

MEMO to MAILERS

WHAT'S INSIDE:

- 3 HANDLING THE WHOLIDAYS
- 4 USPS MICROPAYMENT™ LAUNCHED
- 5 WHAT IS MTAC?
- 6 CHEESE, PLEASE?
- 8 THANKS FOR THE DPS

LEGISLATIVE UPDATE

Down to the wire

This last session of the 106th Congress is the final chance for enactment of H.R. 22 — the Postal Modernization Act of 2000. But, even if it doesn't pass, that doesn't mean that postal reform is a closed book. This issue moves to the agenda of the next Congress.

Let's face it, we need this change. It's the key to reforming outmoded rules and regulations from the 1970s.

Who benefits from H.R. 22? That's easy — you, our mailers — because this bill would enable us to keep the mail affordable and introduce new products and services that would benefit your company.

It would give the Postal Service new tools with which to compete and survive in this age

of evolving technology. At the same time, H.R. 22 ensures the Postal Service does not use its government status to compete unfairly with private sector companies.

Under the Act, the Postal Service's competitive products would be subject to anti-trust and fair-competition laws.

In addition, the Postal Service would operate in competitive markets on the same terms and conditions faced by its private sector competitors.

Mailers want choices and H.R. 22 would ensure the viability of the Postal Service and enhance its ability to meet your mailing needs. ■

Who benefits from H.R. 22?
That's easy — you, our mailers.



Check out PARCEL SELECT™

Got a lot of packages? Why not use Parcel Select™? For those who haven't heard, it's a new, name for an improved, old postal product — dropship Parcel Post, or dropship Standard Mail (B) to be exact.

Parcel Select makes use of “zone-skipping” and new workshare discounts. The closer that packages are brought to their ultimate destinations, the greater the savings.

Using Parcel Select, mailers can qualify for up to a 25 percent discount. How? Each mailing must consist of over 100 merchandise items that are not time critical and they must be delivered straight to a postal plant, or even a Post Office.

Big users of Parcel Select are professional logistic companies (consolidators) located throughout the U.S. These firms assist customers in all mailing matters, including pickup, preparation, sortation, transportation, automated barcoding and even provide invoicing services.

Today, more than 20 consolidators use Parcel Select.

Prior to 1999, zone-skipping discounts were available at Bulk Mail Centers but Parcel Select expanded that option to include Sectional Center Facilities and Destination Delivery Units.

To get more information about Parcel Select or to be teamed up with a consolidator, customers can call their local USPS business center. ■

Memo to Mailers readers are invited to write letters or send questions for response to: Editor, Memo to Mailers, 475 L'Enfant Plaza SW, Room 10501, Washington, DC 20260-3122. Letters may be edited for clarity and space restrictions.

WHICH ENDORSEMENT?

We are in the process of having company envelopes printed. In the past, we have used "Return Service Requested," so the mailpiece can be returned with the new address or reason for nondelivery attached at no charge. Is this still the correct mailer endorsement or has there been a change?

Marianne
Careers First, Inc.
Cinnaminson, NJ

For First-Class letters, you want to stick with the same handling of your "undeliverable-as-addressed" mail pieces.

To find out more, the folks at the nearest Postal Business Center or business mail entry office will be glad to help you. If you do not know their locations, go to <http://pe.usps.gov> and select "Postal Links." Go to "Postal Locator," then click "Postal Business Center" or "Business Mail Entry."

DATES TO DIFFERENTIATE

Thanks for the rate chart in the July 2000 *Memo to Mailers*. One additional suggestion for those who cut it out — put a date on it (e.g., effec. 01/00) so there's no confusion when a new one appears.

Judy Dunson, Church World Service
Indianapolis, IN

Good idea. We'll do that in the future.

PAYING FOR PICKUP

I just read the July 2000 issue of *Memo to Mailers*. There were some very informative articles. However, I have an additional answer to the question "How do I pay for the pickup service fee?" Please let customers know that Express Mail Corporate Account is another means of paying for pickup fees.

Sandra Medrano
USPS Expedited Services Specialist
Colorado/Wyoming District
Done!

International rates adjustment posted

Look for a new *Federal Register* posting this month from the U.S. Postal Service proposing a restructuring of international postal products. The new structure eliminates many content distinctions and realigns products primarily by speed of delivery. Plans also call for an adjustment of all international rates. Once approved, the new structure could be implemented in January 2001.

The proposed structure aligns products by speed: *Fast* (Air Mail letters and parcels,

and Global Priority Mail); *Faster* (Express Mail); and *Fastest* (Priority Mail Global Guaranteed). A fourth Economy product line integrates various surface transportation categories.

Rate adjustments reflect changes in foreign delivery charges (terminal dues) and better align prices with speed of service. ■



business crime prevention tips
 from the Postal Inspection Service

Guidelines for Mail Center Security

Mail is sometimes lost or stolen from company mail centers, or while en route to or from the Post Office. Much of this mail is quite valuable, containing cash, jewelry and other high-value items. Needless to say, such losses are costly to the company and its investors. The following are some suggestions for improving the security of your mail center operation.

- Know your employees. Don't hire anyone to work in your mail center without first determining his or her honesty.
- Secure your mail center against access by unauthorized persons. Keep it locked whenever possible. Maintain a sign-in sheet.
- Keep registered mail separate from other mail.
- Keep your postage meter locked when not in use. Check outgoing mail periodically to determine if employees are using metered post-

age for their own personal mail.

- Postal regulations require that postage meter stamps be placed over the upper right corner of the address label or tag. This procedure deters "theft by overlabeling," whereby the thief misdirects the parcel to a name and address he or she controls.
- Vary times and lines of travel between Post Office and plant if currency or other valuable mail is sent or received. Check periodically to see if mail messengers are making unauthorized stops or are leaving mail unattended.
- Prosecute employees caught stealing. ■

Helping mailers handle the WHOLIdays



Neither snow nor sleet nor additional volumes of holiday and electronic mail will keep the Postal Service elves from their appointed rounds.



The holiday elves at Whoville — and every other Post Office in the country — are busy making sure the 2000 fall and holiday seasons are merry for all.

Postal managers have been planning on how to avoid “glitches” that sometimes occur when fall’s seasonal catalogs pour in (coupled with heavy election mail volumes) followed by a surge in holiday card and parcel delivery just prior to Christmas, says Nick Barranca, vice president of Operations Planning and Processing.

To get a jump start, Barranca explains, postal facilities around the country submitted detailed plans addressing the following key points: customer communication; mail volume and capacity; mail transport equipment; appointment availability; processing equipment/transportation, employee complement; necessary space; and contingency plans.

“This is the third year we are relying on local Post Office information to ensure nationwide preparation,” he says.

“Based on customer information and current mailing trends, we are predicting a 5 percent increase in total Standard Mail (A) volume this fall. It began in mid-August, reaches a peak in October and continues through Thanksgiving,” explains Barranca. “Last fall we had about 2 percent growth versus 7 percent in the fall of ‘98.”

“It is very important for customers to work with their account managers and the Business Service Network to make sure that their individual mailing plans have been communicated and understood,” adds Barranca. “By working together, the 2000 fall and holiday mailing season will be a ‘happy holiday’ for all,” he concludes. ■



What’s on Santa’s list this year?

- Adding dedicated air cargo jets.
- Adding temporary processing facilities; airplanes; trucks; and trains.
- Placing millions more mail sacks and trays in service.
- Adding about 40,000 temporary holiday employees nationwide.
- Enhancing flats processing by deploying faster Automated Flats Sorting Machines (AFSM 100).
- Monitoring the Dropship Appointment System for mailings being entered late or appointments not being kept.
- Measuring performance of time-sensitive mailings using the ADVANCE system.
- Asking the Postal Inspection Service to help by providing an objective weekly assessment of mail conditions that will be responded to immediately.



Postal Service launches USPS MicroPayment™ OR no more struggling for legal tender ...

Customers can now use First-Class stamps as legal tender to pay for low-cost, nonpostal goods and services using the U.S. Postal Service's new *USPS MicroPayment™* program.

The first company to try the new system is the Fan Association for the pop groups Back Street Boys and 'N Sync. The company uses the *USPS MicroPayment* program to allow concertgoers to pay for shipping and handling of photos of the event.

John Ward, vice president of Core Business Marketing, says Fan Association had tested the program with a Back Street Boys concert and received a "response rate that was 10 percent better than when fans sent in checks and cash."

Ward explains that the *USPS MicroPayment* program offers a new, innovative use of an existing postal product — courtesy reply mail — and a new use of postage stamps for currency.

"What really excites us with *USPS MicroPayment* is that we are reaching a whole new generation of mail users (10- to 13-year-olds) with this new mail service. Hopefully they will become future postal customers who continue to find value in our products and services."

In addition to fan club memorabilia, Ward notes, "companies that offer low price-point items or premiums between \$1 and \$10 — such as those sold in comic books or on the backs of cereal boxes — should take advantage of the *USPS MicroPayment* option."

"These low-cost premiums don't really lend themselves to cash, credit card or checks," he adds.

Other *USPS MicroPayment* applications include Non-Profit contributions, cross-sell product accessories, subscription trials and trial memberships.

For more information on the program call our toll-free *USPS MicroPayment* Hotline at 1-866-617-7706. ■

How *USPS MicroPayment* works

Fan Association gives courtesy reply cards to concertgoers who want the company to send them photos of the band performing live, along with a catalog of 'N Sync memorabilia. They return the courtesy reply card to the Fan Association with six 33-cent postage stamps affixed to it.

Fan Association turns in the postage stamps to the Postal Service and redeems 85 percent of the stamps' face value. The 15 percent differential offsets handling of the stamps, which are considered uncanceled postage.

(FYI. Large volume companies can get a 90 percent refund on stamps.)

The USPS unveiled the program at the first of four 'N Sync concerts at Madison Square Garden in New York. Pictured (L to R) USPS Sales Specialists Ron Gleason and Suzanne Suva, members of 'N Sync (Justin Timberlake, Chris Kirkpatrick, JC Chasez, Lance Bass, Joey Fatone) and Core Business Marketing Vice President John Ward.



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 ALLIANCE OF NONPROFIT MAILERS
 AMERICAN BANKERS ASSN
 AMERICAN BUSINESS PRESS
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 MAIL ADVERTISING SERVICE ASSN INTL
 MAIL ORDER ASSN OF AMERICA
 MAIL ORDER GARDENING ASSN
 MAIL SYSTEMS MANAGEMENT ASSN
 MAJOR MAILERS ASSN
 NATL ASSN OF ADVERTISING DISTRIBUTORS INC
 NATL ASSN OF COLLEGE & UNIVERSITY BUSINESS OFFICERS
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 SATURATION MAILERS COALITION
 YELLOW PAGE PUBLISHERS ASSN

mtac members

What *is* MTAC, anyway, and how do you pronounce it?

If you hang around mailers, sooner or later someone is bound to say reverently... MTAC this or MTAC that...

What is MTAC (pronounced M-tack)? It's actually WHO. It's the Mailers' Technical Advisory Committee comprising representatives from 56 mailing industry associations who have been meeting with the U.S. Postal Service on a quarterly basis since 1975.

MTAC's aim? To have the Postal Service and the mailing industry work toward a common goal of improving mail preparation, processing and delivery. The organization functions primarily through work groups that address improved efficiency, information sharing, service improvements, clarification of rules and regulations, and the development and testing of new products and services.

What happens at quarterly meetings? The meetings, usually held in Washington, DC, last for three days. "On the first day, the work groups meet in closed sessions to discuss latest findings on projects," says MTAC Industry Chairman and Executive Committee member Joseph Schick, the director of Postal Affairs for Quad/Graphics in New Berlin, WI.

On the second and third days, several work groups make general-session presentations on project results that are near completion. Group feedback is key.

"In addition, postal executives bring MTAC members up-to-date on the latest postal plans, successes and issues," adds John Wargo, USPS vice president for Strategic Marketing, and MTAC co-chair.



What has MTAC accomplished lately? Some of the recent work group accomplishments include:

- Better utilization of new technologies, such as PLANET Codes, to track mail for both mailer and Postal Service use. To date, 300 postal plants have deployed software to provide mailers with letter mail tracking.
- Developed procedures for returns of undeliverable mail sent to Mail Recovery Centers (MRCs) through better understanding of return endorsements. As a result, volume sent to the MRCs has dropped by 200,000 pieces, and 350,000 pieces have been returned to mailers.
- Developed new standards that were implemented to give mailers more options in their mail preparations, allowing multiple ZIP Codes to be included on/in the same pallet or sack.

Can anyone join? If you belong to one of the current 56 mailing associations in MTAC (see the column to the left), talk to your executive director about participating. Other mailing-related industries and organizations are approved at the discretion of the MTAC co-chairs.

For more information contact Delores Adona, the Postal Service's MTAC program manager at 703-292-3700. ■

mtac memo



Say cheese, please

THE CHALLENGE

The monks of Gethsemani are called to a balanced life of prayer, sacred reading and work. Their work? Since the 1940s, it's been the production and mail-order sale of specialized foods — especially their famous cheeses homemade in the tradition of their French Trappist brothers at the Abbey of Port du Salut.

Two weeks before Christmas is the peak mailing time for Gethsemani Farms, located south of Louisville, KY, when they mail 40,000-plus packages of perishable cheeses — and other foods — to customers everywhere.

Mailing costs are incorporated into the price of the product so no additional shipping charges are passed on to the customer. Keeping the cheeses cool, using no ice packs and shipping in a 5- to 7-day window, while keeping costs low, is the mailing challenge.

THE SOLUTION

Brother Joshua Brands, the Farms' General Sales manager, said that while the monks were happy with the U.S. Postal Service's Priority Mail 2- to 3-day service, they were hoping to shave off even more time.

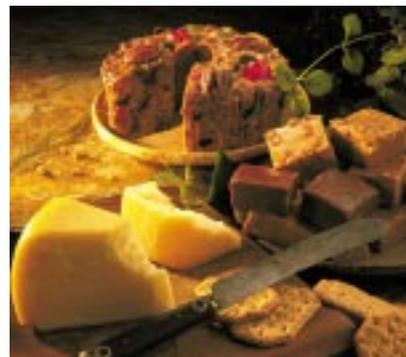
Brother Brands told Postal Service Senior Account Manager Cathy Snyder that the monks were using bedloaded Priority Mail (unsorted packages placed into a truck). Snyder suggested that the Gethsemani monks should consider taking a couple of extra steps by sorting by ZIP Codes and sending palletized mail to "air stops," so that their mail would be "cross-docked" straight to the airlines.

To make this work, the monks had to reprogram their computers to sort mail in ZIP Code order and then again by air stop codes. "It was just like what we did for our bulk advertising mail," explained Brother Brands.

THE RESULT

The monks were beatific in their praise. Brother Brands said that the shipments reached their intended destinations quickly, which reduced the amount of spoilage, compared to previous years. Consequently, their customers were extremely pleased with the service.

"I urge every company who has a lot of packages to mail, to call their postal account representative first to find out what the Post Office can do. Our new program has made shipping simply heavenly and the savings a godsend," he beamed. ■



Keeping POSTED

News from Postal Customer Councils

COME TOGETHER ... RIGHT NOW ... OVER MAIL!

On September 27, 2000, attend the first grand multi-PCC event of the millennium for the following Postal Customer Councils (PCCs): Capital Area, Delaware, Lancaster, Lehigh Valley, Northeast, North Central, Greater Philadelphia, Reading, Southeastern and South Jersey.

Where? King of Prussia, PA, at the Valley Forge Scanticon Hotel & Conven-

tion Center, 1210 First Avenue.

Registration for the gala event begins at 8:30 a.m. and includes a vendor tabletop tradeshow along with speakers Don Archer, from Pitney Bowes, and Mike Murphy, from USPS Address Management.

Those interested in attending should call 610-964-6441. By the way, you don't have to be a member to attend.

PCC PUBS ARE IN

Wondering what it takes to start or run a Postal Customer Council (PCC)? Find out by reading the latest edition of the Postal Service's Publication No. 286 titled "Postal Customer Council Program." Pub. 286, the "bible" for PCCs, contains all the various rules, regulations and guidance required to run a successful PCC program.

It was compiled by those who know: the PCC Advisory

Committee and the Postal Service's Strategic Marketing department, with input from various PCCs plus feedback from National Postal Forum sessions. This is its first update since May 1995.

The PCC pub can be ordered from the USPS Supply Centers by your postmaster or local PCC Postal Co-chair. So what are you waiting for? Get one now!

MD POSTAL FACILITY TRULY GREEN

Today, other federal facilities are conforming to the International Standard for Environmental Management System but the Suburban, MD, Processing and Distribution Center (P&DC) in Gaithersburg remains the first and only government facility that has achieved this status through commitment by all employees.

This unprecedented achievement occurred when both the P&DC and its Vehicle Maintenance Facility were declared the most environmentally conscious in the nation.

"This means every drop of water, every scrap of paper, every imaginable system is environmentally compliant including the heating, air conditioning and lighting systems," says Suburban Plant Manager Jeff Becker. "To make this happen

every employee at the Suburban facility has agreed to do nothing that harms the environment," he adds.

Recently, municipal experts from 20 foreign countries toured the Suburban P&DC to see first-hand how the facility works.

MAIL ... ALL OVER THE WORLD

The *Washington Post* notes that "fax and e-mail may be faster, but millions of pieces of regular mail still move every day in industrialized nations. Most mail is transported at fairly low cost and relatively efficiently, according to a survey published by the Organization of Economic Cooperation and Development. While Switzerland delivers 98 percent of all First-Class letters the next day, mailing a letter costs nearly twice as much there

as a First-Class letter in the United States. [*And Switzerland is about half the size of Maine. In the U. S., the Postal Service delivered 94 percent of its overnight First-Class letters on time.*] In most other industrialized nations, postage also is higher than in the United States."

GREAT AMERICAN POST OFFICE AWARD

Where's the "Great American Post Office"? It's in Chatauqua, NY, according to the Smithsonian Institution's National Postal Museum. Chatauqua, located on the western shore of Chatauqua Lake, is 70 miles west of Buffalo and 45 miles east of Erie, PA.

The historic Post Office was built in the beaux-arts tradition in 1909 and beat out more than 150 nominations nationwide.



Chatauqua, NY, Post Office — the Great American Post Office

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ALL ABOARD? DON'T MISS THE TRAIN

This is your last chance to view the U.S. Postal Service's Celebrate The Century Express as it makes its final whistle-stops through America.

Thousands of Americans have found the traveling train exhibition to be a memorable experience of an historic era.

The CTC Express is composed of an Amtrak P42 Genesis series diesel locomotive; a modern exhibit car, featuring multimedia displays showcasing how commemorative stamps bring American history to life; a restored Railway Post Office (RPO) car; a historic railroad business car; and a baggage car.



September 16-17
Hoboken, New Jersey
NJT- Hoboken Terminal
Hudson Place

September 22-24
Whippany, New Jersey
Whippany Railway Museum
One Railroad Plaza

October 6-8
Danville, Virginia
Danville Science Center
677 Craghead Street

October 13-15
Spencer, North Carolina
North Carolina Transportation Museum
411 S. Salisbury Avenue

October 17
Asheville, North Carolina
30 Meadow Road

October 20-22
Chattanooga, Tennessee
Chattanooga Choo-Choo
1400 Market Street

October 27-29
Duluth, Georgia
Southeastern Railway Museum
3595 Peachtree Rd NW

November 3-5
Savannah, Georgia
Amtrak Station
2611 Seaboard Coast Line Drive

Change Service Requested

Michael Jordan says: “Thanks, mailers, for your DPS!”

by Gary Sawtelle

The Florida Suncoast District thanks mailers everywhere for giving them the largest percentage of mail in the country that could easily be put in Delivery Point Sequencing (DPS) order.

“In July, we broke the 70% barrier when we delivered 19 million pieces of mail sorted in a carrier’s walking route,” says Michael P. Jordan, Suncoast District manager of Customer Service and Sales. *(Okay, readers, this Michael Jordan never played professional basketball, but we hear he’s got some nice driveway moves.)*

“DPS mail is an important strategy in holding down postal costs, because it does not require extra hand-sorting by a letter carrier before leaving on his or her route,” explains Jordan. The Suncoast District’s emphasis on capturing the efficiencies and service improvements that result from the DPS process are paying off.



Suncoast District postal employees donned winning yellow jerseys because, just like Lance Armstrong’s teammates helped him win the Tour de France, mailers made them number one in the nation for delivery point sequencing.

“Our mailers may not know it, but we consider them an important part of our DPS team,” he adds, explaining that the mailer’s role starts when they bring in mail that has an 11-digit barcode already applied and that is automation compatible.

“Even mailers who do not have delivery point barcoding capability can get their mail into the DPS flow by ensuring their letter-sized mail is compatible with automation equipment,” says Christina Scacca, Suncoast District Mailpiece Design analyst. ■

FOLLOWING ARE MAILPIECE DESIGN TIPS:

- Print destination address in optical character reader read area.
- Apply complete and correct addressing. Include all directionals, suffixes and apartment or suite numbers.
- Use black ink on white background.
- Include a barcode-clear zone.

Additional information can be found at the Mailpiece Design Website at pe.usps.gov.

