

## Move Update Penalties Take Effect January 2010

The Postal Service will begin assessing penalties in January 2010 for Standard Mail that fails to comply with move update standards. A penalty of seven cents per non-compliant piece will apply to any mailing where more than 30% of moves are not updated correctly.

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 40% that were not updated will be assessed additional postage of \$.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.

While these penalties do not go into effect for Standard Mail until January 2010, they do apply to First Class Mail now.

Between now and January 2010, USPS will continue to randomly test mailings for Move Update compliance and Eye/Comm will provide those results to our customers.

Since November 23, 2008 the Postal Service has required Standard and Non-Profit mail to comply with Move Update standards. Presorted First Class mail has required compliance for the last 10 years. To comply you must have updated your mailing list within 95 days prior to the date of mailing using one of the following authorized methods:

- NCOA<sup>Link</sup> processing.
- FASTforward MLOCR processing (letter mail only).
- OneCode ACS (Address Change Service) in conjunction with an Intelligent Mail barcode and a mailer ID.
- Address Change Service used with an ACS participant code and an appropriate on-piece ancillary service endorsement.\*
- Use of an appropriate on-piece ancillary service endorsement without ACS.\*

\*If you use ACS or on-piece ancillary service endorsements you must incorporate the address changes received prior to subsequent mailings.

The Postal Service will use NCOA data as the standard for testing using their postage verification systems. For that reason, Eye/Comm recommends NCOA for Move Update compliance. If you need to use an alternative method, Eye/Comm can help you determine which method is best for you.

Remember, your list must be updated within 95 days of a mailing. For example, a mailing entered on January 4th must bear addresses that were updated no earlier than September 29th.