



Are You Prepared for Post Office Changes? No Worries, PostMark is and thus you are as well!

Did you know that the US Postal Service (USPS) gets 45,000,000 address changes each year, and the USPS expects to spend about \$1,639,000,000 in 2008 dealing with what it calls Undeliverable As Addressed (UAA)? When you look at all the mail processed by the USPS (213,000,000,000 pieces per year), and the amount that is considered UAA, about 3.2% of the mail can not be delivered due to bad addresses or address changes.

Taking all these big numbers to heart, the USPS has decided that, **as of November 23, 2008**, it will give **postage discounts only to those mailers who can prove they have updated their lists within 95 days**. The USPS calls this **Move Update**, and, while the rules can get complicated, PostMark will be putting in all the facilities needed to keep its clients getting their discounts. The Move Update rules that have applied to First Class Mail for some time will now be applied to Standard Mail (formerly called Bulk) and Non-Profit Mail.

Without going into all the details (if you want the details, give us a call) the Move Update rules come down to two options for most. The first option is the easiest. If you allow PostMark to add "Or Current Resident" as a part of each address, all the rules for Move Update are met; nothing else needs to be done to get the postage discounts. Adding "Or Current Resident" to the address means the USPS no longer has to either forward or dispose of the mail if someone has moved. The only problem with this, in addition to some people's concern for looks, is that you will not know when someone moves.

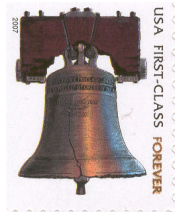
The second option to meet Move Update requirements is to have PostMark process your mailing list through a National Change of Address (NCOA) database. PostMark has been doing this for interested clients for years.

This provides great benefits for you. The first benefit is mail currently being discarded as UAA will not be mailed, thus saving you both printing and mailing costs. Additionally, this helps the environment since waste is reduced. Finally, PostMark will send you a copy of the new addresses so your database can be kept clean and current.

Change is coming, but PostMark is working to make it easier for you. Late in the summer PostMark will be asking you if you want to add "Or Current Resident" to all your addresses. If you want this option for all your mailings, then you are all set. If you would like to use the NCOA option for all or some of your mailings, PostMark will prepare a USPS form for you to sign that will allow PostMark to submit your lists for updating. The form is required by the Federal Privacy Act of 1974 and is very simple, but mandatory. By signing it, one promises that they will not use the federal information (address changes) for any other purpose than updating their mailing list.

Hopefully, this helps you start preparing for the coming changes. As always, please contact PostMark, Inc. if you have questions. The good news is that the Post Office is trying to become more efficient, thus improving deliverability and reliability of the mail.

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Buy before Postage Increase in May

Before the USPS raises postage rates on May 12 from \$.41 to \$.42 per letter, buy some books of Forever Stamps. Before May 12 they will cost \$.41 per stamp and after May 12th, they still can be used to mail a letter without adding additional postage.

New Barcode Coming

Don't panic if you see announcements of a new barcode being required by the US Postal Service (USPS), because PostMark is already on board. PostMark tries to make it possible for you to focus on your business and ignore most of the changes being introduced by the USPS. That is just the case with the new barcode (called the Intelligent Mail Barcode or IMB).

The USPS has proposed that use of the postnet barcode be reduced starting in May 2009 and replaced with a new barcode that has more information in it. The postnet barcode has just the delivery address encoded, but the IMB has information on the mailer, the class of mail, and the preparation of the mail. While the IMB is currently just proposed and while PostMark expects some changes in the implementation rules, PostMark fully expects the IMB will become mandatory sometime in 2010 for the best postage rates.

One of the reasons the USPS is planning to move to the IMB is so that it can get more information on who is preparing mail that can be easily and economically delivered versus who is not. The USPS has a goal of keeping costs down and that means it needs to identify those that are increasing costs due to design and addressing issues.

The good news is that PostMark will handle all the details for you. PostMark used the IMB several times in 2007 and if you notice, has used it on this newsletter (you can recognize it because there are four types of bars **|||** where postnet has only two types **||**).

As the details on the IMB are finalized, PostMark may contact you about having a mailer id assigned to your organization by the USPS if you mail with your own permit. Not all will be required to have their own mailer id, but if it is needed, PostMark will be in touch.

Good Address Structure – per US Postal Service

The US Postal Service (USPS) has one primary desire – to deliver your mail as quickly and as inexpensively as possible. One problem they encounter is the way people address their mail. PostMark has software and techniques to help your addresses be more acceptable to the USPS. For example, PostMark uses its software and procedures to:

- Standardize your address to the USPS rules
- Assign the ZIP and ZIP+4 from a recent USPS database
- Move the best delivery address to the line above the city, state, and ZIP
- Print the address with a font acceptable to the USPS

There are steps you can take with your database to also help:

- Try to get a real address (Example: 101 Main Street rather than “corner of First and Main”)
- Put suite or apartment at the end of the address (Example: 101 Main St #A rather than 101A Main St)
- Include directionals (N, S, ...) and street type (ST, RD, ...)

DID YOU KNOW?

A \$.01 change in gas prices changes the USPS costs by over \$8,000,000 per year.

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Getting Connected

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