

USPS 2011 Outlook

There are several things to consider as you manage your upcoming direct mail efforts for 2011. I have summarized three here:

1) Modest Increase in Postage Pricing in April

The Postal Service will change prices for Mailing Services products, including First-Class, Standard, and periodicals. The new prices take effect on April 17, about two years since the last increase. Based on a price cap using Consumer Price Index (CPI) data, prices will only increase by an average of 1.7 percent across each class of mail.

The new prices are summarized here or you can view at pe.usps.com (click on “New April 17, 2011 Pricing Information” in the left blue navigation frame).

Note that a first class letter weighing less than one ounce will still be \$0.44. Prices will increase for letters with weights over an ounce.

To simplify your assessment of the impact on your business, please contact Finline; we can review based on your planned campaigns after the April 17 change.

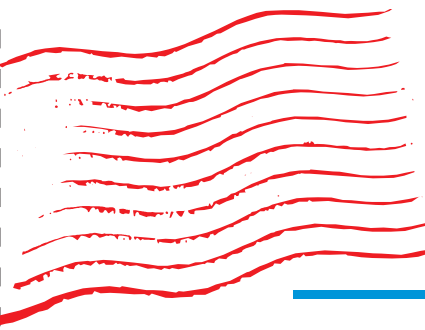
Summary of Percentage Changes by Product Category	
Product	% Change
First-Class Mail	
Single-piece Letters & Cards	0.5
Flats	5.3
Parcels	3.8
Presort Letters & Cards	1.8
International (Outbound and Inbound)	4.0
Standard Mail	
Letters	1.8
Flats	0.8
Carrier Route Letters, Flats, and Parcels	1.4
High Density / Saturation Letters	0.6
High Density / Saturation Flats and Parcels	0.4
Parcels (NFM's / Parcels)	11.3
Periodicals	
Outside County	1.8
Inside County	1.1

Source: usps.com/communications/newsroom/2011/pr11_004.htm

2) Simplified Addressing Helps Smaller Businesses Needing to Reach Customers

In January, the Postal Service began easing rules on “simplified addressing” for bulk mail. The move allows marketers to send letters, fliers, and parcels to every recipient on a city delivery route—known as saturation mail—without using exact names and addresses. Until now, the service was only available to government agencies and on rural or highway routes.

While Standard mail rates haven’t changed, the new rules lower costs for smaller businesses by reducing mail preparation time and eliminating the need to purchase expensive consumer address lists. Now, marketers can simply put “Postal Customer” on every envelope or parcel intended for a designated route. Let me know if you’d like to explore this as a possibility for your organization.



3) Justin Bogard Joins Fineline as Data & Postal Services Manager

Justin brings Fineline over a decade of experience managing mailroom operations, data processing, and USPS regulations. He is charged with providing Fineline clients with superior quality in all regards to their direct mail services.

He ensures timely and thorough processing of customer database files to ensure maximum deliverability and the best postage rates available from the USPS. He is a subject matter expert on mail piece design and marketing mail list options—consulting with clients to maximize success in both impact and reach of their campaigns. And, Justin’s intimate partnership with the Post Office ensures smooth, expeditious service, response, and issue resolution from the USPS.

4) IMB Requirement Postponed

There’s been much industry talk about the looming May 2011 deadline for discontinuing POSTNET barcodes to get automation prices for mail. The goal of the Post Office was to expedite and incent mailers to start using Intelligent Mail barcodes (IMb)—which would have been required instead to get discounts.

IMb is the Postal Service’s next generation barcode technology. In brief, the IMb is a 31-digit barcode that encompasses multiple barcodes and services, providing “end-to-end” visibility into the mailstream. Recently, the Post Office announced they are revisiting the May deadline and will continue to accept POSTNET barcodes to qualify for automation discounts beyond May.

As a Fineline mailing customer, you can be assured that Fineline has already adopted IMb on your mail. Regardless of when the Post Office will eventually make this transition, you have nothing to worry about. Benefits of IMb include improved deliver-ability, track-ability, and increased overall efficiency. To learn more about IMb and what it can do for you, please contact us.

About Mail Advisories

Fineline Mail Advisories keep our direct mail customers up to date on the most important developments at the United States Postal Service (USPS) and Fineline’s mailing department. Sent only when necessary, they are quick-reads, written in terms that are easy to understand. You learn how your business may be affected or helped, upfront, so you can anticipate and plan how to maximize your direct mail’s success.



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WE WILL NOT ASK FOR YOUR BUSINESS UNTIL WE CAN IMPROVE IT.