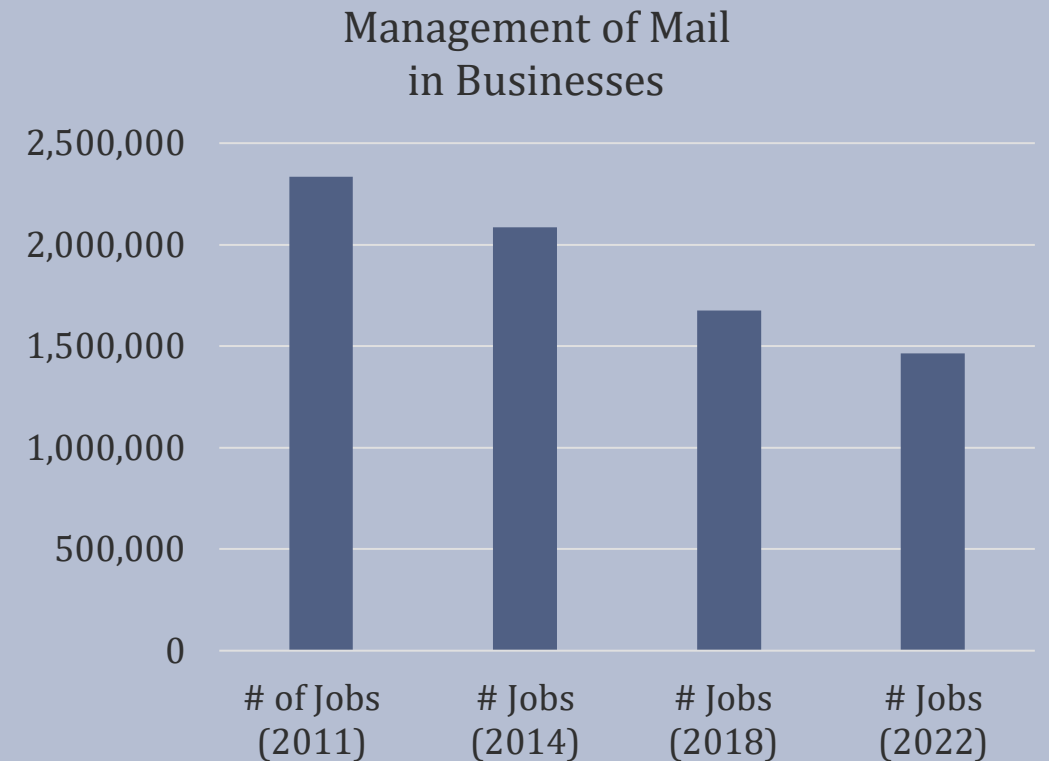
AS BUSINESSES HAVE MOVED TO EMAIL INTERACTION, THERE ARE FEWER BUSINESS JOBS ASSOCIATED WITH HANDLING LETTERS AND PACKAGES

- **Group B: Jobs associated with handling letter and packages have been declining yearly due to emails and other methods of communication.**

#	Group B Jobs - Management of Mail in all Industries	# Jobs (2018)	# Jobs (2022)	Change # of Jobs 2018 to 2022	% Change 2018 to 2022
1	Mail Management in all Industries	1,413,376	1,243,707	-169,669	-12.0%
2	Self Employed Mail Intensive	261,405	221,584	-39,822	-15.2%
	Total	1,674,782	1,465,291	-369,625	-22.1%

BUSINESS TO BUSINESS EMAIL INTERACTION HAS BECOME A NORMAL BUSINESS ACTIVITY WHICH DOES NOT REQUIRE THE MAILROOM EMPLOYEE

- **Group B - Management of Mail Jobs have declined significantly due to electronic substitution.**
 - **Employment in job categories such as “mail clerks”, “billing clerks” etc. have seen significant decreases.**
 - **In addition, a higher percentage of their actual activities involve electronic communications as opposed to mail-based communications.**



Source: Occupational Employment Statistics Program

JOBS FROM MAIL ADVERTISED OR DELIVERED GOODS HAVE INCREASED BY 7% AMOUNTING TO 229,913 JOBS

- **Group C** –The greatest percentages of growth are jobs from Brick and Mortar Retailers whom have increased their focus on on-line purchasing and delivery.

#	Group C – Mail Advertised and Delivered Goods & Services	# Jobs (2018)	# Jobs (2022)	Change # of Jobs	% Change
1	Jobs Generated By Catalogue Sales	433,204	416,134	-17,070	-3.9%
2	Jobs Generated by Direct Mail Sales	2,144,038	2,093,042	-50,996	-2.4%
3	Jobs Generated by Magazine Ad Sales	243,554	212,082	-31,472	-12.9%
4	Jobs Generated by Insert Advertising Sales	94,311	87,345	-6,966	-7.4%
5	Jobs From Mail-Related Publishing (Periodicals /Books, Greeting Cards /Directories, etc.)	88,742	80,236	-8,506	-9.6%
6	Jobs From Internet Shopping and Mail Order Houses - Net Parcel-delivery Dependent Sales	261,892	324,512	62,621	23.9%
7	Jobs From Brick and Mortar Retailers - Net Parcel-delivery Dependent Online Sales	32,513	314,815	282,302	868.3%
	Total	3,298,254	3,528,167	229,913	7.0%

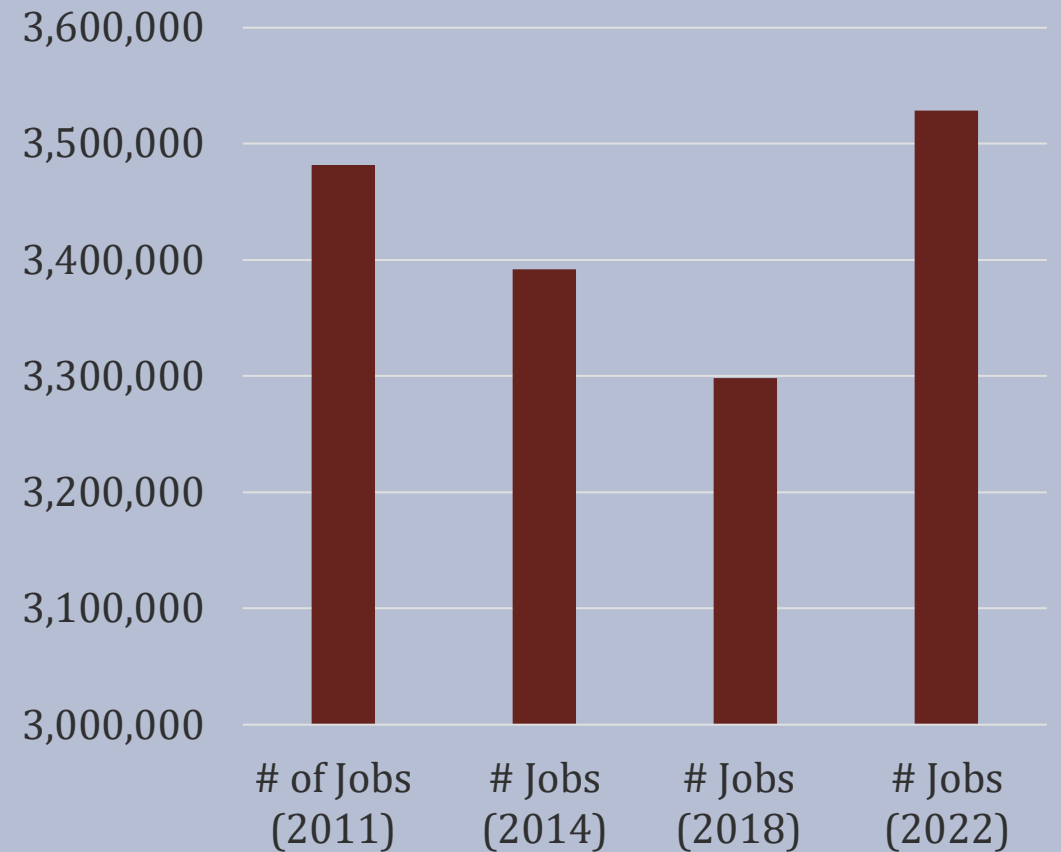


SHOPPING HABITS HAVE SHIFTED FROM LOCAL TO REMOTE, THANKS TO PANDEMIC HEALTH RESTRICTIONS AND THE GROWTH OF REMOTE WORKING

- **Group C - Mail Advertised or Delivered Goods & Services Jobs have spiked in 2022 due to on-line sales.**
 - **The big winners were E-commerce hubs such as Amazon.**
 - **However, many traditional brick and mortar retailers also developed e-commerce offerings during this period.**



Mail Advertised and Delivered Goods & Services Jobs



MAILING INDUSTRY REVENUE

THE U.S. MAILING INDUSTRY IS A SIGNIFICANT CONTRIBUTOR TO THE U.S. ECONOMY AT \$1.92 TRILLION IN SALES REVENUE

- Sales revenue increased by 23.7% amounting to \$367 billion due to significantly more packaged products being delivered through the mail stream.

Sales Revenue Groupings	Revenue 2018 (\$Billions)	Revenue 2022 (\$Billions)	Change	% Change
Group A - Mail Production	\$117	\$107	(\$9.58)	-8.2%
Group A - Mail Distribution	\$171	\$211	\$40.25	23.5%
Group C - Mail Advertised and Delivered Goods	\$1,264	\$1,601	\$336.78	26.6%
Sales Revenue Total	\$1,552	\$1,919	\$367	23.7%

REVENUE FOR PRODUCING THE MAIL DROPPED BY 8.2% WHILE REVENUE FOR DELIVERING THE MAIL GAINED BY +24%.

- **Group A: Mail Production and Distribution Revenue**
 - **The revenue for mailing packages is significantly more than traditional mail.**



MAIL ADVERTISED OR DELIVERED GOODS & SERVICES GREW 27% AMOUNTING TO \$337 BILLION

- **Group C: Mail Advertised or Delivered Goods & Services**
 - Perhaps even more than other sectors, the packaging industry was affected by the COVID-19 pandemic.
 - On the whole, however, packaging benefited strongly from the turn to remote shopping triggered by lockdowns and other health measures.
- **E-commerce sales increased 75% from \$514B to \$902B, continuing to climb as shoppers continued to buy from major e-commerce hubs even as restrictions lifted.**
 - At the same time, smaller, regional and local brick and mortar retailers developed their own e-commerce offerings, further fueling the growth in package and parcel delivery and sales.

THE U.S. MAILING INDUSTRY IS VERY IMPORTANT TO THE U.S. ECONOMY

In Summary:

The U.S. Mailing Industry supports 7.9 million jobs and \$1.9 trillion in sales revenue.

The U.S. Mailing Industry continues to remain a major driver of the American economy, and changes in the Mailing Industry resonate throughout the entire marketplace.

The U.S. Mailing Industry influences every private and public sector of the economy and provides jobs in every congressional district.

2022 DATA SOURCES

- **Employment**

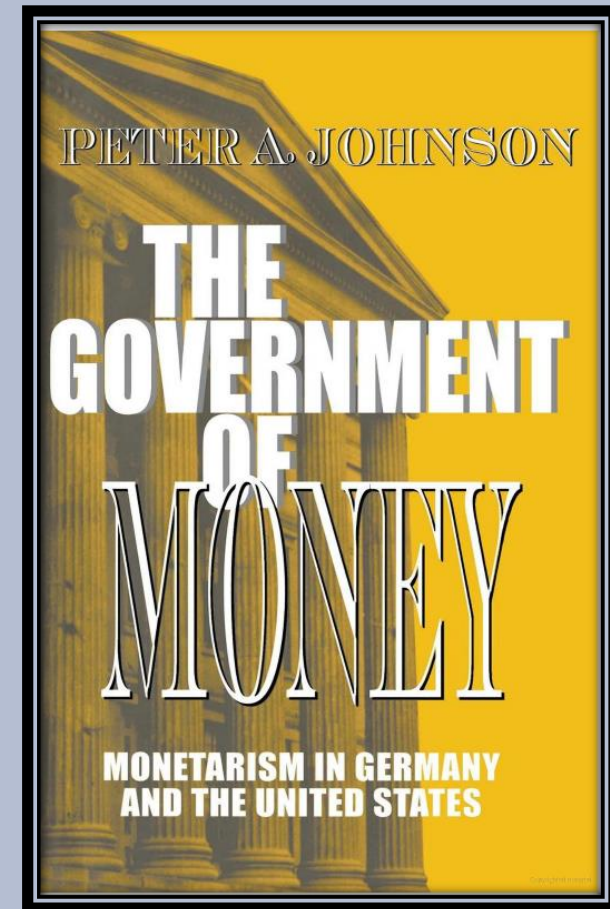
- U.S. Bureau of Labor's Statistics
- USPS and Private Courier Publications
- Zip Code to Congressional District Database

- **Revenues**

- U.S. Census Bureau & U.S. Economic Census
- U.S. Annual Survey of Manufacturing and its Quarterly Financial Reports

CO-AUTHOR AND ECONOMIST - PETER JOHNSON, PHD, PRINCIPAL, *EMERGENTMEASURES* RESEARCH

- Received his PhD from Cornell University
- Taught public policy at Columbia University
- Wrote “The Government of Money”
- Other Past Roles
 - Vice President of Market Intelligence and Strategy for the Mobile Marketing Association
 - Vice President of Research at the Direct Marketing Association
- Currently Principal of *emergentMeasures* Research



THANK YOU FOR YOUR INTEREST!

