

## Bulletin: USPS changes its mailing requirements

We want to update you on an upcoming change in U.S. Postal Service requirements for both Standard Class, which includes Non-Profit, and First Class mail.

The previous rule applied only to First Class mail and required that lists had been updated using a USPS-approved method within 185 days of mailing. As of November 23<sup>rd</sup>, the USPS began requiring that all lists have been updated within the previous 95 days to be eligible for any postage discounts.

### DRS IS HERE TO HELP

It's true...sometimes USPS rules and regulations are, well, confusing. You want to know the bottom line: What does it mean? Why should I care? How does it affect my budget? What if I don't comply? Does this apply to rented lists, too? When should I start?

We can sort it all out and make it painless for you, so let's get started...

### WHY IS THE USPS INSTITUTING THE NEW MORE STRINGENT REGULATION?

In an independent study done in 2004, Standard Mail accounted for 63% of all Undeliverable as Addressed (UAA) mail, most of which resulted from consumer moves. So, the USPS has instituted this new requirement in order to meet their goal of cutting UAA mail in half by 2010, thereby saving an estimated \$2 billion annually.

### WHAT'S IN IT FOR MY ORGANIZATION?

- By keeping your files up-to-date, you'll be able to reach donors and prospects where they live more quickly and, therefore, receive faster responses;
- You'll also be able to eliminate those individuals or families whose last known addresses are no longer valid or that are out of your desired mailing area. This will reduce your production and postage costs for future mailings;
- Postage rates will not rise as often or as much in the future, if the USPS can find ways to save money in other areas, such as UAA mail.
- You'll be going **green** by reducing your organization's carbon footprint!

### HOW WILL IT AFFECT MY BUDGET?

The cost is minimal. Depending on the cost of your mailing package, you will likely recoup the cost on your next mailing, just by removing UAA records from your file. Your Account Manager will be glad to guide you in determining which option is best for you and give you a cost estimate.

### WHAT CONSTITUTES NON-COMPLIANCE?

Beginning January 4, 2010, a mailing with an error rate of 30 percent or more will no longer qualify for automation discounts.



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## **WHAT ARE THE PENALTIES FOR NONCOMPLIANCE?**

The penalties are severe and would have a significant impact on your budget.

For First Class mail, you will owe the USPS the difference between the discount rates and the single piece rate based on the TOTAL mailed quantity (not just the UAA pieces).

For Standard Class mail (non-profit), you will owe the USPS 7 cents per piece based on the TOTAL mailed quantity (not just the UAA pieces).

You can avoid these budget-busting penalties by talking to us early in the planning phase of your next mailing. We want to help you maximize your budget by reaching every one of your donors and prospects at the lowest possible cost for delivering your message.

## **WHAT ABOUT RENTED LISTS?**

The rule does apply to all lists, but not to worry: all lists rented by DRS on your behalf are in compliance with the rule and DRS will retain a copy of certification.

## **WHEN SHOULD I START THE PROCESS?**

Right now would be a good time to start, but make sure you talk to your Account Manager well in advance of your next mailing.

## **WHAT ARE MY OPTIONS FOR COMPLYING TO MOVE UPDATE REQUIREMENTS?**

**NCOALink** - This database includes all moves for the prior 48 months and is updated monthly.

If you'd like us to update your file using this method, we'll process and return your file to you with appended address information for those records that have been found to have changed, so that you can update your database. Just fill in the "LIST OWNER" section at the top of the **NCOALink Processing Acknowledgment** form completely and fax back to your Account Manager. This process may add an additional day to the data processing schedule.

**FastForward** – because our sister company, JLS, is also a presort bureau (sorts and barcodes mail for the USPS), our equipment has the capability to read the address, check the database for a possible move, and spray a new address (if found) and barcode on the face of the envelope before it goes to the Post Office. Most lettershops don't have the capability to do this or to spray the barcode on the outside of the envelope as we do.

While it requires nothing of your organization, this service is a little different than NCOALink. The database covers only the prior 13 months and the equipment can process letters only. Additionally, because this method is a real-time process, we cannot return any information to you, but the piece will get delivered and the process meets the USPS requirement. This service may add an additional day to the mailing schedule.



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**Ancillary Service Endorsements** – this method is one you can do entirely on your own by printing “RETURN SERVICE REQUESTED” or “ADDRESS SERVICE REQUESTED” in one of four approved locations on the face of your mail piece and manually entering the changes you receive from the Postal Service to update your database. *(Note: if you have not completed this entire process within 95 days before your next mailing, you will not be in compliance with the rule. Please advise your Account Manager in writing if you are complying via this method.)*

**Address Change Service (ACS) or OneCode ACS** – this service is most useful for large and frequent mailers.

This method requires that you apply to the USPS in order to become a participant in the program. Once accepted, you'll receive an ACS participant code.

For ACS, you must print your seven character code, preceded by a # sign, on the left edge of the first line of the recipient's name/address block. For OneCode ACS, an Intelligent Mail Barcode is also required to print in an approved area. Finally, the endorsement “CHANGE SERVICE REQUESTED” must be printed in one of four approved locations on the face of your mail piece.

#### **IS THERE ANY WAY TO AVOID ALL THIS?**

**Alternative Address** – The Move Update regulation doesn't apply to mail bearing an alternative address format, i.e. “Postal Customer”, “Occupant,” or “Householder,” etc.

This is because mail using this format is deliverable as addressed to the physical location, even if a name is on the first line, such as “John Doe or Current Resident”.

You may not use the alternative addressing method with any of the ancillary service endorsements or if you require additional postal services, such as delivery confirmation.

#### **WHAT DO I DO NEXT?**

What we hope you'll always do when in doubt or in need of advice: talk to us! If you have any questions or are unsure which method is best for your organization, just call your Account Manager directly.

*To read more about the requirements and procedures for using this method, go to:*  
<http://www.usps.com/ncsc/addressservices/moveupdate/moveupdatemenu.htm>  
<http://www.usps.com/mailpro/2008/mayjune/page5.htm>



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