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Move-Update Revisions

The USPS is modifying its acceptance testing procedures with respect to the Move-Update requirement. Mailings will be randomly selected for verification and a sample from those mailings will be processed on MERLIN. MERLIN will capture the name and address information to run against the NCOA^{Link™} data file. Results are returned to a Move Update report.

The report will calculate a change of address error rate for the sample. Addresses which should have had a change-of-address applied will be considered to be errors. USPS will be using the 18 month NCOA^{Link™} data file. Currently these reports will be provided back to the mailer as feedback but no additional postage will be assessed.

As of January, 2010, additional postage will be applied to mailings that fail the Move-Update test. The calculations and surcharges are the same for both First-Class and Standard Mail. Calculations will be made as follows:

• Error rate = number of sampled pieces that were updated by the mailer divided by the number of pieces that should have been updated.

i.e. If 100 sampled pieces were updated but 130 pieces should have been updated, the error rate is 100/130 or 77%.

• A passing score is 70%. If the score is below 70%, a \$0.07 per piece surcharge will be assessed as follows:

70% - (percent score) multiplied by the number of pieces in the mailing

• i.e. If 50 sampled pieces were updated but 100 pieces should have been updated, the error rate is 50/100 or 50%.

70% - 50% = 20% of the mailing will be surcharged.

If the mailing is 50,000 pieces, the surcharge will be $0.07 \times 10,000$ pieces (3% of the mailing) or 700

If you do not use an approved Move-Update method (such as NCOA^{Link™}), your mailing will not be eligible for discounted prices and must be mailed at the First-Class Mail single-piece price. Please make sure you certify your Move-Update method on the Postage Statement.

Get the deal before it's gone!

It has been brought to our attention that information on the Win-Back and Acquisition Admail Pilot Programs are difficult to find. When you call the Customer Serve Network, ask to be transferred to a Sales Representative. The Customer Serve Network does not have information on this program but will be updated shortly.

Apparently this program started as a "by invitation only" initiative. Since we have been informed of it, make sure you take advantage of this opportunity for your own company or your clients. It is a limited time offer and they may close the program to new applicants at any time. One thing to keep in mind: there is no guarantee of acceptance into this program; the Sales Department at Canada Post is required to put forth a proposal to the GM for approval of each client. The better you sound on the proposal, the more likely you are to be accepted into the program! So dream big and let Canada Post know about all the mailings you plan to do in the future (if they don't end up happening, at least you will already be getting a discount!).



Here is a recap of the terms and conditions of the Win-Back Program:

New or lapsed Addressed Admail or Unaddressed Admail customers who mail before March 31, 2010 are eligible for a 10% discount on their postage. Lapsed customers have not sent AA or UA in the previous 12 months. A minimum volume of 1,000 pieces of AA and/or an annual volume agreement of 100,000 UA pieces is required.

The approval process will take approximately 3 weeks from the start of the paperwork to the beginning of the discount. So if you think you or your clients can take advantage of this offering, start now! If you would like the name of a specific rep in the Sales Department, please e-mail <u>Kristi@flagshipsoftware.com</u>. The rep prefers that her extension not be published in the newsletter.

We are still trying to find out more information on the Acquisition Admail Pilot Program. Please e-mail <u>Kristi@flagshipsoftware.com</u> if you would like to be updated once we hear back from Canada Post. This program ends December 31st, 2009.

Experienced Data Operator Available

In today's economic climate, networking is often the best way to find the people you need. Are you in the GTA and looking for a data operator with iAddress[™] experience? We have been contacted by an experienced iAddress[™] operator who is looking for work.

Please contact <u>kristi@flagshipsoftware.com</u> if you have an opportunity available in your company.



Reducing Printing Costs

Producing your mail piece is often more expensive than the postage you pay. With information from Canada Post's Direct Mail Production Planner, here are some basic tips on reducing your printing costs when preparing a promotional mailing:

Reduce your packaging:

Remember the maximum size for Short/Long mail is 5.875" by 9.625". This is a half-sized catalogue envelope. Can your full-size sheets be folded to fit into this size envelope? If so, you can cut your postage costs by keeping First Class Mail under 30g and Addressed Admail under 50g.

Do you need an envelope? Can your mail piece be reworked to become a self-mailer? Do you require an envelope or can you address your catalogue or brochure without one?

Print more on less.

How much time do you spend flipping through multiple page offers? Keep your prospect's attention and reduce costs by making the mailing shorter and lighter.

• Use a lighter stock.

There are many options for stock these days. If 40% of your prospects look at your offer, 60% will be recycled. Do you really need to spend the extra money on the special heavy glossy paper? If portions of your mailing require further handling (like a coupon), then use heavier stock just for those items.

• Work with common paper and envelope sizes.

Invitation size envelopes are becoming more popular as a way to make your mailing stand out. However, nonstandard size envelopes are more expensive to purchase and print. As well, because they often don't meet Canada Post's aspect ratio, they don't qualify for regular First Class or Addressed Admail rates.

Reduce specialty colours and processes.

As you increase the number of colours on your mail piece, you will also increase the printing cost. Watch out for costly extras such as bleeds, raised ink, metallics, foils, custom spot colours, die cuts and embossing. You may be able to make a statement just as effectively without the increase in price.

Using these tips, you can review your promotional mailings to make sure you are maximizing your advertising impact while reducing printing costs. And remember, often less is more, and you will benefit by directing your advertising budget savings into other more productive channels.

Next Training Course

We still have some spots left in our December training course. Our January training course will be held Wednesday, January 13, 2010 at our Richmond Hill, ON training facility. Please e-mail Carolyn at the address below if you would like a registration form: Carolyn@flagshipsoftware.com.

Our February training course will be held Wednesday, February 3, 2010.



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