



Intelligent Mail® and the United States Postal Service

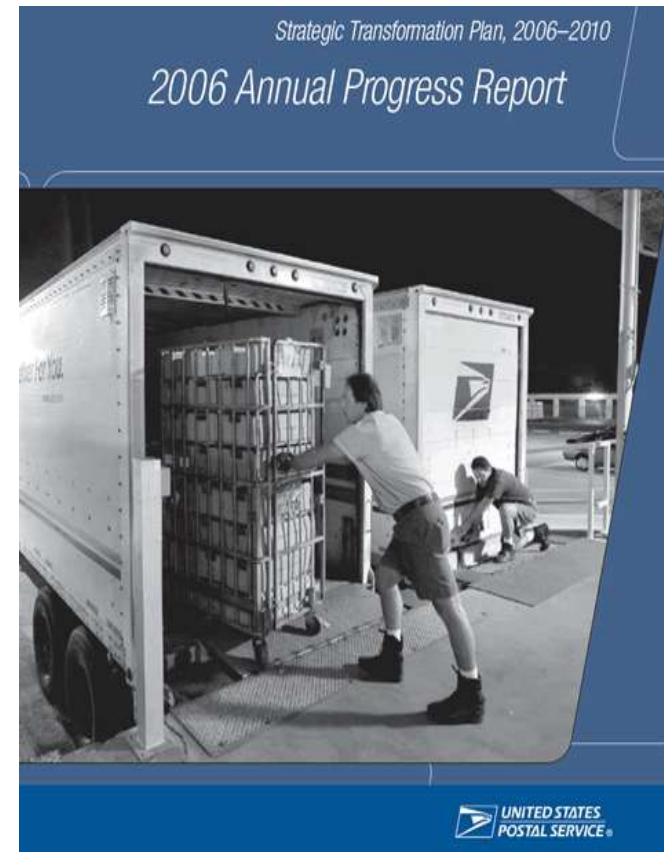
Presented by the United States Postal Service

Intelligent Mail Vision

Provide end-to-end visibility and a seamless process for mail acceptance and delivery, using:

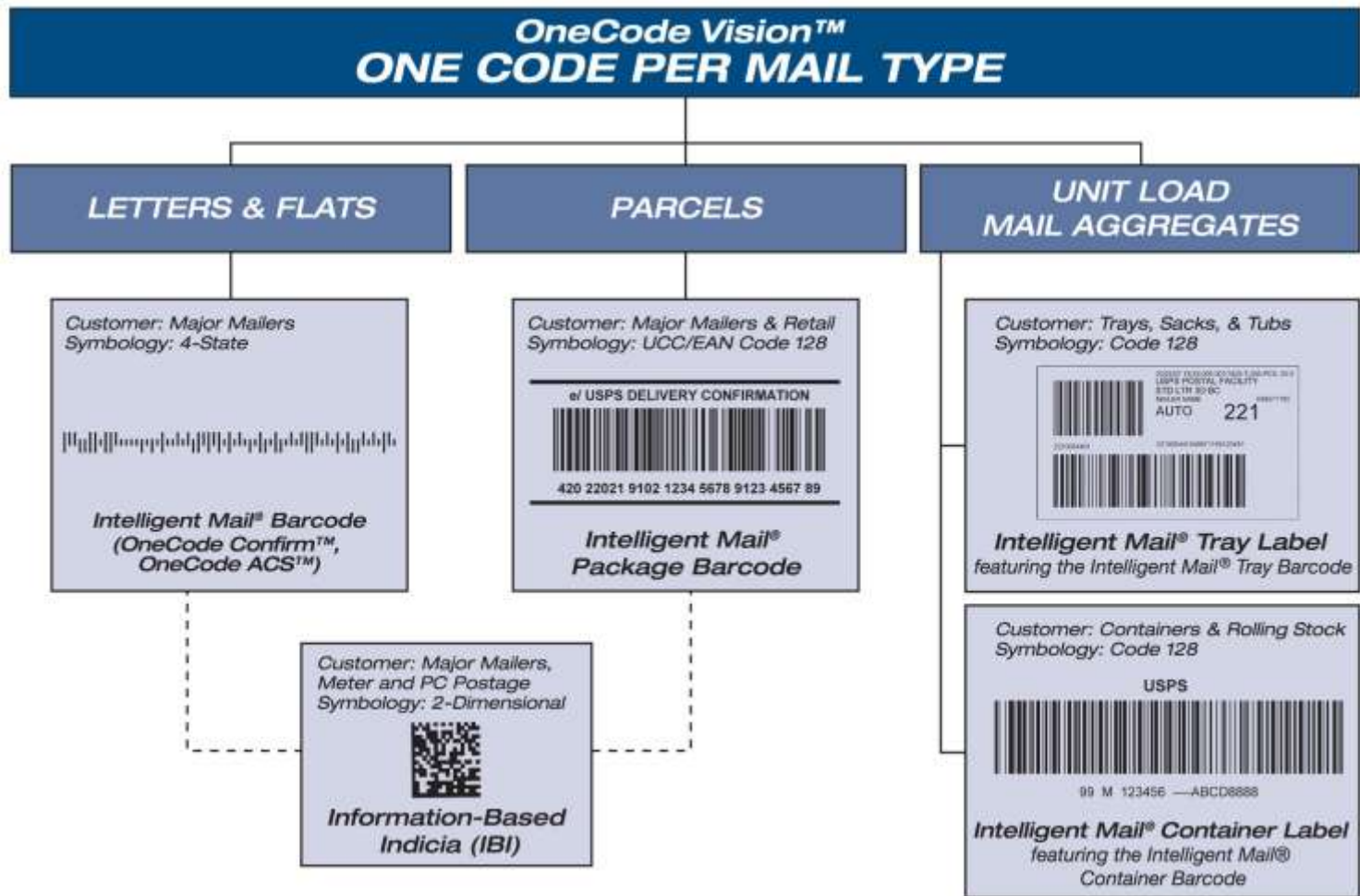
- Standardized intelligent barcodes
- Continuous mail tracking
- Mail quality feedback in real-time and
- Service measurements

to position Letters, Flats, and Parcels as a Key Communications Medium.



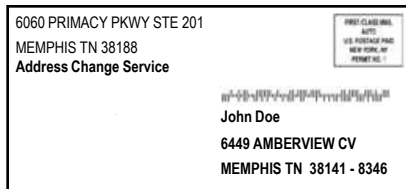
OneCode Vision®

One code per mail type: Letters & Flats, Parcels, Unit Loads



Benefits – All New Intelligent Barcodes

- Uniquely identify the sender
- Uniquely identify the mail piece or mail aggregate
- Provide a destination ZIP Code for sortation & routing
- Encode Special Service indicators & Address Change Service™ (ACS) requests



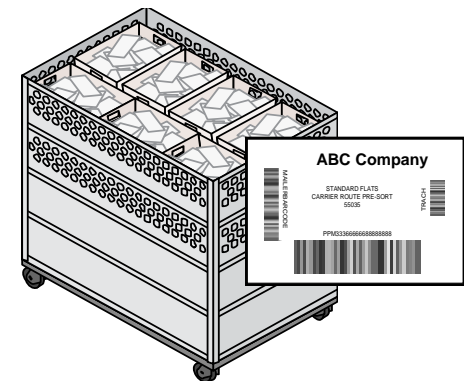
**Intelligent Mail®
Barcode**



**Intelligent Mail®
Package Barcode**

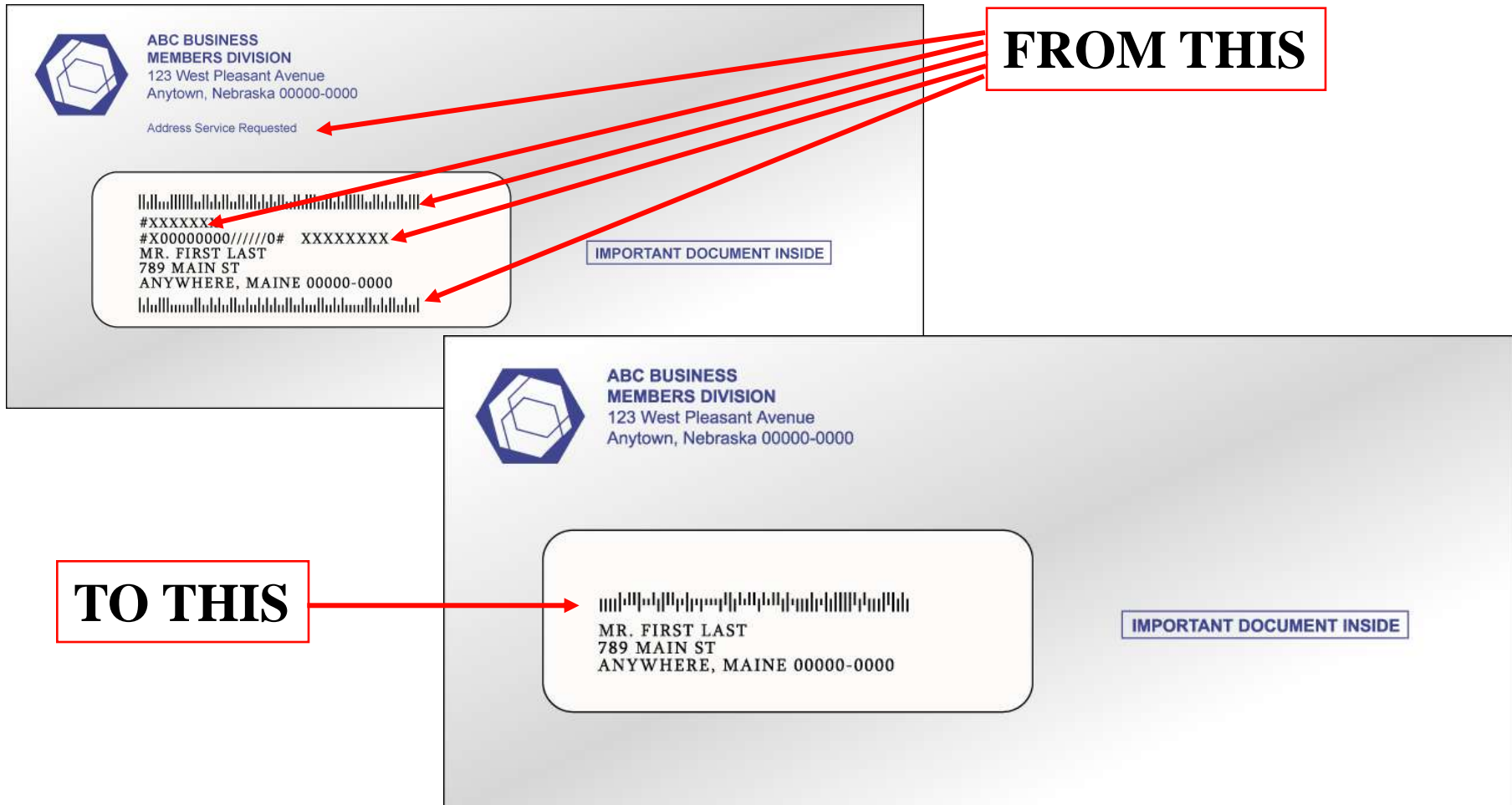


**Intelligent Mail®
Tray Barcode**



**Intelligent Mail®
Container Barcode**

Letters and Flats - Old World to New World



Benefits - Letters and Flats



Intelligent Mail® barcode

- Combines multiple codes into a single code
 - Free up mail piece real estate
 - Select a suite of services using a single code
 - Move between multiple suite of services within mailing
- Greater number of uniquely identifiable mail pieces
- Relates all services back to 1 unique customer ID
- Automated services means less cost – win-win

Barcode Comparison



Field	INTELLIGENT MAIL® BARCODE	POSTNET	PLANET CODE®
Barcode ID	2	0	0
Service ID	3	0	2
Subscriber ID* (or BEI)	6	0	5
Unique ID*	9	0	6
Routing ZIP	None, 5, 9, 11	5, 9, 11	0
Total Max Digits	31	11	13

* A Business Entity Identifier (BEI) can be either 6 or 9 digits. A 9-digit BEI reduces the Unique ID field to 6 digits.

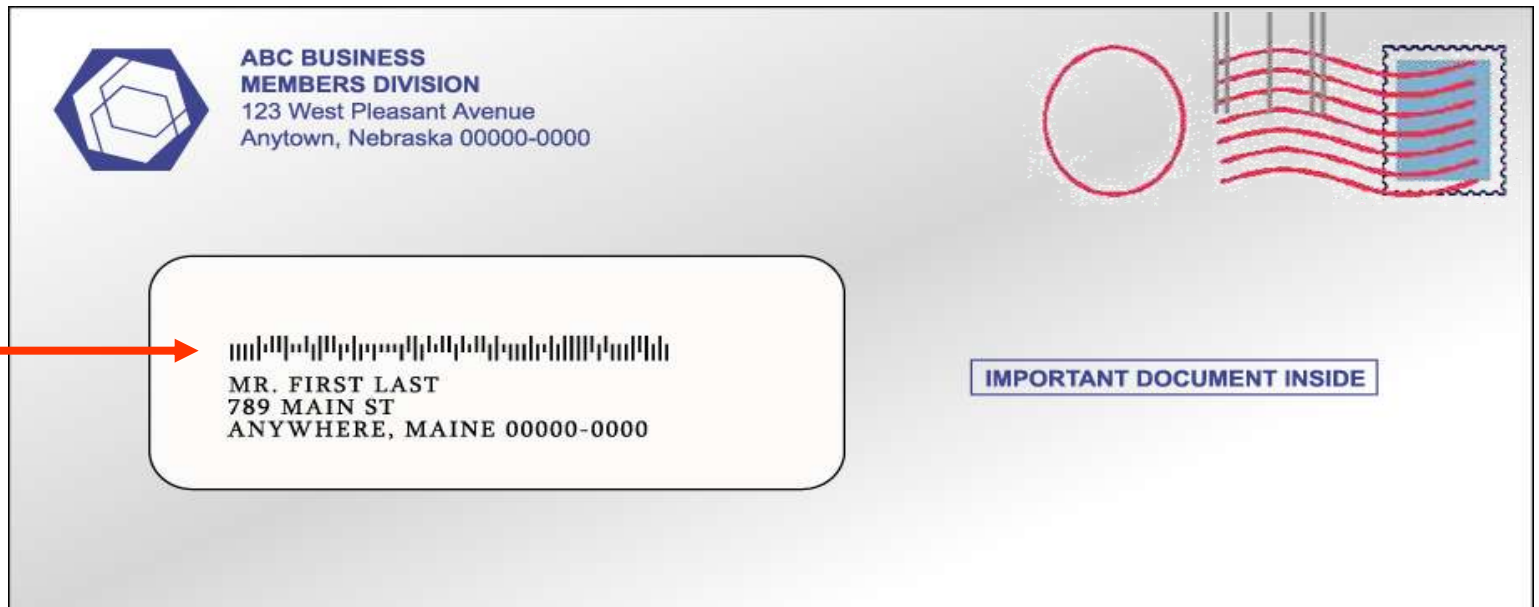
Typical Barcode Format

2		3			6						9						11													
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Bar-code ID		Service Type Code			Subscriber ID/ or BEI						Sequence Numbers/"Open" Digits						Routing ZIP™ (POSTNET Digits)													

For Origin OneCode Confirm:
These are combined creating 15 "Open" digits

OneCode Confirm™

- Intelligent Mail® Barcode combines capabilities of PLANET Code® and POSTNET into one unique barcode
- One barcode means more “real estate”



OneCode Confirm™ vs. Confirm®

	Intelligent Mail Barcode	PLANET Codes
Unique Numbers	1 Billion	1 Million
Can Combine Services	Yes	No
Cost	Same Pricing	Same Pricing

Confirm® Service Subscription Fee Structure (Effective May 14, 2007)

Level	Price	Period	Number of Subscriber IDs*	Number of Mailpiece Scans With Subscription Period	Cost of Additional Scans During Subscription Period	Upgradeable?
<i>Silver</i>	\$2,000	3 months	1	15 million	\$500 per 2 million scans	No
<i>Gold</i>	\$6,000	1 year	1	50 million	\$750 per 6 million scans	Yes
<i>Platinum</i>	\$19,500	1 year	3	Unlimited	N/A	N/A

* A subscriber can purchase additional Subscriber IDs for \$750 per Quarter or \$2,000 Annually

OneCode ACS™ vs. ACS™

	Intelligent Mail® Barcode	Alpha-numeric Characters
Percent Electronic	High 90's	80-85% plus hardcopy
Can Combine Services	Yes	No
Response Time	Hours	Days

ACS™ and OneCodeACS™ Fee Structure		Applicable ACS Fee Category	Requirement	ACS Fee (\$)
First-Class Mail	Letters*	Automated	OneCode ACS	0.00 / 0.05
	Flats and Letters	Electronic	OneCode ACS or Traditional	0.06
Standard Mail	Letters*	Automated	OneCode ACS	0.02 / 0.15
	Flats and Letters	Electronic	OneCode ACS or Traditional	0.25
Periodicals	Flats and Letters	Electronic	OneCode ACS Or Traditional	0.25

*These items qualify for the automated OneCode ACS fee. The first price is for the first two notices of the same address, the second is for each additional notice.

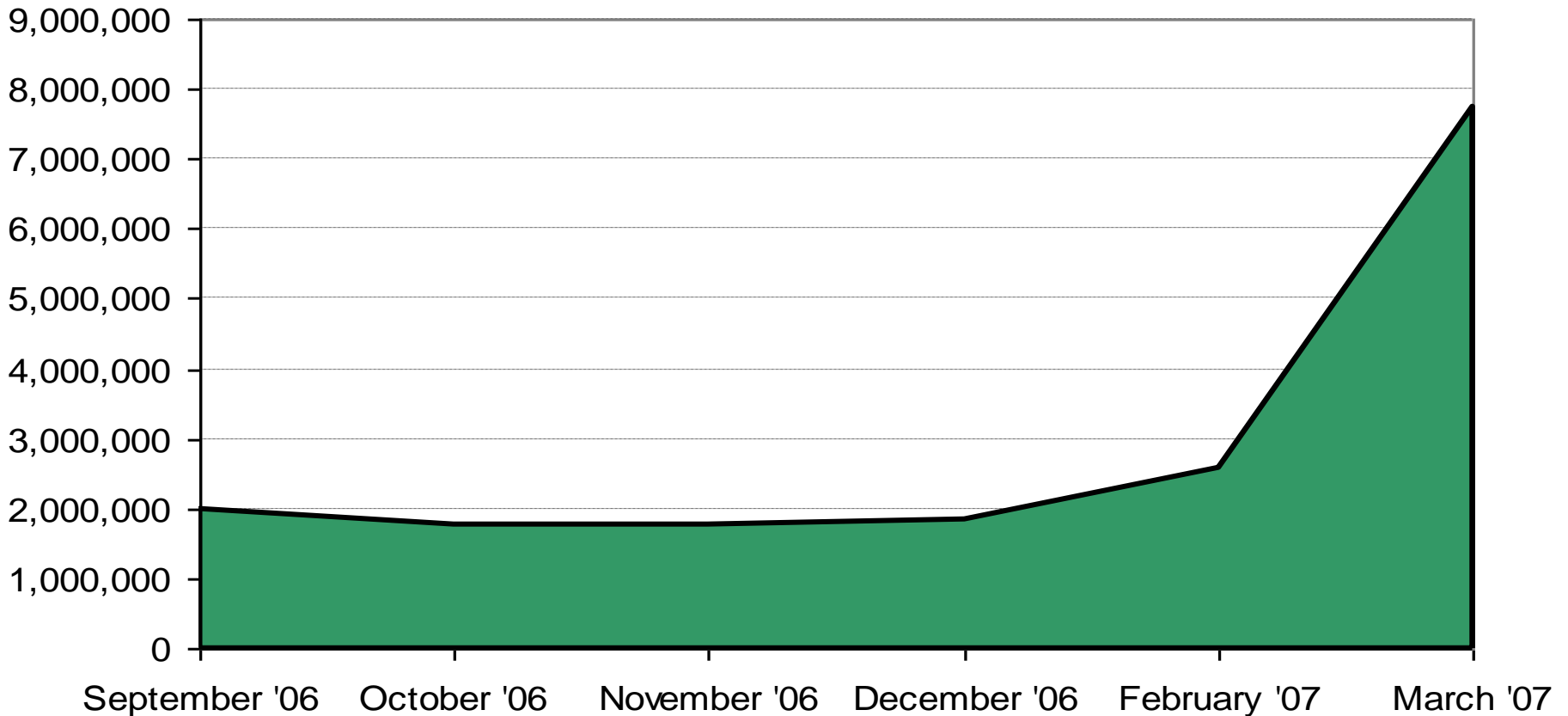
Timeline for Letters and Flats

	LETTERS	FLATS
ONECODE CONFIRM		
First Class	ACTIVE	ACTIVE
Periodicals	ACTIVE	ACTIVE
Standard	ACTIVE	ACTIVE
ONECODE ACS		
First Class	ACTIVE	ACTIVE
Periodicals	ACTIVE	ACTIVE
Standard	FALL 2007	FALL 2007
AUTOMATION DISCOUNTS WITHOUT SERVICES	ACTIVE	ACTIVE

Automation Discount Tied to Barcode in 2009

Intelligent Mail® Barcode Volume

**Average Weekly Count of Mailpieces with
Intelligent Mail Barcode (Nationwide)**



Plans for Intelligent Mail® Barcode

- Mailer testing
 - JC Penney and Harte-Hanks testing flats
 - 18.3 million letters and 63 million flats already mailed
- Flats barcode tolerance testing
 - Quad Graphics, Quebecor World, R.R. Donnelley, Brown Printing, Perry Judd, ...and Engineering Stress Decks



Letters & Flats Meter Mail Tracking

- IBI is digitally secure Postage Evidence
 - IBI barcodes are unique to each mailpiece
- Letter & flat sorters report IBI
- Launching IBI Confirm™ Pilot Trial – May 2007
 - Opens up confirm like product to Meter/PC Postage Mailers



Parcels - Intelligent Mail® Package Barcode

- Intelligent Mail® Package barcode
 - Single linear barcode
 - 5-digit destination ZIP
 - Encodes various Special Services combinations
- Active - Mailers have had the ability to produce integrated service barcodes (e.g. DelCon w/ Insurance)



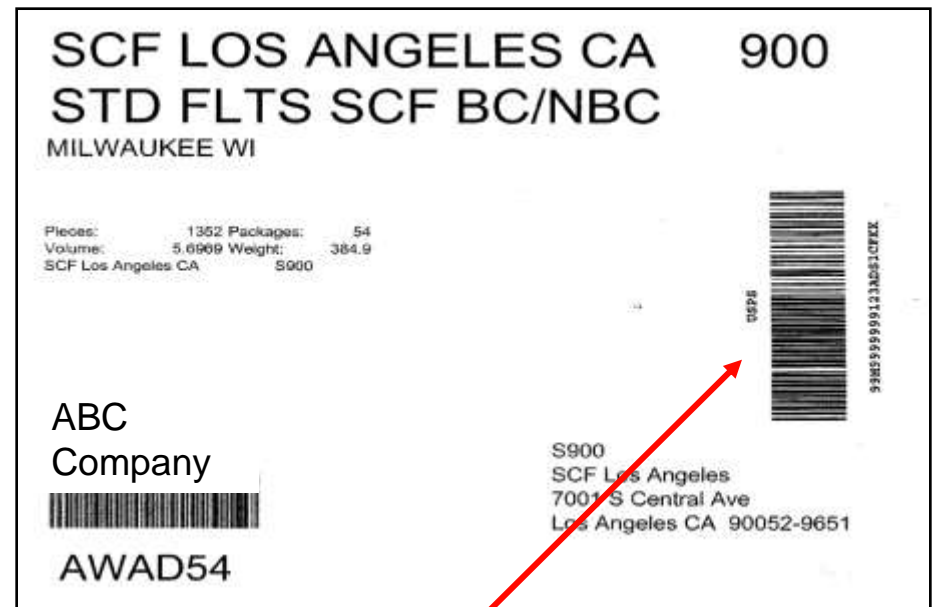
Intelligent Mail® Tray Barcode and Label

- 10-digit tray label is not unique
- New 10/24 label format
 - Unique identification
 - Allows “nesting” of trays to containers or pallets
 - Allows creation of manifests for programs such as Seamless Acceptance
- Goal is a 24-digit label



Intelligent Mail® Container Barcode

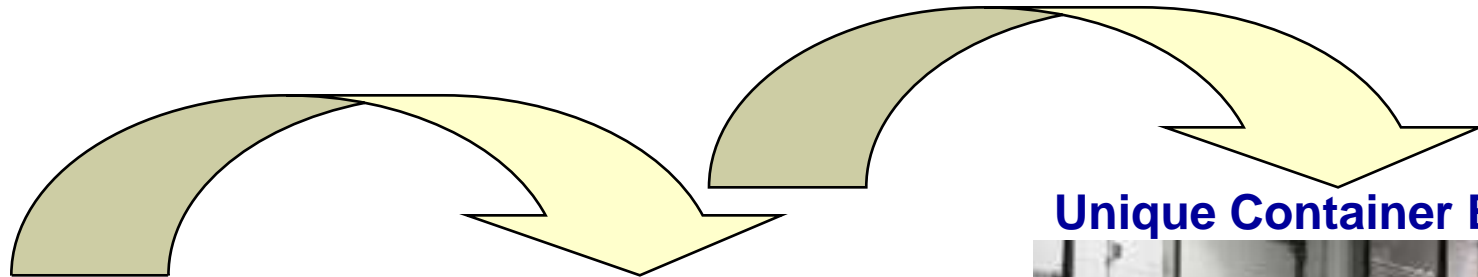
- Pallets & Containers
- A unique barcode on the placard
- Identifies the mailer
- Establishes a unique “serial number” for tracking



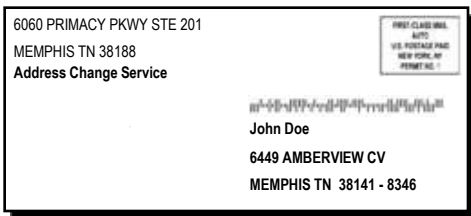
Intelligent Mail® Container Barcode

Creating Visibility

Unique IDs will allow us to track “nested” pieces as they are containerized



Unique Mailpiece Barcode



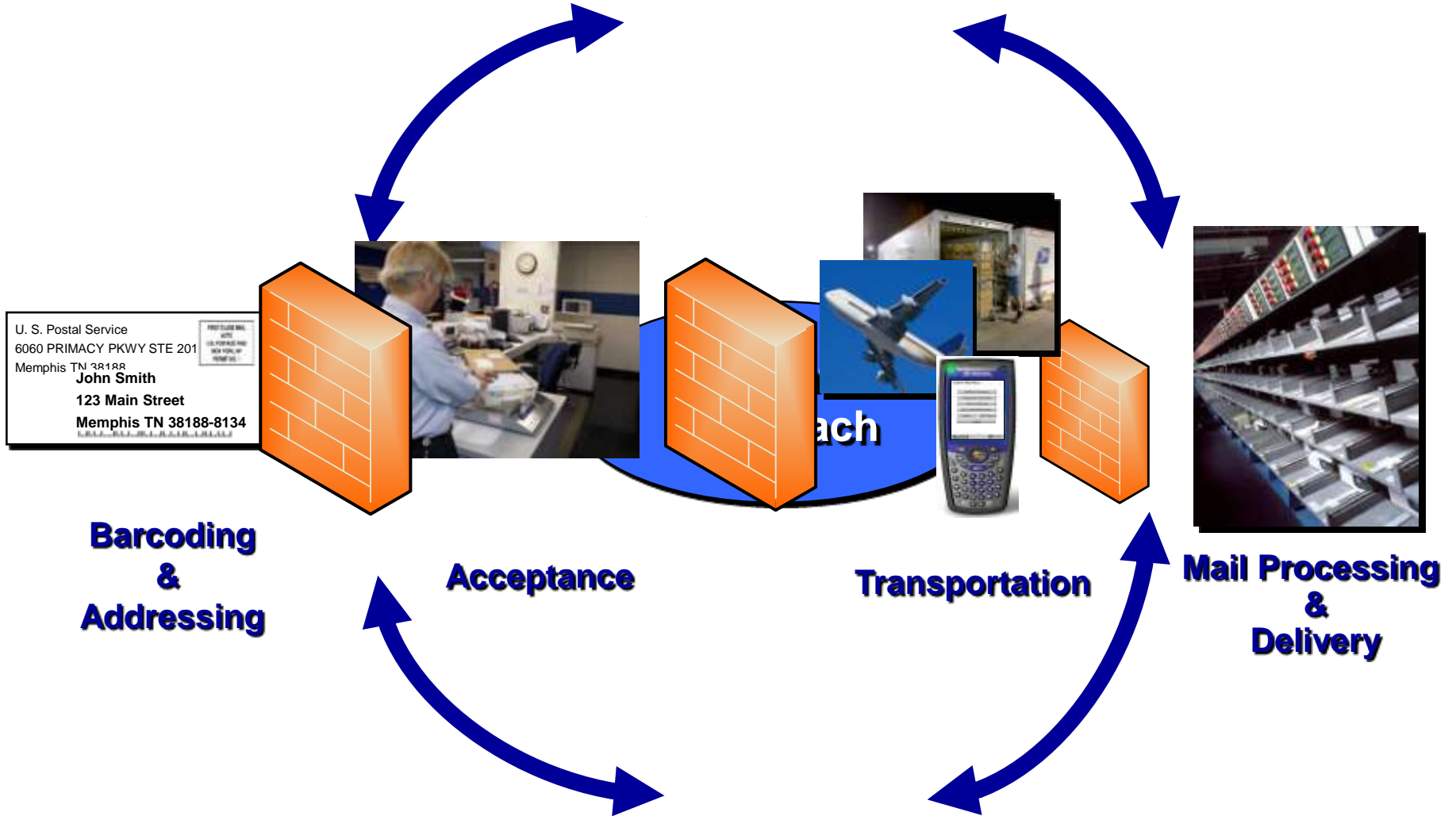
Unique Tray Barcode



Unique Container Barcode



Transforming to a New World



Seamless Acceptance

- Verify mail while it is being processed
- Scanning
 - Induction scan – right mail, right time, right place
 - Processing scans – quantity and quality
- Reconcile scan data against manifests
- Quality Feedback



**Processing
Scans**

Induction Scans

**Automated
Reconciliation**

Addressing

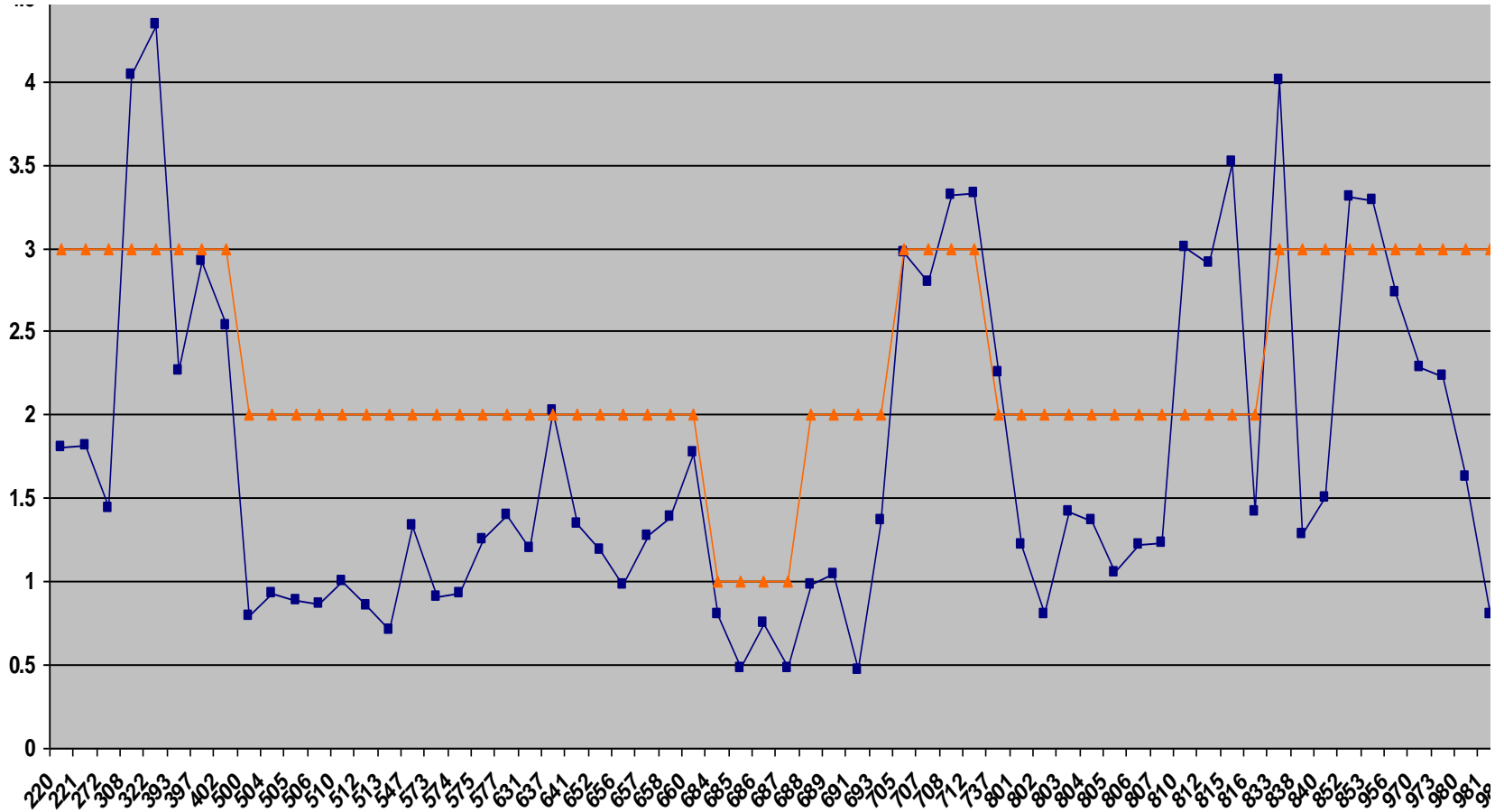
- Nearly 1.5% of U.S. moves every month (4.7% avg. UAA)
- Automation and barcodes provide measurement tool
- Scans provide data to measure address quality
 - Every mailing measured
 - Feedback provided to mailer to fix problems



**Processing
Scans**

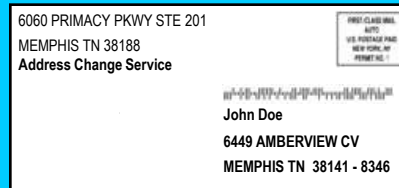
**Automated
Reconciliation**

Service Standards Example: ZIP Analysis by – Transportation Issues



Intelligent Mail –Your Key Communications Medium

- Trackable
- Identifiable
- Efficient
- Quality
- Responsive
- Predictable
- Accountable



**Intelligent Mail®
Barcode**



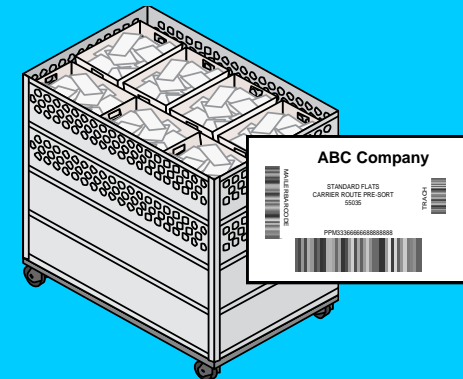
**Intelligent Mail®
Package Barcode**



**Information
-based
Indicia**



**Intelligent Mail®
Tray Barcode**



**Intelligent Mail®
Container Barcode**

VISION

Provide end-to-end visibility and a seamless process for mail acceptance and delivery, using standardized intelligent barcodes, continuous mail tracking, and mail quality feedback in real-time, to position Letters, Flats, and Parcels as a Key Communications Medium

Getting Started with the Intelligent Mail® Barcode

- Rapid Information Bulletin Board System
<http://ribbs.usps.gov/onecodesolution/>
 - Encoder Software and Fonts
 - Intelligent Mail Barcode Specifications
 - Technical Resource Guide
 - OneCode Confirm and OneCode ACS Technical Guides
 - Online Decoding Tool
- USPS Delivery Point Barcode Template 04A
 - Dated September 2006
- Commercial Scanners: HHP 4600 and Videk 2030
- **Other resources:**
<http://www.usps.com/>

Questions

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