

Questions & Answers about Mail:

Walsworth Publishing Company's Mail Processing Department OBJECTIVES:

- Drop Mail ON TIME
- Most Economical Way to Drop Mail
- Addresses Are Functional, Correct & Able To Mail

This is the first time I've mailed with Walsworth. How do I start?

You will need to contact your **Customer Service Rep**, and they will conference in the Mail Processing Department. The form below will be used to ask you a number of questions:

MAIL INFORMATION SHEET	
Company: _____	Phone: _____
Customer: _____	Email: _____
Mail Tape Contract: _____	Email: _____
Project Name: _____	Fax: _____
Job #: _____	Sales: _____
Mail Drop Date: _____	CSR: _____
Is this piece date sensitive? <input type="checkbox"/> Yes <input type="checkbox"/> No	In-Home Date Requested: _____
ORDER QTY: _____	MARL QTY: _____
Need to open Permit: <input type="checkbox"/> Yes <input type="checkbox"/> No	2nd Drop: _____
Permit # _____	UPS: _____
MAIL MEDIA:	
Year Mail File Due: _____	Record File Layout Included: <input type="checkbox"/>
Live Mail File Due: _____	Inkjet Format Included: <input type="checkbox"/>
File Transfer: WPCconnect <input type="checkbox"/>	CD <input type="checkbox"/> ZIP <input type="checkbox"/> JAZ <input type="checkbox"/> 9-TRACK <input type="checkbox"/> 3480 <input type="checkbox"/>
Types of Databases Used: Fixed Spreadsheet, dBASE3, variable-length ASCII text delimited, Fixed length ASCII text, Fixed length RMC/DIC text, RMS files with fixed length records, Relational Database (RDB).	
SPECS ON MAIL PIECE: (Need sample of stock for Pt. Weight & Thickness)	
Trim Size: _____	Page Count: _____
Body Stock: _____	Cover Stock: _____
FINISHING: <input type="checkbox"/> Perfect Bind	<input type="checkbox"/> Saddle Stitched
<input type="checkbox"/> Office Mailing	
INKJET COVER: (Pre-press to send pdf of cover file)	
Outside Inkjet Area: <input type="checkbox"/> Front Cover	<input type="checkbox"/> Back Cover
Imposition: <input type="checkbox"/> HEAD to HEAD	<input type="checkbox"/> FOOT to FOOT
Outside Inkjet Area: <input type="checkbox"/> On Poly Bag	<input type="checkbox"/> On Cheshire Label
<input type="checkbox"/> On Pledge Back Label	
Special Messaging: _____	
INKJET INSERT: (Inside/Outside Inkjet on Saddle Stitched books only)	
Inkjet from: <input type="checkbox"/> Order Form	<input type="checkbox"/> Post Card
<input type="checkbox"/> Other What: _____	
Where does Insert Inkjet: _____	
Placement of Insert: _____	
MAIL DROP: (To be filled out by Mail Department)	
Plant Load: <input type="checkbox"/>	Plant Load shipped to BMC: <input type="checkbox"/>
Drop Shipment: <input type="checkbox"/>	Drop Shipment to BMC/ASF: <input type="checkbox"/>
Drop Shipment to SCF & BMC: <input type="checkbox"/>	
Drop Shipment to SCF only: <input type="checkbox"/>	
Freight: _____	Freight: _____
Freight: _____	Freight: _____
Freight: _____	Freight: _____

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How do I know if my mail file has been prepared properly?

We can process a "Test File" of 200 to 500 addresses for you to make sure your mail file is prepared properly and is "readable". It will let us know if the file has an error that presents us from running the tape and will reassure you that your file has been prepared properly. It is also best if we are able to run this test several weeks prior to submitting the live mail file.

What if I want to use a Mailing List?

Basically, there are three kinds of sources for mailing lists:

- **Internal sources.** Here you work with your own list of current or previous customers those who are using or have used your product or service. Such lists, taken from your company's own files or database, are known as house lists. Because these people already have experience with your company, they should represent your very best prospects. They're also the people you know most about for highly targeted selling efforts. When mailing to a house list, you can segment it according to past purchasing patterns, and so tailor your message to an individual's demonstrated needs and desires. A house list is the opposite of an outside list, where you rent names from list brokers or from other companies.
- **External sources.** These are names that come from outside your company. There are two subcategories here. Direct response lists consist of names of people who have previously responded to direct response offers. In other words, these consumers are comfortable with the idea of ordering or inquiring by mail. Direct response lists can be tailored according to the types of things that have been sent for; they cover a broad range of subjects and interests, from magazine subscribers to catalog shoppers. A second type of external list is the compiled list. Such a list represents a collection of names and addresses taken from a database that was originally established for a noncommercial purpose. Sources include motor vehicle registrations, government records, and telephone directories and SIC compilations.
- **List exchanges sources.** These lists are obtained via swaps between non-competing companies. For example, a firm that makes car restraints for infants might benefit by mailing to people who recently subscribed to a parenting magazine and vice versa.
- We might note that, after you own internal lists, direct response lists almost always perform the best. But they tend to be two to three times as expensive as compiled lists.

What is the cost of renting a mailing list?

Generally, list fees are given in terms of cost per 1,000 names. For consumer lists (reaching people at their homes), the cost-per-thousand tends to range between **\$50 and \$200**. For business lists (reaching people in their work environments), rates tend to be higher.

How do you select the right list?

As you might suspect, the art and science of list selection is a much written-about subject. But there are certain guidelines that can point you in the right direction. Start, for example, by forming a mental image of your ideal customers the ones most likely to need your product or service, and remain loyal over the years. Consider their demographics age, income, and geographic location. Consider their psychographics lifestyle characteristics such as favorite activities, hobbies, or affiliations. The best initial guide to choosing a list is your hard-won knowledge of what your particular customers are like, based on your own business experience. Try to purchase lists of people whose characteristics match your "ideal customer" most closely. With this as a start, go on to fine-tune your list sensibilities by testing. Call us if you would like us to get you a quote on some mailing lists.

How can you keep mailing addresses up to date?

When sending out a mailing, you want to minimize undeliverable pieces; each one costs you money and provides no possibility of a sale. With over 40 million Americans changing their addresses annually, businesses require a simple, reliable way to keep their mailing lists up to date. To meet this need, you can turn to the National Change of Address program, commonly known as NCOA. Private companies certified and licensed by the United States Postal Service administer

NCOA. Every two weeks, they receive updated change-of-address information from the United States Postal Service (which, of course, receives it directly from the individuals who have moved). By checking your lists with the NCOA licensee of your choice, you can correct outdated addresses and thus reduce the postage and material costs of including undeliverable packages in your drop. This can add up to an effective savings of thousands of dollars in a single mailing. Accuracy in addressing is an important component of Direct Mail marketing success.

What if I have 2 books that are different weights? Can they be mailed together?

A manifest mailing system is an automated, computer-supported system that allows Walsworth to document postage and fees for all pieces in a mailing paid via permit imprint. Manifest systems cannot be used if you are paying postage with stamps or a postage meter. One big advantage of manifesting is that it allows mailers to pay for non-identical weight pieces with a permit imprint.

How does shipping to a BMC control my shipping costs?

Key to the new efficiencies of Parcel Post is the network of 21 Bulk Mail Center's, including the one serving your delivery area. You can take advantage of the Post Office volume rates and reliable delivery – easily and effectively – thru the BMC network. By bringing the shipments to the destination bulk mail center (DBMC), so they can pass these savings on to you in the form of lower rates. A volume DBMC rate is based on a single mailing of 50 parcels or more deposited at the destination BMC.

What is a Mail Consolidation?

Walsworth will sometimes consider using a Trucking Logistics Consolidator that will pick up, sort, and transport mail to the BMC, ASF, and SCF. This helps when there are a lot of mail pieces dropping too many entry points, but not enough to fill a full truck going to one location. Consolidators can also offer up-front estimates on expected delivery time, saving both time and money.

When does the Post Office give us a discount on postage?

You get a discount by sorting your mail in BMC/ASF, SCF and DDU entry levels. This not only saves you money, it saves the Post Office sorting time and speeds up the delivery of your mail.

What is a "Plant Load"?

A plant load is when Walsworth provides transportation of verified bulk mail directly to the local BMC/ASF or local SCF.

What is a "Drop Shipment"?

A mailing transported by a private (non-postal) carrier, from Walsworth to a BMC/ASF, BMC or DDU located closer to the destination entry point. Even though you are paying for the freight, it will save you money on the postage, which will then offset the freight cost. (see: sample of a Drop Shipment Proposal)

What is a “Drop Shipment Proposal”?

A Drop Shipment Proposal is generated after the mail list has been processed through the Presort software. This PROPOSAL is an **estimate** of what it will cost to mail your pieces. It gives a list of Bulk Mail Centers (BMC), Area Sectional Facilities (ASF) and Sectional Center Facilities (SCF) that the mail will be transported to by truck from our location. It also shows you a cost comparison if it would drop at our local BMC or SCF.

The “Drop Shipment Proposal” shows the total amount of mail pieces that qualify for a bulk rate discount, Tare Weight, Postage from Omaha, Postage to the BMC/SCF, Postal Discount, Freight Charges, Administration Fees, and Net Savings.

Administration Fees are charged for handling fees for the trucks, Bill Of Ladings, Packing Lists, USPS Form 3602’s, and USPS Form 8125’s to use to ship directly.

See the example below.

Example:

DROP SHIPMENT PROPOSAL

CUSTOMER'S NAME
Date
Piece Weight - 1.5lbs or 24.00ozs
Spring 2005 Catalogs
Walsworth Publishing Company
1508 Chandler Road
Omaha, NE 68147

Piece weight

Entry Point	Total Pcs	Approx. Book Weight	Approx. # of Skids	Weight of Pallets	Approx. Tare Weight	Postage From Omaha	Postage From BMC/SCF	Postal Discount	Freight Charges	\$1.50/hw Admin Fees*	Net Savings
BMC Springfield MA	4,157	6,235.5000	5	60	6,535.5000	\$ ---	\$ 4,188.3650	\$ ---	\$ 621.45	\$ 98.03	\$ ---
BMC New Jersey NJ	3,535	5,302.5000	4	60	5,542.5000	\$ ---	\$ 3,550.9080	\$ ---	\$ 483.57	\$ 83.14	\$ ---
ASF Buffalo NY	1,247	1,870.5000	1	60	1,930.5000	\$ ---	\$ 1,259.5280	\$ ---	\$ 196.97	\$ 28.96	\$ ---
BMC Pittsburgh PA	2,123	3,184.5000	3	60	3,364.5000	\$ ---	\$ 2,132.5540	\$ ---	\$ 322.18	\$ 50.47	\$ ---
BMC Philadelphia PA	2,311	3,466.5000	4	60	3,706.5000	\$ ---	\$ 2,326.1850	\$ ---	\$ 307.61	\$ 55.60	\$ ---
BMC Washington DC	2,033	3,049.5000	2	60	3,169.5000	\$ ---	\$ 2,042.1490	\$ ---	\$ 287.54	\$ 47.54	\$ ---
BMC Greensboro NC	2,930	4,395.0000	4	60	4,635.0000	\$ ---	\$ 2,974.6790	\$ ---	\$ 371.69	\$ 69.53	\$ ---
BMC Atlanta GA	2,885	4,327.5000	4	60	4,567.5000	\$ ---	\$ 2,911.1200	\$ ---	\$ 284.94	\$ 68.51	\$ ---
BMC Jacksonville FL	2,539	3,808.5000	2	60	3,928.5000	\$ ---	\$ 2,670.4830	\$ ---	\$ 303.15	\$ 58.93	\$ ---
BMC Memphis TN	2,889	4,333.5000	3	60	4,513.5000	\$ ---	\$ 3,022.8980	\$ ---	\$ 229.00	\$ 67.70	\$ ---
BMC Cincinnati OH	3,089	4,633.5000	4	60	4,873.5000	\$ ---	\$ 3,113.8190	\$ ---	\$ 245.08	\$ 73.10	\$ ---
BMC Detroit MI	2,653	3,979.5000	4	60	4,219.5000	\$ ---	\$ 2,668.9840	\$ ---	\$ 206.52	\$ 63.29	\$ ---
BMC Des Moines IA	1,947	2,920.5000	2	60	3,040.5000	\$ ---	\$ 1,973.9880	\$ ---	\$ 146.77	\$ 45.61	\$ ---
BMC MPLS/ST Paul MN	1,875	2,812.5000	2	60	2,932.5000	\$ ---	\$ 1,908.7980	\$ ---	\$ 149.44	\$ 43.99	\$ ---
BMC Chicago IL	2,716	4,074.0000	4	60	4,314.0000	\$ ---	\$ 2,728.2220	\$ ---	\$ 170.56	\$ 64.71	\$ ---
BMC St Louis MO	1,989	2,983.5000	3	60	3,163.5000	\$ ---	\$ 2,002.9970	\$ ---	\$ 153.06	\$ 47.45	\$ ---
BMC Kansas City KS	1,824	2,736.0000	2	60	2,856.0000	\$ ---	\$ 1,846.2590	\$ ---	\$ 169.53	\$ 42.84	\$ ---
ASF Oklahoma City OK	933	1,399.5000	1	60	1,459.5000	\$ ---	\$ 938.8520	\$ ---	\$ 105.11	\$ 21.89	\$ ---
BMC Dallas TX	4,500	6,750.0000	6	60	7,110.0000	\$ ---	\$ 4,677.9600	\$ ---	\$ 492.92	\$ 106.65	\$ ---
BMC Denver CO	1,332	1,998.0000	2	60	2,118.0000	\$ ---	\$ 1,356.4080	\$ ---	\$ 165.10	\$ 31.77	\$ ---
ASF Salt Lake City UT	766	1,149.0000	1	60	1,209.0000	\$ ---	\$ 779.7130	\$ ---	\$ 115.10	\$ 18.14	\$ ---
ASF Phoenix AZ	1,185	1,777.5000	2	60	1,897.5000	\$ ---	\$ 1,191.8550	\$ ---	\$ 219.32	\$ 28.46	\$ ---
ASF Albuquerque NM	463	694.5000	1	60	754.5000	\$ ---	\$ 470.9560	\$ ---	\$ 72.59	\$ 11.32	\$ ---
BMC Los Angeles CA	3,063	4,594.5000	4	60	4,834.5000	\$ ---	\$ 3,083.5260	\$ ---	\$ 532.26	\$ 72.52	\$ ---
BMC San Francisco CA	2,467	3,700.5000	3	60	3,880.5000	\$ ---	\$ 2,652.0050	\$ ---	\$ 413.32	\$ 58.21	\$ ---
BMC Seattle WA	2,275	3,412.5000	3	60	3,592.5000	\$ ---	\$ 2,499.4940	\$ ---	\$ 368.16	\$ 53.89	\$ ---
Omaha NE	1,060	1,590.0000	3	60	1,770.0000	\$ ---	\$ 1,479.1350	\$ ---	\$ ---	\$ ---	\$ ---
Total	60,786	91,179.0000	79		95,919.0000	\$ 88,360.4900	\$ 62,451.8400	\$ 25,908.6500	\$ 7132.94	\$ 1412.24	\$ 17,363.48



Total Weight

Amount of Postage if dropped at local post office

Total Postage by using the Drop Ship to BMC & ASF
A discount of \$25,908.65

Freight Charges

Administration Fees

Savings if you Drop Ship to BMC & ASF

When will I know how much it will cost to mail my books?

The Mail Processing Department will process the live mail list and the software will generate a postage statement with the volume of mail being presented and the postage payable or affixed. It certifies that the mail meets the applicable eligibility standards for the rate claimed. This generates a Form 3602 or Drop Shipment Proposal. (See sample above)

Why do we have to approve a Label Sample of my mail piece?

A live inkjet sample will be positioned on your cover to show the placement of the address, special message, customer number and key code, etc. This allows you to see what the final ink jetting will look like and allow you to make any changes. You will need to approve the sample before the mail file goes into bindery. We also have the Post Office approve the label as well. This form will be faxed to you along with the "Label Sample" for approval. (See label sample below)

Example:

*****AUTO**SCH 5-DIGIT 68005
FIRST LAST NAME
COMPANY NAME
ADDRESS, APT #
CITY, STATE, ZIP

|||||

When I buy out my cover what imposition do I use?

You will need to call your Customer Service Representative to get the information you need for the imposition. If your book is perfect bound or saddle stitched, and you are ink jetting the front or the back cover, the CSR will give you the measurements and information you will need. This will help the bindery in finishing your book.

Example:

Inkjet Area: FRONT COVER BACK COVER
Imposition: HEAD to HEAD FOOT to FOOT

Whose Mail Permit should I use? Why should I open a Bulk Mail Permit?

If you're a business or non-profit mailer with fairly standard, cyclical mailings you should consider a mailing permit. For an annual fee you can set up a centralized postage payment account with the Postal Service.

When you use a Mailing Permit account you print a permit imprint indicia on your mail pieces. **This will allow you to typeset the imprint indicia on your mail piece when you're designing the cover.** This type of indicia simply indicates "Postage Paid" without specifying an amount and your mailing account is deducted on the basis of weight and standardization of your mailing.

If you open a permit in Omaha, NE the mail must be verified and dropped in Omaha. But you can also use this imprinted piece in other cities where you have a permit open, as long as the permit was open with the name used on the Indicia.

If the Indicia is opened using the Permit number (Example: Permit #13) and opened in Omaha, NE, you can only use it to drop mail in Omaha.

How does a Mail Permit work?

To use permit imprint, we set up a postage account (called an "advance deposit account") at the post office where your mail will drop. When we bring your mailing to the post office the total postage is deducted from your account. It's like having a checking account at the post office.

The key to permit imprint is identical weight pieces. All of your mail pieces must weigh exactly the same. Why? Because you don't have postage affixed, the Postal Service has to verify the number of pieces in your mailing. We do this by weighing individual pieces and your entire mailing to check the number of pieces and calculate the postage you owe.

Permit imprint is simple and convenient — you save time because you're not affixing postage to each piece. You print the permit imprint when you print the rest of your mailpiece. If you already have a mailpiece printed without the permit imprint, you can inkjet it onto the piece.

How much does it cost to open a Bulk Mail Permit?

A one-time only fee of **\$160.00** is for an **application fee** to open up a permit. It covers the costs of setting up an account in your organization's name. The Mail Processing Department at Walsworth will fill out the necessary forms and set it up for you.

Note: You are not required to put money into this account when you set it up or keep a balance in this account. You can wait until your first mailing to deposit money into your account, and simply pay each time you mail. Remember, you must have money in this account to mail. Retain your record of your permit imprint number and your receipt in a safe place. Your receipt will be a perforated stub of Form 3615. It will have your permit imprint number, the date and additional information.

There is also a **\$160.00 Annual Fee** that will need to be paid every year. This assures you that your permit # will remain open. If not used in two years, it automatically will be closed and you will lose that number. The Post Office will notify you by mail when your annual fee is due.

What is a permit "INDICIA"?

Each mailpiece sent under special service fees for Package Services payment method must bear a permit imprint indicia showing that postage is paid.

The content and format of a permit imprint indicia must meet the USPS® standards in the upper right corner of the mailpiece. A properly designed mailpiece qualifies for the best postage rate possible! Properly designed mail pieces help you avoid unanticipated costs, and delays in delivery.

What does an INDICIA look like?

Example:

PRSR STD U.S.POSTAGE PAID OMAHA, NE PERMIT #13
--

PRSR STD U.S.POSTAGE PAID OMAHA, NE WALSWORTH

The above are samples of Bulk Mail INDICIA imprints. You can use your **Permit #** or your **Company Name** in your indicia. Indicia can be preprinted on your cover or it can be ink jet (without a box).

- If you use the **Permit #** it can only be used in the City where your permit was opened.
- If you use your **Company Name** you can use it where ever you have a permit opened, but the name has to be the same as how you opened it.

Example: Permit opened for Walsworth Publishing – Indicia need to say “Walsworth Publishing”, not WPC or WP or just Walsworth

How do I get the Postage to Walsworth Publishing?

A postage check needs to be sent by traceable, overnight courier before the mail can be verified and shipped out. The client needs to make out a check to the **U. S. POSTMASTER** for the amount of the postage. The client can also deposit the postage into a CAPS account if they have one. The postage is then applied to the postal permit.

What is a CAPS account?

The Centralized Account Processing System (CAPS) is a postage payment system designed to make payment for all classes of mail easier and more cost-effective for you, the business mailer. It provides electronic options as customer alternatives to presenting checks and cash in person at each mailing Post Office. A national CAPS account can be used to pay for mailings at multiple locations eliminating the need for maintaining trust accounts at numerous Post Offices. In addition, when your mailing transactions are funded through a centralized account, CAPS can use those same transactions to provide you consolidated reports of mailing activity by Post Office location, mailing account and customer-defined date ranges. The reports are available in printed form as well as an electronic file that can be imported by your own electronic reporting systems.

What are the qualifications for a CAPS account?

You must meet one of the following three requirements to qualify for a CAPS account:

- 3 permits in two or more postal units and revenue of \$10,000 per year, or
- 3 or more permits in one location and revenue of \$50,000 per year, or
- Permit revenue of \$500,000 per year.

Please note that you must have at least one existing permit account or Express Mail Corporate Account (EMCA) before applying for a CAPS account.

How do I fund my CAPS account?

For a centralized trust account, you deposit funds electronically—via standard Automated Clearing House (ACH) banking mechanisms or Fed Wire—to the CAPS bank prior to mailing. Your CAPS account is then reduced automatically as local offices process postage statements. With a centralized debit account, your designated bank account will be debited—via standard ACH banking mechanisms—for the total of the day's mailings on the next business day.

What can I pay through my CAPS account?

Currently postage for permit imprint, Periodical, and business reply mail accounts, and Express Mail Corporate Accounts (EMCA) may be paid through CAPS. Permit and accounting fees are automatically charged to the CAPS account. Address Element Correction services may also be paid through CAPS.

How do I get a Mail File to Walsworth Mail Processing Department?

- **WPCconnect file transfer**
Walsworth provides a web site that will enable you to **upload** your mail file. We will issue you a Login and Password to enter the “Members Only” section of our web site, where we will have your allocated secured area for your mail file. We recommend that you “Zip” your

files so they are compressed before uploading. The mail team or customer service can help you with this.

- **Electronic file stored to media**

Preferably a CD is the best way to send us your mail file. We will accept also a ZIP, 3.5" floppy. **You can overnight it to:**

Walsworth Publishing Company
 Mail Processing Department
 1508 Chandler Road
 Omaha NE, 68147

What type of mail file database would work the best?

Many clients export their files as fixed-length ASCII text. This is the most common file we get from clients.

Depending on where you get your mail list or if you create your address list yourself, there are varieties of databases that we can accept. Our software programs processes the following file types; the software also supports file-type conversions.

- Excel Spreadsheet with headers
- MS Access database
- Variable-length ASCII text delimited with commas, tabs, or quotes

Why is a record layout needed?

It ensures the correct processing of your mail tape. It tells us the order of the file set up. We recommend the City, State, Zip and Zip4 be in separate fields in order to process the mail components. Here is an example:

<i>Field Name</i>	<i>Position</i>	<i>Length</i>	
NAME LINE	001-080	80	FIRST and LAST name together in one field
COMPANY	081-160	80	
ADDRESS1	161- 240	80	ADDRESS1 in separate field
ADDRESS2	241-320	80	ADDRESS2 in separate field
CITY	321-355	35	CITY in separate field
STATE	356-357	02	STATE in separate field
ZIP or ZIP4	358-367	10	ZIP in separate field

An "Inkjet Format" must be also furnished to ensure correct label formatting. There can be a maximum of 8 lines of inkjet information on your mail piece and no more than 80 characters long.

- LINE 1 Endorsement line
- LINE 2 Customer # (optional field)
- LINE 3 Company name
- LINE 4 Contact name (optional field)
- LINE 5 Address Line 1
- LINE 6 Address Line 2 (optional field)
- LINE 7 City State Zip
- LINE 8 Barcode

How do I add a Special Message to my cover?

- **Static messaging** (constant value) can be ink jet with the same information of each mail piece.
- **Variable messaging** (unique to each address) needs to be added to each address in the original mail file. Header should read “Special Msg.”
- This information will need to be given to the Mail Processing Department and CSR before the file comes in. (see Customer Information Sheet)

Example:

DO SOMETHING EXTRA SPECIAL THIS YEAR FOR YOUR
EMPLOYEES AND VERY BEST CUSTOMERS, SEND A GIFT
AND A GREETING CARD TO SHOW YOUR APPRECIATION

*****AUTO**SCH 5-DIGIT 68005
FIRST LAST NAME
COMPANY NAME
ADDRESS, APT #
CITY, STATE, ZIP

|||||

Can I put a customer’s account # or key code along with the address label?

Yes, an “account number” and/or “key code” can be included in the database, and will need to be labeled in the database field as to what it is. You will need to tell us where you would like to position this information. Some customers print boxes that are labeled. We ink jet the information in the box.

Example:

Customer No.: 1298

Keycode No.: K=20402570

DO SOMETHING EXTRA SPECIAL THIS YEAR FOR YOUR
EMPLOYEES AND VERY BEST CUSTOMERS, SEND A GIFT
AND A GREETING CARD TO SHOW YOUR APPRECIATION

*****AUTO**SCH 5-DIGIT 68005
FIRST LAST NAME
COMPANY NAME
ADDRESS, APT #
CITY, STATE, ZIP

|||||

Why Check Your List?

In order to reach as many of your customers as possible, you should frequently check the accuracy of your address list. Consider the following:

- 16 percent of Americans change addresses annually.
- 43 million people move each year.
- One out of every six families moves each year.

What happens if my customer moves and I don’t have their new address?

Over 40 million Americans change addresses annually, this creates formidable obstacles in maintaining a high-quality mailing list that tracks customers who move. The National Change of Address (NCOA) program makes change-of-address (COA) information available to mailers to help reduce undeliverable or duplicate mail pieces. NCOA service is a comprehensive program that aids mailers in identifying changes of addresses before mail enters the mailstream.

Private sector companies that are certified and licensed by the Postal Service™ provide the NCOA service. The USPS® provides updated, computerized COA information on a regularly scheduled basis to the NCOA licensees® (United States Postal Service®). The licensees improve mail

deliverability by providing mailers with current, standardized 5-digit ZIP Codes, 4-digit add-on codes, and 2-digit delivery point coded addresses for individual, family, and business moves.

Input address information, provided by Walsworth to the NCOA licensee, is first standardized to conform to USPS® requirements, including the ZIP+4® Code. Once the address has been standardized and the ZIP+4 Code applied, an attempt is made to match the address against the NCOA file, which contains approximately 156 million records or 48 months of permanent address changes. Address change information is derived from the PS Form 3575, Change-of-Address Order, filed by relocating postal customers. If an exact match is made with the old address information in the NCOA File, then the NCOA licensee is permitted to provide the move information (new address) to Walsworth.

NCOA helps reduce undeliverable-as-addressed mail by correcting input addresses prior to mailing. Since 1986, this service has saved mailers millions of dollars that otherwise would have been wasted in materials and postage. NCOA provides the following benefits to mailers:

- Reduces undeliverable mail by providing the most current address information for matches made to the NCOA file.
- Prevents duplicate mail pieces or re-mailings after address corrections are received because the address correction is applied prior to the mailing.
- Reduces mailer costs by reducing the number of undeliverable and duplicate mail pieces by using most current address information.
- Provides the opportunity for faster product/service marketing through accurate mail delivery.

The Nixie Option is used by mailers to cleanse their mailing lists further use the Nixie Option. Nixie returns a code indicating a match was close but not good enough to meet the strict USPS® matching guidelines. The nixie code indicates the reason a match could not be made with the NCOA file, and Walsworth can investigate the address record and provide necessary corrections. A no-match to the NCOA file does **not** return the new address - the Nixie Option indicates why.

Does NCOA processing cost extra?

It costs extra, but it allows every mail piece to reach its final destination without re-routing it, and greatly reduces UAA mail, which in turn reduces re-handling costs. Costs for this service generally range from **\$2.00 to \$5.00 per thousand addresses**.

What happens if some of my mail pieces are undeliverable?

Undeliverable-as-addressed (UAA) mail is forwarded, returned to sender, or treated as dead mail as authorized for the particular mail class. Walsworth endorsement is used to instruct the Postal Service® regarding the mail piece's appropriate disposition upon determining that it is UAA. On First-Class Mail®, the following endorsements may be used as an updating method to meet the move update standard:

Return Service Requested - If UAA, the mailpiece is returned with the new address or reason for non-delivery there is no charge.

Temporary Return Service Requested - If UAA and a temporary change-of-address has been filed, the mailpiece is forwarded at no charge. No separate notice of a new temporary change-of-address is provided.

Address Service Requested -

- Months 1 - 12: the mailpiece is forwarded; no charge; a separate notice of the new address is provided; an address correction fee is charged.
- Months 13 - 18: the mailpiece is returned with the new address attached, no charge.
- After month 18 or if undeliverable: the mailpiece is returned with reason for non-delivery attached no charge.

Change Service Requested. Separate notice of new address or reason for non-delivery provided; in either case, address-correction fee is charged; mailpiece is not forwarded or returned but disposed of by the Postal Service. This endorsement option is available for First-Class Mail **only** when used in conjunction with electronic Address Change Service.

Ancillary service endorsements allow the sender to obtain on request (provided the appropriate endorsement is used) the addressee's new (forwarding) address (if the addressee filed a Change-of-Address Order with the Postal Service) or the reason for non-delivery. These endorsements also provide the Postal Service with instructions for the disposition of UAA mail. These new endorsements provide a simpler and more consistent system than the previous endorsements.

How is my Mail File prepared for the Post Office?

The Mail Processing Department starts by importing your mail file into First Logic software. Then the file is processed through four different modules. The following shows the process:

Data Right

- Identifies the information in a database so that it can be used more effectively.
- “Standardizes” the data to make it more consistent and creates the output record in a preferred format.
- Identifies and isolates the name, job-title, company, address, and isolates unidentified data so you can place it in a field.
- Helps you combine rented or purchased lists of data.
- Offers you a search-and-replace feature that lets you convert and modify data.
- Offers a scan-and-split feature that lets you split data in sections for multiple drops.
- Data Right will insert a “Sir” name upon request of the customer.
- Matches City, State and Zip and **corrects** them.

Example:

BEFORE Data Right		AFTER Data Right	
Line1		Name1	Mr. William McKay
Line2	WILLIAM MCKAY	Name2	
Line3	PRESIDENT	Title1	Pres.
Line4	MCKAY INCORP.	Title2	
Line5	201 N PEALR	Company	McKay Inc.
Line6	LA CROSS, WY 54601	Address	201 N Pearl
		City	La Crosse
		State	WI
		Zip	54601

ACE

- “Address Correction and Encoding” standardizes the addresses and assigns postal codes for automation.
- Verifies that the city, state and postal code agree with one another.
- Corrects misspelled street names, fills in missing information, and removes unnecessary punctuation marks.
- DPC (Delivery Point Validation) Identifies undeliverable addresses (vacant lots, condemned buildings)
- LACS_{LINK} (Locatable Address Conversion System) Renaming of streets, PO Boxes and RR’s

Example:

AFTER Data Right		AFTER - ACE	
Name1	Mr. William McKay	Name1	Mr. William McKay
Name2		Name2	
Title1	Pres.	Title1	Pres.
Title2		Title2	
Company	McKay Inc.	Company	McKay Inc.
Address	201 N Pearl	Address	201 N Pearl
City	La Crosse	City	La Crosse
State	WI	State	WI
Zip	54601	Zip	54601
		Zip4	3250
		DPBC	01
		CART	C018
		LOT	1234
		LOT_Order	A

Match/Consolidate

- Identifies matching records based on user-elected criteria and eliminates duplicate records. It FLAGS similarities and lets us manually make changes from your instructions.

Example:

Henry William	1234 So. 20 th Street	
H. Williams	1234 South 20 th Street	
H. Bob William	1234 So. 20 th St.	

Henry Williams	1234 South 20 th Street	Omaha, NE
Henry Williams	306 Pine Circle	Omaha, NE

Charles Jones	4562 Brittany Court	Atlanta, GA
Chuck Jones	4562 Brittany Court	Mason, GA

Customer:	When creating your database Mail List, it is important to enter data consistently the same way. Make sure you use headers to identify the columns. Only furnish fields/columns that will be used to ink jet your mail pieces. All other information should be deleted.
Presort:	Identifies matching records and flags them so we can see them.
Mail Dept:	We can delete duplicates, and correct the names and addresses. A list can also be printed out of “incomplete” addresses and be sent to you for corrections.

Presort

- A presort scheme is a set of USPS rules for presorting. There are several schemes for each class of mail and type of mail piece. Each scheme is linked with a particular type of container (trays, sacks, or pallets) and a range of postage rates*.
- When you run Presort, it plans for you how packages and containers are formed, according to the USPS scheme rules.
- Every package and container has a destination – either a local post office or a larger, central facility such as a BMC, ASF, or SCF – and a label or mark is indicated and identifies that destination.
- This will allow it to reach its destination, the package or container is opened and processed – perhaps for further routing*, and then for delivery.

***The further the file is sorted down to the DDU (Local Post Offices), more of a discount is given.**

What is the minimum quantity that I can mail and still get a discounted Bulk Mail rate?

A discounted bulk mailing needs at least 200 pieces or weigh at least 50 pounds and will be brought downtown to the Bulk Mail Entry Unit (BMEU).

Will your mail software fix my database and standardize the names and addresses?

What happened?

My data file has inconsistent typing
Of city, state, and zip codes.
Some states are not abbreviated.

Remedy

The Data Right software will standardize the City, State, and ZIP Code and can assign missing or invalid last-line data. This will allow us to fill in missing data, overcome inconsistencies, and produce standardized output.

What happened?

If my data file is missing
Street Addresses.

Remedy

When your database comes in, we will sort and find any missing data. If an address is missing, the piece will not be able to mail. We will notify you about the names that won't mail and supply you with a list so you will be able to correct them for your next mailing.

What happens if I have International addresses in my mail list?

We recommend that you input your delivery addresses in all **uppercase letters** for INTERNATIONAL MAIL. If possible, addresses should have no more than five lines.

The full address should be typed in English - using Roman letters and Arabic numeral. An address in a foreign language is permitted if the names of the city, province, and country are also indicated in English.

The last line of the address block area must include *only* the complete country name (no abbreviations) written in uppercase letters. (Alternative format for Canada below)

Foreign postal codes, if used, should be placed on the line above the destination country. Some countries prefer that the postal code follow the name, while others prefer that it precede the city or

town name. The following shows the order of information for the destination address:

- LINE 1: NAME OF ADDRESSEE
- LINE 2: STREET ADDRESS OR POST OFFICE BOX NUMBER
- LINE 3: CITY OR TOWN NAME, OTHER PRINCIPAL SUBDIVISION (i.e., PROVINCE, STATE, COUNTY, ETC.) AND POSTAL CODE (IF KNOWN) (Note: in some countries, the postal code may precede the city or town name)
- LINE 4: COUNTRY NAME (UPPERCASE LETTERS IN ENGLISH)

International

<i>Example:</i>	MS JOYCE BROWNING 2045 ROYAL ROAD LONDON WIP 6HQ ENGLAND	MS JOYCE BROWNING 2045 ROYAL ROAD 06570 ST PAUL FRANCE
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For mail to Canada, the location of the country name and postal code are interchangeable: either one may be placed on the last line, with the other one placed after the city and provincial name.

Canadian

<i>Example:</i>	MS HELEN SAUNDERS 1010 CLEAR STREET OTTAWA ON K1A 0B1 CANADA	MS HELEN SAUNDERS 1010 CLEAR STREET OTTAWA ON CANADA K1A 0B1
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Using a return address on all mail is strongly recommended and is required when a company permit is used to pay postage. Your name and address, including ZIP Code and country (**USA**) of origin, should be shown in the upper left corner of the address side on all mail. This ensures that an undeliverable item can be returned, if appropriate.

How will International addressed pieces mail?

Publishers' periodicals must be sacked and labeled when there are 11 pounds of mail to a particular country or country separation. All city and country packages must be included in the same country sack. Each sack must be labeled to show the destination, contents ("NEWS" or "PER"), and entry Post Office facility as follows:

Label color:	Blue
Format:	
Line 1:	Destination exchange office code and routing ZIP Code for applicable Postal Service exchange office
Line 2:	Contents ("NEWS" or "PER") and "AO"
Line 3:	City and state of post office of mailing and ZIP Code

Example:

TSN CHINA 945 PER AO ALEXANDRIA VA 22315
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What happens if I have a time sensitive mail piece?

ADVANCE Notification & Tracking System

If the timing of the in-home delivery is critical to the success of marketing materials and advertisements, Advertisers and Publishers depend on the United States Postal Service® (USPS®)

to honor their requests for delivery of advertisements or periodicals within specific time frames. The ADVANCE program was developed to meet this service expectation. ADVANCE utilizes state-of-the-art technology to notify delivery units of time-sensitive mailings and monitor their performance in meeting the customer's requested in-home delivery dates. Through ADVANCE, mailers can provide information about upcoming, time-sensitive mailings to the National Customer Support Center (NCSC) to ensure timely delivery.

What is Standard Mail?

There are two types of Standard Mail A and B.

Standard Mail A is used for advertising mail, catalogues, and newsletters of a non-personal nature that are not required to be mailed as First-Class Mail. Nonprofit rates require specific authorization. Standard Mail A must weigh less than 16 ounces. A minimum volume of 200 pieces or 50 pounds is required. There are four Standard Mail subclasses: Regular, Nonprofit, Enhanced Carrier Route, and Nonprofit Enhanced Carrier Route.

Standard Mail B (Package Services) consists of four subclasses: Parcel Post, Media Mail, and Library Mail can weigh no more than 70 pounds. Bound Printed Matter weighs at least 1 pound but not more than 15 pounds.

Postage discounts are available for mail that meets additional standards for volume, presort, or destination entry. Destination entry is not required for any presort rate. Parcel Post and Bound Printed Matter rates are based on weight and zone.

What is a BMC?

Bulk Mail Centers are highly mechanized mail processing plants that are part of the National Bulk Mail System. These facilities distribute parcel post, media mail, standard mail and periodicals in bulk form. Auxiliary Service Facilities are mechanized facilities that are usually part of a general mail facility that serves as a subordinate mail-processing hub for a parent bulk mail center.

There are 21 DBMC s in the U.S.

For this discount, you may choose to enter your mail at a destination bulk mail center. The 21-bulk mail centers in the United States handle mail for large areas. An auxiliary service facility (ASF) sometimes acts as a DBMC. To qualify for DBMC rates, your mail pieces must be addressed for delivery within the service area for that particular DBMC or ASF.

Available for:

- Standard Mail
- Bound Printed Matter
- Parcel Post



What is an SCF?

A **Sectional Center Facility (SCF)** is a USPS® facility that sorts, handles, and disperses all mail destined for any post office within the geographic area defined by a 3 digit ZIP Code. An SCF is usually identified by the 3-digit (first 3 digits of a 5-digit) ZIP code it serves. Many SCFs supply more than one 3-digit area.

There are 350 DSCF s in the U.S.

You can receive a greater discount by entering your mail at a destination sectional center facility. To qualify for DSCF rates, your mail pieces must be addressed for delivery within the service area for that particular DSCF.

Available for:

- Standard Mail
- Periodicals
- Bound Printed Matter
- Parcel Post



What is a DDU?

There are more than 33,000 Destination Delivery Units (DDU) in the U.S.

You can receive an even greater discount by taking your mail to a destination delivery unit. Standard Mail and Periodicals mailings that are taken to a DDU must be claimed at Carrier Route rates and addressed for delivery within the service area for that particular DDU.

Available for:

- Standard Mail (Carrier Route only)
- Periodicals (Carrier Route only)
- Bound Printed Matter
- Parcel Post



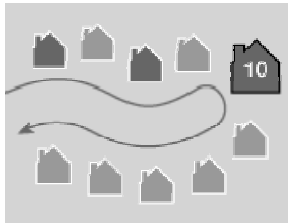
What does delivery point sequence mean?

CARRIER ROUTE SORTING

If your mailing is highly concentrated in one area, you may be able to take advantage of the

Carrier Route rates offered in some discount services. To use this rate, your mailing must have a minimum number of 10 deliveries on a single letter carrier's route. For most Carrier Route rates, we will have to sort your mail in the order that the letter carrier will deliver it. Carrier Route rates are available for:

- First-Class Mail
- Standard Mail
- Periodicals
- Bound Printed Matter

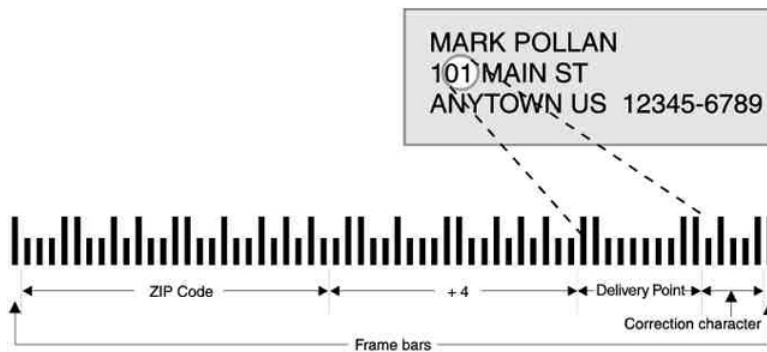


What is a barcode?

Delivery Point Barcode (DPBC) - The delivery point barcode (DPBC) was developed by the Postal Service to identify each of the 134 million delivery points in the United States. This barcode system significantly reduces the time it takes carriers to sort letter mail before delivery.

Adding 10 bars to an existing ZIP+4 barcode form the DPBC. The 10 bars represent two additional digits (normally the last two digits of the street address, post office box, rural route number, or highway contract route number).

Example:

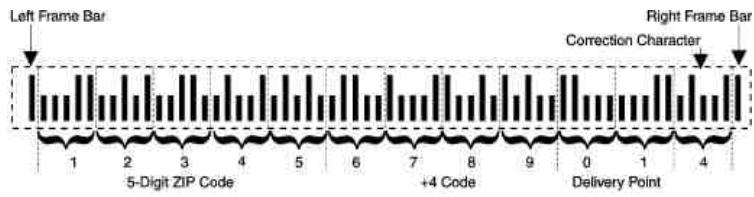


Decoding POSTNET Barcodes

The first and last full bars in a barcode—the frame bars—do not count. Each digit (numeric value) of the ZIP Code or ZIP+4 are represented by five bars.

The last five bars in the barcode make up the correction character. All barcodes, when added together, must equal a multiple of 10. Below shows a barcode decoded using the POSTNET code.

Example:













Code Elements

The basic elements of the POSTNET barcode are binary digits, represented as full bars and half bars (or tall bars and short bars). A full bar represents "1" (one) and a half bar represents "0" (zero).

The geometry of the bars and their proper location on letter mail are covered in the following sections and exhibits.

Example:

Numeric Value	Binary Code Value	Barcode Value
	7 4 2 1 0	74210
1	00011	
2	00101	
3	00110	
4	01001	
5	01010	
6	01100	
7	10001	
8	10010	
9	10100	
0	11000	

How can I have my mail piece Tested?

Walsworth can have mail pieces tested for characteristics like flexibility, glossy or coated paper, and non-paper material by submitting at least 50 sample pieces and a written request to the Post Office. We will give them to the postmaster or business mail entry manager at the post office at which the pieces are to be mailed at least **6 weeks before** the mailing date.

The Postal Service looks at all the aspects of processing mail pieces on the automated equipment. This system approach includes the operator's ability to efficiently remove the mail from the customer's trays, process it through the equipment, and efficiently sweep it from the output stackers.

The request must describe the mail piece's contents and construction, the number of pieces being produced, and the level of presort. If necessary, the business mail entry manager will forward the test to USPS® Engineering. The manager of business mail entry or Engineering will advise Walsworth by letter of its findings.

If the mailpiece is approved, the approval letter will include a unique number that identifies the piece tested and serves as evidence that the piece meets the relevant standards. A copy of the letter must be attached to each postage statement submitted for mailings of the approved piece. If requested by the Postal Service, Walsworth must show that any pieces presented for mailing are the same as those tested and approved.

How do I know if my mail piece meets automation rates?

Your mailpiece meets automation standards and qualifies for automation rates if it meets the specific addressing, barcoding, and design standards established for your mailing service and your level of sortation.


Two different machines sort automated flat mail, each with its own set of preparation standards. To receive automation rates, your mailpiece must meet the standards for either the Automated Flat Sorting Machine 100 (AFSM 100) or the Flat Sorting Machine 1000 (FSM 1000).


Maximum Weight for AFSM 100

- First-Class Mail cannot weigh more than 13 ounces.
- Periodicals cannot weigh more than 20 ounces.
- Standard Mail must weigh less than 16 ounces.
- Bound Printed Matter cannot weigh more than 20 ounces.

Maximum Weight for FSM 1000

- First-Class Mail cannot weigh more than 13 ounces.
- Periodicals cannot weigh more than 6 pounds.
- Standard Mail must weigh less than 16 ounces.
- Bound Printed Matter must meet the criteria for the AFSM 100.

Flats (AFSM 100) Dimensions			
		minimum	maximum
	length	6 inches	15 inches
	height	5 inches	12 inches

Flats (FSM 1000) Dimensions			
		minimum	maximum
	length	4 inches	15-3/4 inches
	height	4 inches	12 inches
	thickness	0.009 inch**	1-1/4 inches***