

# THE UMS WORD

## Intelligent Mail Barcode



The USPS is improving upon the way we process automation mail. The Intelligent Mail barcode® (IMB) is a technological improvement to the existing POSTNET barcode. This will provide the Postal Service a new way to sort and track letters and flats. The Postal Service is promoting the IMB mainly because it will expand the ability to track an individual mail piece. This gives the customer and the USPS greater visibility into the mailstream.

On May 30, 2008 comments for the Federal Register were due on the implementation of the new standards for the Intelligent Mail Barcode (IMB). United Mailing Services again submitted comments on behalf of our company as well as our customers. On Friday June 13, 2008 the MTAC 117 sub committee had a confrence call meeting to discuss some of the open issues. Once again UMS was present for that call to hear the latest news.

Many discussions about the IMB are centered on the subject of the Mailer ID. Who needs one? What Mailer ID will be sprayed on the mail piece? In a consolidated mail room scenario, do the different departments need different Mailer IDs? Should we get our Mailer ID, permit account, or Customer Recognition ID (CRID)?

We were hoping that conference call on June 13, 2008 would answer some of those questions, and it did. And again we hope the next release of the Federal Register will answer the rest. These topics effect UMS as well as our customers. In order for all of us to make educated business

decisions we need to understand how the USPS intends to resolve these issues.

It has been announced a service provider (such as UMS) will be able to spray our Mailer ID on the pieces within the IMB. This has given the mailing industry the false security that they will not need to have a Mailer ID. To the contrary, it is still required for the service provider (UMS) to identify the owner of the mail in our electronic USPS documentation (Mail.Dat). It has been discussed that mailers who have daily volumes over 3,000 pieces will need to be identified through a Mailer ID, permit number or CRID inside electronic documentation. Smaller volume mailers may have a different solution. The USPS needs to be able to identify the owner of the mail. This will give the USPS the ability to track back Undeliverable as Addressed (UAA) mail to the mailing list owner.

The 1997 Move Update requirement mandates a mailing list be updated at least 185 days prior to mailing (95 days prior beginning November of 2008). If this update does not take place the mail is not eligible for postage discounts.

The USPS has stated "Once UAA mail is entered into the mail stream, new processes will become available with the implementaiton of the IMB which will provide efficient feedback to the mailer and will **ensure the addresses are corrected prior to the next mailing**" (usps.com/strategicplanning)

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With some questions still being tabled by the USPS, it is important for our customers to be aware UMS has already begun our IMB upgrades. Our Oshkosh and Brookfield locations have already sprayed Intelligent Mail barcodes sucessfully with our other three locations not far behind. Our goal is to be using the IMB in all of our sites and providing full service IMB to all our customers by the end of 2008 well before the May of 2009 deadline.

When the picture is clear on the IMB, UMS will hold IMB customer symposiums at each location. During these symposiums we will educate our customers of the necessary changes your company must make to continue to receive the largest postage discounts available. UMS will continue to provide the best service. Helping you save more on mailing...

## Move Update Compliance

Move Update is a regulation set forth by the USPS in 1997. This regulation mandated those mailers utilizing available presort and automation discounts on First Class mail to have a USPS approved method to update and maintain their address lists every 185 days.

Though the USPS has found this regulation necessary it has not been as effective as they originally hoped. In 2004 The USPS handled over 9.7 billion pieces of Undeliverable as Addressed (UAA) mail pieces. This came at a cost of \$1.85 billion dollars. A significant portion of this cost was and still is, mail pieces being sent to an address which is no longer valid to the recipient, they have moved and the sender has not updated their address list for them.

Since 1997 the USPS has not made any significant changes to the Move Update regulation, until now. They have recognized key elements of their mandate are not working and they are adjusting it to fit their cost containment needs.

Beginning November 23, 2008 the United States Postal Service will be implementing major changes

to this regulation. One of these changes will include the necessity to update the addresses on Standard mail. Currently the USPS does not mandate the need to update address lists for Standard mailings. They have discovered that of the \$1.85 billion dollars put towards UAA in 2004, 62% of that cost was associated with Standard mail. By simply including Standard mail in their regulation they anticipate an immense reduction in UAA mail pieces.

The other big change set up for Move Update will be to increase the minimum frequency of Move Update processing, from 185 calendar days to 95 days prior to the date of mailing. This simply stated means: if you are sending a letter on November 23, 2008 your company will have had to update your address list and made sure your recipients have not moved on or before August 23, 2008 (95 days prior to mail date). If your recipients have moved, it is required that you update and maintain your address list for those moves.

What does all this mean for UMS customers? It is very important UMS customers stay in compliance

with the Move Update regulation. Currently UMS offers *FastForward*® as an option for our customers to comply with Move Update. However with UMS doing our part with *FastForward*® in processing the mail, it is still our customer's responsibility to access their own data base and update their mailing lists.

The USPS, in addition to *FastForward*®, has other approved methods for mailers to update their address records, NCOA Link™, Address Change Service (ACS), One Code ACS (for use with the Intelligent Mail Barcode), and Ancillary Service Endorsements.

United Mailing Services, Inc. is required by the USPS to document our customer's method of compliance. The form to record this information (PS form 6014) is supplied to us by the USPS. We are required to obtain an updated form from our customers annually. Those mailers who neglect to update their address lists could be subject to fines issued by the USPS. Please contact your local UMS representative if you have questions or concerns regarding Move Update.

### Dave Kieta



Dave Kieta joined our team in February of 2008 as the Production Manager in our Madison facility. Currently living in Middleton WI, Dave has resided most of his life in the Madison area.

Dave brings valuable management experience to our organization and he has already fit into our management team perfectly. Although we've been keeping him very busy with all the upcoming industry changes he still finds plenty of time to spend with his wife and beautiful daughter. We are excited about the creativity Dave has already brought and will continue to add value to our company.

### Bill Schmitz



Our Brookfield facility was honored to welcome Bill Schmitz to our team in November of 2007. He has joined us as the first shift Production Manager. Bill offers an industrial safety degree from Waukesha Technical College and over 25 years in management.

Bill is a devoted family man. When he is not working hard for UMS he is outdoors fishing, hunting or camping with his wife, two children and family dog.

With new equipment, personnel and USPS regulations we are proud to move forward with Bill as a part of UMS.

## What's new in Auto Flats?

With the postage changes of 2007 the USPS implemented a new postage rate structure which made it possible for vendors like UMS to expand into the automated flat market. At that time we began researching flat processing equipment and decided on the V Sort, a flat sorter created by NPI (National Presort Incorporated).

We are so proud to announce the success of this adventure. Our flats department has grown so much in the last 12 months that it has become necessary to expand our operation by purchasing another flat sorter. In June of 2008 we installed our second piece of flat sorting equipment into our home office in Brookfield.

At UMS we have been working hand and hand with the US Postal Service to create operating procedures as a partnership to make our automation flat

department successful. We are happy to take this step with their support to help our customers receive the best possible service.

This new machine from NPI not only has the ability to barcode, and sort flats it takes mail processing technology to the next level. Once our machine is operational UMS will have the capability to process First and Standard Class Manifest mailings.

Manifest mail processing is the ability to weigh individual permit imprint mail pieces inline with barcoding and sorting. Our newest machine will be able to weigh, and uniquely identify each mail piece. This information is then stored and electronically sent to the USPS at the end of our processing for their verification.

This option dramatically reduces processing time, cutting costs for UMS which we can pass onto you, our customer.

## 08' Rate Increase

On May 12, 2008 postage costs were increased. The cost of a First Class US Postage Stamp was raised one cent from \$0.41 to \$0.42. This rate case was the first to fall under the "Postal Accountability and Enhancement Act". This new law, has been viewed by the USPS as "the first major legislative change to the Postal Service since 1971".

How will this new law affect you? With this change the USPS will have the ability to raise postage rates every year. Their postage increases will be capped at the Consumer Price Index. That's the bad news, the good news is the USPS will now be responsible for establishing internal service standards. A stipulation in the Postal Accountability and Enhancement Act is the USPS has to create new and better methods to better service their customers.

As always we at United Mailing Services will be providing you with all the information you will need to make these changes. If you have not yet received the UMS rate chart effective May 11, 2008 please contact your UMS sales representative.

## The 10 Most Common Errors Made When Preparing Presort Mail

1. Wrong Date - The date on your mail must be the day in which it is entered into the Post Office, or the same date UMS picks up your mail.
2. Presort Inscription Missing - All mail claiming a discounted postage rate require an inscription of "Presorted First Class". This should appear along with your meter imprint in the upper right corner of the letter or flat.
3. Poor Ink Quality - The Post Office requires all meter imprints to be clear so that all required information is legible.
4. Wrong Postage Rate (Flats vs. Letters) - Be sure to double check that you are applying the correct postage to your mail. Putting a letter rate on a flat sized mail piece could result in a short paid mail piece and vice versa putting a flat rate on a letter could result in lost revenue due to over paying.
5. Mail Not Sealed - The Post Office requires that all envelopes are sealed properly. This also helps protect the integrity and confidentiality of your mail.
6. Improper Tabbing - The number of tabs required on a self mailer varies by the paper weight and the location of the tabs being placed on it. Please refer to the Domestic Mail Manual (DMM) section 201b for postal regulations regarding tabbing or call your UMS representative.
7. Use of Colored Envelopes - Most colored envelopes are not automation compatible. If you use colored envelopes please have either you UMS or USPS representative examine a sample prior to purchasing them.
8. Barcode Clear Zone - The lower right hand corner of a letter size envelope measuring 5/8 of an inch up from the bottom and 4 and 3/4 inches from the far right edge of the mail piece is considered the "barcode clear zone". Letter size mail will not be applicable for discounted rates with this area impeded in any way.
9. Staples - Staples are not considered a proper sealing method by the USPS and are prohibited in a automation mailing.
10. Short Paid Mail - Short paid mail is mail which does not have enough postage on it, such as a 2 ounce mail piece metered at a 1 ounce rate. If the USPS discovers short paid mail in the mail stream they will issue a cost avoidance to the customer based on their entire day's mailing. This can become very costly to the customer.

Our business is to save you postage dollars. By following some basic principles you can capture all of the savings available to you. We appreciate your business and as always we are your mailing experts, helping you save more on mailing.

Dale Morrell - Account Manager, Brookfield

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*Helping You Save  
More on Mailing!*

## From The Blog

Dear Valued Customer:

Once again we are faced with changes in our mailing industry. We realize changes bring great opportunity and UMS is ready and welcomes them. As the USPS makes changes in rates, rules and regulations, we have also seen some changes within local Wisconsin vendors. Through it all UMS has stayed focused on our common goal, "helping you save more on mailing".

Over the course of the last few months we have also witnessed the consolidation, closure, and or sale of several Wisconsin mail service providers. These changes have caused confusion for some Wisconsin based mailers, but we want you to know UMS is willing to assist in any way possible. United Mailing Services, Inc. has provided Wisconsin with 20 years of quality, reliable and loyal mail services. We have always viewed our customers' mailing concerns as our own, and will always provide our local service teams to assist you. As a service provider we understand the importance of great service. We have always considered and valued our customers as more than just an account number. The volume of mail we process each day is a positive result of our actions. We take pride in how we have built UMS in Wisconsin and we will continue with the strong work ethic we have always provided.

Through these changing times, we assure you, our staff and organization will continue to provide you with the best mail service in Wisconsin! To our many satisfied customers, we would like to thank you and look forward to continuing to provide you with excellent services in the future. We guarantee United Mailing Services' performance will continue to outsell our competitor's promises.

Thank you,

James L. Kolb  
Chief Executive Officer,  
United Mailing Services, Inc.

**We're on the Web!**  
**[unitedmailingservices.com](http://unitedmailingservices.com)**