

BANTA Mailbox

Banta Publications Group ■ Drake Oak Brook Plaza, 2215 York Road, Suite 400, Oak Brook, IL 60523 ■ October 2004

Periodicals vs. Standard Mail

Whether you are a veteran publisher or starting up a new publication, publishers often have questions regarding the best class of mail for their magazines. The answer is...it depends. Usually when people think of magazines, they automatically think of the Periodicals class of mail. However, there are publications that do not mail at Periodicals rates, but rather mail at Standard or Package Services rates. Some time-sensitive publications may even mail at First-class for delivery reasons. There are pros and cons to mailing at Periodicals rates, but more importantly, there are certain restrictions that may prevent your publication from mailing at Periodicals rates.

What are the advantages of mailing at Periodicals rates?

- Potential improved mail delivery
- Better postage rates (usually)
- Posting of legal notices
- Early access to wire service stories
- Unique postage discounts

Periodicals mail receives expedited delivery treatment, so delivery may be 3-5 days faster than Standard mail. If the publication is weekly or more frequent, the special "News" category within Periodicals mail can expedite the delivery even more.

Periodicals postage rates are usually lower than Standard mail, but they are much more complex. However, there are instances, particularly for light weight publications, where the postage differential can be very minimal and may even be more expensive at Periodicals rates. For a comparative analysis of your publication's mailing list, contact your Banta client services or sales representative.

Some states require that legal notices may only be published in Periodicals rate publications. If this is a potential source of ad revenue for you, mailing at Periodicals rates can be of benefit.

Wire services, such as Associated Press and Reuters News Agency, often release stories first to Periodicals publications, which can offer quicker

access to late breaking news and improved status within the publishing industry.

Certain postage discounts, such as firm bundle rates and pallet discounts, are only available in Periodicals rates. If your circulation includes multiple copies to individual companies, or firms, or even to the same residential address, you may be able to qualify for the firm bundle discount. Pallet discounts apply to any mail that is placed on pallets of 250 lbs or more to a destination.

What are the disadvantages of Periodicals mail?

- Elaborate record keeping
- Complicated rate structure
- Periodic postal reviews
- Public circulation records
- Restrictions on content and enclosures

Publishers are required to prove to the USPS that over 50% of the total circulation is paid for or requested by the ultimate recipient. This means that records of transactions with subscribers/requesters must be maintained and available for USPS review. Publishers must be able to document the disposition of all copies printed, regardless of the method of distribution, or even if they are distributed at all, to meet this requirement.

Periodicals postage rates are very complex, which can make them hard to understand. It can also make it very difficult to estimate postage for budget purposes, or for analyzing the effects of changes, such as paper weight, trim size, page counts, inserts or supplements, etc.

The USPS conducts periodic eligibility reviews for Periodicals rate publications. These reviews can be time consuming. Publishers must also maintain production and circulation records for these audits.

Circulation data must be compiled annually for the statement of ownership filing each year. This information must be published annually in the magazine for Periodicals authorized in the General and

Inside This Issue

Mailing Dual Bellybands
Page 2

PostalOne! Software Conversion Causing Some Delays
Page 3

Reply Mail Online
Page 3

Web-based Mail Prep Reporting System
Page 3

New Method To Boost Subscriptions
Page 4

Hurricane Season Wreaks Havoc On Deliveries
Page 4

see **Periodicals vs. Standard** on page 2

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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Periodicals vs. Standard continued from page 1

Requester categories, so this information becomes public knowledge.

Periodicals regulations restrict the amount of advertising, as well as the types of materials that may be included in the magazine, whether bound in or polybagged with the magazine. Some of these restrictions may limit creativity or potential advertising revenue.

If you are considering applying for Periodicals mailing privileges, ask yourself the following questions:

- 1) Does the magazine primarily promote the products and services of the publisher's businesses?
- 2) Does the magazine circulation go primarily to people who have purchased (or plan to) products or services of the publisher?
- 3) Does the circulation include automatic distribution to recipients who have not paid for or requested the publication?
- 4) Do advertisers pay for or control editorial content?

- 5) Does the advertising or editorial content of the publication reflect primarily one single company's products or services?
- 6) Does the publication have less than 50% of its circulation paid for or requested by the ultimate recipient?
- 7) Is the magazine published less than 4 times per year?

If you answered yes to any of these questions, your magazine is likely not eligible for Periodicals rates. If you answered no to all these questions, then your publication may be a candidate for Periodicals rates.

The USPS has a great guide book to assist you in applying for Periodicals mail privileges. Handbook DM-204, Applying for Periodicals Mailing Privileges may be obtained at the USPS web site at www.usps.com. The handbook contains detailed information regarding the qualifications and application process, including the application forms.

Thanks to Ed Mayhew and Chuck Tricamo from the USPS, and Dennis Farley from ESPN The Magazine for providing the information for this article.

Mailing Dual Bellybands

It is permissible for publishers of Periodicals rate publications to mail their magazines with more than one bellyband. While this is an unusual situation, it can be done and still meet postal requirements.

If you are not polybagging the magazine, a single bellyband is considered a wrapper to the USPS, and those regulations apply. When you add a second bellyband, only one of them can be considered the wrapper. As such, the second bellyband now becomes a loose enclosure. The second bellyband would either need to be formatted as a supplement (endorsed "Supplement to XYZ Magazine" and contain at least 25% non-advertising), or it would go as a ride-along or Standard mail enclosure.

If you are polybagging the magazine, neither of the two bellybands is considered a wrapper. In this case, both bellybands would be considered loose enclosures. You would have the following options in this case:

- Format both bellybands as supplements.
- Format one bellyband as a supplement, and one goes as a ride-along.
- Both bellybands mail together as a single Standard mail enclosure, based on the combined weight of both bellybands.

As with mailing single bellybands, if the magazine is not polybagged, the bellybands must be glue tacked to the publication in order to qualify for automation rates, and the title of the Periodicals rate publication must not be obscured.

Keep in mind that there are manufacturing, pricing and scheduling implications to using two bellybands, in addition to the postal requirements. As always, we recommend that you send in a sample or mock-up to your plant client services rep for manufacturing and postal review.

PostalOne! Software Conversion Causing Some Delays



In the past several months, the USPS has converted from their old permit system for processing mailing statements to the new PostalOne! system. PostalOne! is a program that allows for electronic postage transactions, but it is also the heart of the USPS internal accounting system for postage. The USPS is now using this system exclusively for processing mailing statements internally. As with any major system conversion, there can be a few bumps in the road, such as hardware or software issues. PostalOne! is no exception,

and since the USPS is such a large organization with many facilities, such a conversion is a monumental task.

Some of these conversion problems may cause some delay in receipt of your mailing statements, or in transactions showing up in your CAPS account. These delays are temporary and will go away as the system kinks are worked out. The USPS has already deployed additional servers to speed up processing time. The USPS appreciates your patience as they go through this transition.

Reply Mail Online

In our September 2004 issue, we told you about plans by the USPS to offer reply mail services online. That is now a reality, and you can access these services at www.usps.com/replymail. Once you get to the site, you will be prompted to register as a new user. You can use the site to apply for a reply mail

permit, to get more information about how to use reply mail, when to use courtesy vs business reply mail, etc. The site can also help you design your reply mail piece. You can also pay for your permit fees and annual fees via credit card or via an established CAPS account.

Web-based Mail Prep Reporting System

The USPS will be launching a new web-based system for reporting problems with mail preparation. The new system, called Electronic Mail Improvement Reporting (eMIR) is scheduled to launch in October. Currently, the USPS reports any problems with mail preparation using a hard copy form, and the process is so cumbersome that most problems do not get reported. This creates the unfortunate situation where mailers can't correct problems they have no idea exist. These mail preparation problems cause additional costs to the USPS for processing and delivering the mail, which in turn

can increase postage rates. These problems may also cause delivery delays.

Once the system is operational, any problems with mail preparation that are encountered during USPS processing or delivering can be logged onto the web system. The information is then transmitted to the mailer owners (publishers) and/or mail preparers (printers). The system also allows for more detailed information regarding the preparation problems, so that mailers are armed with more information to correct the problems. There will also be a follow up mechanism to insure that preparation problems are corrected for the next mailing.

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 630-575-2049 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.

New Method To Boost Subscriptions

The USPS has revised regulations that once prohibited Periodicals rate publications from riding along with Parcel Post or Bound Printed Matter packages. This change is effective October 3, 2004. Postage will be charged at either Parcel Post or Bound Printed Matter rates based on the combined weight of the contents of the package.

What this means for publishers is that sample issues of Periodicals rate publications can now be

included for promotional purposes inside these types of packages. This opens the opportunity for publishers to include their publications with their own outbound packages of other products (e.g. books, videos, etc.), or to work with catalogers, e-tailers, etc. to have their publications ride along with outbound merchandise packages from other companies to help boost subscription efforts.

Hurricane Season Wreaks Havoc On Deliveries

The southern coast of the US has been hit very hard with hurricanes this season, which has affected both mail and non-mail delivery. Hardest hit has been Florida, but other coastal states, such as Georgia, Alabama, Louisiana, the Carolinas, etc. have been impacted as well. Property damage, downed trees, power outages, and flooding all contribute to the delivery difficulties. Some of

these may be factors even after the hurricanes have passed.

The USPS does a very good job of updating clients with regards to impacts on postal processing and delivery of a variety of situations, including weather in all seasons. For updated delivery information, you can log on to <http://ribbs.usps.gov>.

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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