



GOVERNMENT OF BERMUDA

The Cabinet Office

Department of Communication and Information

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BERMUDA POST OFFICE (BPO) POSTAGE RATE MODERNIZATION

The Bermuda Post Office (BPO) would like to advise the public that it will introduce a rate change and modernization of its postal products on July 1st, 2015 for local and international letter mail, parcels and International Data Express (IDE).

The BPO has not issued a rate increase on the majority of its products since 2000. However, given the increased global costs for doing business, rates must be adjusted to reflect these trends.

Local postage rates are used to calculate the terminal dues that Bermuda earns as revenue for delivering mail from postal services in other jurisdictions. Terminal dues are an important source of income for all postal administrations, including the BPO. Stamp sales and terminal dues represent 74 percent of the BPO's annual revenue which underscores the need for a rate increase.

For every increase in the US, Canada and UK postal rates over the last 15 years, Bermuda's revenue potential has consistently lagged behind and reduced, along with the reduction in mail volumes.

The 2015 Rate Change Project will adjust rates in respect to cost, while taking the opportunity to modernize the postal product categories, weight increments and transit route references (where applicable) for local and international mail.

In addition to the postage rate increase, the BPO also intends to implement other revenue generating initiatives, products and services, aimed at increasing overall revenues and decreasing operational costs via natural attrition and increased operational efficiency. All of this is intended to drive the BPO towards its vision of being a more innovative, customer-focused and sustainable postal service.

In order to prepare all systems and processes for the aforementioned changes and create the conditions for a smooth transition; all BPO locations will be closed for transactions on Tuesday, June 30, 2015. However, mail will still be delivered to all routes and parishes.

For more information on the rate change please visit www.bpo.bm or the Bermuda Post Office Facebook page.