



Updating Address Lists Is a Smart Move

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Update Notice

Publication 363

Updating Address Lists Is a Smart Move (June 2003)

Publication 363, *Updating Address Lists Is a Smart Move*, was last printed in June 2003. To inform you of changes since that time, we periodically update this online edition of Publication 363.

Changes made to Publication 363 (June 2003 edition) in the *Postal Bulletin* are as follows:

Postal Bulletin 22136, September 2, 2004

Effective September 2, 2004, Publication 363 is revised:

- To reflect the replacement of the acronym NCOA (National Change of Address Linkage) with NCOALink™.
- To update the alternative methods stated in the “List Already Accurate” portion of the publication.

Postal Bulletin 22118, December 25, 2003

Effective November 13, 2003, Publication 363 is revised to extend the maximum permissible number of days from 180 to 185 days for updating delivery address records to meet the Move Update standard for Presorted and automation rate First-Class Mail® pieces. This revision mirrors the revision to *Domestic Mail Manual (DMM) A030.1.1* that was published in *Postal Bulletin 22115* (11-13-03, page 34). Throughout the entire publication, each instance of “180 days” is revised to read “185 days.”

More than 44 Million Americans Changed Addresses in 2003

Many of them are good customers of yours — customers you value and who are important enough for you to use First-Class Mail® service. But not all of them told you they moved.

If you want to keep these customers, you have to make sure your mail reaches them. That's why it's good business to update your address lists now.

The Postal Service is committed to increasing customer value. That's one of the key goals of our *Transformation Plan*. And we're doing that by working with customers to make sure databases are updated frequently and accurately to improve the overall accuracy of address information. But that's not all. By analyzing customer business processes, we can identify ways to help optimize those processes. That's where Move Update comes in. It's one of a number of great ways to help you reach your customers in an efficient and cost-effective way.

This publication describes the five options for updating addresses on your mailing list and answers mailers' commonly asked questions.

Move Update

Move Update, the process for updating names and addresses, is required for mailers to obtain discounted rates for First-Class Mail service. This requirement does not apply to mailers who use the exceptional address format (e.g., Jane Doe or Current Resident).

Since July 1997, all addresses on mailings that receive discounts for First-Class Mail service, whether Presorted or automation rate, must undergo name and address correction within 185 days of the mailing. The Postal Service offers four preapproved methods and one alternative updating method specific to a mailer. Mailers have the following five options for meeting the Move Update requirement:

- Ancillary Service Endorsements
- Address Change Service (ACS)
- National Change of Address (NCOA^{Link™})
- FASTforward[®]
- Move Update Alternative Process

In order to enter mail at a discounted First-Class Mail rate, the mailer who enters the mail must certify, on the postage statement submitted, that names and corresponding address on each mailpiece in the mailing have been updated within the past 185 days.

Updating Reduces Waste

Every mailpiece, regardless of class, has two things in common: the intended recipient and the address. When both are accurate and complete, the mailpiece can be delivered quickly and easily.

If either the recipient has moved or the address is incorrect or missing an important addressing element, then the mailpiece could become undeliverable-as-addressed (UAA) mail — a waste of time, effort, and money for both mailers and the Postal Service.

Approved Move Update Options

Ancillary Service Endorsements

Any mailer may use an ancillary service endorsement (ASE) to (1) request a hard copy notification of the addressee's new address and (2) provide the Postal Service with instruction on how to handle UAA mail. You may combine ASEs with other approved Move Update methods.

Mailers may use the following endorsements with First-Class Mail service to initiate an updating method that meets the Move Update requirement:

- **Return Service Requested.** The Postal Service returns UAA mailpieces with a new address or reason for nondelivery at no charge.
- **Temp-Return Service Requested.** The Postal Service forwards the mailpiece at no charge. No separate notice of new temporary change-of-address provided.
- **Address Service Requested.**
 - Months 1–12: The Postal Service forwards the mailpiece at no charge; a separate hardcopy notice of new address provided; and charges an address correction fee of \$0.70.
 - Months 13–18: The Postal Service returns the mailpiece with new address attached no charge.
 - After month 18 or if undeliverable: The Postal Service returns the mailpiece with reason for nondelivery attached at no charge.

If the mailer uses electronic Address Change Service (see next page for details), the following endorsement option is available for First-Class Mail service:

Change Service Requested. The Postal Service provides a separate notice of new address or reason for nondelivery, charges an address-correction fee of \$0.20 for both cases, and disposes of the mailpiece rather than forwarding or returning it.

For an address to meet the Move Update requirement using an ASE, the mailer must do the following:

- **Send at least one letter or card to the address,**
- **With an approved ASE,**
- **Within 185 days of the reuse of the address in a First-Class Mail discounted mailing.**

It is recommended mailers retain address correction records for up to two years in the event the Postal Service asks them to document that they have met the Move Update requirement.

To complete the Move Update process, the mailer must make the address changes received as a result of the use of the approved ancillary service endorsement.

Address Change Service

Address Change Service (ACS) provides change-of-address (COA) information or reason for nondelivery electronically. Each electronic notification costs \$0.20. ACS is available for all classes of mail. It must be used with specific ancillary service endorsements, and a participant code. If the mailer uses an ASE for manual notifications outside of ACS participation, the Postal Service charges the hard copy rate of \$0.70 each.

To participate in ACS mailers must modify their envelopes, address labels, or address blocks to include an ACS participant code and keyline. If a mailer wants to participate in the nixie service*, a mailer-assigned keyline is required.

With ACS, mailers may schedule the frequency of their address correction notifications — daily, weekly, biweekly, monthly, or bimonthly. Under ACS, the Postal Service provides COA information on computer cartridge and CD-ROM, and via the Postal Service Web site. By processing electronic input, mailers can expect to speed entry, reduce errors, and lower processing costs.

* Nixie service informs mailers when an address on the mailer's lists is not deliverable as addressed for reasons other than a customer move.

National Change of Address Linkage (NCOALink™) System

The National Change of Address Linkage (NCOALink) option is available only through companies licensed by the Postal Service™ to offer this service. The mailer's computerized list is matched with official Postal Service customer-provided permanent COA orders received from individuals, families, and businesses within the past 4 years or 18 months based on the license acquired. These official records are updated and provided to NCOALink licensees' weekly or monthly based on the license acquired. NCOALink system provides mailers with ZIP+4® codes plus two extra digits for delivery point barcoding.

To make this product widely available to all mailers, three types of licenses are available.

- The first is a "Full Service License" that provides a 48-month database with weekly updates.
- The second is a "Limited Service License" that provides an 18-month database with weekly updates.
- The third is an "End User License" that provides an 18-month database with monthly updates.

For more details about these licenses and how to acquire one, contact our National Customer Support Center at 800-238-3150.

FASTforward

Mailers may use FASTforward® in one of two ways to comply with the Move Update requirement:

- Multiline Optical Character Reader (MLOCR). Allows users (mailers) to comply with the Move Update requirements as they actually process mail, provided that the mail is automation-compatible. Licensed FASTforward MLOCR users must obtain an approved interface from their MLOCR vendors. As mail is run through the MLOCR, the system automatically checks names and addresses against a national Postal Service database that is encrypted, contains updates from the previous 13 months, and

contains only permanent COA records. If a change of address is applicable, the correct address and barcode are imprinted on the mailpiece.

- The Mailing List Correction (MLC). Provides FASTforward licensees with the ability to update computer-based name and address mailing lists electronically prior to the creation of the mailpiece. This version also requires licensees to have a FASTforward interface that meets Postal Service specifications. This version will be discontinued effective September 30, 2005, and replaced with NCOALink.

The new address information is obtained through a matching process. The name and address contained in the mailing list are compared to the national Postal Service encrypted database of permanent COA records. Address change information is only provided for those records from the previous 13 months that have a matching name and an old address. In the event new address information is returned, the effective date of the move and the carrier information for the new address is also returned. Mailers must use the returned information to update their mailing lists.

Alternative Methods

In addition to the four methods described above for updating mailing addresses and complying with the Move Update requirement, some mailers may use an alternative method that has been evaluated and approved by the National Customer Support Center (NCSC). If in doubt, a mailer should discuss specific questions with the Postal Service or contact the NCSC at 800-238-3150.

Legal Restraint

Some mailers claim there is a legal restriction that prevents them from incorporating Postal Service change of address (COA) information without direct notification from the addressee.

1. The mailer must request approval to use an alternative method of meeting the requirement. Unless the mailer is a federal, state, or local government entity, the request must be accompanied by citation of the specific legal restriction, including copies of the statutes and/or regulations. However, federal, state, or local government entities must still make a request and be issued a letter of approval.
2. If approved, the mailer must use the following alternative method:
 - a. Obtain Postal Service COA information by one of the authorized methods (ACS, NCOA^{Link}, FASTforward, or on-piece ancillary service endorsement) no more than 185 days before the mailing.
 - b. For each address identified as a COA in 2a, contact the addressee within 30 days after receiving the COA information to request confirmation of the move in a format that will satisfy the mailer's legal requirements. The form (written, telephone, electronic, etc.) of this contact is the mailer's option. If written notification is used, it must be sent to the new address, and any enclosed reply piece must be barcoded.
 - c. Incorporate all COA confirmations received in response to 2b, into the list within 30 days of receipt.
 - d. Retain documentation of this process for two years, including dates on which each step was performed, number of COAs identified, number of confirmation requests, and evidence that demonstrates the updates have been incorporated into the list. Provide documentation to the Postal Service upon request.

Some mailers claim they cannot use NCOALink because of legal or corporate policy restrictions on the disclosure of their address lists.

These mailers should have no difficulty complying with the Move Update requirement using on-piece ancillary service endorsement or internal FASTforward matching, neither of which requires that the list be provided to a third party for correction. No alternative process is required.

List Already Accurate

Some mailers claim because of timely customer notification, their COA information is up-to-date and at least as good as the Postal Service's. They claim, therefore, that six-month matching wastes their time and money and adds no value.

Mailers have the option of meeting the requirement either by using an on-piece ancillary service endorsement (which should have a minimal cost if the list is up-to-date) or by using an alternative method as follows:

1. The mailer must provide an electronic version of the address list in a format defined by the Postal Service. The mailer will provide 100 percent of the address list. The Postal Service will match the list against the USPS change-of-address information for an initial charge of \$1.00 per thousand records with a minimum charge of \$100.00. Mailers who are unable to format their file in the appropriate format will be charged a setup fee of \$500.00. For a minimum fee of \$6,000.00 a Postal Service representative will visit a mailer's site to perform this process.
2. If COAs total 1 percent or less of the mailer list, the mailer will be permitted to mail based on that process and will be provided written documentation from the Postal Service NCSC that the mailer meets the Move Update requirement. The documentation will include the number of addresses that match the NCOALink file and the percentage of the address list that those addresses represent. Addresses that match will be identified so the mailer

may take action to update the address information. If COAs exceed 1 percent, the mailer will be required to use one of the four approved Move Update methods, and will be permitted to reapply for alternate processing after a period of six months.

3. If the mailer remains in compliance with the 1 percent requirement, the mailer will be permitted to mail based on that process for the next year. If the mailer does not remain in compliance, the mailer will be notified in writing that approval for alternate Move Update processing has been withdrawn. The mailer will be required to use one of the four approved methods of Move Update and will be required to wait six months to reapply for alternative processing.
4. Steps 1 and 2 will be repeated annually.
5. After the third year of testing, if the mailer remains in compliance, the mailer will be permitted to mail based on that process for the next 4 years. However, the mailer must continue to show that the mailing list is still in compliance with the current standards. Any failure to meet compliance standards will result in reverting to the initial testing process until the applicant again passes 3 consecutive years.

Mailers who have reached the 4-year cycle are required to submit an annual letter to the Postal Service stating their current status for eligibility and detailing any business or company modifications, as outlined below:

- Any merger or acquisition of the company whose list is certified.
- An annual increase in the customer base, or address data that make up the mailing list, that is greater than 1 percent of the total base.
- Any changes in, or modifications related to, the address matching tools used (CASS, NCOA^{Link}, FASTforward process).
- Any change in the type of business originally certified.
- Any change in the customer method of notification or update process made to the business systems that maintain customer address information.

After receiving and reviewing the mailer's annual update letter, the Postal Service will determine whether or not the list needs to be recertified. If recertification is needed, the Postal Service must perform the recertification testing within 90 days of receiving the annual update letter.

Newly Acquired Addresses

When a customer requests goods, services, or information and is added to a list as a result, the newly added address does not require immediate verification and can "ride" until the next Move Update cycle, when it must be verified along with the rest of the addresses.

Using Mailing Lists for Other Classes of Mail

Publishers may use a list updated by Address Change Service (ACS) for a Periodicals mailing for mailing invoices using First-Class Mail service.

If In Doubt, Ask

The Postal Service is eager to guide you through each Move Update option. Our goal is to give you the best service at the least cost.

For answers to questions or for additional information, visit the Postal Service Web site at <http://www.usps.gov/ncsc/services/> or call the National Customer Support Center at 800-238-3150.

Move Update

Questions and Answers

Q: I operate my businesses on a quarterly basis, and sometimes two quarters exceed 185 days. How am I affected by the Move Update requirement to update addresses no more than 185 days before mailing?

A: The Postal Service recognizes this issue; however, addresses must be updated within 185 days before the date of mailing.

Q: My business does not maintain a mailing list with an address-update cycle, how does the address-update standard apply when my customer provides an address to me?

A: If you send the mailpiece to the address within 185 days of the date the address was provided, the address complies with the Move Update requirement. If you use the address 185 days or more after it was provided, you must use an on-piece ancillary service endorsement for address correction (or another update tool such as FASTforward). In most instances, if the mailpiece is mailed shortly after the address was provided, the address will not change, and the piece will be delivered as addressed.

Q: What documentation must the list provider furnish to a mailer, in addition to the address list, for use on a First-Class Mail Presorted or automation rate mailing?

A: The list provider must certify it is aware of the requirements of Move Update and the addresses on the list comply with those requirements. The list provider should retain the following for two years:

- Evidence of the Move Update process used for the address on the list to substantiate updating occurred within 185 days prior to submission of the mailing to the Postal Service.
- Documentation or other evidence that supports the number of new names acquired directly from customers since the last update.

Q: I am a mailing agent. If, when I accept mail, my clients will not certify that they have taken steps necessary to update their addresses within 185 days, may I still include those mailpieces in First-Class Mail Presorted or automation rate mailings?

A: No, unless you are a FASTforward licensed MLOCR user using FASTforward to update the addresses. Otherwise those mailpieces must be mailed at the single-piece rate.

Q: My letter shop prepares and enters mail for customers. If the customer does not certify that the addresses they provided meet the Move Update requirement, can I enter this mail at discounted First-Class Mail rates?

A: No, unless the list of addresses is processed through FASTforward.

Q: If I believe my list is accurate, when should I submit my files to the National Customer Service Center in Memphis for testing?

A: If you are eligible to use a Move Update alternative process, you should submit an application for approval of your alternative system as soon as possible.

Q: 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?

A: The name of the addressee must be in the optical character reader (OCR) read area. Mailpieces with exceptional address formats (such as “Or Current Resident”) are not eligible for FASTforward processing. In addition, you must have a barcode clear zone that is completely free and clear of any windows so that the MLOCR can spray the delivery point barcode and the new address on the mailpiece if a move is identified.

Q: I do not want my mailpieces forwarded to the new address if the addressee has moved, but I want to receive the new address from the Postal Service. If I endorse my mailpieces with an approved ancillary service endorsement and give them to a presort bureau licensed to use FASTforward on their MLOCR, what will happen to the mailpiece, and what information will I receive from the Postal Service?

A: The Postal Service provides change-of-address information when a move occurs and the piece is addressed for delivery to the old address and bears an approved endorsement for an address correction to be provided. If a piece is processed using MLOCR FASTforward and a new address is identified, the new address and its associated delivery point barcode are sprayed on the piece, and the piece is sent directly to the correct new address. The Postal Service will not return the piece to the sender or provide information about the new address because the piece is considered to be addressed correctly.

If you want to receive updated address information for a mailpiece and do not want the mailpiece mailed directly to the addressee’s new address, you need to advise the MLOCR service bureau to turn off the FASTforward when the bureau processes your pieces that bear an endorsement indicating that the pieces should not be

forwarded. Alternatively, you may use the nonforwardable endorsed mailpiece option for these pieces. This option requires that the presort bureau return to you those endorsed pieces to which FASTforward applied new address information.

If you choose to use only ancillary service endorsements, you must be sure to use them at least every 185 days, if this is the process you use to meet the Move Update requirements. In addition, you must be sure to update your addresses within 185 days of your use of the addresses.

Q: If I am mailing a promotional piece at First-Class Mail rates and I use an exceptional address format (e.g., “Jane Doe or Current Occupant”), must the recipient name have been updated within the previous six months?

A: No. Each piece will be delivered to the address appearing on the piece whether or not the named addressee resides at that address. However, the addresses must have been updated.

Q: Can the constant polling of correct address information by a mailer meet the Move Update requirements (e.g., “Check this box to indicate whether you have moved. If you have, provide your new mailing address.”)?

A: No. Some mailers are eligible to use a Move Update alternative process. Those mailers, however, may be able to use this type of polling as a means to achieve the 99 percent accuracy required.

Q: I have CASS-certified address-matching software that ensures I have good addresses. Does this meet the standards for new names and addresses?

A: No. Address-matching software looks up addresses to correct and standardize the address information and append ZIP+4 codes. It does not perform a name lookup to determine whether the addressee is still at that address and, therefore, cannot be used to meet the Move Update requirement.

Q: How does the Move Update requirement apply when mailing to a newly acquired address?

1. Basic Premises

- a) The Move Update process is name and address-based rather than list-based. Every address comes from a list of some kind, except when the addressee has initiated contact that results in a mailpiece. Each list may actually have several components or sublists when mailings to customers differ based on the business relationship.
- b) Each list is updated on a cycle. The cycle may be as long as 185 days or as short as one day.

2. Address Additions

When a customer contacts a business and that contact results in an addition to the list, the newly added address can “ride” with the list until the next cycle for update. This will only occur when the person for who the mailpieces is prepared has asked to be added to the list by requesting services, literature, merchandise, etc.

Addresses derived from any source other than directly from the individual customer must meet one of the following requirements:

- a) Mailed at single-piece rates.
- b) Mailed at single-piece rates until the Move Update process is used to verify the address.
- c) Certified by the list source as the method and timeframe of the Move Update process to determine the length of eligibility.

If the address list is rented to another party for the purpose of mailing at discounted First-Class Mail rates and that list has a blend of established and newly acquired customers, the list source must ensure all addresses comply with the Move Update requirement.

If the address list is further distributed to additional mailers (by second party to others, by a third party etc.), a copy of the original certification should accompany the address list.

Q: Does a list or an address have to be updated literally every 185 days?

A: An address can be updated anytime, so long as it is updated within 185 days before the address is actually used for a First-Class Mail discounted mailing. If the mailer sends to a list once every two years, that list would have to be updated using an appropriate Move Update process prior to the mailing.

Q: Must whole lists be updated every time?

A: Entire lists do not have to be updated at once. The requirement applies to individual addresses, not to entire lists. Only those addresses that will be used in a First-Class Mail discounted mailing need to meet the Move Update requirement. The list could not be used with an ASE since the addresses would not have been updated within 185 days. However, the list could be used with NCOA^{Link} or FASTforward MLC prior to the mailing, or FASTforward MLOCR when mailing.

For answers to any other
Move Update questions you may have,
visit the Postal Service Web site at
www.usps.gov/ncsc/services or call
the National Customer Support Center
at 800-238-3150.