

Repositionable notes to be available for flat size mail

The USPS will soon be allowing mailers to place repositionable notes (RPN's), i.e. sticky notes, on the front or back covers of magazines and catalogs. The USPS has allowed repositionable notes on letter size mail for quite some time, and has reported no processing problems caused by the sticky notes.

Currently for flat size mailpieces RPN's may be placed on inside pages of magazines or catalogs, but if the RPN's are placed on the front or back cover, the mailpiece must be polybagged. This change would eliminate the polybagging requirement.

The catch is that the USPS wants to charge additional postage for the sticky notes placed on covers without polybagging. The USPS has filed a special rate case with the Postal Rate Commission (PRC) to charge an additional \$.005 per piece for RPN's on presorted, automation letters, and automated flats in First-Class mail. The proposal includes a \$.015 per piece rate for RPN's on Standard and Periodicals regular and non-profit presorted, automation, and enhanced carrier route mail. There are no proposed rates for Bound Printed Matter, so it is assumed that RPN's will not be allowed on covers for this class of mail.

While mailers are excited at the prospect of utilizing the RPN's on magazines and catalogs without having to polybag the mailpieces, mailers are not happy that the USPS has decided to charge additional postage. The USPS is basing the request for the additional postage on reports of increased response rates caused by

the use of RPN's. However, the USPS also reports that there are no additional processing costs to handle mail with RPN's and historically postage rates are based on costs to the USPS. Furthermore, mailers are upset that they have been able to apply the RPN's to letter size mail with no additional postage charges and now they will have to pay additional postage.

Mailers are also voicing concern that the USPS is treading on dangerous ground. Mailers use lots of creativity to increase response rates, but that does not necessarily mean that the USPS should have license to increase postage rates as a result. One mailer gave an example, questioning "Does this mean if I use red on my catalog cover to lift response that the USPS can charge me more postage? It's really the same thing with the RPN's." Several mailer groups, such as PostCom, the Mailing & Fulfillment Service Association, and the Direct Marketing Association, have filed with the PRC to dismiss the case on grounds that since there are no attributable costs to the USPS, there is no basis for the rates.

The USPS is anticipating the special rate filing to be completed within 60-90 days. We strongly encourage our clients who have an interest in using RPN's to voice your opinion to the Postal Rate Commission. Log on to the PRC web site at www.prc.gov and click on Contact Us. Comments may be sent by mail, phone or e-mail. Reference Docket MC2004-5 regarding Repositionable Notes in your comments.

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Automated Business Reply

The USPS is in the first phase of a project to automate Business Reply Mail. There will be three phases of the program:

- 1) Reply Mail Web Site
- 2) Automated Accounting System
- 3) Reply Card Screening

The first phase, which will be operational shortly, will provide a user-friendly web site for mailers. Mailers will be able to access design templates for creating reply pieces online, apply for a permit online, apply for and be assigned the ZIP+4 code or PLANET code.

The second phase of the program will allow for centralized invoice and payment of BRM postage and fees, centralized customer service, and account management online.

The last phase of the program will allow for electronic receipt of the reply cards, either in text format or scanned images. This will allow mailers earlier access to responses, eliminate hard copy handling and allow the USPS to electronically verify permits, postage, ZIPcodes, barcodes, etc.

We will keep you posted on the progress of this initiative.

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:

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Requesting address change information

What happens to your mailpiece when the USPS cannot deliver it? Perhaps the recipient has moved to a new address, or perhaps the address has incorrect or missing elements. These pieces are called “undeliverable as addressed” or UAA mail. The USPS handles these mailpieces differently based on the class of mail.

For Periodicals mail, the piece is automatically forwarded to the new address, with notification of the new address sent to the publisher. If the mailpiece cannot be forwarded, the change of address information or reason for non-delivery is sent to the publisher. Publishers direct these address change notices to the correct location by including this information in their ID statement located inside the publication. This address change information must be included in the ID statement in the format “POSTMASTER: Please send change of address notices to XYZ Company, 1234 Main Street, Anywhere US 98765-4321.” The ID statement containing this address change notice information must be located in one of the following locations:

- In the first five pages.
- In the last three non-advertising pages.
- On the table of contents.

What many publishers do not realize is that this process is very different if your publications mail at Standard or Package Services rates rather than Periodicals rates. For magazines mailing at Standard rates, the magazine will be discarded if it is undeliverable as addressed; it will not be forwarded to the new address, nor will the publisher receive any address change notifications. The only way to receive either forwarding services or address change notifications is to include an ancillary endorsement on the mailpiece, such as Change Service Requested. This ancillary endorsement, along with the return address, must be on the *outside* of the mailpiece, on the same side as the delivery address. It is not sufficient to use a similar statement inside the publication that is used for Periodicals mail. In fact, publishers who do this may receive a few address change notices because the magazine has the appearance of being mailed at Periodicals rates, but in fact the USPS is under no obligation to provide address change notices to publishers

who utilize this incorrect format.

For Package Services mail (Bound Printed Matter), the piece is automatically forwarded POSTAGE DUE if the piece does not contain an ancillary endorsement. Again, use of the Periodicals format change of address request is not an acceptable method for Package Services mail.

There are four different ancillary endorsements which may be used depending on the level of service you’d like to receive:

CHANGE SERVICE REQUESTED: The address correction or reason for non-delivery is sent to the publisher (70 cents per hard copy change, 20 cents per electronic change as part of ACS program). The mail piece is disposed of. This endorsement is not available for Periodicals mail. This is the most frequently used endorsement for Standard and Package Services mail, and is the least expensive option.

ADDRESS SERVICE REQUESTED: Piece is forwarded to new address. There is no forwarding charge for Periodicals or Standard mail, but for Package Services it is forwarded POSTAGE DUE. The address correction or reason for non-delivery is sent to the publisher (70 cents per hard copy change, 20 cents per electronic change as part of ACS program). If the move (changed address) is more than 12 months old, the piece will be returned to the publisher with the address correction attached. A weighted single piece postage charge is assessed for returning the piece (no address correction fee is charged).

FORWARDING SERVICE REQUESTED: Piece is forwarded to the new address. There is no forwarding charge for Standard mail, but Package Services pieces are forwarded POSTAGE DUE. If the move (changed address) is more than 12 months old, the piece will be returned to the publisher with the address correction attached. A weighted single piece postage charge is assessed for returning the piece (no address correction fee is charged). This endorsement is not available for Periodicals mail.

RETURN SERVICE REQUESTED: Piece is returned with address correction or reason for non-delivery attached. Return postage at First-class or

Priority Mail rates (for Standard mail pieces) or single piece rates (for Package Services pieces) is charged. No address correction fee is charged. This endorsement is not available for Periodicals mail.

There are also very specific format and location requirements for these ancillary endorsements. The endorsements must be printed in at least 8 point type and there must be .25" clear space on all sides of the endorsement. The endorsement may be placed beneath the indicia, to the left of the indicia, above the delivery address, beneath the return address or to the right of the return address. These specifications do not allow for these endorsements to be placed on

a standard size mailing label, so if you are using paper labels the endorsement will need to be printed on the mailpiece. If using ink jet addressing, these endorsements can be accommodated, but sufficient space must be allowed when designing the ink jet knock-out area on the magazine cover.

For more information regarding requests for change of address notices, ancillary endorsements, or the electronic Address Change Service (ACS), contact your plant client services representative, plant distribution manager, or Banta Distribution Services (BDS) account rep.

Changing CAPS

There are some changes coming to the USPS postage payment program, Centralized Automation Payment System (CAPS). The USPS is planning to incorporate CAPS into its PostalOne! program. CAPS is a program that allows mailers to manage all their postal payments from one centralized account. CAPS has two options: a debit option, which works similar to your personal bank debit card and a trust account option. The debit option allows mailers to specify their own bank account for postage transactions, with the postage funds being automatically deducted from the account at the time mailing statements are submitted. The trust account option allows for electronic funds transfer into a USPS account in San Mateo CA.

PostalOne! has been designed to electronically transfer data previously supplied in hard copy, such as mailing statements, postal documentation, etc. Key to PostalOne! is the mail.dat file, which is an industry standard format relational database that contains all the detail about a mailing with the exception of the actual names and addresses.

Current CAPS clients will be individually notified by the USPS regarding the transition from CAPS to PostalOne! The transitions are slated to start in September and be completed in December. All the current functionalities of CAPS will still be available, it will simply be a different web

site and a different login and password.

Another major change that will benefit smaller mailers is that the USPS is eliminating the minimum volume requirements that currently exist in the CAPS program. Small mailers who previously did not have enough permits or sufficient annual postage spending to qualify for CAPS will now be able to use PostalOne! and not be subject to these minimum qualification criteria. Many of our clients fall into this category, so we are pleased that the USPS has recognized the need to provide this centralized, automated postage payment system to small mailers as well as larger mailers. Since the USPS will be transitioning existing CAPS clients first, this option will not be available to new mailers until sometime in October. We will keep you posted as to when this option will be available.

On a related note, as PostalOne! becomes more prevalent, electronic mailing statements will replace the current hard copy statements. Publishers should be pushing their circulation audit bureaus, such as BPA or ABC, to accept these electronic versions of mailing statements as part of their audit documentation rather than the current requirement for hard copy mail statements. It is important that the audit bureaus prepare for this change now so that they will be able to accept the electronic statements when they become available.

Banta PubNet Design

This issue was designed and assembled by Banta PubNet. If you are currently outsourcing the design of your publication, you might want to investigate Banta's design and assembly capabilities. Banta's creative team has the experience it takes to design outstanding publications from scratch, or work with your existing templates. We can also convert your native layout documents to PDF for streamlined computer-to-plate workflow as well as provide custom designed graphics and layouts for your magazine. For more information, contact Wayne Metcalfe at 816-792-6394, or make an e-mail inquiry to wmetcalfe@banta.com.

For additional copies of the Banta Mailbox, log on to www.bds.banta.com or contact Jennifer Fitzpatrick, Marketing Communications Manager at 630-789-5652 or at jfitzpatrick@banta.com

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 Drive, Liberty, MO 64068-3378.

Statement of Ownership reminder

Although we have done so in the past several issues, we will take this opportunity to give one last reminder in 2004 to publishers of Periodicals rate publications. Your annual statement of ownership is due to be filed with the USPS on October 1. This form (PS Form 3526) must be completed and filed each year for every magazine title that is authorized to mail at Periodicals rates. It is not required for magazines mailing at Standard or Package Services rates, nor is it required for magazines that are Periodicals pending.

The form includes information regarding the ownership of the publication, plus information regarding the circulation. Circulation figures for the issue closest to the filing date are required, as well as average per issue information for the 12 months preceding the filing date. The circulation information comes from your mailing statements, print orders, shipping manifests, Banta manufacturing invoices, and any other documentation that shows how many copies were produced and how they were distributed. Keep in mind that you must account for all copies that are produced, even those that are stored or discarded.

All methods of distribution must be reported, not just the mail distribution.

The Form 3526 may be obtained from the USPS web site at www.usps.com, or from the Banta plant distribution managers. The completed form must be filed by October 1 and should be filed at the post office serving the publisher's offices. For more information or assistance in completing the form, contact your local USPS Business Mail Entry office.

Once the form is filed, the information from the form must also be published in the applicable publication for General and Requester publications. There are no requirements for location of this information within the magazine, nor are there requirements for size or format. Some publishers simply duplicate the completed form, while others publish the information in a text format. The statement of ownership should be published in the issue closest to the filing of the form.

Failure to file the form, or to publish the information can result in subsequent issues of the magazine being held up from mailing, or worst case scenario revocation of Periodicals mailing privileges.

Online Information

More information on Banta Corporation is available through the company's World Wide Web site at

www.banta.com

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