The Intelligent Mail® Barcode is Here: WHAT YOU NEED TO KNOW

After a few promised start dates, the Intelligent Mail® barcode (IMb™) is finally set to become the required barcode standard for the United States Postal Service® (USPS). So what does this mean for businesses that rely heavily on postal mail?

The biggest potential impact is on mailing costs: businesses that adopt the IMb are eligible for automation discounts that in some cases can be as high as 50%. And for companies already receiving automation discounts, the clock is ticking on compliance. Companies must switch to the IMb before January 28, 2013, in order to keep receiving automation discounts.

Clearly, the IMb is not something businesses can ignore. Pitney Bowes created this resource to give you a better idea of what the IMb will mean for your business and how you can handle the transition in a timely fashion.



CONTENTS

1.0 WHY THE INTELLIGENT MAIL BARCODE IS IMPORTANT

1.1 Cost Savings1.2 Mail Tracking



2.0 WHICH MAIL IS AFFECTED?



HOW TO SWITCH TO THE INTELLIGENT MAIL BARCODE



4 INTELLIGENT MAIL BARCODE: WORTH THE SWITCH



5_0 TALK TO PITNEY BOWES



1.0 Why the Intelligent Mail Barcode is Important:

Knowing exactly what the IMb means from a business standpoint is a critical first step in successfully making the transition.

1.1 COST SAVINGS

For many, cost savings will be the main reason to make the move. The IMb makes you eligible to receive automation discounts of 10 - 50% depending on the type and the quantity of mail you send. This can add up to huge savings for high-volume mailers.

If your organization is not currently using barcodes, the IMb presents an opportunity to realize new savings on your mailing costs. If you are already using the current POSTNET™ barcode, switching to the IMb is mandatory in order to keep receiving automation discounts. As of January 28, 2013, companies that have not switched to the IMb will no longer receive automation discounts.

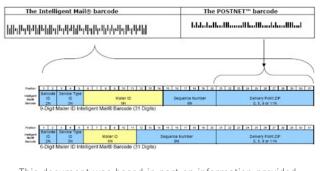
1.2 MAIL TRACKING

Manual labor typically accounts for 10-15% In addition to the automation discounts, the IMb also offers new levels of visibility into mailing operations. From basic status checks on mail pieces to full mailing audits, the IMb allows you to see exactly where a mail piece is at any given moment, from the time it enters the mail stream to the time it leaves the last post office on the way to its destination.

This level of tracking offers many benefits. Knowing how long it takes for customers to receive your mail enables you to provide better customer service, predict the timing of payments, and avoid collection calls. It also assists with performance reviews of mail consolidators and logistics providers, allowing you to see their average processing times.

Intelligent Mail Barcode: What is it?

The Intelligent Mail barcode (formerly known as the 4-State Customer Barcode) is the next generation of USPS® barcode technology used to sort and track letters and flats. Intelligent Mail barcode technology, among other things, combines the capabilities of the POSTNET™ barcode.



This document was based in part on information provided by the United States Postal Service (used with permission). Intelligent Mail®, IMb^{TM} , and $POSTNET^{TM}$ are trademarks of USPS.

2.0 Which Mail is Affected?

After the deadline, the IMb will be mandatory in order to receive automation discounts on letters, flats, postcards, business reply mail and permit reply mail. Specifically, the IMb will be required for discounts in the following USPS mail classes and categories:

- First-Class Mail® letters and flats
- Standard Mail® letters and flats

- Periodicals letters and flats
- Bound Printed Matter flats
- Business and Permit Reply Mail

These are classes and categories that are widely used by many organizations.

3.0 How to Switch to the Intelligent Mail Barcode

A lot of mailers have been pleasantly surprised by how easy it is to switch to the IMb. The first step is to make sure that your mailing software can create the data required to print barcodes using the IMb specification. (For example, Pitney Bowes provides two IMb-compatible software tools: SmartMailerTM and AddressRight® Pro.)

With compatible software in place, getting started with the IMb is a fairly straightforward process. Here are the four basic steps:

- Obtain a Mailer ID from the USPS. This unique number identifies your company and will be embedded in each IMb for tracking purposes.
- 2. Log in to the USPS Business Customer Gateway and select the IMb services you want to activate. Only those services you activate will be available for your IMb mailings.
- 3. Set up your IMb-compatible mailing software. Usually this is as easy as entering your mailer ID into the system.

4. Design your IMb mailing as you would any other mail piece, then print and send your mail.

There are a few considerations to take into account as you prepare to make the switch. First, if you do not already have IMb-compatible software you will need to acquire it. Before setting up your software you must also decide which of the USPS business services to activate with your IMb account. With many overlapping choices available, it can be confusing to know which ones are right for your organization. In these cases, it is helpful to consult with a mailing expert who is familiar with the IMb standard.

Finally, the USPS also recommends consulting with a mail piece design analyst to ensure that your new mailings are compliant with the IMb specification (although this usually isn't an issue with IMb-compatible software.)

4.0 Intelligent Mail Barcode: Worth the Switch

For most organizations, switching to the IMb is a necessity since it will be the only way to receive automation discounts. However, with discounts of 10-50% at stake, the minor effort required to switch is well worth it. And the benefits of the IMb do not stop with the discounts. The IMb brings mail

tracking to a new level, giving you unprecedented insights into the efficiency and timing of your mail operations.

Fortunately, switching to the IMb is within easy reach of every organization, large and small.

Why wait to enjoy the benefits?

5.0 Talk to Pitney Bowes

If your organization needs help switching to the Intelligent Mail barcode, Pitney Bowes is here to help. Our addressing software is fully compatible with the new IMb standard and has been used by organizations to send millions of IMb mail pieces.



More news to come on the IMPB (Intelligent Mail Package Barcode). For more information and to <u>sign up</u> for email updates.

Speak to a member of our team to help selecting your IMb software, choosing your USPS services or any other aspect of the IMb.

Contact us at (800) 322-8000.