

# Mailers. Companion



SEPTEMBER 2001

## MEET MERLIN — *The USPS Mailing Evaluation, Readability, and Lookup INstrument*

Business mailers who go through Business Mail Entry Units (BMEUs) to have their mail verified will soon see a change that makes the process faster and more efficient. That change comes in the form of MERLIN, the Mailing Evaluation, Readability, and Lookup INstrument — an automated verification system for the acceptance of letter- and flat-sized mailings.

Facilities in the Postal Service's Southeast and Southwest Areas will be the first sites to receive the MERLIN systems. This phase of the rollout will be completed in March 2002, followed by the second phase of the deployment for the rest of the country through 2003.

MERLIN itself is about the size of a large copier, designed to check various qualities of the mail run through it and print reports of its findings. It can verify First-Class, Standard Mail, and Periodicals, and both automation and nonautomation-rate mailings.

Currently, the manual mail verification process is very time-consuming. With more than 4,000 discount rates, 30 different postage statements, and 800 clerical procedures involved in accepting mail, mistakes are always possible. MERLIN provides a comprehensive, consistent, objective, reliable verification of mailings.

The primary purpose of MERLIN is to perform analysis on a sample of mail to ensure that a mailing meets the standards for the discounts and postage claimed by the mailer.

The implementation of MERLIN does not mean the establishment of new mail acceptance standards. MERLIN merely provides an automated process to verify mail according to existing standards.

— continued on page 2



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### **MERLIN Benefits:**

- *Speeds up the verification process*
- *Makes it easier to do business with the Postal Service*
- *Improves the quality of mail*
- *Improves mail processing and delivery efficiency*
- *Captures business mail data*

## MERLIN

— continued from cover

MERLIN can verify mailpiece characteristics, presort makeup, piece counts, tray label accuracy, barcode readability, address accuracy, endorsements and rate markings, meter IDs and dates, shortpaid mail, and more.

MERLIN is capable of evaluating virtually every mailing requirement for both letter and flat mail. MERLIN does its verification at speeds up to 6,000 letters or 4,000 flats per hour at sizes up to 12" by 15" and weights up to 16 oz. Its speed and efficiency will allow more samples of more mail from more mailers while reducing acceptance time from as much as one or two hours down to 15 or 20 minutes.

Because of its speed, MERLIN tests larger samples from each mailing, thus giving more accurate results. A sample size of 1,800 randomly selected pieces will be used for mailings of more than 10,000 pieces. For mailings smaller than that, a 500-piece sample will be used. Mailings below 500 pieces will be sampled in total.

MERLIN will have a reverse look-up feature that compares the barcode with the address to determine accuracy. It also can verify walk-sequence and line-of-travel sortation.

60-day grace period related to postage assessments for barcode readability.

Due to software modifications that will be installed in late

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*MERLIN's speed and efficiency will analyze more samples of mail from even more mailers while at the same time cutting acceptance time from as much as 1 or 2 hours down to 15 or 20 minutes*

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MERLIN issues several reports on the quality of the mail preparation:

- The summary report is an overall review of the sample that was run.
- The Presort Verification Report is an automated PS Form 2866.
- A Sortation Exception Report provides specific details on the errors summarized in the presort report.

A presort error rate above five percent could result in an assessment for additional postage. Mailers may, at their option, choose to correct the mailings in lieu of paying additional postage.

During phase I deployment, mailers will receive advance notice from business mail entry managers before MERLIN is installed at the Business Mail Entry Units (BMEU) and Detached Mail Units (DMU). Currently, the USPS has provided a

September, the USPS will modify its policy to provide an additional 60-day grace period for barcode readability once the new software is installed at each site.

This grace period will allow mailers time to have their mail tested on MERLIN, so causes of failures can be determined and corrected before full implementation. As MERLIN is deployed, it will eventually replace the Automated Barcode Evaluators (ABE) in use now.

MERLIN will offer mailers consistent, objective, and reliable verification and acceptance of bulk mailings. By providing an objective analysis of the mailing at entry, whether at the BMEU or DMU, the system reduces the chance of human error or misinterpretation of the regulations.

The analysis reports also provide mailers with information they can use to improve their mailings for better automation compatibility and discounts.

— Business Mail Acceptance



## Mailers Companion

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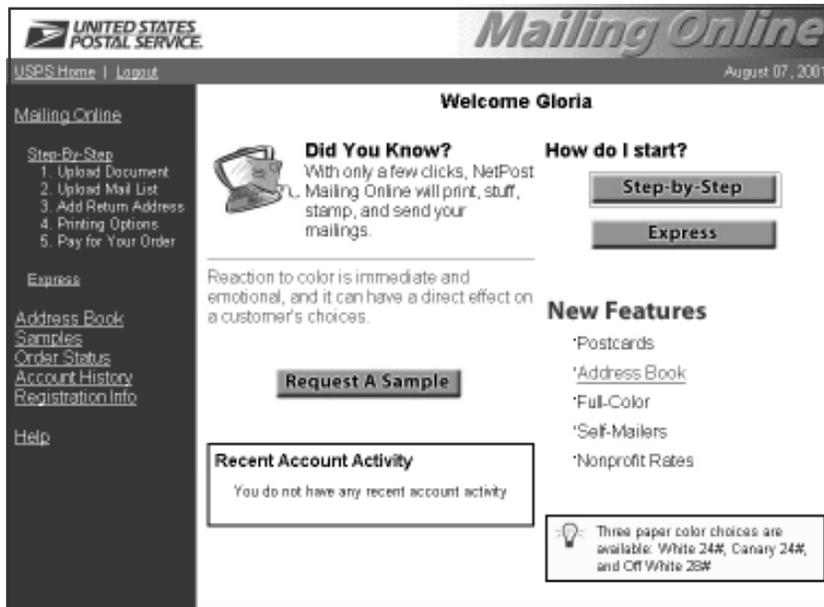
# What's New at NetPost Services?

The Mailing Online (MOL) home page at [www.usps.com](http://www.usps.com) has been redesigned, making it more user-friendly and easier to navigate.

New users can click on *Step-by-Step* to get detailed instructions on how to upload documents and mailing lists, and how to prepare a mailing.

An online *Address Book* is now available that allows users to import address lists that have already been uploaded to MOL. Users can then add or delete addresses, or build a completely new list right online!

A special section for *Nonprofit* mailers is full of information on Nonprofit postage rates, what Nonprofit mail is, and how to send



The MOL homepage has been redesigned with user-friendly navigation tools to take customers through a *Step-by-Step* guide, *Address Book*, *FAQs*, and the new *NetPost Quick Estimator*

mail by this class. There's also new frequently asked questions (*FAQs*) that help to spell it all out.

Another new feature is the *Quick Estimator* that calculates the mailing cost for any of the NetPost Services.

Check-out the new Mailing Online Web site today — it's all in one convenient place!

— eCommerce Group

## FedEx — Drop Boxes Go Nationwide

Self-service FedEx drop boxes will be installed at post offices nationwide, implementing the first of two agreements between the USPS and FedEx.

By the end of September, 5,000 FedEx Drop Boxes will be located at postal facilities, with plans for future expansion.

USPS retail associates will not sell, rate, or weigh FedEx products. FedEx employees will service and maintain the drop boxes.

In addition to the drop box agreement, an air transportation agreement provides the USPS with

shared access to the FedEx Express air transportation network for airport-to-airport delivery of Express Mail and Priority Mail, as well as some First-Class Mail.

"These agreements focus on our core business — universal access to mail services at the best value possible for the American people," said Patricia Gibert, USPS vice president of Retail, Consumers and Small Business. "Ultimately this business alliance will strengthen the USPS and help it manage its costs, grow revenue, and improve services."

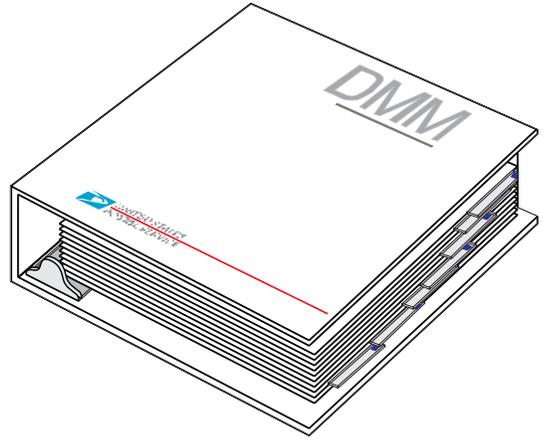
— Retail, Consumers and Small Business

### The USPS expects these benefits from the FedEx partnership:

- ✓ Savings of about \$1 billion in air transportation costs.
- ✓ More than double the previous market reach of Express Mail next-day and Priority Mail two-day services.
- ✓ FedEx guarantees to ensure on-time performance.
- ✓ FedEx payment to USPS of between \$126 to \$232 million in new revenue, depending on number of self-service drop boxes that are placed outside post offices over the contract period.
- ✓ Other qualified overnight package delivery companies have the opportunity to place collection boxes at post offices on terms similar to those in the FedEx agreement.

# Domestic Mail Manual (DMM)

The following announcements, corrections, notices, reminders, revisions, and updates to the *Domestic Mail Manual* (DMM) will be incorporated into the printed version of DMM Issue 57 and into the monthly update of the online DMM that is available via Postal Explorer at <http://pe.usps.gov>.



## DMM REMINDER

## Mail Preparation Changes — First-Class Mail, Standard Mail, and Bound Printed Matter Flats

Effective September 1, 2001, there are several mail preparation changes for First-Class Mail, Standard Mail, and Bound Printed Matter flats.

These changes are outlined in detail by class of mail. The implementation date allows presort software vendors time to update and distribute software to customers and includes time for installation and testing of the software.

Postal personnel should already be working with customers to ensure that they are aware of these mail preparation changes and the September 1 effective date. Additional questions may be directed to district managers of business mail entry.

The changes, by class of mail, are as follows:

### First-Class Mail

#### *Required Co-Traying*

Since January 7, 2001, mailers have had the option to co-tray packages of Presorted rate flats and automation rate flats that are part of the same mailing. This revision

makes co-traying a requirement. Any First-Class Mail mailing job that contains packages of Presorted rate flats and packages of automation rate flats and is reported on a single postage statement must be co-trayed using the standards outlined in M910.1.0.

### Standard Mail

#### *Scheme Sort*

Currently, Standard Mail Enhanced Carrier Route flats are sorted into two required sack levels and may be sorted to one optional level. This revision requires all Enhanced Carrier Route Standard Mail flats to be sorted to all three sack levels (carrier route, 5-digit scheme carrier routes, and 5-digit carrier routes).

Currently, mailers have the option to use the L001 scheme sort for packages of Standard Mail Enhanced Carrier Route flats and 5-digit packages of Presorted flats on *pallets*.

This revision requires use of the labeling list L001 scheme sort for 5-digit scheme Carrier Routes and 5-

digit scheme. Packages of Carrier Route rate flats on pallets must be sorted to 5-digit scheme Carrier Routes pallets as the first sort level, and 5-digit packages of Presorted flats must be sorted to 5-digit scheme pallets as the first sort level.

Advanced preparation options described in M920, M930, and M940 give mailers the option of sorting Standard Mail packages with or without using the L001 scheme sort. This revision eliminates the “non-L001” sort. Mailers sorting Standard Mail flats under M920, M930, or M940 will be required to use the L001 scheme sort. These changes apply to regular and nonprofit Standard Mail flats.

#### *Required Co-Sacking*

Since January 7, 2001, mailers have had the option of using M910 to co-sack packages of Presorted-rate flats and packages of automation-rate flats that are part of the same mailing job.

This revision makes this a requirement. Any Standard Mail mailing job that contains packages of Presorted rate flats and packages of automation rate flats and is reported

on a single postage statement must be co-sacked using the standards outlined in M910.3.0. These changes apply to regular and nonprofit Standard Mail flats.

## Bound Printed Matter

### *Scheme Sort*

Currently, Bound Printed Matter Carrier Route flats are sorted into two required sack levels and may be sorted to one optional level. This revision requires all Bound Printed Matter Carrier Route flats to be sorted to all three sack levels (carrier route, 5-digit scheme carrier routes, and 5-digit carrier routes).

Currently, mailers have the option of using the L001 scheme sort for packages of Bound Printed Matter Carrier Route flats and 5-digit packages of Presorted flats on pallets. This revision requires that packages of Carrier Route rate flats on pallets be sorted to 5-digit scheme Carrier Route pallets as the first sort level, and 5-digit packages of Presorted flats must be sorted to 5-digit scheme pallets as the first sort level. There are no other mail preparation changes for Bound Printed Matter.

— *Mail Preparation and Standards*

## Summary of Mail Preparation Changes

Effective September 1, 2001, *Domestic Mail Manual* E610, M011, M041, M045, M130, M610, M620, M723, M820, M910, M930, and M940 are amended to implement the following mail preparation changes:

- ✓ Packages of First-Class Mail Presorted rate flats and automation-rate flats that are part of the same mailing job and are reported on the same postage statement must be co-trayed according to the standards in DMM M910.1.0.
- ✓ Packages of Standard Mail Enhanced Carrier Route flats and Presorted 5-digit flats must be sacked or palletized using the labeling list L001 scheme sort. This includes mail prepared under the options in DMM M920, M930, and M940.
- ✓ Packages of Standard Mail Presorted-rate flats and automation-rate flats that are part of the same mailing job and are reported on the same postage statement must be co-sacked according to the standards in DMM M910.3.0.
- ✓ Packages of Bound Printed Matter Carrier Route flats and presorted 5-digit flats must be sacked or palletized using the labeling list L001 scheme sort.

## DMM REMINDER

# October 1 Filing Deadline — Periodicals Form 3526

The publisher of each Periodicals publication, including foreign publications accepted at Periodicals rates, must file Form 3526 by October 1 of each year at the original entry post office.

The information provided on Form 3526 allows the Postal Service to determine whether the publication meets the standards of Periodicals mailing privileges.

The required information also must appear in an issue of the publication whose primary mailed distribution is produced:

- (1) not later than October 10 for publications issued more frequently than weekly,
- (2) not later than October 31 for publications issued weekly or less frequently, but more frequently than monthly, or
- (3) for all other publications, in the first issue whose primary mailed distribution is produced after October 1.

— *Mail Preparation and Standards*



The headline on the top of page 9 of the July *Mailers Companion* that read “Brief Translations Must Accompany Mailpieces Written in Language Other Than English” could be interpreted in a misleading way.

In the last paragraph of the article, a reference is made to E213.1.8, which is correctly summarized.

However, while there **may** be some cases where a brief translation of an ad or article may be required

by acceptance personnel, the section **does not** require submission of compulsory translations, brief or otherwise, of all foreign language material.

# Want to Add to the Certainty Of the Express Mail You Just Sent?

## *You May Want to Waive the Signature Requirement*

Effective July 1, 2001, *Domestic Mail Manual* E500.1.0, M500.2.2, and M500.3.3 have been revised to include information on Express Mail delivery and waiver of signature.

Customers may access delivery information on the Internet by visiting *www.usps.com* or they may call 1-800-222-1811 toll-free and providing the article number. A delivery record, including the recipient's signature, will be faxed or mailed on request.

When a customer waives the signature of the recipient, the delivery employee signs if the addressee or addressee's agent is not available and leaves the Express Mail article in a secure location.

Customers who waive the signature requirement will be

provided only the delivery date and will not receive an image of the signature when accessing the delivery record on the Internet or when calling the toll-free number.

Here are some specific highlights for waiver of signature by type of service:

### **Custom Designed Service**

By signing a waiver on Form 5541, a mailer sending an Express Mail Custom Designed Service item under a service agreement may instruct the USPS to deliver the item without obtaining the signature of the addressee or addressee's agent.

This would occur only if the addressee or addressee's agent is not available. In such a circumstance, completing the waiver

authorizes the delivery employee to sign upon delivery. Waiver of signature is not available for Express Mail COD.

### **Next Day, Second Day, and Military Services**

A mailer, by signing a waiver on Label 11-B or Label 11-F, may instruct the Postal Service to deliver an Express Mail Next Day Service or Express Mail Second Day Service item without obtaining the signature of the addressee or the addressee's agent.

Completion of the waiver authorizes the delivery employee to sign for the delivery of the item. Waiver of signature is not available for Express Mail COD or Express Mail Military Service.

— *Expedited/Package Services*

# Information-Based Indicia Approved for Discount Mail

Effective July 17, 2001, *Domestic Mail Manual* P030.1.4 is revised to allow the use of information-based indicia (IBI) to show evidence of postage in the same manner as letterpress and digital meter stamps.

Postage may be paid by printing postage meter stamps — including letterpress, digital, and information-

based indicia — on any class of mail except Periodicals.

Information-based indicia include human-readable information and indicia (IBI) include human-readable information and a USPS-approved two-dimensional barcode with a digital signature and other required data fields.

Metered mail (including mail bearing IBI) is entitled to all privileges and subject to all conditions applying to the various classes of mail. In particular, mailers using IBI can receive qualifying discounts for presorted mail.

— *Retail, Consumers and  
Small Business*

# International News



## Revised Markings and Endorsements For Publishers' Periodicals

Effective July 12, 2001, corrective language related to the marking and endorsing of publishers' periodicals was incorporated into section 294.3c of the *International Mail Manual* (IMM). As a consequence, that section reference has been revised to read as follows:

### c. Markings and Endorsements:

- Since publishers' periodical rate postage must be paid through an advance deposit account (see 294.261), qualifying mailpieces must be endorsed "PERIODICALS Postage paid at ..." At the mailer's option, however, the simplified endorsement,
- "PERIODICALS," may be substituted. See DMM C200.4.2.
- In situations where a publisher or registered news agent enters a periodical publication at more than one postal location, the prescribed endorsement is, "PERIODICALS Postage paid at ... and Additional Mailing Offices."
- When a mailer's application to enter mail at the publishers' periodical rates is pending, the prescribed endorsement is "Application to Mail at PERIODICALS Postage Rates Pending at ..." See DMM E211.10.5g.

## Weight Restrictions To the Czech Republic



Effective July 12, 2001, the *International Mail Manual* and Publication 51, *International Postal Rates and Fees*, are revised to reflect a newly adopted 66-pound maximum

weight limit for airmail Parcel Post packages, economy (surface) Parcel Post packages, and Global Express Mail (EMS) items that are mailed to the Czech Republic.

## New Prohibitions For Uzbekistan and Bosnia-Herzegovina

Effective June 14, 2001, the Individual Country Listing for Uzbekistan in the *International Mail Manual* (IMM) was revised to reflect a temporary prohibition against mailing meats and meat products, milk and dairy products, and seeds to Uzbekistan.

Effective July 1, 2001, the government of Bosnia-Herzegovina also has instituted a temporary prohibition against mailing meats and meat products, and milk and dairy products.

## Issue 25 *International Mail Manual* (IMM) Now Available

The *International Mail Manual* (IMM) sets the policies, regulations, and procedures governing international mail services provided to the public by the Postal Service.

The newly revised IMM, Issue 25, replaces Issue 24 and contains all revisions from November 30, 2000, through June 28, 2001.

The "hard copy" version of the IMM is available to the public on a subscription basis only from the Superintendent of Documents, Government Printing Office (telephone number 202-512-1800). The subscription price for two issues is \$36 to addresses in the United States and \$45 to all foreign addresses.

The "electronic" version of the IMM can be accessed via the USPS **Intranet** home page at <http://blue.usps.gov>, or the USPS **Internet** home page at <http://www.usps.com>. It is updated on a bi-weekly basis to reflect any international rate, fee, or regulatory changes that may have been announced in the most recent issues of *Postal Bulletin*.

If you cannot find or understand certain materials in the IMM or discover that topics were omitted, send a memo outlining the problem to:

INTERNATIONAL BUSINESS  
US POSTAL SERVICE  
1735 N LYNN ST RM 2018  
ARLINGTON VA 22209-6020

— *International Business*



# Keeping Our Focus at the National Postal Forum

Don't miss out on the opportunity to attend the October 14 through 17 National Postal Forum being held in Denver, Colorado. Meet PMG John E. Potter and his management team when they outline priorities and plans for the Postal Service.

The message is clear – the Postal Service's success depends on the

ability to "Keep our Focus" – focus on developing people, controlling costs, improving service performance, growing USPS and the mailing industry, and pursuing postal reform.

Throughout the Forum, there will be over 90 Business Sessions. Attend sessions and earn the USPS Mail Center Manager Professional

Certificate of Attendance. Learn how to apply to participate in the new USPS Mail Center Certification Program.

Don't delay — Register online at [www.nationalpostalforum.com](http://www.nationalpostalforum.com).

— Strategic Marketing

## Subscription Form



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