

Move Update Mailer Advisement Policy (Updated August 2009)

The Move Update standard requires that mailers select one of the Postal-approved ways to periodically update the addresses contained within a mailing list by comparing the address records on the mailing list against customer-filed change-of-address (COA) orders and making the necessary updates before mailing. Compliance with the Move Update standard reduces the number of mailpieces that require forwarding or return-to-sender services.

A *Federal Register* final rule of the Move Update standard for First-Class Mail and Standard Mail mailings was published in the September 28, 2007 Federal Register. That *Federal Register* confirmed these changes to be effective on November 23, 2008. The *Federal Register* included the following changes related to the Move Update standard:

First-Class Mail® Presorted (automation and non-automation) mailings

- Increased the required frequency of Move Update mailing list processing from 185 calendar days to no more than 95 calendar days prior to the date of mailing

Standard Mail® (All prices) mailings

- Extended the Move Update standard to include all Standard Mail (letters, flats, parcels and Not Flat-Machinables)
- Required frequency of Move Update processing is no more than 95 calendar days prior to the date of mailing

At acceptance, additional postage assessments associated with Move Update compliance will not be made until January 2010.

The USPS® is implementing several steps, as explained below, to assist mailers in improving the quality of their addresses and in obtaining the optimum results from their Move Update compliance efforts:

Acceptance Unit Testing – Change of Address Errors Found at Acceptance

The Postal Service™ has developed and deployed a process to measure a sample of the mailing and determine the quality of the mailer's Move Update process and provide feedback to mailers. Move Update reports will be provided to mailers whose mailing is processed on the Mail Evaluation Readability Lookup Instrument (MERLIN®).

The verification process uses the *PostalOne!*® system and MERLIN to evaluate the quality of a mailer's Move Update change-of-address process. At business mail acceptance, mailings are selected randomly by *PostalOne!* for verification. A sample is selected from the mailing for processing on MERLIN. In addition to the current verifications performed, the MERLIN machine captures barcode, name, and address information into a data file that is electronically transmitted to the National Customer Support Center (NCSC). The NCSC processes the data file using NCOA^{Link}® and returns the results to the *PostalOne!* system where it is compiled into a Move Update worksheet/report. This process generally occurs before the postage statement is finalized in the *PostalOne!* system so that the results of the report can be discussed with the mailer. Mailpieces with addresses for which a change of address (COA) order is found are identified with a MERLIN mailpiece ID. The ID enables the acceptance clerk to pull the subject mailpieces from the sample and provide copies of the mailpieces to the mailer. In addition to copies of the subject mailpieces, Move Update reports are provided to a mailer whose mailing is processed on MERLIN.

The Move Update verification worksheet/report calculates a change of address error rate for the sample tested. The calculation is based upon the number of pieces sampled, and from within this sample, the number for which a change-of-address should have been applied but was not. All mailings are subject to the results in the 95 days to 18 months date range. The number of mailpieces that were correctly updated will determine the passing percentage. The results of the Move Update verification display as a passing percentage in the *PostalOne!* system Move Update worksheet/report.

Although acceptance units will not be assessing additional postage (during the calendar year 2009) based on the results of the verification test described above, the Postal Service is not waiving the requirement that mailers must comply with the Move Update standard to qualify for the presort prices. Rather, Move Update reports are being provided to the mailers in an effort to provide them with feedback about the quality of their Move Update

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processes. Beginning in January 2010, the Postal Service will use this data to evaluate the effectiveness of Move Update compliance and additional postage costs may be assessed at the time of mailing.

Verification Threshold and Additional Postage Calculations – Effective in January 2010

- A mailing with 5 or fewer pieces with a COA on file that were not updated by the mailer will pass the verification regardless of the passing percentage.
- A mailing with a passing score of 70% (tolerance 30%) or higher will pass verification
- A mailing with a score below 70% will fail the verification if there are also more than 5 pieces with COAs that were not updated by the mailer.
- The passing score will be calculated using the total number of pieces with a Move Update on file divided into the number of pieces that the mailer updated with the change (within the date range, 95 days – 18 months).
- For example;
 - A total of 15 pieces with a change-of-address are found in a sample (total COAs). The mailer used the new address on 10 of the pieces. The score is 66.7% but since only 5 pieces were not updated by the mailer, the mailing passes.
 - A total of 20 pieces with a change of address are found in the sample (total COAs). For 13 of pieces, the mailer used the new address (COAs updated by the mailer). Next, 13 is divided by 20 = 65%. Since more than 5 pieces were not updated and the score is under 70%, the mailing fails.
- For a mailing that fails, both First-Class Mail and Standard Mail will be assessed as follows:
 - The assessment will be calculated based on only the percentage of failed pieces in excess of the tolerance (30%) multiplied by the total number of pieces in the mailing.
 - The fee will be \$0.07 per assessed piece
 - For example:
 - A mailing with a score of 60% and more than 5 pieces that were not updated will be assessed additional postage of \$0.07 per piece for 10% of the pieces in the mailing. The 10% is the difference between the not-updated percentage (40%) and the tolerance (30%). If the mailing consisted of 100,000 pieces, 10,000 of the pieces would be charged \$0.07 per piece = \$700.00.
- Standard Mail and First-Class Mail mailings that have not performed Move Update are not eligible for the presorted (including automation, non-automation and carrier route) prices and must be mailed at a price that does not require Move Update e.g. First-Class Mail single-piece price.

Combined Multi-Client Mailings

This exception will be allowed for one year from the date of implementation of the Move Update verification. The verification results calculation for a combined multi-client mailing will be the same as stated for all other mailings. However, a mailer submitting a combined multi-client mailing that fails the Move Update verification may have additional postage attributed to individual clients within the mailing under the following conditions.

- If three or fewer clients are detected with Move Update error, the mailer may request additional postage be attributed to each of the clients.
- The mailer will be allowed the opportunity to examine the sample and extract any piece found to be in error to identify the client to which the piece belongs.
- Pieces must be identifiable back to the client using some identification from the mailpiece such as return address, meter impression, or permit imprint that is verifiable by the acceptance clerk back to the detailed documentation.
- Additional postage will be applied to the mail volume for up to three clients whose pieces were found with Move Update errors.
 - For example:
 - Total mailing is 100,000 pieces and the Move Update verification result is a 60% passing score with 10 pieces not updated within the sample

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- Client A has 4 pieces not updated, Client B has 4 pieces not updated and Client C has 2 pieces not updated.
 - Client A volume is 5,000 pieces, Client B volume is 10,000 pieces and Client C is 10,000 pieces.
 - Total volume for Client A, B and C is 25,000 pieces.
 - The adjustment percentage is 10% - 70% threshold minus the passing percentage 60% = 10%.
 - 10% times the total volume (25,000 pieces) for the clients is 2500 pieces.
 - 2500 times \$0.07 = \$175.00.
 - \$175.00 is the calculated additional postage.
- The mailer must provide detailed documentation to support the volume by client.
 - If more than three clients are found with Move Update errors that cause the mailing to fail verification, the entire mailing will be subject to an additional postage calculation.

Postage Statement Certifications

The mailer's signature or that of an agent, on postage statements submitted in hard copy or in electronic formats, such as Postal Wizard, Mail.xml® or Mail.dat®, is the mailer's certification that the mailing is in compliance with the Move Update standard. Mailers are obligated to comply with the Move Update standard for all First-Class Mail and Standard Mail entered at the presorted (including automation and carrier route) prices.

Postage statements have been revised to provide checkboxes for the mailer to indicate the specific Postal approved method(s) used to obtain change of address information for updating the addresses in that mailing. Mailers must complete this section to record the Move Update method(s) used for each mailing.

Acceptance employees will review postage statements for this information. If this section is left blank unintentionally, the mailer will be asked to provide the required information before the mail is accepted. If, at the time of mailing, a First-Class Mail mailer is not able to confirm that the mailing has been prepared using an approved Move Update method, the mailing will not be eligible to mail at the First-Class Mail presorted (automation or non-automation) prices. The mailer will have the option to withdraw the mailing or to pay additional postage based on the First-Class Mail single-piece price on every piece in the mailing. Mailers using Standard Mail are also expected to comply with the Move Update standard but Standard Mailings will not be charged additional postage until January 2010.

The Postal Service reserves the right to use audits or other procedures to verify that any mailing entered at the presorted rates actually complied with the Move Update standard. Additional postage may be assessed if the results of the audit or other procedure indicate that the mailing was not qualified for the discounted prices.

USPS Guide to Accessing Move Update Reports

USPS has posted a "Guide to Accessing Move Update Reports" on ribbs.usps.gov. This illustrated guide demonstrates verifications results, such as number of pieces tested, total change-of-address (COA) updated by mailer, and total COAs not updated by mailer. The guide also describes how to gain access to *PostalOne!*. To view the guide, customers can visit ribbs.usps.gov, click on "Move Update," then click on "Latest News." The guide is listed in the blue box titled "Important Links." If your mailing is being presented at an acceptance site that uses MERLIN for verification and you are not receiving the Move Update report, you may send an email to moveupdaterports@usps.gov. Please include the city state and ZIP Code of the location where you present your mailing.

For additional information regarding Move Update, including Frequently Asked Questions, refer to http://ribbs.usps.gov/move_update/documents/tech_guides/PUB363.pdf.

Performance Based Verification

Performance-Based Verification (PBV) has been deployed across the nation and all sites that use MERLIN are capable of providing Move Update verification results.