



## Moving Ahead with Move Update

Address quality all starts with using CASS-certified software, which should result in your addresses being complete and correct. But what can be done to ensure the address is current? That's where Move Update methodologies come in. Properly utilized, they provide a crucial role to your overall address quality strategy.

There are basically five approved methods by the USPS that enable Move Update compliance. Two pre-mailing methods correct the name and address before the mail is accepted: NCOA<sup>Link</sup>, for processing a mailing list; and FAST<sup>forward</sup>, part of an inline Multi-Line Optical Character Reader (MLOCR) device. The three post-mailing methods are ACS, OneCode ACS and Ancillary Service Endorsements.

**FACT:** According to a 2006 study conducted by Christensen Associates:

- nearly **10 billion mailpieces** are considered Undeliverable as Addressed annually
- An estimated **75%** are due to a move-related problem
- Of those move-related problems, Standard Mail is the largest contributor at **63%**.

In order to satisfy the Move Update requirement, the post-mailing options cannot be used as an initial method for subsequent mailings.

Many mailers and their agents seeking Move Update compliance choose pre-mailing NCOA<sup>Link</sup>, which can be used as part of a just-

in-time solution as an on-site process or via a licensed service, often integrated directly within your CASS-certified software. It's also very cost-effective. For example, consider a Standard mailing consisting of one million pieces weighing two ounces each, and a typical address correction match rate of seven percent. The various Move Update approved methods would yield the following results:

- » NCOA<sup>Link</sup> at \$2.00/thousand yields \$200
- » (Average price for comparison only.)
- » OneCode ACS at \$.03/match yields \$225
- » Traditional ACS at \$.25/match yields \$1,875
- » Ancillary Endorsement — a whopping \$7,350!
  - Assuming 50% are forwarded at \$1,875 and 50% are returned at \$5,475 (based on the weighted fee of 2.472 times the applicable First-Class rate)

While NCOA<sup>Link</sup> can be very attractive, it's not without its downsides. The matching logic is strictly tied to obtaining a ZIP+4 Code; without it, you will be unable to decode the encrypted NCOA<sup>Link</sup> data in order to obtain a Change-of-Address match. This makes your upfront CASS-certified process crucial to your Move Update strategy.

As of May 2009, a Standard mailing deemed non-compliant for Move Update will be assessed a penalty of seven cents per piece for the entire mailing (\$70 per thousand). First-Class mailings will be charged postage at the single piece First-Class Mail rate.

The USPS will use MERLIN to assist in determining compliance at the point of acceptance. An initial tolerance level of 70% accuracy will be established, with plans to review that level every four months. The USPS has also announced that the first five detected address errors will not be counted in determining fair tolerance amounts. ■

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**FACT:**

As it costs the USPS nearly \$2 billion annually to forward, return or dispose of this mail, it's no wonder the USPS now requires an approved Move Update method for Standard and First-Class Mail: To receive postage discounts, lists used for mailings in those classes must have names and addresses updated at least 95 days prior to the mail date. Failure to comply with this rule will result in either paying a sizeable penalty or having the mail denied at acceptance.