



iAddress™ Updater

September 2014, Volume 7 Number 7

Welcome To Our New Format!

To comply with new CASL regulations, we have changed our newsletter format and distribution method. We hope you enjoy this fresh new look!

We hope your summer was restful and relaxing. We will be restarting our newsletters with monthly updates on our products and the industry. If you have a question or comment on any of the information contained in the newsletter, please let us know! We can be reached at:

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Subscribing to the English or French Newsletter List

We will be sending both the English and French newsletters as separate emails. Please use the "unsubscribe" button at the bottom of the email to remove yourself from the list on which you do not want to be included. For example, to remain on the English newsletter list, please Unsubscribe from the French list. To remain on the French newsletter list, please Unsubscribe from the English list. Thank you!

Changes to Addressed Admail

In July, 2014, Canada Post announced changes to its Addressed Admail product. One of those changes had already been implemented and that was the drop in minimum volume for Machineable Addressed Admail from a 1,000 pieces to 500 pieces. This is a welcome change for mailers with smaller volumes looking to reduce the impact of recent postage pricing increases.

Effective August 18, 2014, Canada Post made a change to its delivery standards for Addressed Admail. The following outlines the previous and new standards in business days. Please note that the national delivery standard excludes non-major urban centres, Northern regions and remote areas.

Delivery Area	Pre-August 18 Delivery Standard	New Delivery Standard	
	All Addressed Admail	Machineable S/L	LCP, NDG, MP and Machineable O/S
Local	3	3	3
Within Province	4-5	4	3-5
National	4-13	5	4-8

Machineable Presort and Presort NDG will be removed as options as of January, 2015. This will leave only Machineable and Letter Carrier Presort (being renamed "Special Handling") as options for preparing Addressed Admail. Special Handling will still be sorted to its current levels based on the density of the mailing, however there will be a flat rate per piece. That rate, as of January 12, 2015 will be \$0.50 for items up to 50g and \$0.55 for items up to 100g.

An interesting change is that the return address (name and address) on an AA mail piece may now vary as long as the piece has the same mail owner which would be reflected by the customer number in the indicia. Previously either the name or the address had to remain constant. This will be helpful where a mailer has multiple branches or stores and prefers to reflect different locations in different markets. This change is now in effect.

Canada Post has discontinued two surcharges on Machineable Mail effective immediately. The first is the \$0.05 per item "read rate adjustment fee". This was charged on the percent of the mailing that fell below the 95% or 85% readability rate for S/L and O/S admail respectively. The second surcharge is the \$0.10 per item fee for printing within the envelope quiet zones on the bottom front and back. At this point, all other surcharges remain in place.

Machineable Mail requirements have been reduced significantly. Many previously mandatory requirements have now been reclassified as "Best Practices for Optimal Processing". The following remain mandatory requirements:

- Minimum and Maximum dimensions with respect to length, width, thickness, aspect ratio and weight. The shape must remain rectangular.
- Mail piece must be paper, not plastic or wrapped in plastic. There are minimum paper weights for envelopes (75 gm²), self-mailers (90 gm²), as well as cards and postcards (160 gm²). Items cannot be rigid.
- Paper enclosures are acceptable but liquids, powders and gels remain unacceptable. Firmly attached flexible magnets, CDs/DVDs, single coins, key tags and plastic cards are acceptable.
- Envelopes must be completely sealed without staples or clasps. Self-mailers must be folded or continuously sealed along the bottom edge with a seal at the top. Multiple pages require an additional seal to the right of the address.
- There remains a specified addressing area based on the top and right and left edges of the mail piece. The address block must still have a minimum 5mm quiet zone.
- Rules with respect to the placement of the postage mark (meter or indicia) remains the same as does the placement and orientation of the return address.
- Most fonts are now acceptable provided they are not in script, underlined, bolded or shadowed, there is sufficient contrast with the envelope colour, and the characters do not touch one another.

For more information on Machineable Mail Postal Standards, please download the following document:
http://www.canadapost.ca/tools/pg/standards/PSMach_SL-e.pdf

Our newsletters will continue to summarize and review the new and upcoming changes to Canada Post products and services as more information becomes available.

Fraud Plagues Online Ad Industry

Fraud in online advertising has become a hot topic over the last few months. This year's Interactive Advertising Bureau (IAB's) Annual Leadership Meeting was dominated by the subject and articles are appearing within the industry as well as in mainstream media. The stakes are high with an estimated annual spend of about \$121 billion dollars on online advertising. The IAB, which represents over 500 media and technology companies, has published a white paper entitled *Understanding Online Traffic Fraud* in which it states "the interactive advertising industry is plagued by increasing levels of illegal activity known as traffic fraud, which is used by criminals to exploit the system and get paid for fake, non-human traffic." They list 6 negative impacts to this fraud:

1. Wasted advertising dollars directed at non-human traffic
2. Inability to accurately analyze campaign performance
3. Loss of confidence in digital media
4. Artificially high supply of inventory which reduces the value of legitimate ad space
5. Funding of criminal activity and organized crime
6. Undermining of industry self-regulation leading to poor press and the potential for government intervention

An article this month in the *Globe and Mail* quotes Ben Cormier, founder and former CEO of netProphets: "You don't need hackers stealing for online to already be in trouble, but it sure ain't helping. The system already had cancer and now it has, I don't know, what's worse than cancer? That. It has that."

There are four main types of online advertising fraud as defined within the industry:

Bot Traffic occurs when advertisers contract to pay for visitors to a site but a portion of these "visitors" are non-human "bots". Advertisers are then paying for fraudulent counts.

Ad Insertion involves the placement of ads onto legitimate websites without the publisher's permission. The publisher does not receive any of the ad revenue.

Robot Retargeting uses highly specialized "bots" sent to browse websites of related products or services to appear to be an interested consumer. The bot then clicks an ad for the product or service. The advertiser believes they are paying for a qualified lead.

CMS Hacking occurs when legitimate websites are hacked and web pages are set up linked to these pages. Ad space on the fraudulent pages are sold on ad exchanges as though they are premium spots however no traffic may ever visit these pages and the publisher does not receive the revenue.

There are companies that specialize in detecting and weeding out these activities. However, fraud detection is very expensive and many companies are not willing to pay a premium for such a service. It has also been pointed out in the industry that there is incentive to overlook these practices since it would reduce the "results" and many companies are paid by advertisers for visitors or clicks whether or not the results are legitimate.

The bottom line is that the shine is off digital advertising. Sophisticated (and in some cases not very sophisticated) hackers have been able to infiltrate the system and take valuable advertising dollars away from legitimate sources as well as significantly reduce the value of the ads themselves. The cost of digital

advertising is much higher than it appears; either marketers pay the premium to reduce fraud or they pay money for ads that may never be seen by humans.

Does this mean digital is dead or dying? Definitely not. But it does mean that digital is not the inexpensive, simple marketing solution it may have first appeared to be. It will remain a valuable part of a multi-media campaign but marketers must now take into account the high potential for fraud. It will be interesting to see if the problems of online marketing translate to a bigger interest in direct mail marketing which is a proven and reliable method of reaching qualified consumers.

iAddress™ Web Training

Flagship Software continues to offer Web Training!

If you are a new customer, would like a refresher course on iAddress™ or if you have new hires, please contact Carolyn at 1-866-672-0007 ext. 3 or carolyn@flagshipsoftware.com to schedule a web session.
