

MEMO to MAILMATTERS

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WHAT'S INSIDE

- 2 PMG BEFORE COMMISSION
- 3 CLICK, TWO, THREE
- 4 SOLUCIONES FÁCILES
- 6 ONLINE ADDRESS CHANGE
- 7 POSTAL NEWS BRIEFS

Mailing in bulk?

Proof in bulk

Riding herd on proof of delivery records just got easier. The Postal Service introduces Bulk Proof of Delivery, which provides Signature Confirmation and Express Mail signature proof of delivery records via electronic file or CD-ROM — allowing business mailers to retain the information for as long as they need it and making it available whenever they want it.

This new service enhancement, to be launched next month, provides complete proof of delivery letters, including delivery date, time, location and recipient signature information. It eliminates the need to request this information for each individual piece of mail through the Internet or 1-800 number. Letters can be searched by label number, delivery date or recipient's name. The new service enhancement reduces handling costs — there's no need to manually file Return Receipt information.

“Bulk Proof of Delivery supports our Transformation Plan by using technology to increase the value of Signature Confirmation service and Express Mail,” says Julie Rios, manager of Product Information Requirements. “This feature allows customers to retain records for as long as they want and provides quick retrieval when a record is needed.” Additionally, Rios notes, future enhancements could include Certified Mail and other special services.

[continued on page 3](#)

A SUPER TOOL FOR SMALL BUSINESSES: THE DMM 200 SERIES

SEE STORY ON PAGE 2

A SUPER TOOL FOR SMALL BUSINESSES: THE DMM 200 SERIES



Get ready for the next series in the redesign of the *Domestic Mail Manual* (DMM). It's the DMM 200, *A Guide to Mailing for Businesses and Organizations*. It's a tool to help small businesses use mail to grow and prosper.

"Mail is the most extensive marketing and fulfillment tool in the history of commerce," says Senior Vice President / Chief Marketing Officer Anita Bizzotto. "Small business owners who are adept at making postal products and services work for them can have the same advantages and opportunities as the owners of larger businesses in attracting new customers, strengthening customer relationships and fulfilling orders."

The new guide walks small business owners through the key decision points in selecting the best mailing option for their needs and makes it easier and more convenient for them to use mail to their advantage.

It's divided into three sections. The first discusses the advantages,

costs and preparation for retail mailing services and includes information on adding extra services for additional protection, confirmation of delivery and choosing a postage payment method.

The second section outlines discount mail, or "bulk mail." To claim these discount rates, a mailer must have a minimum quantity and must do some additional work to make it easier for the Postal Service to handle their mail. Much of the growth of today's mailing industry has been fueled in part by the Postal Service's worksharing program that offers customer opportunities to do some of the mail preparation and transportation that would otherwise be performed by USPS. In return for performing these tasks, customers receive a postage discount reflecting the costs avoided by the Postal Service.

Lastly, the book discusses online mailing services — those services that postal customers can access

from their computer — digital alternatives for both retail and discount rates. These services combine the speed of the Internet with the effectiveness of traditional mail.

Postal transformation is about making it easier for customers to do business with USPS. The first series in the DMM redesign, *A Customer's Guide to Mailing*, is currently available in Post Offices and online. Additional DMM series will focus on professional mailers and other information such as labeling lists and hazardous materials.

A Guide to Mailing for Businesses and Organizations will be available nationwide this summer. USPS plans to make copies available — free — at larger Post Offices and online at www.usps.com. In addition, a direct mail promotion offer featuring the book will be mailed to 500,000 small business owners and nonprofit organizations nationwide. ■

Despite signs of progress and positive change, the Postal Service faces daunting challenges in the years to come and action must be taken now to create a new business model that will strengthen America's mail system, Postmaster General John E. Potter told the President's Commission on the U.S. Postal Service.

Potter testified before the panel May 29 in Washington, DC. The commission, which has been examining the future of USPS and gathering input from mailers, the public and other stakeholders, will deliver its report to the president July 31.

"The status quo won't do," Potter said. "To serve America, to maintain universal service, the Postal Service has to change. It has to modernize with a vision of what America needs not just today but 10 to 15 years from now."

Potter said USPS is doing all it can within current law, guided by its Transformation Plan. "Postal employees throughout the country have stepped up to better serve

PMG tells commission "status quo won't do"

America," he told the commission. Service performance is at record high levels. Productivity continues to rise. USPS has long-term contracts in place with its major unions. USPS is focused on its core mission of providing high levels of service at affordable rates.

But, for the first time in its history, he noted, USPS has experienced two straight years of significant decline in First-Class Mail volume, a primary source of revenue. The weak economy has had

an impact, he said, but the diversion of First-Class Mail to the Internet and to lower cost, lower

yield mail products is real. "This shift calls into question the main building block of our business model," Potter said.

Changes are necessary, he said, but they must evolve over time and occur at a reasonable pace.

"Creating chaos will not work," he said.

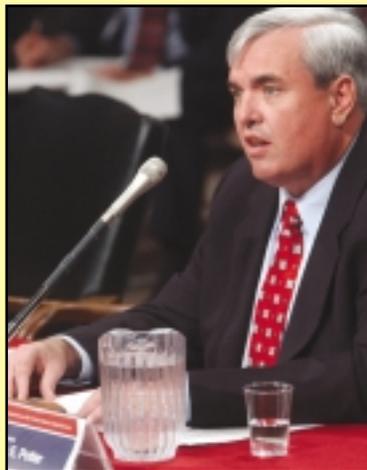
Potter told the commission these are USPS priorities when it comes

to short-term changes in the law: pricing flexibility; the ability to retain earnings, setting aside the break-even mandate; a labor negotiation process that would include the issue of benefits and rely on mediation-arbitration; and flexibility to implement infrastructure changes, including numbers and locations of Post Offices and processing plants and changes in transportation networks.

Potter urged commission members to consider those recommendations and changes that are in the best interest of the nation and the American people.

"Today, the United States Postal Service is in a race for its future," he said. "It's a race to bring about change, not for the sake of change, but to enable Americans to always have a fundamental, universal, hard-copy means of communicating."

Read the full text of the PMG's comments at <http://www.usps.com/communications/news/press/welcome.htm>. ■



Easy as click, two, three

Time spent paying bills is time not spent meeting with clients, developing new products and growing business. The Postal Service is now offering its business customers a new online service intended to simplify their financial transactions and save them time and money — and let them get back to business.

USPS Online Payment Services Business Edition can help cus-

tomers gain more control over their finances and reduce the time they spend managing accounts payable. The service is offered in partnership with CheckFree Corporation.

Subscribers can enter invoice information — including adjustments and credits — to be sent along with their bill payments. They also can set access privileges for multiple employees, allowing

staff to contribute to the various stages of bill paying while assigning final approval of outbound payments to management.

Additional features include the ability to schedule recurring payments for fixed amounts and to receive electronic bills from credit card, insurance and utility companies. Finally, customers can export payment history into popular financial software packages.

USPS Online Payment Services Business Edition joins other successful business solutions offered on USPS.com — such as NetPost Mailing Online and Click-N-Ship — to create the “Desktop Post Office.”

Customers can sign up — for the low monthly fee of \$9.95 — at <http://www.usps.com/pay-bills>. New subscribers receive one month of service free. ■

FYI

Letter carriers collected 61.7 million pounds of food donations in the 11th annual National Association of Letter Carriers National Food Drive May 10 — the nation’s largest one-day effort to combat hunger. Thanks for your contributions! ■

Mailing in bulk? Proof in bulk

continued from page 1

Files are encrypted for security. One file or CD-ROM holds all proof of delivery records for a particular time period. Password-protected electronic files are available every Monday, with CD-ROMs produced on the first and 15th of each month.

Bulk Proof of Delivery is available for mailers who use Signature Confirmation service through the certified electronic option or certified privately printed labels. You must be a certified manifest mailer to obtain Bulk Proof of Deliv-

ery for Express Mail. There is no additional fee for this service.

Mailers who use consolidators or vendors may also participate under certain conditions.

For more information contact your USPS account manager or look for Publication 80, *Bulk Proof of Delivery*, at www.usps.com. ■



Date Produced: June 06, 2003

USPS TEST

The following is the delivery information for SIGNATURE CONFIRMATION item number 2109 2919 9825 0216 0734. Our records indicate that this item was delivered on 03/01/2003 at 09:11 a.m. in DAYTON, OH 11724 to W WRIGHT. The scanned image of the recipient information is provided below.

Signature of Recipient:

W Wright

Address of Recipient:

W Wright

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,

United States Postal Service

Soluciones Fáciles Simple Formulas

La manera fácil de hacer crecer tu negocio con el correo
The easy way to grow your business with mail

Business is about success, in any language. Now, the Postal Service is making it easier for Spanish-speaking business owners to use the mail to help their companies succeed. USPS has made available a Spanish version of *Simple Formulas*, a collection of 18 brochures containing idea starters, tips, tricks and trade secrets. These 18 brochures, a proven hit in English, can help businesses of any size acquire and retain customers by using the mail in creative and effective ways.

According to the last census, there are more than 37 million Hispanic people in the United States. It's the largest ethnic segment of the U.S. population, with a combined buying power of \$524 billion each year. Over 1.2 million businesses are Hispanic owned, and the num-

bers are growing. It's good business all around to provide these businesses with effective, creative ways to use direct mail to gain and retain customers.

These easy-to-understand *Simple Formulas* brochures are excellent for use as training material, for presentations, and for trade shows and open houses.

Among the many topics contained in the *Simple Formulas* kit are ways to turn customer data into profitable information, the recipe for creating a successful mailing and how to turn a good customer into a loyal customer.

To order copies of the Spanish edition of *Simple Formulas*, call 800-THE-USPS (800-843-8777).

In any language, mailing success is good business. ■



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IT'S BACK ... THE MIDWEST MAILING FORUM IS SET FOR OCTOBER

For a dozen years, the Midwest Mailing Forum sponsored by the Twin Cities Postal Customer Council (PCC) has successfully met the growing educational appetite of the Minneapolis/St. Paul area's mailing industry. The forum, held every other year, is back this fall

with the largest mailing industry convention of its kind in the Midwest. The theme of the Oct. 22—23 event is "Transforming the Future." Among the speakers from the Postal Service will be Senior Vice President/Chief Marketing Officer Anita Bizzotto and Vice President Area Operations, Western Area, Sylvester Black. More information? Call Ken Gardner at 651-293-3100.

And ... don't forget the National Postal Forum this fall in Kansas City, MO. It's Sept. 21—23.

UPDATES NEEDED ... PCC CO-CHAIR INFORMATION

Reminder: the National PCC Program Office is updating its co-chair information. If you haven't already done so, please provide the following information: name of

PCC, name of co-chairs (postal and industry), company name, mailing address, phone number, fax number, e-mail address and postal area name. This information is critical for successful communication between the National PCC Office and local PCCs. Please send the requested information to Lewis L. Johnson (Rosslyn VA) via postal e-mail (or lewis.l.johnson@usps.gov). Thanks!

Price of postage? It's in the barcode

Small business owners who like the convenience of PC Postage products have a new mailing tool — Postage-Paid Information Based Indicia (IBI). It allows mailers who utilize shipping and handling costs to pay for postage conveniently without printing the postage amount directly onto the shipping label.

Currently available through PC Postage vendors Endicia.com and Stamps.com, Postage-Paid IBI can only be used for tracked mail; mail with electronic Delivery Confir-

mation or Signature Confirmation service (Priority Mail, First-Class Mail parcels and Package Services) or mailed via Express Mail. Postage requirements are determined by the mail class, zone (if applicable) and weight of the piece. PC Postage software deducts that payment from the customer's account before print-



Just one example of Postage-Paid IBI

ing the IBI onto the package label.

It also prints the package criteria, weight, mail class and rate zone on the label so that USPS can deduce the postage amount that was paid.

Most package shippers charge customers shipping and handling when customers buy from a catalog, website or toll-free number. "Postage is only one part

of shipping and handling costs but many people assume it's the only cost," says Postage Technology Management Manager Wayne Wilkerson. "Postage-Paid IBI helps reduce unnecessary customer complaints for PC Postage users."

Like other forms of PC Postage, Postage-Paid IBI has safeguards to prevent fraud. For more information about IBI and PC Postage product software, contact the Postage Technology Management office at 703-292-3691. ■

Summertime and the moving is... ...less stressful with online address change

Moving this summer? It can be a challenging experience. The Postal Service understands this and offers an online solution that can make it less stressful. MoversGuide at www.usps.com allows customers to file their changes of address directly with the Postal Service electronically and offers move related information, products and services essential to planning, moving and settling in to a new residence.

"Using the online MoversGuide system is fast, easy and system security is maintained at every step," says Charles Bravo, Senior

Vice President of Intelligent Mail and Address Quality. "We encourage our customers to submit their address changes electronically as it expedites both the address change and mail forwarding process."

About 44 million address changes are processed annually. However, June, July and August represent the prime moving season. Last year, nearly 30 percent of all address



changes were submitted to USPS during this three-month period.

The Postal Service currently spends in excess of \$1.9 billion a year processing undeliverable as addressed mail — mail that can't be delivered due to a variety of issues, including accuracy of address and forwarding information.

Additional services available on

the MoversGuide site include creating a customized moving checklist, changing local and long-distance telephone service, and forwarding magazine subscriptions to avoid missing an issue.

To access MoversGuide, go to www.usps.com and click on "Change Address" located on the red bar at the top of the screen.

Not moving? If you're going on vacation, holding your mail has never been easier. USPS now offers customers the option of requesting online that their mail be held from 3 to 30 days. Just go to www.usps.com. ■

POSTAL NEWS BRIEFS

COMMENTS WELCOME

The Postal Service published June 13 a notice in the *Federal Register* asking for public comment on the development of its 2004 — 2008 Five-Year Strategic Plan. A copy of the notice is available on the Postal Service's website at www.usps.com/strategicdirection. Comments must be received by July 18, 2003.

REVENUE OFF, BUT COST-CUTTING CONTINUES

Revenues in Quarter III continued to fall below plan due to stagnant mail volumes, according

to Chief Financial Officer and Executive Vice President Richard Strasser.

Revenue for Quarter III was \$483 million below plan at \$16.048 billion. Expenses were \$15.824 billion, \$370 million under plan. Net income for the quarter was \$224 million, \$112 million under plan. "The revenue shortfall to plan was greater than our ability to offset through increased expense reductions," noted Strasser.

Year-to-date figures show revenues at \$48.8 billion, \$1.07 billion under plan, while expenses were \$1.44 billion under plan at \$46.9 billion, leaving a net income of \$1.879 billion, \$373 million over plan.

The financial performance does

not include the effects of the recently enacted Postal Civil Service Retirement System (CSRS) Funding Reform Act of 2003. When included, Strasser said, "The net income through Quarter III is \$4.5 billion, of which at least \$3.5 billion must be used to pay down debt, according to the law."

The reason for the lack of revenue growth was evident from mail volume figures. For the second quarter in a row there was no total mail volume growth. First-Class Mail volume suffered a 2.4 percent decline, down 566 million pieces from last year. While Standard Mail increased by 3.2 percent, it was less than the 3.5 percent growth forecast.



Purple Heart postage stamp honors the sacrifices of members of the U.S. military — from the Revolutionary War through today.



High honors

USPS this month received top honors at the Public Relations Society of America Silver Anvil awards for its crisis communications during the 2001 anthrax attacks, joining awards from industry journal *PR Week* and the National Association of Government Communicators, and the Gold SABRE, given by the most senior public relations professionals in the industry.

We couldn't have done it without the mailing industry's continued faith in the Postal Service!

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First Negotiated Service Agreement

In a precedent-setting move, the Postal Service Governors approved the first Negotiated Service Agreement (NSA), a pricing strategy that gives business mailers a mechanism for customized rates and services that addresses their unique mailing needs and encourages cost-efficient behavior.

The first NSA features discounts for Capital One First-Class Mail volume above an annual threshold of 1.225 billion pieces

and electronic return of undeliverable mail data by the Postal Service to Capital One.

"Historically, providing price incentives for mailers to encourage more mail volume and best practices has made it possible for the Postal Service to keep rates affordable for everyone. As we build towards the future, pricing innovations like NSAs will help the Postal Service preserve universal mail service which is fundamental to the American

way of life," said Stephen Kearney, vice president of Pricing and Classification.

"The U.S. Mail has been — and will continue to be — an integral part of our business," said Nigel Morris, vice chairman of Capital One. "We feel this negotiated service agreement is an important step in the right direction and we appreciate the Postal Service's responsiveness to the business community."

According to Kearney, all postal customers are

the beneficiaries of NSAs because the pricing innovation will drive mail growth and increase efficiency. "The volume incentives in the Capital One NSA will help foster increased use of First-Class Mail by Capital One, which helps pay for overhead costs that support the entire mail system and the electronic return of undeliverable mail data will create savings in the millions," said Kearney. ■

Change Service Requested

Suitable for framing

Love that image on a stamp? You'll love that image on your wall. Whether it's something by Norman Rockwell or Peter Max, your favorite flora and fauna, or planes, trains and space, custom-framed reproductions of original stamp art are now available at www.postalartgallery.com.

In a first for the Postal Service, art lovers will be able to choose from 300 exclusive stamp images, select framing and matting, and have the finished product mailed directly to their door.

This access to the Postal Service's stamp art collection is made possible through a licensing agreement between the Postal Service and ArtSelect, Inc., the largest supplier of framed and unframed art for the online consumer and business-to-business markets through wholesale and online network partners.

"People love stamp art," said Azeezaly Jaffer, vice president of Public Affairs and Communications at the Postal Service. "This agreement represents a new vision

for our licensing program, one that is looking at how we can position one of our most valuable core products, our stamps, in a new and different way."



taking stamp images outside the box — freeing them from the typography and perforations that border a stamp image. The design possibilities are endless, such as fashion apparel and accessories or home furnishings. It's about using our core product — stamps — in ways people wouldn't expect."

In a special introductory offer, customers will receive a 10 percent discount on USPS stamp art from www.postalartgallery.com. For a limited time, you can also get \$15 off your first purchase of \$90 or more.

Currently, stamp art licensed products reproduce the actual stamp image onto collectible merchandise and are available through specialized distribution channels. A sampling of the Postal Service's licensed merchandise is available online at The Postal Store, <http://shop.usps.com>. For information on how to license with the U.S. Postal Service, contact Equity Management Inc. at 248-680-9150. ■

"For years, people have asked us to turn stamp images into décor art and now we can meet these requests," said Pamela York, USPS manager of Licensing. "We're