

Mailers. Companion



MARCH 2002

Business Mail 101

Smart Choices for Beginning Mailers

“Smart Tips”

Click on the light bulb to learn commonsense ways to save time and money on your mailings.



Glossary Terms

Pop-up definitions help you understand mail terminology.

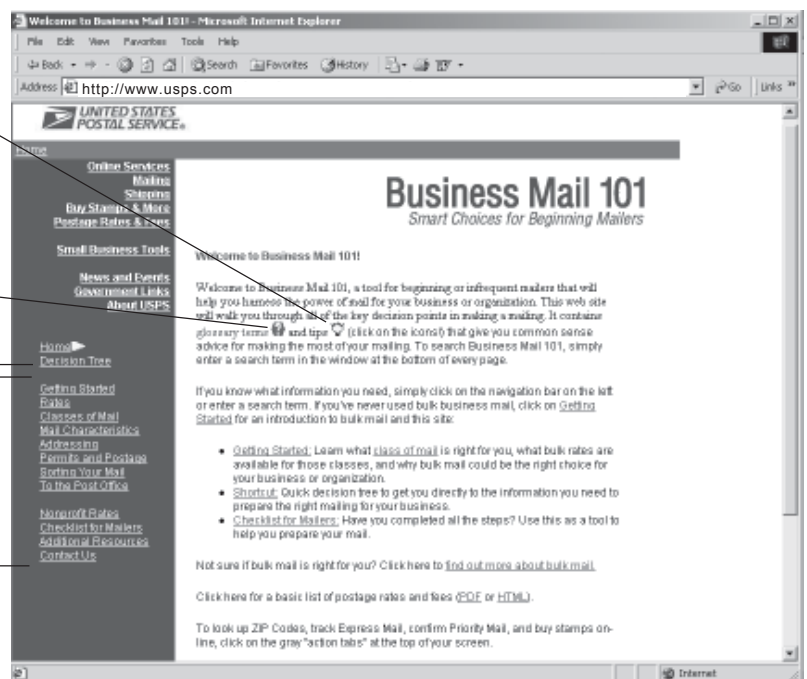


Decision Tree

Answer a few basic questions, and the decision tree directs you to the Quick Service Guide that meets your mailing needs.

Navigation Bar

Click on a topic to see additional information.



New or beginning mailers, small businesses, and charitable organizations will find it easy to get started with the Postal Service. *Business Mail 101* answers all your questions in easy-to-understand language and helps you get your mail done right the first time. *Business Mail 101* can be found under Mail/Ship on www.usps.com.

Business Mail 101 guides new and infrequent mailers, step-by-step, through the critical decision points for making a mailing. The tool is a written narrative that combines existing rules, information, and Internet tools with commonsense “smart tips” and helpful graphics. Major topics include:

- Choosing the class of mail.
- Applying for a mailing permit.
- Choosing the best way to pay postage.
- Sorting your mail.
- Filling out a postage statement.

Business Mail 101 will help you choose the mailing option best suited for you needs, and it contains over 150 “smart tips” that can save you time and money.

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R2001-1 Update

**Statement of
Robert F. Rider
Chairman of the Board
of Governors of the
United States Postal Service
March 22, 2002**

The Governors have received the recommended decision for the R2001-1 Rate Case filed in September 2001 from the Postal Rate Commission.

We thank the Chairman for his leadership and the Commission for its efforts and the expedited manner in which it handled this case. We also thank the parties in the case from the mailing community for agreeing to the unprecedented settlement agreement.

The Governors will consider the Commission's recommended decision at our April meeting.

Mail Quality Corner MPTQM- Certified Mailers

The mailers listed here have been certified by the United States Postal Service. Each has met all the standards of the Mail Preparation Total Quality Management (MPTQM) program.

Companies are added to this list when they pass a quality assurance review and deleted from the list if they fail a subsequent review.

The program is based on ISO 9000, TQM, and the Malcolm Baldrige criteria. For information, visit the MPTQM Web site at www.usps.com/mptqm or send an email to mptqm@email.usps.gov.

— Business Mailer Support

Location	Company
Akron, OH	Centurion of Akron
Baltimore, MD	Jetsort
Brockton, MA	JLS Mailing Services
Cedar Rapids, IA	PSI Group
Charlotte, NC	PSI Group
Chicago, IL	ZIP Mail Services
Dallas, TX	PSI Group
Denver, CO	Rocky Mountain Mail
Des Moines, IA	Mail Services, L.C.
Detroit, MI	ZIP Mail Services
Downers Grove, IL	Automated Presort
Farmingdale, NY	Fala Sorting Services
Glen Allen, VA	Capital One
Grand Rapids, MI	Presort Services
Greensboro, NC	Excalibur Presort Service
Houston, TX	PSI Group
Jefferson City, MO	AAA Mailing Service
Kansas City, KS	PSI Group
Lansing, MI	Presort Services
Las Vegas, NV	PSI Group
Lincoln, NE	PSI Group
Omaha, NE	PSI Group
Omaha, NE	First Data Resources
Phoenix, AZ	PSI Group
Pittsburgh, PA	Pittsburgh Mailing
Roanoke, VA	Automated Mailing Sys.
St. Louis, MO	St. Louis Presort
St. Louis, MO	ZIP Mail Services
San Francisco, CA	PSI Group
Seattle, WA	PSI Group
Topeka, KS	American Presort
Weston, FL	American Express GMS

A complete summary of the changes will appear in the April edition of the *Mailers Companion*. To view the complete Postal Rate Commission's R2001-1 Recommended Decision please visit the Commission's Web site at www.prc.gov.



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Steve Kearney
Vice President
Pricing & Classification

Connie Totten-Oldham
Manager
Pricing & Classification Implementation

John Nagla
Editor
1735 NORTH LYNN ST RM 3028
ARLINGTON VA 22209-6039

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ANNOUNCEMENT

Test Center for Voluntary Barcode Readability Pretesting on MERLIN

The Mailing Evaluation, Readability, and Lookup Instrument (MERLIN) is a new tool used during verification and acceptance in business mail entry units (BMEU) and detached mail entry units (DMU). MERLIN verifies whether customer-prepared letter- or flat-size mailings are eligible for the postage rates claimed on the postage

statements. MERLIN machines are currently under deployment in the Southeast and Southwest areas and will be completely deployed nationally in approximately 2 years.

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Domestic Mail Manual



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

DMM Revision

Periodicals Accuracy, Grading, and Evaluation

(PAGE) Program — *Adds a new method a publisher may use to determine per-copy weights and to substantiate the advertising percentage in each edition of each issue of a Periodicals publication.*

Effective immediately, a new program, the Periodicals Accuracy, Grading, and Evaluation (PAGE) Program is available for publishers of Periodicals.

The PAGE Program eliminates a publisher's need to submit a manually marked copy showing the percentage of advertising for each edition of each issue at the time of mailing. It also eliminates the requirement for Postal Service acceptance employees to determine per-copy weights by weighing 10 copies of each edition at the time of mailing.

Because of technology innovations made in the publishing industry, the Postal Service developed an evaluation program to test

the accuracy of publishing and print planning (PPP) software to calculate advertising percentages and copy weights. This new optional

program, designed in cooperation with the Periodicals industry, allows publishers to submit postage statements completed entirely with electronically generated per-copy weights in a totally automated environment. The Postal Service will sample a limited amount of actual copies to ensure the weights are

accurate. If the sampling determines that the publisher's weights are not within tolerance, a postage adjustment will be generated.

Program Information and Participation

To participate in this program, publishers must successfully complete three stages of authorization:

Stage One — Product Certification for Software Developers.

Developers may have their PPP software PAGE-certified by applying to the National Customer Support Center (NCSC) and paying the appropriate fee. Developers are

software package required at a developer's site. A developer's software will be certified for one PAGE cycle only. A PAGE cycle is 1 year beginning March 11, and ending March 10 of the following year. Certification for the next PAGE cycle will require payment of an analysis fee of either \$1,000 for NCSC analysis or \$2,500 for an on-site analysis. Publishers must use PPP software certified by the Postal Service to generate per-copy weights and advertising percentages to progress to stage two.

The first testing cycle began March 11, 2002.

Stage Two — User Certification for PPP Software.

A publisher may participate in the PAGE Program only when its employees or agents who use the PPP software have been certified by the Postal Service to use PAGE-certified software. Publishers must apply to the NCSC to be certified for all employees who will input data into their PPP software program. Publishers will be charged \$25.00 for a User Testing Package and Analysis Kit for each employee. There will be a \$25.00 fee for each attempt at user certification. Each user must reapply for certification every 2 years. Any new employees who will use PPP software must be certified before using the software if a publisher has been

This new optional program, designed in cooperation with the Periodicals industry, allows publishers to submit postage statements completed entirely with electronically generated per-copy weights in a totally automated environment.

charged the software analysis fee of \$1,000 for testing. One charge will cover up to three certification reviews of a specific software package by a software developer. If a developer requires an on-site analysis, the fee is \$2,500. An additional \$1,500 will be charged for each subsequent certification review of a specific

continued on page 4

authorized to submit Periodicals mailings using the PAGE Program. As an option, a publisher may purchase a reference kit containing mailing standards; Postal Service Customer Support Rulings (and updates); Publication 32, *Glossary of Postal Terms*; and Postal Explorer for \$20. The users testing cycle begins April 11, 2002.

Stage Three — PAGE Program Authorization.

Publishers must complete an application for authorization to submit PAGE-certified calculated copy weights and advertising percentages to participate in the program. The application may be obtained from and must be returned to the New York Rates and Classification Service

Center (RCSC), U.S. Postal Service, 1250 Broadway, 14th Floor, New York, NY 10095-9599. A publisher must report all authorized Periodicals publications and print sites that will use PAGE-certified software. There is no charge for this authorization, and the publisher is required to reapply annually.

— *Marketing Technology and Channel Management, Business Mail Acceptance*

DMM Revision

Bedloaded Periodicals — Option to Bedload Flat-Size Periodicals Changed

Effective March 31, 2002, portions of the *Domestic Mail Manual* (DMM) are revised to remove the option that allows mailers to bedload bundles of Periodicals flat-size mail instead of placing them in sacks or on pallets.

Current standards allow authorized mailers to place packages of Presorted rate and carrier route rate Periodicals flats directly into a truck or trailer if the packages are secured

together into bundles containing a minimum of 20 pounds of mail (instead of sacking or palletizing those packages). Such preparation is optional and requires Postal Service authorization from Business Mailer Support at Headquarters.

Our records indicate that there are no mailers who are preparing bedloaded bundles in this manner. For this reason, and because bedloaded

bundles are generally not cost-efficient for the Postal Service to handle and process, we are removing the option to prepare Periodicals flats as bedloaded bundles. Effective March 31, 2002, all Periodicals flats must be prepared in sacks or on pallets.

This change does not apply to mailers who transport packages of Periodicals to destination delivery units under exceptional dispatch.

— *Mail Preparation and Standards*

DMM Reminder

New Option Added for Co-Packaging of Automation Rate and Presorted Rate Flats

Effective March 31, 2002, portions of *Domestic Mail Manual* (DMM) Module M are revised and new M950 is added to provide a new option that allows mailers to combine flat-size automation rate pieces and flat-size Presorted rate pieces of the same mail class within the same package. This new preparation option is called "co-packaging" and is available for First-Class Mail items, Periodicals, and Standard Mail items.

Under current standards, flats prepared as an automation rate mailing must bear a ZIP+4 or delivery point barcode, while flats prepared as

a Presorted rate mailing are not required to bear a barcode. The new co-packaging option requires that all Presorted rate pieces bear a 5-digit barcode. Pieces without a 5-digit barcode must continue to be prepared as separate mailings but could be co-trayed or co-sacked under M910. Under the new co-packaging option, the current minimum volume requirements for automation rate and Presorted rate mailings continue to apply separately for First-Class Mail and Standard Mail. The total of all automation rate and Presorted rate pieces can be used jointly to meet

package and container minimums (i.e., a minimum of 10 pieces per package for First-Class Mail or Standard Mail items, and a minimum of 6 pieces per package for Periodicals). Postage for Presorted rate and automation rate pieces will still be determined under DMM E130 and E140 for First-Class Mail items; under E220 and E240 for Periodicals; and under E620 and E640 for Standard Mail items.

As part of this new option, mailers may combine Presorted rate pieces and automation rate pieces in no more than one physical package per "logical" presort destination. A "logical"

presort destination represents the total number of pieces that are eligible for a specific presort level based on the required sortation but that might not necessarily be contained in a single container, such as a package, sack, or pallet, due to the applicable preparation requirements. As an example, if 9 Presorted rate Periodicals pieces (each containing a 5-digit barcode) are sorted to the same 3-digit ZIP Code destination as 19 automation rate pieces (each containing a ZIP+4 barcode), the following physical packages might be

prepared: one package containing 8 Presorted rate pieces; one package containing 1 Presorted rate piece and 7 automation rate pieces; and one package containing 12 automation rate pieces.

This option is beneficial to customers because it allows some pieces to move up to a finer presort level and qualify for lower postage rates. The Postal Service benefits by receiving more finely sorted mail. Mailers who elect to use this new co-packaging option must prepare their mail using Presort Accuracy,

Validation, and Evaluation (PAVE)-certified software or the standardized documentation option in DMM P012. The documentation must indicate the total number of automation rate and Presorted rate pieces in each package. Because this option is beneficial to customers and the Postal Service, we encourage presort software vendors to set this option as a default.

— *Mail Preparation and Standards*

DMM Reminder

New Sort Level for Pallets Introduced

Effective March 31, 2002, the Postal Service is introducing a new optional level of pallet sort for a limited number of sectional center facility (SCF) service areas. This option is available for Periodicals nonletters (flats and irregular parcels), Standard Mail flats, and Bound Printed Matter flats prepared on pallets.

New labeling list L006 allows mailers to prepare flats on pallets based on specific groupings of 5-digit ZIP Codes to facilitate entering the pallets directly into the facility where

that mail is processed. To implement this change, we have added a new optional pallet level called a “5-digit metro” pallet prepared using labeling list L006. These pallets will contain mail for certain groupings of 5-digit ZIP Codes that are all processed within a single facility. In the sortation hierarchy, the 5-digit metro pallet follows the 5-digit scheme and 5-digit sort levels and precedes the 3-digit and SCF sort levels. A 5-digit metro pallet could contain carrier route, 5-digit, and 3-digit packages.

The Postal Service and its customers will benefit from this new optional sort because mail will be prepared and deposited more efficiently, going directly to the facility where the packages of mail are processed by the Postal Service and avoiding extra handling and transportation.

— *Mail Preparation and Standards*

DMM Reminder

Priority Mail and Express Mail Flat-Rate Envelopes

When mailing at the Priority Mail or Express Mail flat rate, the contents of the flat-rate envelope must be confined within the envelope with the adhesive provided on the flap as the primary means of closure. The flap must be able to close and adhere to the envelope. Tape may be applied to reinforce the envelope provided the design of the envelope is not enlarged by any means (i.e., opening the sides of the envelope and then taping or reconstructing the envelope).

Any amount of material that can be mailed in the special Priority Mail or Express Mail flat-rate envelope available from the USPS is subject to the appropriate 2-pound rate, regardless of the weight of the material placed in the envelope.

Express Mail and Priority Mail packaging provided by the USPS must be used only for Express Mail or Priority Mail, as applicable. Regardless of how the packaging is reconfigured or how markings may be

obliterated, any matter mailed in USPS-provided Express Mail or Priority Mail packaging is charged the appropriate Express Mail or Priority Mail rate.

Please Note: Effective with the implementation of new rates, the flat rate for Priority Mail will be the 1-pound rate, and the flat rate for Express Mail will be the 1/2-pound rate.

— *New York Rates and Classification Service Center*

In response to customer requests, the Postal Service has dedicated a MERLIN barcode readability test site in Chicago, Illinois. Customers may voluntarily request to have prebarcoded sample mailpieces checked for barcode readability at the test center. However, mailpieces cannot be submitted for barcode readability pretesting more than 90 days prior to installation of MERLIN at the BMEU or DMU where the mailings are verified for acceptance. Customers will receive a letter from the Postal Service 90 days or more in advance that will notify them of the actual MERLIN installation date. There is one exception. Large national printers with multiple mailing entry points throughout the country may request testing out of the MERLIN 90-day installation limit. Testing may be deferred, as necessary, to test mailings received from customers where MERLIN has been installed.

Customer voluntary pretesting of sample mailpieces does not change the requirement that all automation rate mailings prebarcoded by customers will receive MERLIN testing at the time mail is deposited.

Barcode readability pretesting is for First-Class Mail, Periodicals, or Standard Mail letters or flat-size mailpieces. Customers must complete and send two copies of the "Request for MERLIN Barcode Readability Test" (that is included on page 7) with the test mailpieces. The following outlines customer and test center procedures for submission and mailpiece pretesting.

Customer Procedures

- Customers may not submit mailpieces more than 90 days prior to MERLIN installation at the BMEU or DMU where they present mailings for verification and acceptance. (See note above about large national printers).
- Mailpieces cannot weigh more than 16 ounces and must be within the maximum and minimum size limitations for letters or flats as noted in *Domestic Mail Manual* (DMM) C050:

Dimensions	Minimum	Maximum
Letter-Size Mail		
Height	3-1/2"	6-1/8"
Length	5"	11-1/2"
Thickness	0.007"	0.250" (1/4")
Flat-Size Mail		
Height	6-1/8"	12"
Length	11-1/2"	15"
Thickness	0.250" (1/4") * 3/4"	

**Must exceed at least one of these letter-size dimensions.*

- Each mailpiece must bear an actual address (street, city, state, and ZIP+4).
- Fictitious addresses will result in negative test results.
- Customers must submit either 25 or 50 mailpieces for each test.
- Customers must submit two copies of the "Request for MERLIN Barcode Readability Test" form with the test mailpieces.
- Customers must package test mailpieces in cartons, affix postage, and mail to:
 MITCH FILIP
 MERLIN TEST CENTER
 3400 W PRATT AVE
 CHICAGO IL 60712-3700

Note: If more than one test is in the carton, clearly separate and identify the tests and secure the readability test forms to the package of test mailpieces.

Customers must check one of the boxes on the pretesting request form to indicate how they would like the Postal Service to handle the mailpieces after pretesting. Following are the four options:

Option 1

The test center will deposit the test mailpieces individually into the mailstream and send the readability report to the customer. The customer must place applicable First-Class Mail postage on each mailpiece before sending the sample mailpieces to the test center.

Option 2

The test center will discard the mailpieces as waste and will send the readability report to the customer.

Option 3

The test center will return only the test mailpieces with errors to the customer with the readability report. Customers must supply a return shipping label with enough postage affixed to return the test mailpieces by First-Class Mail or Package Services.

Option 4

The test center will return all of the test mailpieces to the customer with the readability report. Customers must supply a return shipping label with enough postage affixed for return of the test mailpieces by First-Class Mail or Package Services.

Test Center Procedures

The test center will conduct the barcode readability test within 72 hours of receipt of test mailpieces. The test center will return the readability report results and process the mailpieces as instructed by the customer in the "Request for MERLIN Barcode Readability Test."

— *Marketing Technology and Channel Management, Business Mail Acceptance*



Request for MERLIN Barcode Readability Test
(Submit Two Copies)

Date Mail Submitted _____ Mailer Job ID No. _____

	Company requesting test	Company for whom mailing is prepared
Name		
Address		
City, State, ZIP Code		
Contact Name		
Telephone		

Processing category: Letter _____ Flat _____

What is the planned date for entering mail? _____

Where will mail be entered? (if known)

City _____ State _____ ZIP Code _____

Number of pieces submitted for test _____

Printing Characteristics

Printer Make/Model _____

Dot Matrix _____ Ink Jet _____ Laser _____

Address Applied to: Label _____ Piece _____ Window Envelope _____

Type of Font and Size _____

Disposition of Sample Mail

Check One:

- Live mail/postage — enter in mailstream when test is completed. Return barcode readability report.
- Return only barcode readability report.
- Return barcode readability report and mailpieces identified with errors on report. Mailer agrees to pay all postage costs (include return shipping labels).
- Return barcode readability report and entire sample. Mailer agrees to pay all postage costs (include return shipping labels).

Disclaimer — This test does not preclude mail from being tested at the time of mailing. This test is not a certification of barcode readability for this or any other mailpiece.

Ask Dr. Barcode

Q. Do raffle tickets mailed as part of a raffle conducted by a nonprofit organization violate the proscription against mailing lottery tickets set forth in Domestic Mail Manual (DMM) C031.3.2?

A. Raffles that incorporate “prize,” “chance,” and “consideration” are considered lotteries under the statute and postal standards. Tickets for such raffles are considered unlawful mail matter and are nonmailable.

When one or more of the three elements (i.e., prize, chance, or

consideration) are eliminated from a raffle, the arrangement does not constitute a lottery for postal purposes. For instance, “consideration” is eliminated if persons may enter without payment of a fee. Thus, a nonprofit organization that designs a raffle where it is clear that a donation is not required (e.g., via a check box: “ Please enter my name in the drawing. I do not wish to make a donation at this time.”) to participate in the raffle may use the mail to distribute the tickets for that raffle.

Dr. Barcode



Send questions regarding mail preparation, standards, or regulations to “Ask Dr. Barcode” via email to jnagla@email.usps.gov or fax to 703-292-3876. The good doctor will select one or two of the most challenging questions for publication.

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