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Using ZIP+4® is an easy way to get Postal discounts.

Tips from the *U.S. Postal Service.*

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Wouldn't it be wonderful if there was a single location where you could get help with the intricacies of mailing, test the ability of your piece to run through automated Postal equipment, get advice on automating your mail and learn how to work with the Postal Service to save money? Well, there is.

It's the United States Postal Service's Postal Business Center. There are 85 of them around the country and they all offer these services and more. You can find your nearest Postal Business Center on the USPS website (www.usps.com) or contact your local Postmaster. The USPS also has Customer Relations Representatives who are available to help very large mailers with the intricacies of saving money on their Direct Mail.

In 1998, the United States Postal Service delivered over 198 billion pieces of mail. More than 82.8 billion pieces were Standard Mail (A)™.

Numbers like these are proof of the importance of seeing to it that your Direct Mail is handled efficiently to make sure it gets delivered promptly. The Postal Service provides discounts to mailers who follow USPS guidelines for easier handling. In other words, if you make the delivery of your mail easier, you get the savings.

There are important requirements to consider when determining whether your mail can qualify for Standard Mail (A) rates. Some of these are:

- All pieces must be in the same processing category (all letters, all flats, etc.).
- Each mailing must contain at least 200 addressed pieces or 50 pounds of addressed pieces.
- The correct ZIP+4® Code must be on each piece.
- All pieces must qualify as Standard Mail (A) (no checks, bills or other material that must be sent as First-Class® Mail).
- A permit or license to pay postage via precanceled stamps, permit imprints or meters must be obtained.
- An annual bulk mailing fee must be paid.

In 1997, Standard Mail (A)™ represented 41.5% of the total weight of all mail.

41.5%

- Mail must be sent from the Post Office where the permit or license was obtained and the bulk fee was paid.
- Mail must be presorted.

The Postal Service can assist in lowering costs for advertisers.

To qualify for Postal discounts, you must follow USPS guidelines for mail preparation. These include putting the mail in trays and sacks, making the pieces conform to the required size and thickness and determining whether they qualify for automation and other discounts. The best resource for detailed information is your nearest Postal Business Center. This information is also available in the *Domestic Mail Manual*. In addition, your printer or lettershop can assist you in finding the optimal process to achieve a cost-effective mailing.

U.S. Postal rates are very reasonable. But when it comes to mailing thousands, hundreds of thousands, even millions of pieces of mail each year, the cost factors are significant. Saving a penny per piece on a one-million piece mailing translates into $10,000.

But, in fact, the savings can be much more than a penny. For example, if your piece of Standard Mail (A)™ is POSTNET barcoded and Carrier Route sorted, the cost can be reduced by more than 6¢ per piece.

Four areas where mailers can save:

- List cleaning
- Automation
- Presorting
- Point of Mailing

List *cleaning*

Here we are again, urging you to clean and update your lists. It can't be emphasized enough. The cost-efficiency of your entire project could depend on it. In addition, savings realized by automation and presorting can be lost if the list is not cleaned and updated.

Lists degenerate at an incredible rate—about 2% per month! That means 20–25% of a list has gone "bad" in a year's time. Accurately addressed mail gets delivered and saves you money.

Again, there are two essential files to run your list through:

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First, the National Change of Address (NCOA) file is a listing of change-of-address records kept on file for 36 months. At any given time, there can be as many as 113 million entries in the NCOA file. The NCOA is the way to keep the names and addresses of people who have moved off your list. Remember that Standard Mail (A)™ is not returned to you unless you request return postage on the piece. So, it is important to keep lists up to date to prevent huge amounts of waste.

Second, the Delivery Sequence File (DSF) contains actual deliverable addresses for 110 million residences and almost 10 million businesses. A check with the DSF nets deliverable addresses instead of address ranges, as with ZIP+4® files. Consequently, if an address does not exist, ZIP+4 may accept it as valid, but the DSF will identify it as nonexistent, so you can suppress it. Other suppression files you should be using are for address updates of people who are deceased, in prison or known to be bad credit risks.

Making your mailing as cost-efficient as possible begins with your list.

Automation

Mail is processed in three ways: Manually, Mechanically and Automatically.

According to USPS data, manual processing (one employee doing it by hand) can sort about 800 pieces per hour. Using mechanized processing (working with a group of people and an envelope sorting machine), an employee can process about 1,800 pieces per hour. Automated mail (two to four people and various machines) can sort 40,000 pieces per hour. The savings are obvious. And, when you prepare your mail so that it can be automatically sorted, these cost savings are passed along to you.

You can take advantage of a discount for automation-compatible mail with barcoding. By inserting the barcode in the proper location on the mailpiece, you make it much easier for the U.S. Postal Service to process your mail. This creates significant

Peak mailing months vary from industry to industry.

The top months for some selected industries are:

Business & Finance
December

Cultural Reading
December

General Reading
December

Self-Improvement
September

Home Interest
May

Parents and Children
August

Hobbies
December

Entertainment
December

Education
January

Fund-Raising
November

Health
June

cost-savings opportunities for you. To get these savings, you need to make sure that your address list has been CASS- (Coding Accuracy Support System) certified. Be sure to ask your list brokers to present the CASS certificate provided by the USPS. Using automation is really a win-win situation. The USPS can handle the mail faster and more accurately, while you enjoy the reduced rates.

Presorting

Presorting means that your mail is sorted either by you or your agent before it is brought to the Post Office. You can presort in a number of ways, from geographical region, all the way down to the individual mail carrier route. The more detailed the presorting, the greater the savings for the USPS and the greater the discount for you. This can have a dramatic impact on your overall costs for a mailing. To be eligible for these discounts, you simply need to fulfill the requirements regarding how the mail is sorted (5-digit, 3-digit, Carrier Route, etc.), and into what specific types of containers (sacks or trays) the mail must be packaged.

Point of *mailing*

Another Postage discount is available to you if you or your mailing agent brings your mail to a Destination Bulk Mail Center (DBMC), Destination Sectional Center Facility (DSCF) or Destination Delivery Unit (DDU) for mailing. These savings usually apply to large mailings, because the costs associated with transporting mail to these facilities may offset the postage discount. However, for smaller mailings, the lettershop or printer may be able to combine your mail with other customers' and provide each of you with some savings. In order to obtain these savings, certain requirements must be met. Contact your local USPS Postal Business Center for details.

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Maximizing savings

Each of these discount opportunities may be combined to maximize the savings you may be able to take advantage of, but be sure to check with your nearest USPS Postal Business Center for more information.

Other good ways to *save* money

- In Direct Mail, there are Business Reply Cards (BRCs) and Business Reply Envelopes (BREs), as well. The cost of using them varies, but generally it is the cost of First-Class® postage plus a fee. Here again, you can save large amounts of money by making a deposit with the USPS toward your guarantee of postage. The difference between making or not making the deposit can be huge.
- Make sure creative personnel are aware of the need to meet Postal regulations when they design your mailpiece. For example, they should be aware of the cost effects of pieces that cannot be automated.
- Call your nearest Postal Business Center when you need assistance. That means at the beginning of a project, not at the end, when advice may be too late.
- Don't design a mailpiece that's fragile. Make it sturdy.
- Avoid peak mailing periods. At the Business Mail Entry Unit (BMEU), that means between 4 and 8 p.m., especially on Fridays. Yes, everyone waits until the last minute.

Make it a point to work with the USPS to keep your costs down, the delivery rate high and your response card expenses low.

The USPS supports the efforts of Direct Mail advertisers and will work with you to make sure you accomplish your goals in the most cost-efficient manner possible.

Call your local USPS representative before you begin your Direct Mail effort.

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