

# 10 Steps to Lowering Your Postage Costs.

*A White Paper Published by Ripon Printers*

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Everyone has concerns about postage because: (a) it keeps going up; and (b) there is constant change in what is already a complicated system. Postal reform helps moderate costs, but it still won't change the fact that postage outweighs all other catalog production costs combined. Getting a grip on your postage costs demands addressing several key areas.

## 1. Understand How the System Works

The U.S. Postal Service (USPS) wants to minimize labor costs by:

- Standardizing sizes
- Dealing with 100 percent deliverable addresses
- Receiving as much presorted mail as possible
- Having mail delivered by customers deep into the postal system
- Automating the sortation of mail it does process

They call this "worksharing" and offer you better postage rates for the services you provide. The hitch, of course, is that it costs you money to perform these services. So the name of the game is net savings—your self-service gain versus what the USPS would charge in higher postage for the same tasks.



## 2. Take the Right Steps to Reduce Costs

Some processes, like presorting, are no-brainers and can be provided by qualified service bureaus, printers and lettershops. That's true for many list hygiene services as well, though they tend to be overlooked to the annual tune of 5.6 billion pieces of undeliverable mail as addressed (UAA).

But the trickier part comes in delivering mail deeper into the postal system. Many small to mid-size catalogers lose out because they feel they don't have enough volume or ZIP Code concentration to justify drop shipping to National Distribution Centers (NDCs) or Sectional Center Facilities (SCFs).

## 3. Comailing Helps Smaller Circulation Catalogers

Fortunately, there are now offline comailing programs available. Comailing combines the circulations of a pool of catalogs being produced within a common timeframe into a single, presorted mailing list. A sophisticated, offline collating system then feeds each title based on the respective sortation order. By combining multiple titles into one mailstream, more mail can be put onto pallets to qualify for drop shipping discounts. The resulting finer sortation also generates even greater savings through postal worksharing discounts. While comailing might add a few days to the schedule and will incur some service fees, many catalogers in the 20,000- to 75,000-circulation range experience net savings of 10 percent or more. Even mailings as small as 5,000 and as big as 200,000 can benefit as well.



## 4. Get an Accurate Postage Estimate

By definition estimates aren't guarantees, but the idea is to come as close as possible to avoid an unpleasant surprise when your postage bill arrives. The mistake too many mailers make is not using an actual mailing list. The best choice is to use the list from your last mailing, which will provide a basis of comparison, especially if you're considering a new mailing process. There are lots of potential variables and having the real list allows your mailer to run preliminary presorts and better devise an optimum mailing strategy. You'll also want to be sure that the mailer knows the size and weight of your catalog because both will impact postage.

## 5. Design Your Way into Savings

Design considerations — size, shape, page count, paper, tabbing and many other factors — can impact your postal costs. The current rate structure is as much about shape as weight. The USPS wants pieces that fit its automated sorting equipment and anything with non-machinable characteristics (like failing to meet “droop and rigidity” tests) can lead to significant surcharges. Often a minor design adjustment can create significant savings, avoid surcharges and eliminate the risk of rejection.

## 6. Scrub Those Lists

The USPS is determined to reduce by 50 percent the amount of undeliverable mail and its high associated costs. As a result, the USPS is scrutinizing mail much more carefully before it enters the postal system. This includes confirming that the primary address data is truly deliverable. Mailings that don't conform lose all automation discounts, which can be a huge penalty for high-volume mailers. So there's plenty of incentive for upgrading your list.

Here are some of the key optional list services you should incorporate immediately:

- **National Change of Address (NCOA).** With more than 40 million Americans moving each year and Standard Mail not being forwarded, you need to run your list against this file, which is updated every two weeks and identifies individual, family and business moves that have been registered with the USPS.
- **Merge/Purge and Deduping.** Sending duplicates is not only costly but also annoying and does nothing for your organization's image. You need to be able to zoom in on minor inconsistencies such

as titles, abbreviations and misspelled names or middle initials that can cause duplicates.

- **Mail Preference (MPS).** This DMA-sponsored service helps consumers who want to decrease the amount of national commercial or non-profit mail they receive. The Deceased Do Not Contact List further allows grieving families to remove deceased loved ones from mailing lists. These are good public relations moves that also avoid wasted circulation.

## 7. Consider Alternative Payment Methods

If you have your own mailing permit, you'll gain a lot of flexibility by opening a Centralized Account Processing System (CAPS) account. This is a USPS program that allows mailers to pay for postage electronically through one central location regardless of the number or location of postal permits they may have or the class of mail used. It is a convenient, cost-effective way to manage postal money and is a requirement for participating in comailing programs. Keep in mind, however, that comailers have two choices: 1) open their own comail permit linked to their organization's CAPS account; or 2) use their printer's comail permit, in which case the mailer cannot have a CAPS account.

## 8. Connect With the Right Partner

You don't want to go it alone on postage and mailing strategies. There's just too much at stake. Partner with a mailing professional who can guide you through the postal maze while ensuring postage savings, mailing accuracy and delivery speed.

Ripon Printers provides list hygiene, NCOA and CASS Certified™ mail processing services that help you achieve your mailing goals. We also provide an effective CoMail solution for small and mid-size catalogers. Participation is easy and can often produce net postage savings of 10 percent or more.

Let us estimate your potential savings through a free analysis of your current mailing list. Send an inquiry to [sales@ripontprinters.com](mailto:sales@ripontprinters.com) and be sure to request our new **Print Tips** series, which offers helpful information to get your catalog to market with the greatest speed and cost efficiency.

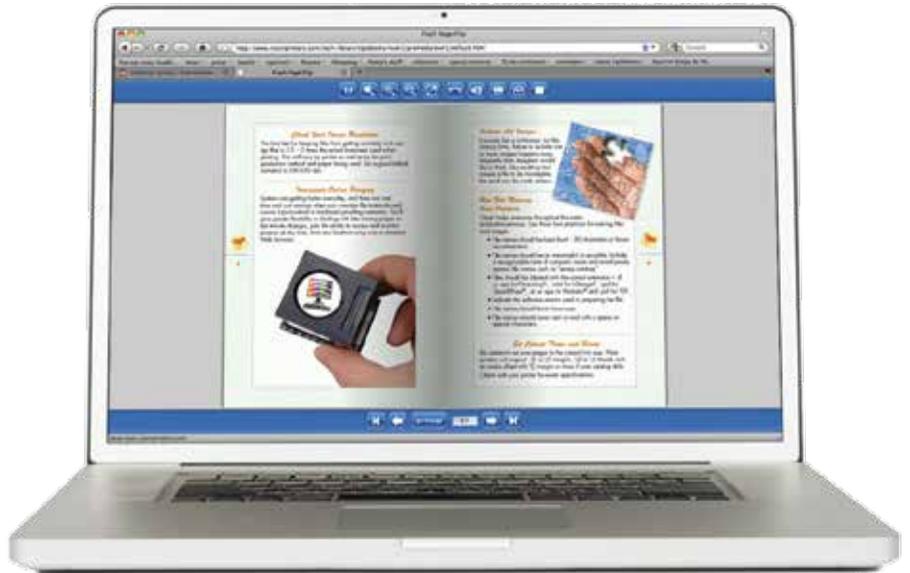


## 9. Pay Attention to Changing USPS Rules and Regulations

The USPS is constantly looking for new and improved ways to streamline mail delivery and accuracy. They monetarily penalize those mailers that don't conform to the system. And while the USPS gives sufficient notice of changes, part of the reason is that mailers may need to make adjustments to their procedures, which can take time.

The IMb is the next generation of USPS barcode technology used to sort and track letters and flats. IMb technology, among other things, combines the capabilities of the POSTNET™ barcode and the PLANET Code® barcode into one unique barcode.

The intent is to introduce visibility into the mailstream so that the USPS and, potentially, mailers know where their mail is in the mailstream. But the ultimate result of the proposed change to Full-Service IMb is that mailers not having the barcode will be categorized as Nonmachinable Flats and pay the non-barcode piece prices. So it's a good example of a change where you would not want to be caught flatfooted at implementation time.



## 10. Create a Digital Edition

In spite of the ongoing popularity and performance of print catalogs, we live in a multichannel world. Some buyers may prefer electronic versions, and they can also be used to inexpensively and quickly fulfill an immediate request, expand market reach beyond your targeted mailing list and be used as special editions in-between catalog mailings. Digital editions obviously eliminate postage and can be taken to various degrees of interactivity through links ranging from testimonials and additional product information to actual video demos. Ripon Printers offers a free basic digital edition to customers sourcing their print versions through us, and we also offer greater levels of sophistication for a modest additional charge.



## About Ripon Printers

Ripon Printers serves small to mid-size direct marketers and publishers, producing catalogs, publications and a wide range of direct mail products. Linking our capabilities together is an obsessive devotion to customer service that places your satisfaction above any other business goals.

We offer a variety of solutions to reduce your postage costs from innovative co-distribution programs to helping you redesign your flat-sized mail to take advantage of lower letter rates. We are also paper experts who can counsel you on paper alternatives that might lower costs. And our list processing professionals can provide a free analysis to determine what list hygiene services might reduce postage by eliminating duplicates, ensuring address accuracy, keeping up with address changes and purging names of deceased people and those who do not wish to receive advertising mail.

Working with Ripon Printers is easy and hassle free. To learn more about our broad range of services for direct marketers and publishers, please contact your representative or send an email request to [sales@riponprinters.com](mailto:sales@riponprinters.com). You can also view a short video highlighting our capabilities at our homepage, <http://www.riponprinters.com>.

## Ripon's Mailing & Inkjet Imaging Services

- Postal consultation
- CASS Certified™ list processing
- Inside, outside & thumb-edge inkjet imaging
- Addressing & coding
- CoMail, CoPal & drop shipping
- NCOA processing
- Merge/merge & de-duping
- Geocoding
- Variable messaging & images
- EDDM preparation & mailing



Scan the QR Code with your smartphone to view "Ripon: The Video."



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