



## USPS Takes On Returns

May 2009

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**Shippers that overlook returns** are missing out on a significant opportunity to reduce costs. Returns are especially costly for catalog and Web merchants, as product returns are unavoidable: Return rates typically range from 5% (hard goods, gifts) to more than 25% (shoes and apparel).

The USPS offers Merchandise Return Service to help retailers' customers return merchandise via pre-printed, prepaid labels. The retailer includes a return label with each customer's order (or sends it via mail, e-mail or fax), or the customer can print return labels online with authorization from the retailer.

Like Parcel Select on the forward piece, the USPS has developed a Parcel Return Service to leverage its final-mile expertise on the reverse piece. The USPS handles the pickup and initial transport to a returns facility, where packages are picked up and eventually delivered by consolidators such as Newgistics or UPS.

By leveraging this hybrid, best-in-breed approach, shippers can improve return transit times, reduce handling and damage, receive consolidated deliveries, and leverage rich, barcoded information to improve inbound operations, inventory forecasts, communication with customers and other benefits.