

# BANTA Mailbox

Banta Publications Group ■ 12 Salt Creek Lane, Suite 350, Hinsdale, IL 60521 ■ June 2002

## Drop Shipping Update

Incentive to drop ship is even greater under new rates

In our January and February issues, we included information on drop shipping mail to additional entry points, which can result in significant postal savings. Our drop shipping program continues a strong pace in our MN and MO plants and has recently been implemented in our OH plant. Some statistics from our drop ship program year-to-date:

- Average publication titles drop shipped per month: 78
- Average weight of mail drop shipped per month: 1.7 million pounds
- Average total net savings (savings after shipping/handling and administrative fees) to customers per month: \$102,502.00
- Average net savings per title: \$1,300.00

As you can see, this program generates net savings to our customers of over \$1 million annually. If your mailing list is processed by Banta Distribution Services (BDS), your mailings are already being analyzed at the printing plant each issue to

determine if there are any savings available by drop shipping. If your mailing list is not processed by BDS, you can still participate in the program or have your mailings analyzed if your list processor is able to provide a mail.dat file to us. The mail.dat file is an industry standard format for a relational database, which is produced for each mailing during the list presort process.

This program is even more lucrative under the new postal rates effective June 30, 2002 because the USPS drop ship discounts have been enhanced under the new rate structure. In addition, the new pallet discount for Periodicals mail is greater for palletized mail which is drop shipped than it is for palletized mail that is plant entered.

If you are interested in having your mailings analyzed, contact your plant Customer Service Representative or the appropriate plant Distribution Manager.

## PostalOne! Funding Approved

The USPS Board of Governors has approved funding for the second phase of the PostalOne! Program. PostalOne! is a program developed by the USPS to automate and simplify the bulk mail acceptance and payment process. The first phase of the program focused on electronic transmission of mailing data from the mailer to the USPS using mail.dat files. Mail.dat is an industry standard format for a relational database that contains all the information about a mailing with the exception of the actual names and addresses. Phase Two involves replacing the existing Permit System with an enhanced automated payment system. The USPS Permit System is very antiquated, requiring manual entry of data from mailing statements (14 million statements per year) and is long overdue for replacement. While the replacement of the Permit

System and national roll-out of PostalOne! is anticipated to take three years, mailers will see changes occurring before that time. Postage statements will be able to be transmitted electronically, with the eventual elimination of hard copy mailing statements.

The key to this program is the mail.dat file, which is produced by the list processor during the presort process. If your list is processed by Banta Distribution Services (BDS), this mail.dat file is already being automatically produced. If your list is processed by another vendor, you may want to inquire about their ability to produce mail.dat files so that you will be able to take advantage of this automated system. For more information regarding PostalOne! log on to [www.uspspostalone.com](http://www.uspspostalone.com).

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**Banta Publications Group Distribution Contacts**

As a customer, you are encouraged to direct all of your communications to your plant Customer Service Representative. 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**

Director, Mailing & Distribution Services

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List Services Manager

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Distribution Manager

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**Liberty, MO plant**

Distribution Manager

Jeff Volkmann  
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Mailing Coordinator

Bobbie Hill  
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**Greenfield, OH plant**

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# Ride Along Reminder

## Ride Along rate becomes permanent; set to increase June 30

Just as a reminder, the ride along rate for enclosures to Periodicals publications increases to 12.4 cents per piece from the old 10 cent per piece rate effective with the rest of the new postal rates on June 30, 2002. This ride along rate is designed for pieces that do not qualify for Periodicals rates mailing along with Periodicals publications. Examples would be such things as catalogs, CD ROM's, product samples, separate publications, etc. Along with the rate increase, the USPS is making this rate a permanent rate (it was initially established as an experimental rate) and has removed the requirement for publishers to complete a questionnaire and supply a sample of the ride along. The ride along rate is applicable to pieces (may be bound in, stitched in, or tipped into the host publication or ride along with the host inside a polybag) meeting the following requirements:

1) The ride along cannot exceed 3.3 ounces in weight, nor can it exceed the weight of the host publication. For example, if the host publication weighs 2.5 ounces, then the ride along cannot exceed 2.5 ounces.

2) The ride along cannot exceed any dimension of the host publication. This includes trim size, thickness, and weight.

3) The combined piece (host publication plus ride along) cannot exceed 3/4" in thickness.

4) Only one ride along per copy of the magazine is permitted. If additional pieces are included, those are charged at the full Standard Mail rates. Keep in mind that if you do include multiple pieces it may be less expensive to pay the Standard Mail rates on the weight of both pieces together than to pay the Ride Along rate for one piece and Standard Mail rates for the other. You may also include different ride along pieces in a mailing. For example, in a total mailing of 15,000 magazines you could include a catalog in 10,000 copies and a CD ROM in the other 5,000 copies. You may also include the ride along with only a portion of the total copies in the mailing.

5) Inclusion of the ride along cannot change the processing category of the magazine, e.g. change the piece from a letter to a flat.

6) The resultant piece (host publication plus the ride along) must be of uniform thickness. For example, you could not include a tube of toothpaste in a polybag with a magazine.

ample, you could not include a tube of toothpaste in a polybag with a magazine.

7) If you are claiming barcode rates on the magazine, inclusion of the ride along piece cannot take the resultant piece (host publication plus the ride along) outside of the automation compatibility constraints for the host publication. For example, if the host publication is FSM 881 compatible (standard size magazines less than a pound), inclusion of the ride along cannot cause the piece to exceed 3/4" thickness, exceed the maximum weight of one pound, or cause the resultant piece not to meet the turning radius for the FSM 881 machines. An illustration of this would be if a standard size magazine weighed 14.2 ounces and the ride along weighed 3.3 ounces, thus causing the total weight to go over one pound. Another example would be inclusion of a CD ROM that is contained in stiff packaging with a standard size magazine resulting in a piece that is too stiff to make the turns on the FSM 881 processing equipment. In cases like these, you may still include these pieces at the ride along rate, but you would give up the barcoded rates on the magazine itself. Savings using the barcoded rates for Periodicals range from 2.4 cents to 4.1 cents per piece.

8) The ride along piece cannot cover the title of the host publication. For example, if you plan on polybagging a CD ROM on the front cover of a magazine, the CD ROM must be attached to the cover so that it cannot move around and obscure the magazine title. The USPS is not currently enforcing this requirement, but this may change without notice.

9) The resultant piece must include the endorsement "Periodicals Ride Along Enclosed." This endorsement can be printed on the magazine cover or cover wrap, on the polywrap, on the label carrier, on the mailing label, or it can be included in the ID statement inside the publication. You cannot include this endorsement on copies that do not contain a ride along. If you are including both a ride along piece and a Standard Mail enclosure, then the endorsement is as follows: "Periodicals Ride Along and Standard Mail Enclosed."

See **RIDE ALONG** on page 3

## Address Change Service Becomes More Attractive

If you currently receive or would like to receive in the future address corrections (people who have moved, incorrect addresses, deceased, etc.) for your mailings, there is an alternative that can save you money. The USPS has a program called Address Change Service (ACS) that allows mailers to receive address corrections electronically rather than on hard copy. Under the new postal rates effective June 30, 2002, the rates for manual corrections go up to 70 cents per correction, whereas the rates for electronic corrections stay the current rate of 20 cents per correction, which is a 50 cent per correction savings. If you are currently receiving your address corrections manually, or you are considering asking for address corrections in the future, you should definitely check out the benefits of using ACS.

To participate in ACS, you will need to complete an application form and submit it to the USPS for approval. Once approved, you will be assigned a participant code (unique to each magazine). The participant code, plus any keyline information required, must be included on sample mailing labels, which must then be submitted to the USPS, along with copies of the magazine. Once the USPS approves the sample labels, you are free to utilize the ACS service once you notify the USPS of the effective date.

There are a number of options as far as the format and the frequency with which the corrections are received, so it is a good idea to contact the USPS to go over these options in detail to determine which is best for you. For more information about the ACS program, you can access Publication 8 (which includes the application form), Address Change Service, on the USPS web site at [www.usps.com](http://www.usps.com). Click on Info, then on RIBBS, then on Address Change Service.

### RIDE ALONG continued from page 2

10) Canada, Mexico, and international copies do not qualify for the ride along rate. If you include the ride along in these copies, they will be subject to the higher Letter Post rates of postage.

**Cautions:**

- Make sure that you submit a sample of the ride along piece to the plant CSR in advance of the mailing. The ride along can then be evaluated for postal compliance as well as for manufacturing specs and possible additional costs.

- Make sure you take into account the schedule ramifications if pre-stitching, tipping, or polybagging is required for the ride along.

- Make sure you are calculating all additional costs that will be incurred for including the ride along, which may include but are not limited to:

- 1) Bindery slowdowns (get a sample of the ride along approved prior to production).

- 2) Polybagging costs (including surcharge for automation polyfilm if you are claiming barcoded rates on standard size publications less than one

pound)

- 3) Packaging costs (for items like CD ROM's)

- 4) Tipping costs (if required to meet the regulations)

- 5) Plate changes (if the endorsement is included in the ID statement and not all copies receive the ride along).

- 6) Loss of barcoded postal rates on the magazine (if inclusion of the ride along does not meet automation specs)

- 7) Loss of presort if lists are split to accommodate different ride alongs or the ride along is not included with all copies. If this occurs, there will also be additional bindery/ mailing charges for the additional list splits.

- 8) Higher Letter Post (Standard Mail) rates for international copies that include the ride along.

If you have any questions on the ride along rate, contact your plant Customer Service Representative or the appropriate plant Distribution Manager.

### Correction to Article on Heavy Weight Standard Enclosures

In the April issue, we discussed mailing options for Standard enclosures to Periodicals publications if the weight of the Standard enclosure exceeds 150% of the weight of the host publication. USPS Customer Support Ruling PS 306 prohibits inclusion of Standard enclosures to Periodicals mail if they exceed 150% of the weight of the host Periodical publication. Since that article was published, a correction has been issued to the information supplied in the article as far as options for mailing these heavier weight pieces.

The corrected options for mailing these enclosures that exceed 150% of the weight of the host publication are as follows:

- 1) The weight of the entire piece (publication plus enclosure) mails at Priority or Express Mail rates.
- 2) Mail the two pieces separately.

Incorrect information was supplied to us by the USPS for the article in the April issue. We apologize for any confusion.

### 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](mailto:mlundquist@banta.com), or write to BANTA Publications Group, Mailing & Distribution Services, 3401 Heartland Drive, Liberty, MO 64068-3378.

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# Hats Off to CAPS!

## CAPS offers electronic centralized management of postal funds

**T**he USPS has an optional postage payment program that can make managing your postal accounts more efficient. CAPS is the name for Centralized Account Processing System. CAPS is a USPS program that allows publishers to pay for postage electronically through one central location, regardless of the number or location of postal permits they may have or the class of mail used. It is a very convenient, cost-effective way to manage your postal money. It can be used for regular permit mail, Business Reply Mail, and other services such as merchandise return, express mail, etc.

To qualify for CAPS, publishers must meet one of the following criteria:

- 1) Have at least three postal permits in two or more postal locations and have annual postal spending of at least \$10,000.
- 2) Have three or more postal permits at one post office and annual postal spending of at least \$50,000 per year.
- 3) Have one postal permit with annual postal spending of at least \$500,000.

Within CAPS, there are two different options for funding the account:

1) Centralized trust account: Publishers deposit money electronically to the CAPS bank in San Mateo CA prior to mailing. The postage is auto-

matically deducted from the account when the local post office processes the mailing statements.

2) Centralized debit account: Publishers designate a debit-enabled bank account of their choosing. The bank account is debited for the total day's postage on the next bank business day.

Of the two options, the debit account is what we recommend because it does not require establishing a separate account for postage only.

Aside from the centralized management of postal funds out of a single account and the electronic funds transfer, the other benefits of using CAPS are:

- 1) Allows for 24 hour a day, 7 day a week transaction information via the internet. Reports may be viewed on-line or downloaded
- 2) Allows for incorporating all or just some of the publishers existing accounts into CAPS while maintaining the same permit account numbers.
- 3) Annual mailing and accounting fees are administered automatically.

For additional information about the program or to apply to participate, log on to the USPS web site at [www.usps.com](http://www.usps.com), click on Info, then on RIBBS, then on CAPS. Or call the CAPS service center at 650-377-1334.

### Online Information

More information on Banta Corporation is available through the company's World Wide Web site at [www.banta.com](http://www.banta.com)