UNITED STATES POSTAL SERVICE VOLUME 38 NUMBER 8 AUGUST 2003

WHAT'S INSIDE

- **KEEPING POSTED**
- **CUSTOMIZED MARKETMAIL**
- **RECORD-BREAKING SERVICE**
- **POSTAL NEWS BRIEFS**
- TRACK & CONFIRM

Step this way...

o you have a great product to sell? Do you want to find a shipping service that suits your business needs? Or do you want to build a relationship with your customers? And do you want to keep it simple? Let the United States Postal Service show you the easy steps to take toward business success through its Simple Formulas series, which now includes two new volumes — Simple Steps and Simple Shipping. They're your postal pathways to business success.

Development Guide

Execute a successful Direct Mail program in just 5 easy steps.

> As you read through the tollowing brochures, please keep the information you learn in mind so you can use it to help till in your Development Guide.

Simple Steps Vol. 2 of the Simple Formulas* series



Step this way... Continued from page 1

The Simple Formulas series is designed primarily for small- and medium-sized business customers. These are easy-to-read and easy-to-follow brochures. They provide best practices to use the mail in creative and effective ways. The first volume, released last year, is a collection of idea starters, tips, tricks and trade secrets about ways to use the mail to acquire and retain customers.

"The response to *Simple Formulas* has been overwhelmingly positive," says Nick Barranca, vice president of USPS Product Development. "Business owners recognize the value of the mail and how the Postal Service offers convenience, affordability, service and reliability. They said they wanted to see more of these publications and we're going to deliver on that."

Two new volumes in the series are being released this month. Simple Steps (Vol. 2) is a primer on how to conduct an effective direct mail campaign in five easy steps. It takes you through every stage of the process—planning, targeting and mailing lists, creative, printing and mailing, and performance and analysis. Want to figure your return on investment for marketing

success? Simple Steps shows you how. There's information about mailing lists and customer databases. Find out about the power of words, printing made simple, and, of course, where to go at USPS for more information and assistance — and much more. The third volume in the series,

The third volume in the series, *Simple Shipping (Vol. 3)*, is an introduction to the wide range of shipping solutions offered by the Postal Service and how those services can help businesses ship more efficiently — across town or around the world. Whether it's Priority Mail service or online services like Click-N-Ship or how to get free shipping supplies, *Simple Shipping* has the information business customers need in a convenient package of brochures.

choose ext. AD4433 to order Simple Formulas, or ext. SS5012 to order Simple Steps and Simple Shipping. You can also go to www.usps.com/directmail to order a copy of Simple Formulas or view the brochures online. The new volumes will be available online soon.

It's a simple formula for mailing success. Know the basics and save time and money.

Helpful Resources

The World Wide Web

If you're using the Internet to look for Direct Mail printing information, try typing in the following Search:

Print production Digital printing Direct Mail printing information Printers Association

Associations

American Marketing Association (AMA) www.marketingpower.com

Direct Marketing Association (DMA) www.the-dma.org

Graphic Arts Technical Foundation/ Printing Industries of America www.gain.net

Mailing and Fulfilment Service Association www.MFSAnet.org

Books

Pocket Pal – A Graphic Arts Production Handbook Michael H. Bruno International Paper, 2000

Designer's Guide to Print Production Kayanna Pace Prentice Hall, 2001

Media

in

aq

1

Direct Magazine DM News www.directmag.com www.dmnews.com

U.S. Postal Service® Resources

www.usps.com www.usps.com/directmail

A Customer's Guide to Mailing www.usps.com/customersguide

A Guide to Mailing for Businesses and Organizations http://pe.usps.gov/text/dmm200/index.htm

Direct Mail by the Numbers 1-800-THE-USPS ext. GD2511 www.usps.com/directmail/dmguide

Simple Formulas* kit – How-to-Series on Direct Mail 1-800-THE-USPS ext. GD2510 www.usps.com/directmail/sf

Business Mail 101 www.usps.com/businessmail101

Pub 25 Designing Letter and Reply Mail http://pe.usps.gov/cpim/ftp/pubs/pub25/pub25.pdf

Pub 28 Postal Addressing Standards http://pe.usps.gov/cpim/ftp/pubs/pub28/pub28.pdf

Authorized Affiliate Merchants

The Postal Service" has authorized affliate merchants that can help you. Visit usps.com/directmail

oteps.

The listed associations, publishers, and media outlets may provide assistance in the development of a Direct Mail program. The list is provided as a convenience to you and does not imply that the U.S. Postal Service* endorses any of these entities.

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Development Game

Execute a successful Direct Mail program in just 5 easy steps.

2 MEMOtoMAILERS AUGUST 2003

Introd

Simple Shipping —

Basics

Shipping !

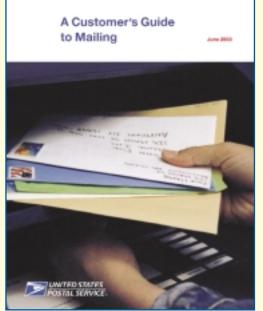
As you read through the following brochures, please keep the information you learn in mind S

DMM 100:Updated for you

heck your local Post Office or go to www.usps.com for the updated version of A Customer's Guide to Mailing, the Domestic Mail Manual (DMM) 100.

The popular guide is based on the everyday ways people use the mail. The newest edition of the guide, dated June 2003, includes design enhancements and additional information about international rates, claims and online shipping labels.

And coming soon — a Spanishlanguage version of the DMM 100. It will be distributed to 1,260 selected USPS locations. A Chinese-language version also is planned.





FY

he Postal Service Board of Governors approved funding for two enhancements to the Automated Flat Sorting Machine (AFSM) 100, which is used to sort magazines, catalogs, newspapers and other flat mail

The first enhancement, which will apply a label with a unique identification (ID) code to each piece of non-barcoded flat mail, is being added to all 534 AFSM 100s. The ID code will be used to sort these mailpieces in subsequent operations.

The second enhancement is the addition of 354 Automatic Tray Handling Systems that will automate the handling of flat trays on the AFSM 100, enabling a reduction in staffing.

INFO @ USPS

SMALL BUSINESS TOOLS

Get new customers.

Meet customer demands.

Around town or around the world.

www.usps.com

SIMPLE FORMULAS

Use the mail to grow your business. Order a *Simple Formulas* kit. 800-THE-USPS, ext. AD4433

BRINGING THE POST OFFICE TO YOU

Visit www.usps.com

QUESTIONS?

We have the answers. Rates and mailing information. ZIP Codes. Post Office location. Much, much more. 800-ASK-USPS

SHIPPING INFORMATION

Express Mail, Priority Mail and package support line. 800-222-1811

PRINTING LABELS

Your shipping label is just a Click-N-Ship away. www.usps.com/clicknship

Mmmm... doughnuts

oughnuts are just the beginning. Next, pizza and cars might appear in your mailbox. Shapes of these images, that is. Krispy Kreme, the wellknown purveyor of doughnuts, has broken new ground in direct advertising with its promotion: "Give us ten. We'll give you twelve." The offer to buy one dozen doughnuts and get the second dozen for a dime was mailed to 10,000 residents in Orange County, CA, and was designed in the shape of the familiar red and green doughnut box. These coupons were the very first Customized MarketMail (CMM) a new Standard Mail advertising product from the U.S. Postal Service that allows companies to send cleverly shaped mail pieces

to consumers sans envelope.

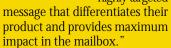
"Krispy Kreme does not traditionally do direct mail, but with the approval of Customized *MaketMail*, we were able to develop a much more

exciting marketing piece to mail to our customers," said Amy Inabinet, marketing manager, Krispy Kreme. "We designed an eyecatching promotion, featuring an

open box of doughnuts and a special offer on the back. We expect this new mailing opportunity to provide a better response than traditional mailing efforts."

The Postal Service "is changing the way businesses mail and we're pleased to have Krispy Kreme as our first CMM customer," says

Nick Barranca, vice president of Product Development for the Postal Service. "This new product offers advertisers and direct mailers an opportunity to deliver a highly targeted



CMM can be used to launch new merchandise, announce an important event, build brand awareness and drive traffic to stores, companies or websites. "We look forward to working with new customers and helping them develop innovative ways to market their business," says Barranca.

Customized *MarketMail* allows advertisers to match the shape of the mailpiece to their products. Within certain size, weight and thickness limitations, CMM can be almost any shape and design the mailer desires.

To learn more about Customized *MarketMail*, go to *www.usps.com/customizedmarketmail*.



Photo: Michael Jones

Stick with success

rab your customer's attention. Put a Repositionable Note on the outside of your direct mail piece and watch your response rates grow. Repostionable Notes helped First Charter Bank lift its response rates.

OBJECTIVE

First Charter Bank wanted to convince automobile owners to refinance their outstanding auto loans with First Charter at a promotional low-interest refinancing rate.

STRATEGY

First Charter defined its target market as automobile owners with outstanding loan notes of \$7,500 or more. It advertised its low promotional rates through an extensive direct mail plan, testing the response of both existing customers and non-customers.

TACTICS

Last spring, it mailed an offer to prospects to refinance their auto-

mobiles with First Charter Bank at a low promotional interest rate.

Six months later, it followed up the initial mailing with a "Last Chance" reminder mailpiece featuring

a Repositionable Note on half of the envelopes that called special attention to the offer. Both customer and non-customer segments were divided into two equal test groups, weighing the impact of an outer envelope with a Repositionable Note attached versus one without.

RESULTS

Although existing customers outperformed non-customers in both these categories, the groups that received the Repositionable Note in both categories outperformed their counterparts. First Charter elevated its response rate from 0.5 percent to 0.7 percent



additional 846 auto loans, 500 of which resulted from the groups that received the Repositionable Note.

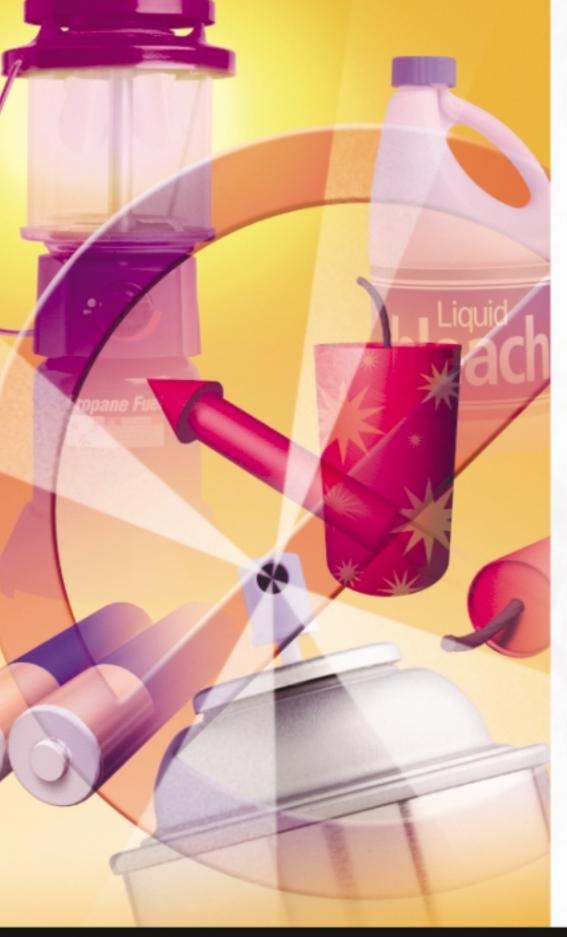
The return on investment was favorable as well. The \$46,200 incremental interest income generated over an average loan cycle of 24 months offset the \$3,200 invested to enhance the company's direct mail with a Repositionable Note.

Want more information about Repositionable Notes? Go to www.usps.com/repositionable notes.

Memo to Mailers

available online at http://www.usps.com/
memotomailers





some things just can't be shipped

Explosives

fireworks, ammunition, fuses, model rocket engines

Flammable Liquids and Solids

gasoline, some paints or inks, varnishes, some cosmetics, matches, signal flares, alcoholic beverages

Corrosives

chlorine bleach, ammonia, batteries, drain cleaners, acids, mercury

Compressed Gases

aerosols, air bag inflators, scuba tanks

Infectious Substances

items containing etiologic agents, used sharps, used medical equipment

Oxidizers

fertilizers, photo finishing supplies, swimming pool cleaning supplies

Poisonous Materials

pesticides, tear gas, irritants

Radioactive Materials

products with a radioactive warning label

Other Materials

magnetized materials, dry ice, self-inflating life saving devices

For more information, ask your retail associate, manager, or postmaster for a hazardous materials brochure (Notice 107).

Hazardous materials are subject to mailing restrictions or prohibitions.



www.usps.com

Record-breaking service — for you!

he U.S. Postal Service achieved its highest overnight service score for First-Class Mail delivery for the second consecutive quarter, again breaking all previous records and raising the bar for overnight service performance in the nation's major metropolitan areas.

Overnight First-Class Mail maintained the milestone score of 95 percent on-time delivery service performance during Postal Quarter III, the period between Feb. 22 and May 16, 2003. It's the fifth consecutive quarter that First-Class Mail delivery hit the 94 percent and above benchmark.

First-Class Mail delivery performance is measured externally and independently by IBM's Business Consulting Services unit, using the External First-Class measurement system, or EXFC. It pro-

vides an independent assessment of the time it takes a piece of First-Class Mail, once it's deposited into a collection box, to be delivered to one of the more than 140 million American homes, businesses and Post Office boxes that are serviced six days a week.

The Postal Service maintains a system of 85 management units by geographic areas, known as performance clusters (PCs). Six PCs achieved on-time delivery performance scores of 97 percent: Erie, PA; Richmond, VA; Albany, NY; Big Sky, (MT); Sacramento, CA; and Portland, OR.

In addition, the most recent customer satisfaction survey shows 93 percent of households nation-wide reported having a positive view of the Postal Service, rating overall performance as excellent, very good and good.

This is the seventh consecutive quarter in which ratings of overall performance have reached 93 percent.

Čustomer Satisfaction Measurement is independently measured by The Gallup Organization which conducts surveys on a variety of postal issues and services from a customer's perspective.

These include accuracy and consistency of delivery; retail clerk courtesy, knowledge, and responsiveness to customers; and telephone courtesy and accuracy of information provided. The Postal Service uses survey results to identify opportunities to improve customer satisfaction.

The Gallup poll is supported by a recent survey conducted for the independent President's Commission on the U.S. Postal Service that found "Americans have an overwhelmingly favorable view of the United States Postal Service as four in five (79 percent) say they feel positive about it, including 47 percent who say very positive." This independent survey was conducted by Black & Veatch, Peter D. Hart Research Associates, and American Viewpoint in May.

EXFC externally measures collection box to mailbox delivery performance. EXFC continuously tests a panel of 463 ZIP Code areas selected on the basis of geographic and volume density from which 90 percent of First-Class Mail volume originates and 80 percent destinates. EXFC is not a systemwide measurement of all First-Class Mail performance.

NPF in Kansas City: Navigating the mail value chain

re you thinking "outside the box" for ways to market your products and services? Looking for tools to connect your marketing message with customers?

Then you'll discover that the best ideas and tools available to deliver your message go "through the box" — the mailbox, that is — at this fall's National Postal Forum (NPF) Sept. 21—23 in Kansas City, MO.

Direct mail — one of the most effective tools any business can use to reach targeted audiences — will be highlighted opening day, according to John Wargo, Postal Service vice president of Service and Market Development.

"On Sunday, Sept. 21, the Forum will present a special one-hour session that not only offers integrated, beginning-to-end solutions

to help businesses tap the power of the mail, but also will connect attendees with specific vendors and exhibitors who can provide the products and services needed for businesses to take full

advantage of the benefits of using direct mail," says Wargo.

The session, titled "Navigating the Mail Value Chain," will guide attendees through six subjects — from the initial decision to use direct mail, or the

"Sales" step, to Mailpiece Design; Address and Mail Preparation Quality; Acceptance Technology; Processing Technology and Intelligent Mail; and, Customer Service and Technology. These six subjects are each matched to specific vendors, exhibitors or manufacturers in the NPF Exhibit Hall and — to complement materials covered

during the session — attendees will be issued a

passport" to the Exhibit Hall where they can meet one-on-one with company representatives to discuss their direct mail needs.

"Whether you're a veteran mailingindustry professional

or represent a growing small business just beginning to explore the use of direct mail, this special session — combined with the opportunity to meet with individual exhibitors — integrates the know-how of postal experts and the resources of exhibitors into the overall context of how businesses can use the mail to connect with customers," says Wargo.

"It's a unique offering that illustrates how the Postal Service and its business partners can work together to help customers effectively and efficiently tap the power of the mail."

Four members of the Tour de France champion USPS Pro Cylcling Team will headline opening day festivities at the NPF. The cyclists are Robbie Ventura, Damon Kluck, Dave Zabriskie and Postal Service employee Kenny Labbe.

For information about the NPF in Kansas City, go to *www.npf.org* or call 703-218-5015.

POSTAL NEWS BRIEFS

NEW FACILITY FOR PHILLY

The Postal Service Board of Governors approved \$289.2 million to fund the construction of a new Philadelphia Processing and Distribution Center (P&DC). The new facility will replace the existing P&DC that opened in 1935 and is located across from the 30th Street train station, as well as other buildings in the same complex. Retail services will continue to be provided at the existing 30th Street location.

Expected to open in 2006, the 910,000 square foot two-level P&DC will serve the 190 — 192 ZIP Code areas and be located in southwest Philadelphia on Lindbergh Boulevard between Suffolk Avenue and 72nd Street. The funding approval also includes the construction of a vehicle maintenance facility and warehouse on a yet-to-be determined site.

NEW VP, STRATEGIC PLANNING

Postmaster General John E. Potter announced the selection of Linda Kingsley as the new vice president of Strategic Planning.

In her new role, Kingsley will be responsible for coordinating the development of plans and analyses contributing to the establishment of the strategic direction of the Postal Service. Strategic Planning also manages and tracks implementation of the Transformation Plan.

"Linda's experience in the areas of costing, rates and operations, particularly as they relate to automation, provide a solid foundation for success in her new assignment," said Potter in announcing Kingsley's appointment.

Most recently, Kingsley served as manager, Activity-Based Costing. That initiative supports the Transformation Plan by identifying all costs related to mail-processing activities — and the source of those costs — so that USPS can pursue additional cost-reduction efforts

DISTRICT OF COLUMBIA GETS STAMP

The Postal Service unveiled a new commemorative stamp celebrating the nation's capital — the District of Columbia — and Washington, the dynamic city within its boundaries. The stamp will be available for sale in September 2003.

"This stamp is a wonderful addition to the nation's commemora-

tive stamp program. It shows that D.C. is much more than the seat of U.S. government," said Washington, DC, Postmaster Delores Killette. "Beyond the grand vistas, broad avenues and imposing public buildings, monuments and memorials, it's a vibrant, diverse community of more than half a million people."

The District of Columbia stamp is shaped like a diamond, as was the original 100-square-mile tract of land chosen to be the permanent site of the nation's capital.

SMITHSONIAN STAMP ART EXHIBIT

One hundred pieces of original stamp art from the past 40 years are on display at the Smithsonian's National Postal Museum in Washington, DC. The "Art of the Stamp" exhibit will run through Feb. 24, 2004.

The exhibit highlights 100 works of original stamp art created by 55 of the nation's top professional designers and illustrators. The works include five honoring Elvis Presley and two rarely displayed original Norman Rockwell pieces commissioned by the Postal Service. Incidentally, the National Postal Museum is celebrating its 10th anniversary.



Early football heroes return to glory this month on new postage stamps.



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High five!

vernight EXFC isn't the only thing that's setting records. The United States Postal Service salutes Lance Armstrong and his teammates on the USPS Pro Cycling Team for making it five straight Tour de France wins.

This year's win was by far Armstrong's narrowest margin of victory. He defeated rival Jan Ullrich by a mere 61 seconds, compared to his other four Tour victories, which he won by six minutes or more

he won by six minutes or more.
And next year? "I'll be back," Armstrong said. Only one other rider — Spain's Miguel Indurain — has five wins in a row. No one has won six straight.

As he has after every Tour de France, Armstrong praised his teammates as the reason he was able to win the grueling race. "The Boys in Blue," as they are known, are acknowledged as one of the world's best cycling teams.



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Change Service Requested

Presorted
First-Class Mail
Postage & Fees Paid
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Permit No. G-10

USPS Track & Confirm just got easier

ave yourself some time. Let the Postal Service notify you by e-mail when your package is delivered — a new feature available at the Track & Confirm website on www.usps.com.

Track & Confirm customers have two e-mail notification options send current information or get shipment updates. Customers also can include up to three e-mail addresses in either request.

E-mail notification is available for Express Mail, Delivery Confirmation, Signature Confirmation, Certified Mail and Registered Mail services.

"The addition of these e-mail options supports the Postal Service's Transformation Plan by using technology to enhance our products," says Nick Barranca, vice president of USPS Product Development. "These choices will set a new benchmark for package delivery."

Shipment update requests are active for two weeks following a request. An e-mail shipment update will be sent any time an item is delivered, attempted, refused, returned to sender or forwarded. This notification option provides better service for customers and saves them time — no more repeat visits to the website or phone calls to check on the status of a mailing. Customers get notification of delivery — automatically.

The option to send current information to another user is also invaluable. As a mailer, you can

actually have an e-mail sent to the recipient that provides the delivery status of the mailing. Either

way, a message like "your package has been delivered by USPS" is one that delivers.

