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A “Move Update” View of Full Service IMB

Postage rates continue to rise, and recent USPS® changes have increased the risk of significant penalties for mailers who fail to comply with recently updated USPS regulations. Mailers must understand the most current standards and adjust their operations accordingly.

Two important developments present both great risk and opportunity for mailers: the push toward the use of Intelligent Mail® barcodes (IMB) and evolving standards regarding Move Update. Mailers can benefit by being aware of how these two factors influence their operations, and by preparing thoughtful responses that take advantage of the opportunities and minimize the risks.

Move Update compliance

The U.S. Postal Service® is increasing its emphasis on Move Update compliance. While standards have been in place for years, the USPS has traditionally not focused much on enforcement. Mailers were expected to ensure addresses were up to date and mail was deliverable as addressed. But aggressive new standards are now being put into place to improve the percentage of deliverable mail. A recent study by the USPS provides the reason for this. In 2004, the USPS handled 9.7 billion pieces of Undeliverable-As-Addressed (UAA) mail at a cost of \$1.8 billion. The steps now being taken are aimed at cutting waste and unnecessary expense.

Mailers should be aware of the following changes to the Move Update requirements.

Increased frequency

The Postal Service® has increased the minimum frequency of Move Update processing from 185 calendar days to 95 days. This means addresses will require more frequent attention to be in compliance.

Increased scope

Move Update standards have been revised to include all Standard Mail® as well as automation-rate and presort-rate First-Class Mail®. This extended reach significantly increases the potential financial impact of non-compliance.

Increased verification

If a mailer’s Move Update accuracy falls below 70 percent (for all pieces from the MERLIN® sample for the mailing) as measured by the USPS National Customer Support Center, it is possible that the entire run of First-Class Mail will be ineligible for discount or assessed an additional charge for every non-compliant piece. Penalties as high as \$.07 per piece for Standard Mail have been discussed by the USPS. The current position of the USPS is that the required level of compliance will increase over time, heightening the need for mailers to have a clear strategy for continuous address quality improvement as the requirements tighten.

Move Update challenges for mail preparers

Mail preparers typically receive mail from a variety of sources and the combined volume enables them to provide efficient services for their internal or external customers. However, there are some significant challenges for mail preparers:

- While the mail owner applies the addresses on the mail piece, the USPS ultimately considers the mail preparer to be responsible for Move Update compliance. This may not be a concern when the mail owner and preparer are the same. But if they are different, it can be challenging for the mail preparer to ensure that the mail owner is complying with the Move Update requirements when the mail owner does not feel the financial impact for non-compliance.

- In some cases, the mail preparer's customer may be receiving mail from multiple sources, which increases complexity.
- If ACS™ and/or *FASTforward*® are used as the Move Update method, the change of address (COA) information must be sent back to the customer. In most cases, this is yet another activity for mail preparers to handle.

The USPS has indicated that having traceability of non-compliant pieces back to their mail owners can reduce the mail preparer's liability.

In summary, it is important to keep addresses updated, and it is also important to ensure that mail preparers have strategies to prevent low compliance by mail owners.

Benefits of adopting the IMB

Document processing professionals are well aware of the push by the USPS towards the adoption of the IMB. Benefits of adopting Full Service IMB include:

- Deeper discounts starting November 2009: \$3/1,000 for First-Class Mail and \$1/1,000 for Standard Mail
- Free start-the-clock information
- Free address correction information for 95 days for First-Class Mail, and 30 days for Standard Mail
- Simpler tracking throughout the mailing cycle because the IMB is now the industry standard for mailpiece uniqueness. OneCode Confirm® service from the USPS provides item-level tracking data from the USPS network, and it is now much easier to use it with Full Service IMB.
- A cleaner mailpiece by combining multiple fields into a single barcode. The IMB can include both ACS and Confirm® data, eliminating the need for additional markings on the mailpiece.

Full Service IMB and Move Update compliance

Mailers should also look beyond the initial Full Service IMB requirements and consider how it can help meet the challenges of Move Update. Full Service IMB can help with Move Update compliance in two ways:

- Providing usable COA feedback to the mail owner at the lowest possible cost
- Providing a method for mail preparers to trace non-compliant pieces back to the mail owner

COA feedback

Both FFMUN (*FASTforward* Move Update Notification) and OneCode ACS® provide COA information to the identified recipient. With Full Service IMB, OneCode ACS information will be free if acted upon in a reasonable time frame. From recent USPS announcements, FFMUN is likely to be free if *FASTforward* is installed on your sorters. ACS information will be sent to the entity associated with the Mailer Identifier (MID) printed on the mailpiece. In the future, it will be possible to identify an alternate MID by piece, enabling COA information to be sent to the appropriate mail owner. In the case of FFMUN, data will be available on the USPS RIBBS™ Website for each participant code, or for the mail preparer designated by the owner of the participant code (which should be the mail owner).

Traceability of non-compliant mailpieces

Full Service IMB also gives mail preparers who process a mixed, diverse stream of mail a reliable way to trace individual pieces back to the original mail owner, based on the unique identifier for each piece. The mail preparer should set up mailstreams/profiles in the sorting software for individual address list owners and should process their mail under their profiles so that the identifiers are mapped correctly. If the mailing fails USPS acceptance because of Move Update non-compliance, the individual pieces from the sample can be traced back to the address list owner. This can be valuable data that a mail preparer could use in discussions with customers and could also be compiled over time to monitor trends by individual customers.

NetSort: A complete Full Service IMB solution

NetSort™, the new sorting software platform from BÖWE BELL + HOWELL, provides support for Full Service IMB and offers a wide range of upgrade options for enhanced functionality. NetSort is a client/server product and is designed to handle high volumes of data while maintaining data integrity and ease of use. It improves on the functionality of BBH's MaxiSORT® and WinSort® software with an underlying architecture that is designed for continued growth.



NetSort was designed to provide full service IMB support and has an item-level data structure. It manages the uniqueness of mailpieces across multiple sorters, sites, trays and containers, and it creates and submits electronic mailing reports (Mail.dat® and Mail.XML™).

An extensive audit trail will be available for each piece, allowing the mailer to trace the piece back if it is found to be non-compliant with Move Update standards. This also enables mail preparers to provide FFMUN and ACS data as value-added services for their customers, reducing risks for mail preparers and helping mail owners ensure that their mail gets delivered to the correct address.

NetSort also integrates with Track N Trace®, a hosted service from BBH that utilizes OneCode Confirm data to provide user-friendly item-level tracking reports to customers. This data can be used in multiple ways. For example, dunning notices can be reduced by tracking incoming payments, call centers can be staffed appropriately as they track outgoing statements, and marketing messages can be timed to reach target audiences at the appropriate date. In addition, mailers will also be able to measure the performance of the USPS delivery network.

MultiSite is a NetSort option that allows different sites to share mail, thereby maximizing production efficiencies and available postage discounts for any size sorting operation. This will enable smaller volume mailers to improve their competitive position by improving their qualification levels.

The benefits of implementing a Full Service IMB solution are clear. BÖWE BELL + HOWELL can help you construct a meaningful approach to Move Update compliance and Full Service IMB by bringing together improvements in workflow, software and hardware to maximize your postal discounts and provide the best service to your customers. Contact us to learn more. We welcome the opportunity to work with you.

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