MailPro

NEWS FOR MAILING PROFESSIONALS

MAIL OFFERS BUSINESSES THE COMPETITIVE EDGE
NPF HIGHLIGHTS INSIDE

ALSO IN THIS ISSUE:
MOVE UPDATE AND FSS PROCESSING

COMMITTED TO A GREENER FUTURE

The Postal Service has announced creation of a new position — corporate vice president of sustainability. Sam Pulcrano, a 33-year Postal Service veteran, was named to the position.

One of Pulcrano's first goals will be to complete an inventory of greenhouse gas emissions and create an action plan to reduce emissions.

"We continuously strive for sustainability, discovering better ways to deliver long-term value to our customers, employees and to the communities we serve," Postmaster General John Potter said. "This new position simply puts a more formal structure in place at an organization that has been environmentally smart and friendly for more than 200 years." ◼

Vice President, Sustainability, Sam Pulcrano.

EBAY SHIPPERS FIND A BETTER DEAL WITH USPS

What are *you* paying for shipping? The Postal Service has the answer for 10,000 people expected to attend "eBay Live! 2008," the annual conference that shows consumers and business owners from around the world how to sell and buy successfully through the online marketplace.

The Postal Service is the title sponsor for the event, June 19-21 in Chicago. Through a series of workshops, labs and presentations, attendees discover new strategies, share business solutions and network with other online sellers.

And this year, they'll also learn about competitive prices, online savings and volume discounts now available by shipping with the Postal Service. eBay shippers can save as much as 11 percent by using Priority Mail and conducting their shipping business online. Users of Click-N-Ship and PC Postage and customers using permit imprint with electronic confirmation services will save an average 3.5 percent.

Postal Service employees will be on hand to explain new pricing opportunities in domestic, international and online services, working with the theme, "What are you paying for shipping?"

"We have a tremendous relationship with the eBay community and we continually look for ways to remain their shipper of choice," said USPS Executive Vice President and Chief Marketing Officer Anita Bizzotto. "We've always had great products and service. Now, with competitive pricing, we can bring additional value to shipping."

For more information, log on to *ebay.com*. ◼

eBay Live! CHICAGO 2008 — UNITED STATES POSTAL SERVICE — Sell it. Ship it.

COVER PHOTO:

Value is in the box when you ship with the Postal Service.

POSTMASTER GENERAL
BULLISH ON MAIL'S FUTURE

FYI

The Postal Service delivers mail in the most energy efficient way possible — a third of all deliveries is made on foot.

Postmaster General John Potter told more than 3,000 people attending the National Postal Forum to look beyond the current economic downturn and continue to transition mail into the 21st century.

"Despite the challenging economy, one thing that hasn't changed is America's confidence in the mail," Potter said during the keynote address at the forum, held May 18-21 in Anaheim, CA. "We owe it to America, to our clients and to ourselves not to over-react to the situation."

Potter discussed technology, environmental concerns and changes in federal law that have given the Postal Service greater pricing flexibility.

Consumer and business need for speedy and reliable service is growing. For mail to continue to be relevant, the industry must change to continue to provide business solutions, he said.

Potter spoke about new technologies that are providing these solutions — the Intelligent Mail barcode and the Flats Sequencing System (FSS). FSS is new technology that will speed the sorting and delivery of large envelopes, catalogs and magazines, quadrupling productivity. FSS machines also will be able to read the Intelligent Mail barcode, allowing mailers and the Postal Service to track mail throughout sortation, improving service and reducing costs to mailers and consumers.

He also encouraged mailers to respect consumer interest and concerns about the environment when creating and sending mail. Eco-friendly practices, programs and services are key to the future of the industry as more consumers choose to do business with companies that embrace green practices.

"It's the right thing to do for future generations," Potter said, acknowledging actions mailers already are taking to address sustainability, including the use of recycled paper and inks that are less harmful to the environment.

That future also includes dramatic changes created by the Postal Law of 2006. The law enables the Postal Service to more effectively compete in the shipping market, providing unprecedented pricing flexibility for shipping services. Customers also will see greater savings online than at the retail counter.

Potter told customers to take advantage of volume pricing and to look forward to contract pricing in the coming months.

"We've only scratched the surface on the changes the new law will enable," he said. "Our focus is to increase the value of mail through improved service, and predictable, affordable pricing.

"Personally, I'm bullish on the future of the mail," he said. "Our future is bright because of the teamwork that exists between the Postal Service and the mailing industry."

Potter also presented the Partnership for Progress Award to members of the Mailers Technical Advisory Committee (MTAC), recognizing their "tremendous contribution" to the Postal Service. MTAC members have worked closely with postal officials on implementation of FSS, Intelligent Mail barcode and the new law. ◾

NATIONAL POSTAL FORUM

2008 USPS AWARDS

A select group of postal customers is recognized at each National Postal Forum by the Postal Service for contributions to the continued success of the mailing industry.

Creative Business Solutions Award

Visually stimulating. Seamless integration. Our customers in this category have demonstrated creativity by finding new ways to use mail to drive significant business results. They have taken calculated risks by using the mail in new and different ways to help achieve their company's business objectives with successful, quantifiable results.

AFLAC
Eric Seldon
Vice President, AIM and
Support Services

Aigdirect.com
Jeremy Cook
Vice President, Marketing

American Eagle Outfitters
Diane Evans
Manager, Customer
Relations Logistics

Boardroom, Inc.
Joline Johannes
Director, Production and
Purchasing

Cabela's, Inc.
Cyndi Janousek
Small Package Logistics
Manager

dELiA's
Mitch Schultz
Director, Direct Marketing

Dell
David Zucker
Director, Global Consumer
Marketing CRM

Kashi Company
Sandi Smith
Brand Manager

National Republican Senatorial Committee
Sean Miller
Director of Marketing

Strategic Business Development Award

Early adopter. Innovator. These terms describe our customers nominated in this category. They have taken steps to implement new technologies and best practices to maximize efficiencies in the mail value chain. They have employed modern technologies and automation in their mail operations to improve productivity. These operational improvements have streamlined their production and provided their customers with a mail product that delivers increased value and business results.

Amsterdam Printing and Litho
Kevin Kirbey
President

Bed Bath & Beyond
Rita Little
Vice President, Marketing

Cox Target Media-Valpak
Bill Disbrow
President and Chief
Executive Officer

GEICO
Amy VanDevender
Corporate Postal
Administrator

Limitedbrands Logistics Services
Kurt Kravchuk
Assistant Vice President of
Logistics

Premier Bankcard
Darrin Graham
Vice President, Marketing

Sears Holding Corporation
Imran Jooma
Vice President,
eCommerce

STAGE
Kathy Barbee
Director, Advertising
Operations

Zazzle.com
Robert Beaver
Chief Executive Officer

Corporate Business Achievement Award

Global alliance. Effective collaboration. This award recognizes the company's business partnership with the U.S. Postal Service by using postal products and services to strengthen and grow their business. These companies have a commitment to their relationship with the Postal Service to produce winning results.

Department of Defense
Col. David Ernst
Deputy Director, Military
Postal Service Agency

Endicia.com
Amine Khechfe
General Manager

Haband
Gregory Rhodes
Director, Mailer
Operations and Postal
Services

Harland Clarke
Alan Westfall
Executive Vice President
and Chief Operating
Officer

IWCO Direct
Jim Leone
Vice President
Value Creation/Business
and Product Development

Kaiser Permanente
Felix S. Yau
Operations Manager,
Consolidated Prescriptions
Processing Pharmacy

Modern Postcard
Arnie Cohen
Senior Manager, Product
Logistics

Newgistics
Bill Razzouk
President and Chief
Executive Officer

The Segerdahl Group
Jeff Reimers
President, Segerdahl
Graphics

U.S. Census Bureau
Daniel H. Weinberg
Assistant Director for ACS
and Decennial Census

Valassis Communications, Inc.
Vince Giuliano
Senior Vice President,
Government Relations

Williams-Sonoma, Inc.
Patrick J. Connolly
Executive Vice President
and Chief Marketing
Officer

ARE YOU READY FOR MOVE UPDATE?

The Postal Service is stepping up its efforts to reduce undeliverable-as-addressed (UAA) mail. On Nov. 23, new Move Update standards take effect. To be ready, mailers must begin using addresses that were updated no earlier than Aug. 20. The Move Update standards provide options for customers to reduce the number of mailpieces that require forwarding, return or being treated as waste by periodically matching address records with customer-filed change-of-address orders.

Here are the changes related to Move Update processing:

- Increase the minimum frequency of Move Update processing from 185 calendar days to 95 days prior to the date of mailing.
- Extend the new Move Update standards to include all Standard Mail — letters, flats, parcels and Not Flat-Machinables — as well as automation-rate and presort-rate First-Class Mail.

The Postal Service and the mailing industry believe these revised standards are crucial to the business interests of mailers as well as the continued vitality of the postal system. In Fiscal Year 2004 the Postal Service handled 9.7 billion pieces of UAA mail at a cost of $1.8 billion. The new standards will result in better address quality by removing incorrectly addressed pieces from subsequent mailings, which in turn will reduce UAA mail.

In cooperation with the mailing industry, we are committed to reducing UAA mail volume in order to create and maintain a cost-efficient mailstream. An efficient automated mailstream works best when mailpieces have complete, correct and current addresses. The new Move Update standards are needed to improve the percentage of deliverable addresses for mailings entered at discounted rates. High-quality addressing, best possible depth of ZIP+4 Codes and accurate Intelligent Mail and POSTNET barcodes that result in the delivery of the mailpiece to the intended recipient in an efficient manner should be primary tools that mailers use to reduce UAA mail volume.

Move Update Requirement for All Standard Mail

A key reason for this extension is that one of the conclusions of an independent study of the cost, volume and characteristics of UAA mail pointed out that mail entered as Standard Mail accounted for 62.8 percent of all UAA mail volume.

For Standard Mail mailers, the new Move Update standard means that on Nov. 23, mailers must begin using addresses on their mailpieces that were updated within the previous 95 days. For example, a mailing entered on Nov. 23 must bear addresses that were updated no earlier than Aug. 20.

Authorized methods for Standard Mail to qualify for the Move Update standards include:

- NCOA[Link] processing.
- *FASTforward* MLOCR processing (letter mail only).
- OneCode ACS (Address Change Service) in conjunction with an Intelligent Mail barcode and business entity ID.
- Address Change Service used with an ACS participant code and an appropriate on-piece ancillary service endorsement.
- Use of an appropriate on-piece ancillary service endorsement without ACS.

Keep in mind, to complete the Move Update process, mailers who rely on ACS or on-piece ancillary service endorsements without ACS, must incorporate the address changes received prior to subsequent mailings. Also, if an address used on a mailpiece in a mailing at one class of mail is updated with an approved method, the same address may be used during the following 95 days in another mailing as well as another class of mail, and meets the Move Update standard.

Mailpieces using an alternative addressing format in *Domestic Mail Manual 602.3.0,* such as "John Doe or Current Resident," "Occupant" or "Postal Customer," are not subject to the Move Update standards. Alternative address formats, however, may not be used on mailpieces with any extra service (for example, Delivery Confirmation) with any ancillary service endorsement or mail addressed to an overseas military post office.

Customers with questions should contact the Post Office where they enter their mailings. For additional information, go to Postal Explorer at *pe.usps.com* and click *Address Quality.*

FREQUENTLY ASKED QUESTIONS

For Standard Mail mailers, does updating have to begin on Nov. 23?

Mailers do not begin their updating process on Nov. 23, but rather, on this date mailers must begin using addresses that were updated within the previous 95 days. For example, a mailing entered on Nov. 23, must bear addresses that were updated no earlier than Aug. 20.

My business does not maintain a mailing list with an address-update cycle. How does the Move Update standard apply when my customer provides an address?

In most instances, a mailpiece sent shortly after the address was provided by the addressee will not require forwarding, and the mailpiece will be delivered

as addressed. If you send a mailpiece to the address within 95 days of the date the address was provided, the address complies with the Move Update requirement. If you use the address 95 or more days after it was provided, you must, at a minimum, use an on-piece ancillary service endorsement for address correction or other authorized method.

In addition to the address list, what documentation must a list owner furnish to a mailer obtaining an address list?

The list owner is obligated to prove it is aware of the Move Update standards and that the addresses on the list comply. The list owner should keep the following for two years:

- Move Update output reports documenting that the address list went through an authorized Move Update process within 95 days before the mailing was submitted to the Postal Service.
- Proof that names on the list added since the last update came directly from customers (if applicable).

I am a mailing agent (for example, presort bureau). When I accept mail, if my clients cannot prove that they have updated their addresses within 95 days of the scheduled mailing date, can I still include those mailpieces in automation rate or presort rate First-Class Mail or Standard Mail mailings?

No, unless you are a *FASTforward* licensed multi-line optical character reader (MLOCR) user using *FASTforward* to update the addresses. Otherwise those mailpieces must be mailed at the First-Class Mail single-piece rate.

If my mail is processed for Move Update using *FASTforward* MLOCR, which mailpiece design issues, other than general automation compatibility, do I need to be concerned about?

The name and address must be in the optical character reader (OCR) read area, and all mailpieces must have a lower-right barcode clear zone so the MLOCR can spray the appropriate barcode and the new address in the barcode clear zone if a move is identified. Mailpieces with exceptional address formats (for example, "Or Current Resident") are not eligible for *FASTforward* processing.

If I use an exceptional address format (for example, "Jane Doe or Current Occupant") on my mailings, must the recipient name have been updated within the previous 95 days?

No. Each mailpiece will be delivered to the address appearing on the mailpiece whether or not the named recipient resides at that address. The physical elements of the addresses, however, must have been updated

using an appropriate process for the rates claimed.

I have Coding Accuracy Support System (CASS)-certified address-matching software that ensures I have good addresses. Does this meet the standards for new names and addresses?

No. Address-matching software looks up addresses to standardize, correct and validate the physical address elements and append ZIP+4 Codes. It does not perform a name lookup to determine whether the addressee is still at that address and, therefore, does not meet the Move Update standard.

How do I meet Move Update requirements when mailing to an address recently added to my address list?

The Move Update process is individual name-and-address-based, not "list-based." When a customer contacts a business and as a result is added to the list, the newly added address can "ride" with the list until the next cycle for update. The address can be added to the list only if the customer has requested services or literature or has purchased merchandise.

I am a Standard Mail mailer and rent solicitation lists for mailing. Since these addresses are newly acquired, do they have the same 95 day grace period as addresses received directly from customers?

No. Only addresses received directly from customers have the initial 95-day grace period until the next scheduled update cycle. Addresses obtained from other sources (for example, list brokers) must have undergone processing using NCOA[Link] or *FASTforward* MLOCR prior to mailing. If one of the customers from the solicitation list responds to your mailing by requesting services or literature or purchasing merchandise and is added to your house list, then that address can be mailed to for the next 95 days without any Move Update processing. After 95 days, any one of the approved methods — NCOA[Link], ACS/OneCodeACS, *FASTforward*, Ancillary Service Endorsements or alternative methods — can be used for that address.

Does a list or an address have to be updated every 95 days?

An address can be updated any time, provided it is within 95 days before the address is actually used for a mailing. For example, if a mailer mails using a list once every two years, that list would have to be updated using one of the authorized Move Update methods no more than 95 days before the mailing.

I am a preparing my very first direct mail campaign under Standard Mail. I bought a mailing list. The broker said I need to do Move

Update processing before I mail and I can't use either an ancillary service endorsement, ACS or OneCode ACS on my mailpieces to meet the Move Update requirement. Is this true?

Your broker is correct. An ancillary service endorsement or ACS/OneCode ACS cannot be used for the first mailing to an address, unless you received that address directly from your customer within 95 days of your mailing. You must use a pre-mailing Move Update method, such as NCOA^Link or *FASTforward* MLOCR, to catch potentially UAA addresses due to customer moves before you mail. For all of your subsequent mailings to that address, you can use a post-mailing Move Update method, such as ancillary service endorsement or ACS/OneCode ACS, as long as no more than 95 days has transpired until your next mailing. When you receive a change of address notification from your ancillary service endorsement or ACS/OneCode ACS, simply update your customer's record within your mailing list and use that new address for future mailings.

OK. Once I use a pre-mailing Move Update method for all addresses I am mailing to for the first time, then I can use ancillary service endorsements or ACS/OneCode ACS for subsequent mailings. Can I use *any* ancillary service endorsement on my mailpieces to meet the Move Update requirement for those mailings?

No. There are certain endorsements that can be used as a "stand-alone" method for meeting the Move Update requirement. Only the endorsements: "Address Service Requested," "Return Service Requested," "Temp-Return Service Requested" (First-Class Mail only), and "Change Service Requested" (Standard Mail only) meet the requirement as a "stand-alone" method. "Electronic Service Requested" must be used in conjunction with ACS/OneCode ACS. "Forwarding Service Requested" does not meet the Move Update

requirement. For more information about the use of each endorsement, see DMM 507 at *pe.usps.com*.

Must entire lists be updated each time updating is done?

Entire lists do not have to be updated at once. The update requirement applies to individual addresses, not to entire lists. Only those addresses that will be used in a mailing need to meet the Move Update standard. If a portion of a list used for a mailing was not updated within 95 days of mailing, the list could not be used with an ancillary service endorsement as the method to comply with the Move Update standard, because some of the addresses would not have been updated within 95 days prior to the mailing. However, the list could be used if processed using NCOA^Link or *FASTforward* MLOCR prior to mailing.

Will a mailpiece that bears the ancillary service endorsement "Change Service Requested" meet the standard?

Printing an appropriate ancillary service endorsement on a mailpiece does not, by itself, satisfy the standard. A Standard Mail piece being mailed on or after Nov. 23, does not meet the standard if an approved Move Update process was not used in the prior 95 days.

Is any Move Update documentation required at the time of mailing?

No, the mailer's signature on postage statements submitted in hard copy or in electronic format, such as *PostalOne!* or Mail.dat, certifies that the mailing complies with all relevant standards, including Move Update, and that the mailing qualifies for the prices and fees claimed. Mailers are encouraged to check the "Move Update Method" boxes on the postage statement. □

DHL WILL USE THE POSTAL SERVICE FOR LAST-MILE DELIVERY

International delivery company DHL will leverage an existing agreement to give the Postal Service exclusive delivery services to the last mile in certain locations. DHL will use the Postal Service's Priority Mail and Parcel Select products.

"I am pleased DHL has chosen to expand its existing relationship with the Postal Service, giving us

the opportunity to deliver more of their packages the last mile," said Jim Cochrane, acting vice president, Ground Packages. "This new volume is a natural extension of the delivery service we already provide to DHL and further recognizes the inherent value of the delivery reach of the Postal Service. Last-mile delivery remains a fundamental strength of the Postal Service."

Since 2003, the Postal Service has provided last-mile delivery for DHL in more than 20,000 ZIP Codes nationwide through its Parcel Select service.

This expansion makes USPS the exclusive provider of delivery service to DHL for 3,600 of the nation's 46,000 ZIP Codes through use of Priority Mail and Parcel Select service. □

DELIVERY ADDRESS PLACEMENT AND FORMATTING FOR FSS PROCESSING

What is FSS processing? The Postal Service is implementing the Flats Sequencing System (FSS) to fully automate the processing and delivery sequencing of flat-size mail. Today, flats are mechanically sorted only to the 9-digit ZIP Code or carrier-route level, and later manually sorted into delivery sequence by carriers.

FSS can sort flats into delivery sequence, increasing efficiency by reducing carriers' time manually sorting mail and allowing them to begin delivering mail earlier in the day.

Effective March 29, 2009, we will require new delivery address placement standards for Periodicals, Standard Mail, Bound Printed Matter (BPM), Library Mail and Media Mail flat-size mailpieces prepared and mailed at automation, presorted and carrier route prices. Customers must place the delivery address in the upper portion (defined below) of Periodicals, Standard Mail, BPM, Library Mail and Media Mail flats. Additionally, new formatting standards will apply to all flats not mailed at retail (single-piece) prices, including First-Class Mail.

Flat-size mail generally consists of catalogs, envelopes, large cards, magazines and newspapers that exceed one or more of the dimensions for letter-size mail but that do not exceed 15 inches long, 12 inches high, 3/4-inch thick. Automation flats can have a minimum length of 6 inches, and a minimum height of 5 inches. See *Quick Service Guide 301* and *Quick Service Guide 301a* at *pe.usps.com.*

The new standards create consistent addressing for flat-size pieces and increase efficiency in flats processing and delivery operations. Clear, readable delivery addresses ensure accurate sorting, delivery and redirection when needed and allow us to process and deliver mail as quickly as possible.

Similar technology boosted postal efficiencies in processing and delivering letter-size mail in the 1990s. We can significantly increase efficiency and reduce delivery costs for flats with FSS technology. FSS can sequence flats at a rate of approximately 16,500 pieces per hour.

Address Placement

The "top half" of the flat-size mailpiece is the portion where the delivery address is placed. The postage (except for most Periodicals) must appear to the right or upper right, and the return address (if used) must appear to the upper left of the delivery address (see illustration at right).

Mailers may place the delivery address parallel or perpendicular to the top edge, but not upside down as read in relation to the top edge. We encourage mailers to place the address as close to the top edge as possible (while still maintaining a 1/8-inch clearance from the edge). The "top edge" of the flat is defined as follows:

- For enveloped or polywrapped flats, and all saturation flats, the top edge is either of the shorter dimensions.
- For flats that are not enclosed — that is consist of three open edges and a single bound edge (or final folded edge), the top edge is the upper edge when the bound edge is vertical and on the right side.

A good example of address and postage placement is your copy of MailPro. *The bound edge is to the right as you read your address.*

Address Formatting

Mailers must address all automation, presorted and carrier route flats using a minimum 8-point type (0.080-inch high) or, if the mailpiece also bears a delivery point (POSTNET) barcode or Intelligent Mail barcode (IMB) with a delivery point routing code, a

minimum of 6-point type (0.065-inch high) when using all capital letters. "Sans-serif" fonts are preferred, but not required. In addition, for all automation flats, the characters in the address must not overlap, the delivery address lines must not touch or overlap, and each address element may be separated by no more than five blank character spaces.

As we transition to the new addressing standards, mailers should also take advantage of the IMB to save space within the address block. For example, the IMB can include imbedded tracking and routing information that currently requires human-readable address correction service (ACS) codes and mailer keyline information.

We also reduced the amount of clear space required under the IMB to 0.028-inch. Again, using *MailPro* as an example, with the July/August 2007 issue *MailPro* began using the IMB, which permitted us to eliminate printing an ancillary service endorsement, as well as our ACS code and mailer keyline information in the delivery address area.

The IMB will be required on all mailpieces claiming automation prices in March 2010. Mailers can find more information in the article, *Intelligent Mail Barcodes,* on page 10 of this issue of *MailPro.*

> *"Flats aren't just a mail processing category – they're the anchor of the mailbox. The new Flats Sequencing System is almost four times as productive as the delivery sequencing operations in place today."*
>
> *— Postmaster General John Potter*

Customers can access technical specifications for the IMB at *ribbs. usps.gov/onecodesolution.*
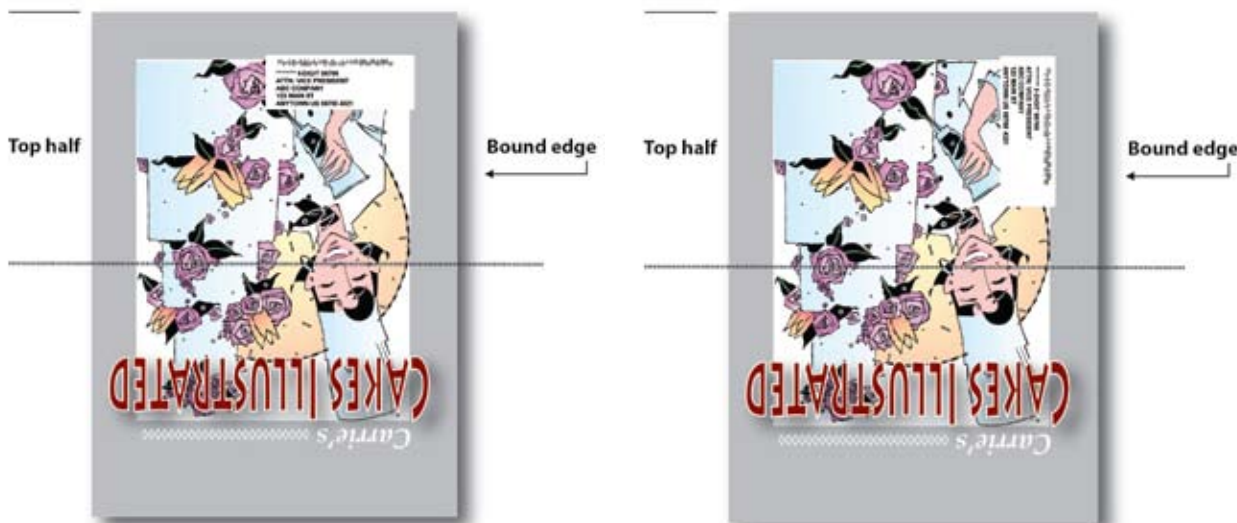
These new standards will enable FSS to process flats in delivery sequence at high speeds and output the pieces in vertical bundles that are ready for carrier delivery. The new delivery address placement criteria will take advantage of the vertical bundle output and significantly reduce the time carriers spend orienting mailpieces to read the address — whether the mail is held, pulled from a mailbag or removed from a tray. The new standards for minimum type size and line spacing will ensure carriers can read the addresses and delineate individual delivery stops. With more than a quarter million carriers delivering mail six days a week, there are substantial opportunities to gain efficiency.

Additional Information and Assistance

See the complete final rule, including future *Domestic Mail Manual* revisions that appeared in the May 7 *Federal Register* at *pe.usps.com*, click *Federal Register Notices.*

Mailers needing guidance on specific mailpiece designs are encouraged to work with their local Mailpiece Design Analyst (MDA). To locate the MDA near you, go to *pe.usps.com* and click *Postal Locator,* then *Mailpiece Design Analyst.* ☐

FYI

Phase one of FSS deployment will begin this fall and is scheduled for completion October 2010.

INTELLIGENT MAIL BARCODES —
NEW MAILER GUIDE AND FREQUENTLY ASKED QUESTIONS

We have several documents available to help answer customers' questions about using Intelligent Mail barcodes. Go to *ribbs.usps.gov* and click *Intelligent Mail Full Service Guides*. You will find helpful information including:

- *Guide to Electronic Documentation and Appointments for Full-Service Mailings*. Get answers to technical questions on the proposed full-service option implementation of Intelligent Mail barcodes. Find out what changes are needed to existing electronic documentation solutions to support mailings seeking full-service prices. Those customers unfamiliar with electronic documentation should begin with the *PostalOne! Getting Started Guide* available at *usps.com/postalone/guides.htm*.
- A collection of frequently asked questions and answers pertaining to the Intelligent Mail barcode and the services it enables. Get the answers to why, how and when Intelligent Mail barcodes can be used, as well as an overview of the benefits and requirements of the Intelligent Mail barcode through the perspective of automation

discounts, extra services and the basic and full-service options. Learn about the process of obtaining a mailer ID and the tools available to create and validate Intelligent Mail barcodes.

In our April 30 *Federal Register* notice, we proposed that mailing standards and prices for automation letters and flats with Intelligent Mail barcodes become effective in May 2009, concurrent with the implementation of the annual price changes for Mailing Services. POSTNET barcodes will continue to be accepted on automation letters and flats until May 2010. The announcement of our May 2009 price adjustment (scheduled for February 2009) will include separate prices for the two options, with full-service prices lower than the basic service (and POSTNET barcode) prices. The comment period for this proposed rule expired May 30. A complete copy of the April 30 proposed rule can be viewed at *pe.usps.com*, click *Federal Register Notice*s in the left navigation bar.

For additional information on the Intelligent Mail barcode, visit the *Rapid Information Bulletin Board System (RIBBS)* website at: *ribbs.usps.gov*. ☐

MORE GREEN INNOVATIONS

To help protect the environment, the Postal Service encourages businesses to find creative solutions that help mailers go green. One business — MailAgain of Houston, TX — has been doing just that for nearly 20 years.

MailAgain has developed mailing technologies focused on providing reliable, cost-effective and USPS-approved solutions for reusable reply mail.

The company has several products that are either patented or patent-pending, including reusable courtesy reply envelopes, business reply envelopes and CD/DVD mailers. Each uses a "fail safe loop mail" design that allows the Postal Service to run the outbound and return portions on

automation machinery.

Working with USPS Engineering, MailAgain obtained automation compatibility certification for its letter-sized CD/DVD mailers. And MailAgain's design eliminates the need for adding separate address labels or tabbing, streamlining production and returns for its customers.

According to MailAgain, the company's green solutions are easy to implement and offer operational savings to mailers, while helping conserve precious environmental resources. ☐

STICKING AROUND

Repostionable Notes (RPNs) are now a permanent option for commercial First-Class Mail, Periodicals and Standard Mail cards, letters and flats. RPNs are 3-inch by 3-inch removable paper notes that remind customers about upcoming sales, websites, phone numbers or other important marketing messages. RPNs add valuable real estate to the outside of a mailpiece, and your message sticks around long after the mailpiece is opened. ☐

POSTAL NEWS BRIEFS

MailPro
NEWS FOR MAILING PROFESSIONALS

POSTAL SERVICE REPORTS SECOND QUARTER LOSS

Despite aggressive cost-cutting measures, the Postal Service ended the second quarter with a net loss of $707 million, driven by a continued decline in mail volume resulting from the current national economic climate.

For the first six months of the fiscal year, the Postal Service essentially broke even, reporting a net loss of $35 million on revenue of $39.3 billion.

Mail volume for the quarter ending March 31 totaled 51.3 billion pieces, a 3.3 percent drop from the previous second quarter. First-Class Mail volume decreased by 3.1 percent and Standard Mail volume was down 3 percent.

Year-to-date total mail volume is down by 3.1 percent compared to the same period last year. If the trend continues, this will be only the seventh year total mail volume has decreased in the last 50 years and could be the largest decline since 2002.

"Weakness in the housing and credit markets, both of which are heavy users of mail, are leading the declines in mail volume," said Postmaster General John Potter. "While mail volume may rebound with the economy, it is clear we need to accelerate our efforts to seek new structural and process changes to remain economically viable and to further improve customer service."

Meanwhile, on-time delivery of First-Class Mail continued at record levels. National overnight service was 96 percent on-time, a record high for four quarters in a row. Two-day service was 94 percent and three-day service was 92 percent on-time. All these scores are the highest ever achieved in quarter two.

First-Class Mail performance is measured independently by IBM Global Business Services. The process measures First-Class Mail from the time it is deposited into a collection box until it is delivered to a home or business. □

USPS AGAIN CHOSEN AS MOST TRUSTED

The Postal Service is the most trusted government agency for the fourth year in a row, according to the premier privacy trust study in America. More than 86 percent of those surveyed by the Ponemon Institute ranked the Postal Service first among federal agencies when it comes to keeping their information safe and secure. The Postal Service has increased its privacy trust score every year since the survey began four years ago.

"We have a 230-year tradition of trust. Americans depend on the security of the mail and they trust the Postal Service to protect their privacy," said Delores Killette, vice president and consumer advocate. "Our employees work hard to maintain that trust. They earned this honor and recognition for their contribution to the value that trust brings to the organization, and to the country." □

NEW 62-CENT STAMP NOW AVAILABLE

2008 USA 62

A dragonfly is featured on the new 62-cent stamp, which is for First-Class Mail nonmachinable single pieces, such as square greeting cards.

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DATA ENTRY
US POSTAL SERVICE
6060 PRIMACY PKWY STE 201
MEMPHIS TN 38188-0001

LETTER SORTERS GET FASTER, SMARTER
USPS ALSO ENHANCING DATA SYSTEM

The Postal Service will postmark letters faster and sort them smarter with the purchase of new technology. The 550 Advanced Facer Canceler System (AFCS) 200 machines will not only process 15 percent more mail per hour than existing sorters, but also reduce the need for downstream processing with their greater number of sorting bins.

The AFCS 200s are designed to apply barcodes, read the Intelligent Mail barcode and process broader-sized letters up to 5/16 of an inch. They will also be more energy-efficient than the 1980s technology that they will replace. The AFCS 200s will be deployed between May 2010 and July 2011.

The Postal Service also is enhancing its information infrastructure with the purchase of 400 computer systems to replace the existing National Directory Support System and the Integrated Data System. These nationally deployed systems provide critical data used to optimize performance of equipment and provide information to customers, such as mailpiece tracking and Address Change Service.

The Postal Service processes more than 212 billion letters, flats and packages annually. With a delivery network of more than 13,000 automated sorting machines that continues to become more "intelligent," and a directory of 148 million addresses that continues to grow, the new data system will enable the Postal Service to expand its services and provide its customers with greater value. The computer systems will be deployed next year. ■

Postal Service is buying new Advanced Facer Canceler System 200 machines.