

# A Practical Guide to the 2007 USPS® Proposed Rate Change



Ways to apply the new proposed  
rules to your advantage.

## EXTRA SERVICES STRATEGIES

The proposed lower cost of  
address correction

DISCLAIMER: At this time, these proposed rate changes have not been approved and are subject to change. The USPS® filed a rate case in May 2006. It is expected that the Postal Rate Commission will make their recommendation in March 2007. After that, the USPS® Board of Governors will make a final decision. As such, all rates and examples shown are illustrative only and are subject to change.

# AUTOMATED ADDRESS CORRECTIONS

Going to electronic (vs. paper-based) address corrections is now even more rewarding.

## Proposed Changes

The USPS® has stated that it wishes to reduce Undeliverable as Addressed Mail (UAA) by 50% between now and 2010. To support that initiative, the fees proposed for Address Correction Services (ACS) would be significantly reduced.

## Smart Mailstream Practices

Updating addresses makes smart business sense because more of your mail will be delivered to its intended recipient in a timely manner. And under the proposed USPS® rate change, there will be two ways you can save money.

- **Electronic ACS.** The USPS® would be reducing the cost of electronic ACS notification to \$0.06 on First Class Mail® letters (down from \$0.21 today, and a far cry from the current \$0.75 fee for paper-based notifications). If you are currently requesting paper-based notifications, you could save a lot of money by switching. To participate in ACS, mailers must modify their mailing label format to include a mailer identification (participant) code assigned by the National Customer Support Center (NCSC).
- **Automated ACS.** While the new 4-State Customer Barcode (OneCode™) is not likely to become a USPS® requirement until 2009, the proposed rate proposal provides added incentives to mailers who make the switch today. The OneCode™ barcode – a 31-digit, four-state barcode that carries a 9-digit unique identifier – is a new technology that can support multiple applications and services through a single barcode. In addition to Confirm® service, you can also receive address correction information electronically through OneCode ACS™, which provides significant cost savings.

The USPS® plans on providing the OneCode ACS™ service FREE for the first two scans of a particular address (and only two cents for Standard Mail®). After receiving the corrected data, you can update your source data or start whatever process you have in place for notification and consent – improving overall data quality.

## Making it Happen

There are a range of data quality solutions that can help you keep your customer data up-to-date by using the USPS® Address Correction Services.

**Barcode Printing:** Many software solutions give you the capability to print professional barcodes as part of your mailing address. You may also want to use a specialized address printer, which provides crisp, precise, direct-to-envelope imaging to create a more professional look. With the addition of spot color and personalized messages, these solutions can help ensure more of your mail is opened and read.

**OneCode Advantages.** Today's leading address quality solutions include the integration of 4-State barcodes and support the OneCode™ initiative at every stage of the mail production process, from initial address cleansing and coding, to barcode production, through the tracking of mail. With the enhanced address quality capabilities, mailers can use the one-code technology to help uniquely identify their mail and gain end-to-end visibility into the USPS® mailstream to better manage their business processes and resources, and reduce costs.

### First-Class Mail Address Correction

	Current	Proposed
Manual	\$0.75	\$0.50
Electronic	\$0.21	\$0.06
Automated– First Two	n/a	FREE
Automated – Additional	n/a	\$0.05

For more information, please [contact us](#).

Pitney Bowes offers a range of mail management software solutions that will facilitate electronic ACS™ notification, including:

- [SmartMailer™ Mail Management Software](#)
- [AddressRight® Pro Software](#)

Group 1 Software offers the most advanced address cleansing solutions, which can also facilitate OneCode ACS™

- [CODE-1 Plus® Computer Program](#)
- [Finalist®](#)