

BANTA Mailbox

Banta Publications Group • Drake Oak Brook Plaza, 2215 York Road, Suite 400, Oak Brook, IL 60523

Domestic mail turns international

Two areas formerly considered US domestic mail have been converted to international mail. The Federated States of Micronesia (FM) and The Republic of the Marshall Islands (MH) were formerly part of the USPS delivery area and were assigned US ZIP codes and state abbreviations. Effective January 8, 2006, these two areas are no longer part of the USPS

delivery area and are now considered international mail.

If you mail to these areas, you need to make the following adjustments:

- Remove the FM or MH state abbreviations and US ZIP codes from these records in your database.
- Add the complete country name in the country name field of these records in your database (do not abbreviate the country names).
- If any of these records have PO Box addresses, you may need to contact the subscriber to obtain an updated address. Since the USPS is no longer the delivery agent, the PO Box may no longer be the correct address.

- Notify your mail list processor that they need to process these records as international and not as domestic. If your mailing list is processed by Banta List Services, we are already processing these records as international (but you still need to make adjustments to your database).

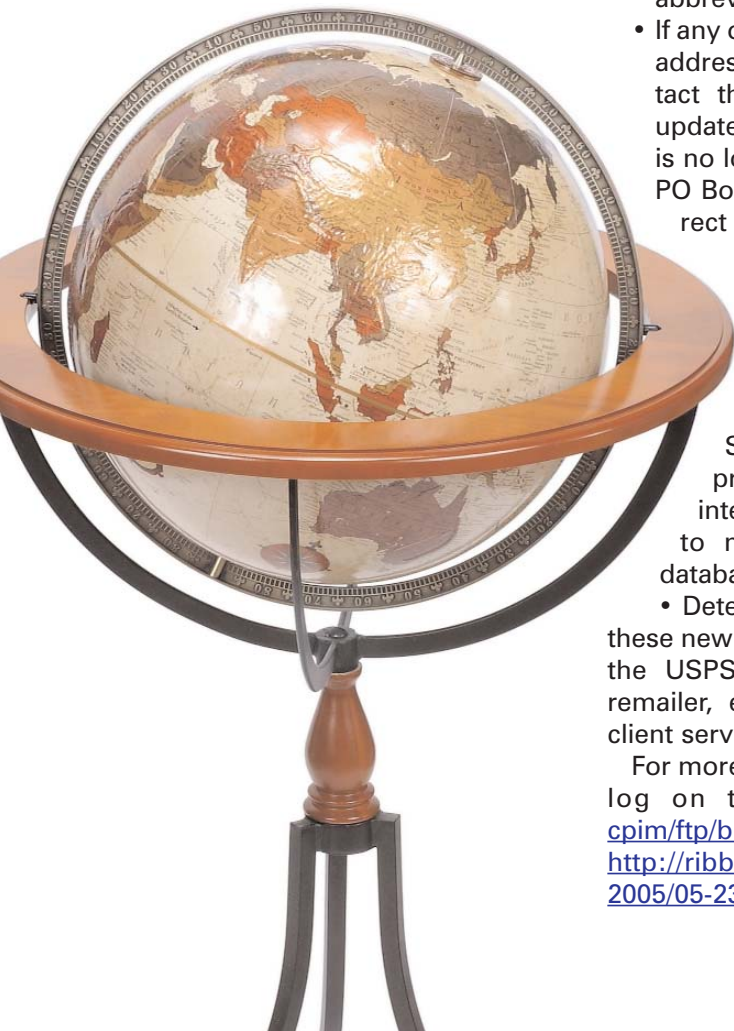
- Determine how you wish to mail these new international records (i.e. via the USPS international rates, via a remailer, etc.) and notify your Banta client services account manager.

For more information on this change, log on to <http://www.usps.com/cpim/ftp/bulletin/2005/pb22168a.pdf> or <http://ribbs.usps.gov/files/fedreg/usps2005/05-23006.PDF>. ■

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Banta Mailbox is a monthly publication produced by the Banta Publications Group. Any comments or questions are welcome. Please contact Monica Lundquist of the Banta Publications Group by phone at 816-792-6370, by e-mail at mlundquist@banta.com, or write to Banta Publications Group, Mailing & Distribution Services, 3401 Heartland Dr., Liberty, MO 64068-3378.



Delivery Point Verification

The USPS will make it tougher for your mail to qualify for automation rates in 2007. Currently, addresses may be coded with a ZIP + 4 code as long as the address falls within a valid range of addresses for the code. For example, if the valid address range for Main Street is 100 through 130 and the address is 123 Main Street, a ZIP + 4 code for that range of addresses is applied and the address is eligible for automation postage discounts.

Starting in August 2007, however, just meeting the valid address range will no longer be sufficient for ZIP + 4 coding. Rather, the USPS will require that the address be validated as a valid delivery address, not just within a range.

Using the example from above, if 123 Main Street does not exist as a valid address in the USPS database, it will no longer be able to be ZIP + 4 coded and will no longer be eligible for automation discounts.

It is estimated that this change may increase an individual magazine title's postage by anywhere from 2% to 4%.

There are several things publishers should be doing starting immediately so they are ready for this change in 2007:

- Ask your fulfillment company or database coordinator to do Delivery Point Validation

(DPV) processing on your existing database.

- Add or enhance your point of entry software to perform DPV on addresses as they are first input into your database.
- Ask your list processor to have your mailing list DPV processed and incorporate any changes into your database.
- For any address records not able to be validated through DPV, contact the subscriber or their local post office to validate the address. One method of doing this is Address Element Correction, which is available through the USPS.
- If you utilize rental lists, ask if the list has been validated using DPV processing and ask for documentation of the processing.

We strongly encourage our clients to begin working on this process NOW so that your databases are up to date when these changes take effect in August 2007. Better to spend a little money up front to validate your addresses than to get surprised by a 2% to 4% postage hike (in addition to the regular rate increase, which goes into effect in May or June of 2007).

For more information regarding DPV, log on to <http://www.usps.com/ncsc/addressmgmt/dpv.htm> or contact your Banta List Services (BLS) account representative. ■

Comail facility operational

Banta's comail facility in Bolingbrook, IL became operational in May, with the first comail pool running on May 24-26. Since that time, volume through the facility continues to increase with more frequent comail pools. Banta's comail program is currently available for Periodical rate publications that are standard size, not polybagged, and have version counts of 5,000 or greater. While national distribution publications will realize higher savings, regional publications will also be considered for comailing.

While comailing has postage savings potential immediately, the savings will become even greater in 2007 when the USPS increases postage rates.

The rate increase is scheduled for the May or June 2007 time frame and for Periodicals rate publications, the increase can range from 9% to 14%.

If you have been contacted previously regarding comailing but are not yet participating, we encourage you to enroll for comailing by logging on to www.bds.banta.com to obtain your comail savings quote and the forms required to apply for comailing. If you have not yet been contacted regarding comailing and meet the criteria above, please contact your Banta sales rep, client services account manager, or list services account representative for more information and a free comail analysis. ■

10-10-49

The following is an excerpt of an article from the July 2006 Red Tag newsletter. It is an excellent description, including examples, of the often-confusing regulations regarding non-subscriber copies for Periodicals mailings. Our thanks to both Eddie Mayhew and Red Tag for their gracious permission to re-purpose this great article.

When mailing Periodicals titles you are permitted to mail a percentage of those copies to non-subscribers and non-requesters even though the authorization is based on legitimate subscribers and requesters. This is a way to help solicit new subscribers and requesters without the financial burden of additional postage being assessed. So let's untangle "10-10-49" to see where it takes us.

Those three numbers represent percentages of nonsubscriber and nonrequester copies that may be mailed without additional postage penalties. The first number "10" represents copies for separate mailings at Periodicals rates. The second "10" represents eligible copies mailed within the county of publication. The third number, "49" is a number that addresses a way to reach the most new clients without losing your privileges to mail at Periodicals rates.

Let's take the first one.

During the course of a calendar year, you may send up to 10 percent of your mailed circulation to non-subscribers or non-requesters without penalty. You can separate these copies into separate mailings rather than including them in the mix with your other copies. This is a cumulative total during the calendar year. You do not have to limit each mailing to 10 percent of the paid or requested totals.

Let's look at some examples:

Publication "A" is a monthly publication with a legitimate circulation of 20,000 copies for each issue. This equals 240,000 copies a calendar year.

The 10 percent rule allows the publisher to mail an additional 24,000 copies to potential new readers at the Periodicals rates. You can mail up to 2,000 copies in a separate mailing with each issue or you can mail all 24,000 or any portion with any one of or more issues as long as you do not exceed 24,000 at the end of the calendar year.

Publication "B" is a monthly publication with 20,000 copies per issue. This time you are eligible for the In-County rates because 12,000 of those copies qualify for the In-County rates. This time you have two plateaus to watch out for and this is where the second "10" comes in.

Non-subscriber copies for the In-County rates are limited to 10 percent of the total In-County copies mailed with each issue. This grouping is not cumulative for the calendar year. So if you mail 12,000 In-County copies each issue you are limited to no more than 1,200 copies to new readers with each issue and that is all you can do. If there are 1,300 new readers in a mailing, 1,200 get the In-County rate and 100 are moved into the Out-of-County rates for that issue. The Out-of-County copies are still limited to 10 percent of the total distribution each year.

Example:

Publication "B" has 240,000 copies per year, equating to 24,000 copies per issue. You have 1,000 In-County new reader copies. All 1,000 qualify for the In-County rates. But, if you have 14,000 new reader copies, 2,000 of them go to the Out-of-County category

An extra wrinkle is if it turns out that 100 of those 2,000 copies moved into the Out-of-County range make the publication exceed the annual cumulative 10 percent for the whole circulation, those 100 copies have to be assessed the Standard Mail rates.

Finally, the "49" comes into play. The 10 percent limit for Out-of-County copies only holds true when the publication is made up of separate mailings. If, as a publisher, you commingle the valid and new reader copies you can claim up to 49.9 percent of the total circulation. Commingling

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Banta Publications Group Distribution Contacts

As a customer, you are encouraged to direct all of your communications to your plant Account Manager. However, there may be occasions when you may need to contact someone in the distribution areas directly. To facilitate this, the following is a list of contacts:

Entire Publications Group

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Monica Lundquist
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Greenfield, OH plant

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entails combining mailing lists and mailing subscriber/requester copies along with non-subscriber/non-requester copies in the same mailing. The reason you are held to the 49.9 percent limitation is that to exceed 50 percent would jeopardize the Periodicals authorization.

For example:

Publication "C" is a monthly and has a valid circulation of 10,000 a month equaling 120,000 a year. By commingling you can mail out 59,999 copies to new readers each year without going over the 50 percent. If there is In-County the same rules for that particular rate are in effect as in publication "B".

These limitations evolved from legislation early in the twentieth century that was designed to prevent abuse of the rates by excessive mailings of free copies. You need to carefully monitor the distribution of those free copies to stay within the parameters. Exceeding the 10 percent limits can cost

additional Standard Mail postage and exceeding 50 percent can cost you your authorization to mail at the Periodicals rates.

I recommend keeping a log of activities when dealing with the 10 percent limits in particular and if you use the commingled higher limits carefully monitoring the distribution to make sure that excessive free copies for any reason are not distributed. Along with that recommendation is a caution based on experience, that you keep commingled copies down to 45 percent to allow some flexibility for unforeseen circumstances. ■

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**July 2006 Red Tag Newsletter,
Red Tag Association,
<http://www.redtag.org/>**

Statement of Ownership reminder

Although it is only July, we want to take this opportunity to remind our Periodicals rate publishers that their USPS Statement of Ownership forms (Form 3526 http://www.usps.com/forms/_pdf/ps3526.pdf) are due to be completed and filed by October 1, 2006. These forms, which include circulation and ownership data, are required to be filed by all Periodicals rate publications each year. Titles that are Periodicals Pending are not required to file the form, nor are publications that mail at Standard or Package Services rates.

If you do not keep track of this data continuously throughout the year, pulling the information together in September can be an arduous task. To make the process of keeping track of this information easier, Banta has an Excel workbook that may be used to keep track of the circulation data throughout the year. For a copy of this Excel workbook, please contact the plant distribution manager or your Banta List Services

(BLS) account representative.

Keep in mind that the information from the completed Statement of Ownership must also be published in the applicable General or Requester authorized publications, usually in the October or November issues. ■

