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The Move to Intelligent Mail: What mailers need to know

The USPS® Intelligent Mail® barcode (IMB) initiative is finally becoming a reality. Mailers of all sizes that plan to take advantage of the substantial discounts and services provided when mail meets postal requirements need to start planning and strategizing on what this change will mean to them.

In this paper we will examine what you need to know about the IMB, including basic and full-service options, the benefits you can achieve through IMB implementation, and things you should focus on now in order to smoothly transition to this new initiative.

About Intelligent Mail: the facts

- The USPS goal in introducing the IMB is to increase efficiencies in automation and enable more services now and in the future
- The IMB combines and replaces the services provided today by OneCode ACS™, POSTNET™ and PLANET Code®
- Mailers can receive discounts using the IMB today, with deeper discounts being offered in Fall 2009, and an end to POSTNET discounts in 2011
- The IMB offers more information than what is currently available in the POSTNET code, including a document identifier that must be unique across all company mailings for 45 days when claiming full-service discounts
- The IMB will offer deeper levels of USPS services
- The Intelligent Mail system also includes new barcodes for tracking trays and containers

Why now?

With the recent changes to the delivery-cost model using mailpiece size and shape, the USPS made a distinct shift toward defining new regulations and processes for controlling their costs and efforts for delivering mail.

By positioning itself to increase efficiencies, the USPS will be able to tackle many long-term issues it faces while providing mailers with new opportunities to manage their operations to the most profitable degree possible.

Intelligent Mail options

The USPS has two options for mailers. The first, the “basic” option, will allow mailers to use the IMB on letters and flats in lieu of the POSTNET barcode.

The second, the “full-service” option, provides greater automation discounts but also has more requirements. Mailers choosing this option will have to extend the use of the IMB beyond just mailpieces—they’ll have to implement the Intelligent Mail trays and container barcodes, as well. Mailers will also need to electronically submit postage statements and documentation in advance of inducting the mail.

Intelligent Mail benefits from a mailer’s perspective

Better access to new and existing services

The USPS is raising the incentives for mailers to help them justify the required changes. One example is the USPS’s offer of “Free ACS™” to users of full-service IMB to encourage mailers to improve data quality. The USPS will be introducing more value-added services to make mailing operations more efficient and lower the overall cost of change.

Less Undeliverable As Addressed (UAA) mail

The USPS assessed the cost of handling UAA mail at nearly \$2 billion per year. The costs are charged back to the customer as a fee or as part of the postage rate. In either case, mailers are paying for poor-quality addresses. By using the IMB, address corrections can be automatically returned to a mailer with the hope that

data quality will increase, and UAA and returned mail will decrease.

Greater efficiency

The IMB will not only save mailers UAA costs, it will also expedite acceptance by ensuring that mail meets USPS requirements. Mailers who continually provide properly prepared mail can conceivably get their mail 'fast-tracked' through the USPS with fewer diverts and exceptions.

Better visibility into the USPS

With the Postal Accountability and Enhancement Act requiring certain service measurements, the USPS is positioning the IMB to be a tool used for gathering data for enhanced tracking and reporting. Conversely, the USPS will also be able to track whether mailings are properly prepared—and track any exceptions back to the mailer.

Maximizing the Intelligent Mail opportunity

While this postal change will be mandatory, there are many ways you can profit from a smart implementation now—and in the future. Companies of all sizes, and in all vertical markets, can make changes that add value at every step of the document lifecycle using the IMB.

Intelligent Mail and data processing

The USPS is betting that the IMB will help automate and improve the way mail is managed, but mailers can also use the barcode to improve the intelligence and tracking of each job and mailpiece. Modifying documents with accurate addresses and unique identifiers will improve mail deliverability, visibility and accountability. Adding an IMB will also be justification for many companies to remove old, dated symbologies from their documents.

Intelligent Mail and printing

During print processing mailers can verify the quality of barcodes, ensuring that every piece will meet high-speed inserting, sorting and postal requirements. Early detection of quality and readability issues can minimize costly re-runs and postal penalties.

Intelligent Mail and finishing

Intelligent codes have been used for years to automate and manage individual mailpieces, but many documents are still processed with no unique identifier or control over how they are processed. The IMB is an intelligent code and can be used to look up centrally managed machine functions to ensure that every mailpiece is assembled with full integrity and quality. To receive full

discounts mailers will need to track the mailpiece, the mail tray it is in and the container the tray is in.

Intelligent Mail and sorting

For mailers who do not apply postal barcodes as part of their data-processing and document-printing processing, sorters and pre-sort bureaus can be used to apply the IMB and perform advanced mail-processing and address-quality services. Achieving maximum postage discounts will require many jobs to be commingled with other jobs—complete with full reporting and tracking. The IMB is a key component of this process, enabling intelligent and optimized handling.

Intelligent Mail and mail delivery

Mailing information can be electronically submitted to the USPS and tracked all the way through delivery. Properly managed, the IMB will expedite the USPS processing and ensure maximum discounts. Mailers who present accurately prepared mailings will incur fewer acceptance errors or delays. Mailers will be able to know exactly when their mail was accepted by the USPS or if there were any exceptions. This gives insight to make strategic decisions such as:

- Staffing a call center to handle document-related customer issues
- Scheduling follow-ups for marketing campaigns

Intelligent Mail and your customers

Mail recipients and customer service representatives will also have improved access to account and tracking information. With fast access to online images of mailpieces, customer communication and satisfaction increases dramatically. With the IMB as a unique identifier, online documents can be quickly and easily indexed and retrieved online—lowering support costs.



Intelligent Mail and incoming processing

Companies can automatically track and manage information that is sent to them from their clients. Tracking incoming mail using the IMB and postal services allows companies to forecast bill payments and other responses such as acceptance of marketing promotions or changes to account information.

Intelligent Mail implementation

Meeting new regulatory requirements can challenge even the most advanced mailers. Implementing the new IMB is no exception. Specialists from BÖWE BELL + HOWELL are here to help.

Our Intelligent Mail specialists are available to perform an assessment of your production technologies and operations, so you can better plan for this upcoming change.

Our methodology is to work with your team to determine:

- A recommended approach for IMB implementation that will give you immediate results and position you to leverage the IMB in the long term
- How the IMB can positively impact your bottom line
- The best options for increasing the quality of your data
- Which operational processes need to change

Our methodology consists of three phases:

1. **Business overview**—In this phase our specialists meet with your process experts to gain an understanding of your technology and business operations. This understanding enables us to efficiently perform the rest of the assessment with minimal disruption to your business.
2. **Review of your operations**—In this phase our specialists will review your technologies and operational environment to look for opportunities to leverage the IMB to benefit your company.
3. **Implementation Report**—In the final phase we will provide an analysis with a recommended approach for implementing IMB with a description of subsequent benefits. Required operational process changes will also be included.

Our Intelligent Mail promise

- Skilled mailing specialists analyze your IMB objectives and offer tangible and immediate solutions as well as long-term recommendations that you can act upon
- Advice aimed specifically for your operations on how the IMB can help you ensure USPS regulatory compliance, improved address quality, cost savings, better response rates and a higher level of customer satisfaction
- Reasonable options for IMB implementation that won't exceed budgets or over-commit you in times of rapid change
- Direct contact with some of the most knowledgeable experts within the industry. We'll help you clarify and communicate the value of implementing the IMB so that you can successfully communicate these benefits to your stakeholders

For more information on how our Intelligent Mail specialists can assist you, please call us at 1-800-220-3030.

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