



# Move Update Goes Into Effect

by Bryan Yurcan

The US Postal Service's long-awaited Move Update requirements officially took effect last month; however, mailers will have about six months to become compliant with the new requirements before facing any fines.

The new requirements, which became effective November 23, require businesses to update their bulk-mailing lists every 95 days. This applies for both First-Class Mail and Standard Mail.

For example, a mailing entered into the Postal Service network on December 1 must bear addresses that were updated no earlier than August 28.

Previously, only First-Class Mail was subject to Move Update standards, and those lists had to be updated every 185 days.

"First-Class Mail was always held to a higher standard of address quality," said Tom Day, SVP of Intelligent Mail and Address Quality at the USPS. "Standard mail is now being included."

**The new requirements are intended to reduce costs and waste from undeliverable bulk mail by about half by 2010, the USPS said.**

An estimated 9.7 billion pieces of undeliverable-as-addressed (UAA) mail are received every year, costing around \$2 billion to process, according to the USPS.

Mailers can comply with Move Update by using a USPS-approved solution that matches address records with official USPS change-of-address orders.

The USPS has established a transition period until May 11 for mailers while they finalize their compliance plans, Day said. The USPS also has modified its postage statement so that mailers can check off which Move Update method was used.

If standard mailers say that they have not used a USPS-approved Move Update method or are not familiar with them, the USPS will use the transition period to ensure that they do comply, he said.

After the transition period, mailers who have mailings that are not compliant with Move Update will be fined 7 cents per piece for the entire mailing.

The USPS has not yet determined how many UAA pieces a mailing would have to contain in order to be considered noncompliant, and will use the transition period to determine what that threshold will be.

"We will be reviewing lots of live data to determine the appropriate tolerance level," Day said.

He also added that he wanted to dispel the notion that the USPS instituted a 7 cents per piece assessment in order to serve as a revenue stream.

"Our intent is to improve quality, not to raise revenue," he explained. "Mailers will have a more than ample opportunity to make any corrections that are needed. The USPS and the mailing industry believe that the revised standard is crucial to the business interests of both."

While the Direct Marketing Association was initially opposed to the 7-cent fine, its members are pleased that there will be a “grace period” until May before any assessments occur, said Jerry Cerasale, the DMA’s SVP of government affairs.

The DMA won’t have an official position on the new Move Update requirements until the Postal Service determines the criteria for a mailing to be judged noncompliant, he said. “We are pleased with the delay period until May,” Cerasale said. “We still oppose the 7-cent fine, but if it turns out that the tolerance level is within reason, then we are OK with it.”

One factor the DMA takes issue with is that many of its members do not wholly trust the USPS’s mailing evaluation machines, Cerasale said. He specifically mentioned the USPS’ Mailing Evaluation, Readability Lookup Instrument (Merlin), a device to assess barcode readability, as one that mailers have taken issue with in the past.

“I think people don’t totally trust the machines, and some of our lists are better than postal service lists,” he said. However, he added, “The basic goal of Move Update is a goal we should be reaching for.”

The USPS said Merlin and other mail assessment machines are accurate.

The new Move Update requirements will make the industry as a whole operate more efficiently, said Elizabeth Lombard, national postal carrier manager for mailing services company Pitney Bowes.

“From a mailer’s perspective, they might look at this as one more regulation, but if you clearly look at the figures, UAA mail is costly to both business and organizations,” she said.

While most large companies have been prepared for the new Move Update standards for some time, there are still some smaller mailers who “are a little shocked” to find out about the changes, Lombard said. However, she added, “once we explain it to them, they understand it’s a good thing and will help them in the long run. I think the response to the new Move Update standards have been well received.”