The Essential Guide to
Intelligent Mail®

▶ *What you really need to know to get up and running quickly*

Satori Software®

Contents

Introduction

Since 2003, there has been a flood of information about Intelligent Mail, much of it confusing or seemingly conflicting. Today, there are more options and requirements than ever: multiple barcodes, documentation procedures, service levels, service types and just plain services.

USPS® provides copious information about Intelligent Mail on its National Customer Support Center website, in its Intelligent Mail Symposium seminars and at various conferences, such as the National Postal Forum. Links to many of these materials are available in the Additional Resources section for those who would like to delve into the details.

This guide takes all the information about Intelligent Mail and distills it down to the basics your organization will need to get started, and to decide which Intelligent Mail service level is best for your needs.

What Is Intelligent Mail®

Quite a lot is said about the Intelligent Mail barcode, but Intelligent Mail is not just about barcodes. USPS has developed this new system to enable end-to-end visibility and reporting on mail as it travels through the mail stream. USPS also expects this technology to enable additional services in the future.

To achieve this visibility, the Intelligent Mail system calls for the use of Mailer IDs, piece, container and pallet barcodes, electronic reporting and more. But not all components are required for all mailings. There are two service levels, Basic and Full-Service. Both the requirements and the benefits are different for each. Before getting into the different service levels and requirements, there are some dates mailers should keep in mind.

Important Dates

May 18, 2009	Two Intelligent Mail service levels are available: Basic and Full-Service. Use of either the POSTNET™ or Intelligent Mail barcode qualifies mail for automation discounts. USPS will not support some Full-Service features until November 2009.
November 29, 2009	All Full-Service options supported, including Mail.XML and manifest mailings. Additional postage discounts become available for Full-Service mailings: $3 per thousand for First-Class Mail® and $1 per thousand for Standard Mail®.
May 2011	USPS eliminates automation discounts for the POSTNET barcode.
Today	Mailers should start using the Intelligent Mail barcode at the Basic service level. This will allow the identification of any required process changes and give mailers time to replace or update machinery that cannot support the new barcodes.

Using the Intelligent Mail Barcode Today

Mailers who use mailing preparation software, such as Bulk Mailer or MailRoom ToolKit solutions, will not need to worry about exactly how to create accurate Intelligent Mail barcodes. Those mailers will simply need to gain an understanding of the terminology and services covered in this guide. They can then follow the steps below to start using the Intelligent Mail service level that is best for their business needs.

Apply for a Mailer ID

Upon request, USPS assigns each organization either a 6- or 9-digit Mailer ID depending on its annual mail volume. This ID is used in the Intelligent Mail barcode to identify the Mail Owner or Agent, and contributes to the uniqueness of Full-Service barcodes. Most mailers will receive a 9-digit ID, which allows the creation of 999,999 unique barcodes. Mailers who need more unique barcodes in a 45-day period may apply for more than one ID.

Get Started with Basic Intelligent Mail

1. Request a Mailer ID through the [Business Customer Gateway](gateway.usps.com) (gateway.usps.com). Registration is required.
2. Select Basic Intelligent Mail as the sort type in the Mail Sort wizard.
3. Enter your Mailer ID in the Permit wizard.
4. Print the Intelligent Mail barcode on mail pieces.
5. **(Recommended)** Submit Intelligent Mail barcode samples through your USPS Mailpiece Design Analyst (MDA) for approval.

Upgrade to Full-Service Intelligent Mail

1. Purchase a Mail.dat user license from [IDEAlliance](www.maildat.org) (www.maildat.org) and the Mail.dat add-on for your Satori Software product.
2. Select Full-Service Intelligent Mail as the sort type in the Mail Sort wizard. Enter your IDEAlliance user ID and facility information on the Mail.dat page of the wizard.
3. Create and print unique Intelligent Mail barcodes.
4. Create and print unique Intelligent Mail tray and container labels.
5. Create and submit electronic documentation through the Test Environment for Mailers (TEM) via the Business Customer Gateway.
6. Work with your MDA to approve your organization for Full-Service mailings.
7. Schedule mail drop appointments via the Business Customer Gateway (FAST®).
8. Visit the Business Customer Gateway to receive your Full-Service feedback.

Basic vs. Full-Service

Two Intelligent Mail® service levels are available: Basic and Full-Service. At the Basic level, the IM™ barcode qualifies letter- and flat-sized mail pieces for Automation rates. Full-Service provides access to additional services and has more requirements. Satori Software mailing preparation products currently support Basic and Full-Service Intelligent Mail.

Requirements	Basic	Full-Service
IM barcodes on letter- and flat-size mail pieces	x	
Unique IM barcodes on letter- and flat-size mail pieces		x
Unique IM barcodes on trays and sacks		x
Unique IM barcodes on containers and pallets		x
Electronic documentation		x
A drop appointment scheduled through FAST®		x

Benefits	Basic	Full-Service
Replaces the POSTNET™ barcode, which will retire in 2011	x	x
Enables OneCode™ ACS®	x	
Enables OneCode Confirm®	x	x
Reduces clutter on mail pieces	x	x
Address correction information at no additional charge		x
Start-the-clock notification when USPS first scans a mailing		x
Additional postage discount in November 2009		x

Basic Intelligent Mail

Both Basic and Full-Service barcodes contain the same data elements: a barcode ID, service type and mailing class, the mailer ID, a sequence number and routing code. The Basic Intelligent Mail barcode is all many mailers will need; it can be used simply as a POSTNET replacement, or it can be used with OneCode ACS and OneCode Confirm services.

At the Basic service level, the sequence number does not need to be unique — unless it is being used with OneCode services. Then it must remain unique for 45 days. Mailers who plan to use OneCode services, or do any Full-Service mailings with the same Mailer ID, should use all zeros when creating static Basic IM barcodes to make it possible for their mailing software to properly track uniqueness.

Full-Service Intelligent Mail

Starting November 29, 2009, Full-Service mailings will be eligible for an additional postage discount: $3 per thousand for First-Class Mail and $1 per thousand for Standard Mail. For some, this discount will not justify the additional time and expense of upgrading to Full-Service. Gaining approval for submitting Full-Service mailings takes time; plus mailers need a plan for maintaining the uniqueness of their barcodes for the required 45 days. Some mailing preparation software, like Bulk Mailer and MailRoom ToolKit, can manage this task automatically.
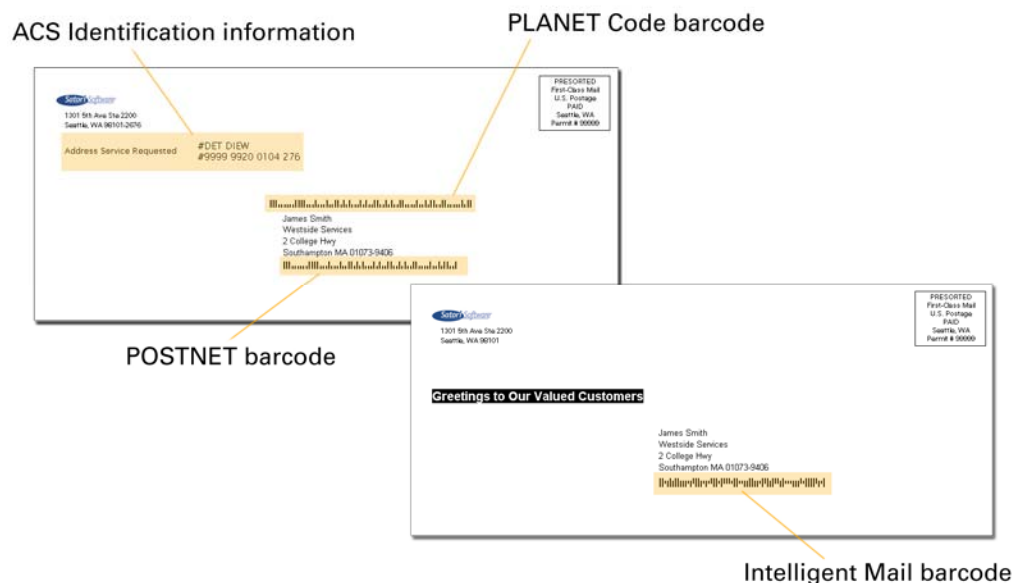
Types of Intelligent Mail Barcodes

While barcodes in the Intelligent Mail system are different depending on use (e.g., on trays, sacks, etc.), the IM barcode on mail pieces is the one most people see.

On Mail Pieces

When used on letter- and flat-size mail pieces, the Intelligent Mail barcode is a height-modulated barcode that encodes up to 31-digits of data into 65 vertical bars. This is only slightly longer than the 62-bar POSTNET barcode, which contains just the routing code.

The additional data included in the Intelligent Mail barcode identifies the service level, the mail class, the mailer, the mail piece and optional special services. These services can provide ACS™ and PLANET Code® functionality and eliminate the need for additional barcodes and most notations. The result: a more efficient system and a cleaner mail piece.

The multiservice Intelligent Mail barcode vs. POSTNET, ACS and PLANET Code notations

Positioning the Barcode

The requirements for positioning the Intelligent Mail barcode on mail pieces are nearly the same as for the POSTNET barcode. While the IM barcode is slightly taller (0.145 ±0.02 in vs. 0.125 ±0.01 in), the minimum clearance above and below is slightly less (0.28 vs. 0.04 in). Most commonly, the barcode is printed as part of the address block either above the addressee or below the City, State and ZIP™ line. Full details on barcode positioning can be found in the Domestic Mail Manual (pe.usps.gov) in sections 202.5.0 and 302.5.0.

Building the Intelligent Mail Barcode

	What it Does	Where it Comes From
Barcode ID	Identifies the type of barcode; designates the OEL on Flats	Generated by the PAVE™ certified software
Service Type	Identifies the mail class, service level (Basic or Full-Service) and any optional services like Confirm®	Selected by the mailer during the presort process
Mailer ID	Identifies the mailer or mailing agent, 6- or 9-digits depending on the mailer's overall volume	Assigned by USPS
Sequence Number	6- or 9-digits, which can be static for Basic, but must be unique for Full-Service	Generated by the mailing software
Routing Code	11-digits that correspond to the Delivery Point Barcode; nonautomation may have 9, 5 or 0 digits	Generated by the CASS Certified™ software

Notice that the IM barcode is generated during the presort or printing process instead of the CASS™ process because it contains information about the service level and mail class.

Other Intelligent Mail Barcodes

Full-Service also requires type-specific Intelligent Mail barcodes on all trays, sacks, containers, etc., which are different than the distinctive four-state barcode used on letter- and flat-size mail pieces. The Intelligent Mail tray label and barcode covers trays, tubs and sacks. The Intelligent Mail container barcode covers containers, hampers, pallets, rolling stock, etc.
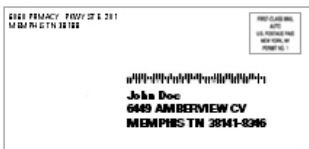
Intelligent Mail piece barcode

Intelligent Mail tray barcode

Intelligent Mail container barcode

While your mailing preparation software will generate these labels, more technical details can be found on the USPS Intelligent Mail site (ribbs.usps.gov/index.cfm?page=intellmailmailpieces).

Intelligent Mail Services

Current USPS services supported by the Intelligent Mail barcode include OneCode ACS, OneCode Confirm and, only at the Full-Service level, Full-Service ACS and start-the-clock.

Address Change Services

Move Update Considerations

Undeliverable and badly addressed mail costs USPS nearly two billion each year. To combat these costs, USPS now requires that addresses used for First-Class Mail and Standard Mail be updated within 95 days prior to mailing to qualify for discounted postage rates. USPS has authorized several methods to meet this requirement each with different costs, limitations and conditions.

When choosing a Move Update method, consider this: the easiest way to improve return on investment is to validate and update every address before incurring printing and mailing costs. For this, the only authorized method is NCOA$^{Link®}$ processing. This process updates address lists based on information reported to USPS through its Change of Address form.

When using an ACS service for Move Update compliance, remember that either the address must have been received from the addressee within 95 days, or a pre-mail stream Move Update method (i.e., NCOA^{Link}, *FASTforward*$^®$) must be used the first time the address is used.

OneCode ACS$^®$

OneCode ACS returns address correction data electronically, which allows organizations to apply address corrections to their mailing list more easily. As with traditional ACS™ service, OneCode ACS is available for letter- and flat-size mail pieces on First-Class Mail, Standard Mail and Periodicals, but the cost is much lower. When combined with NCOA^{Link} processing it's a cost-efficient way to meet the USPS Move Update standards.

Two ancillary service options are available. Change Service instructs USPS$^®$ to forward or **dispose** of the undeliverable mail piece and provides the new address or the reason for non-delivery. Address Service instructs USPS to forward or **return** the undeliverable mail piece to sender. So that the **mail carrier** will know how to handle the mail piece, Standard Mail pieces must still have a printed endorsement. The recommended text is "Electronic Service Requested."

For First-Class Mail, USPS provides a corrected record whether the mail piece is forwarded or disposed. For Standard Mail, USPS charges a weighted fee on returns and provides ACS records only when the mail is forwarded.

Full-Service ACS

When sending a Full-Service mailing, mailers automatically receive virtually free address correction information through Full-Service ACS, which otherwise functions the same as OneCode ACS. Any notifications triggered outside the free update period, as shown in the ACS Service Fee Comparison chart, will incur the same fees as OneCode ACS corrections. This applies to any subsequent use of the address by the same mailer.

ACS Service Fee Comparison

Full-Service ACS	OneCode ACS	Traditional ACS
– First-Class Mail: free updates	First-Class Mail letters	– First-Class Mail: 20¢
– Standard Mail: free updates for 30 days	– First two notices: 2¢ – Per additional notice: 8¢	– All other mail: 26¢ – Manual notifications: 50¢
– Periodicals: free updates for 60 days	Standard Mail letters	
Note: After the time limit, fees for additional notifications are the same as OneCode ACS.	– First two notices: 5¢ – Per additional notice: 20¢	

Tracking Services

One of the most talked about aspects of Intelligent Mail is also perhaps the most misunderstood: mail tracking. Intelligent Mail provides USPS with end-to-end visibility of pieces in the mail stream. To achieve this visibility, USPS logs each scan of an Intelligent Mail barcode. Many mailers believe they will receive this tracking data at no additional cost when sending Full-Service mailings. In fact, USPS releases this scan data through the OneCode Confirm service and at an additional cost.

Start-the-Clock

Mailers who use Full-Service Intelligent Mail services receive free start-the-clock notifications. Start-the-clock notifications provide mailers with documentation of the time and day USPS takes possession of a mailing. OneCode Confirm is required to receive any other tracking information.

OneCode Confirm®

OneCode Confirm provides near real-time tracking information about letters and flats or First-Class Mail, Standard Mail and Periodicals mail. This fee-based optional service tracks the date, time and location each time a mail piece is scanned at a USPS facility. A single mail piece may be scanned multiple times as it travels through the mail stream.

Confirm® provides two types of service: Destination Confirm and Origin Confirm. Destination Confirm notifies mailers when their outgoing mail pieces are scanned at a USPS facility, which helps mailers anticipate delivery. Origin Confirm tracks incoming reply-mail pieces, which helps organizations anticipate when replies, orders or payments will arrive.

To use Confirm services, the Mailer ID must either be issued through Confirm, or registered under a Confirm subscriber.

Electronic Documentation

When submitting Full-Service mailings, all documentation, including postage statements, must be provided electronically through the Business Customer Gateway. The options for submitting the documents are Mail.dat, Mail.XML and the Postal Wizard.

Mailers who would like to use Mail.dat or Mail.XML for submitting Full-Service Intelligent Mail documentation must first test the files through the Test Environment for Mailers (TEM). TEM offers the same functionality as the production environment and gives mailers the opportunity become proficient in the creation and submission electronic documentation in the form of Mail.dat 09-1 and, in November 2009, Mail.XML files before using the production environment.

Mail.dat

A relational file structure developed and licensed by IDEAlliance, Mail.dat is the current industry standard for submitting complete mailing data to USPS through *PostalOne!*®. As with all elements of the Intelligent Mail system, it is possible for mailers to develop their own Mail.dat files. As the process is extremely complex, most mailers will create this file through their mailing preparation software. Most compatible software, like Bulk Mailer, supports this functionality through an add-on module. There are limitations to using Mail.dat, but, until November 2009, it is the only method suitable for mailers to submit Full-Service mailings of even moderate complexity.

Mail.XML

A newer file specification developed by IDEAlliance, the more flexible Mail.XML solution supports more interaction with USPS on a transactional level. Currently Mail.XML can be used to schedule mail submission appointments through FAST and receive Mailer IDs and Full-Service feedback information, including address corrections and start-the-clock notifications. Starting November 2009, Mail.XML may be used to submit electronic documentation, update previously submitted documentation and make postage payments.

Postal Wizard

The Postal Wizard provides an interface for mailers to submit postage statements for less complex mailings of up to 10,000 pieces. When used for Full-Service mailings, only First-Class Mail and Standard Mail are supported. The wizard guides the mailer through manually entering the required information; then calculates the postage and validates the information. Once complete, the postage statement is submitted directly to the appropriate acceptance unit. Most mailers will quickly outgrow this option.

Intelligent Mail FAQ

Q: What is Intelligent Mail?

Intelligent Mail is a technology platform, made up of new barcode and mailing preparation specifications; submission and USPS handling processes, which opens the door to new postal services, features and products. USPS gains increased visibility of the mail stream and is able to provide mailers with actionable information about mail for marketing, financial and operational purposes.

Q: What is the Intelligent Mail barcode?

When used on letter- and flat size pieces, the Intelligent Mail barcode is a height-modulated barcode that encodes up to 31 digits of data into 65 vertical bars. It combines the functionality of ACS™, POSTNET™ and PLANET Code® and paves the way for USPS® to offer additional services in the future.

Q: How is the Intelligent Mail barcode different from the POSTNET barcode?

The POSTNET barcode is made up of two bar types which encode only delivery point information. The Intelligent Mail barcode is made up of four different bars which encode the service level, the mail class, the mailer ID, the mail piece and optional special services in addition to delivery point information.

Q: Is the Intelligent Mail barcode required?

Currently, you can receive the same automation discounts with either the POSTNET barcode or the Intelligent Mail barcode. USPS will require Intelligent Mail barcodes for all Automation discounts in May 2011.

Q: What are the benefits of the two service levels?

USPS offers two levels of Intelligent Mail barcode service: Basic and Full-Service.

The Basic option qualifies mailings for Automation discounts and enables access to the OneCode ACS® address correction and OneCode Confirm® mail stream tracking services.

The Full-Service option provides mailers with free address change information, through Full-Service ACS, and start-the-clock data, which notifies mailers when USPS takes control of their mailings. Beginning in November 2009, mailers who use Full-Service will receive an additional postage discount.

Q: Is Full-Service required for postage discounts?

No. You can still receive Automation discounts using only POSTNET and Basic Intelligent Mail barcodes. In November 2009, mailers will earn a higher discount using Full-Service Intelligent Mail barcodes. The additional discount will be $3/1000 for First-Class Mail and $1/1000 for Standard Mail and Periodicals.

Q: Are there additional requirements for Full-Service?

Yes. The Full-Service option requires unique Intelligent Mail barcodes on all mail pieces, units (trays and sacks) and containers (pallets, etc.). The barcodes must remain unique for 45 days. Mailers must submit their postage statements and mailing documentation electronically, and schedule drops using the FAST® scheduling service. The Basic level only requires a Mailer ID and the IM barcode on mail pieces.

Q: Do trays need an Intelligent Mail barcode?

Yes, if you are submitting a Full-Service mailing, trays (and containers) require unique type-specific Intelligent Mail barcodes. Mailing preparation software like Bulk Mailer will generate the necessary unique barcodes when Full-Service Intelligent Mail is selected as the mailing type.

Q: What is a Mailer ID?

Upon request, USPS assigns either 6- or 9-digit Mailer ID based upon annual mail volume. This ID is used in the Intelligent Mail barcode to identify the mail owner or agent, and contributes to the uniqueness of Full-Service barcodes.

Q: What is the Customer Business Gateway?

The Business Customer Gateway provides online access to USPS services including *PostalOne!*, FAST®, CLDS (Customer Label Distribution System), and Mailer IDs (MIDs). You will use this account when submitting mailing statements electronically, a requirement for Full-Service.

Q: Does USPS need to approve my mail piece for Intelligent Mail?

USPS does not need to approve your mail piece, but they will need to approve your use of Full-Service Intelligent Mail technology. USPS requires mailers to have successfully passed Full-Service testing in the Testing Environment for Mailers (TEM) before certifying them to use Full-Service. Currently, there is no official approval process for Basic.

Even for Basic service, we **strongly recommend** that you take printed samples to USPS to verify that your barcodes fall within their tolerances. USPS will reject mail pieces with barcodes that do not meet their standards. Barcodes may fall outside of these tolerances due to printers over-spraying ink or ink bleeding. Contact your local USPS Mailpiece Design Analyst to learn more.

Q: Is the IM barcode available in Satori Software products?

All Satori Software mailing preparation products include Basic and Full-Service Intelligent Mail support. To use Mail.dat for electronic document submission, a Mail.dat user license from IDEAlliance (www.maildat.org) and the Mail.dat add-on for your Satori Software product are required.

More detailed instructions on how to use the Intelligent Mail barcode in Satori Software products, is available in the Support section of the Satori Software website (www.satorisoftware.com/support). Review the tech notes: Using the Intelligent Mail Barcode in Bulk Mailer, Using the Intelligent Mail Barcode in MailRoom ToolKit Office or Using the Intelligent Mail Barcode in MailRoom ToolKit Architect

Additional Resources

USPS National Customer Support Center (http://ribbs.usps.gov)
Contains extensive information about Intelligent Mail, the latest news, additional guides and links to presentations given at the National Postal Forum and Intelligent Mail symposium.

USPS Business Customer Gateway (https://gateway.usps.com)
Provides access to all USPS business services that are available online including Mailer ID requests, *PostalOne!* and FAST scheduling.

USPS Postal Explorer® (http://pe.usps.gov)
A wealth of information regarding rates, regulations, zone charts, Quick Service Guides, specifications for designing your mail and much more.

USPS MDA Lookup (pe.usps.gov/mpdesign/mpdfr_mda_lookup.asp)
Get contact information for the local Mail piece Design Analyst.

IDEAlliance (www.idealliance.org)
More information about Mail.dat and Mail.XML, including license information and applications.

Satori Software Website (www.satorisoftware.com)
Get more information about mailing preparation software, the benefits of address quality and more.

All Satori Software presort products currently support the Basic and Full-Service Intelligent Mail services. Satori Software delivers simply powerful mailing preparation solutions for mailers of all sizes. High-end mailers use MailRoom ToolKit® Architect to integrate address correction and postal presorting into transactional and variable-data printing processes. Other mailers choose Bulk Mailer® for an all-in-one standalone mailing preparation solution. Both product lines feature best-in-class address verification, integrated 48-month NCOA^Link® processing, Full-Service Intelligent Mail® barcode support and more.

For more information about using Satori Software products or getting started with Intelligent Mail, contact sales at 800-553-6477 or email sales@satorisoftware.com.