

## **Frequently Asked Questions**

### **USPS® Rate Change – May 11, 2009**

The USPS® has announced a change that affects First-Class Mail® effective May 11, 2009.

As a reminder, the USPS® introduced the Commercial-Based Pricing (CBP) structure in January 2009, which only effects Priority Mail® and Express Mail® users. While use of this new CBP rate structure is not required, users of certain IBI meters are now eligible for CBP discounts on Priority Mail® and Express Mail®.

**Q: Do I need a rate chip (card) for this rate change?**

**A:** The May 2009 rate change affects First-Class Mail® rates, so the majority of postage meters will be affected by this change.

**Q: Do I *have* to have a rate chip (card) for this rate change?**

**A:** No. As always, you can manually enter the new rates into your meter.

**Q: Where can I get a hard copy of the new rate tables?**

**A:** You can get a copy of the new rates from the USPS® Price List (Notice 123) at [www.usps.com](http://www.usps.com).

**Q: Does this rate change affect Shape-Based Pricing (SBP)?**

**A:** No, Shape-Based Pricing (SBP) remains in effect, and is not affected.

**Q: What is the definition of Priority Mail®?**

**A:** Priority Mail® is a fast, two-day service to most U. S. locations for both documents and packages. Visit [www.usps.com](http://www.usps.com) for full details.

**Q: What is the difference between Priority Mail® and First-Class Mail®?**

**A:** First-Class Mail® must weigh less than 13 ounces and offers flat rates to any US location, while Priority Mail® can weigh up to 70 lbs. and has variable rates based on shipping zones.

**Q: What is the difference between Priority Mail® and Express Mail®?**

**A:** Express Mail® is premium, guaranteed, overnight shipping service to most US locations, while Priority Mail® is typically a 2-day shipping service to most US locations and features more economical prices.

**Q: How does this rate change alter the way I process my regular mail?**

**A:** There are no changes to the way you process First-Class Mail® mail. However, if you have a qualified IBI-compliant meter (opti**mail**™ 30, ultim**ail**™ Series, centorm**ail**™ Series) you now have the option to process your Priority Mail® and Express Mail® using discounted Commercial-Based Pricing (CBP) rates if you choose. CBP rates do require additional mail preparation steps.

**Q: What is Commercial-Based Pricing (CBP)?**

**A:** Commercial-Based Pricing (CBP) is a discounted USPS® pricing structure for Priority Mail® and Express Mail® shipping rates. CBP requires some additional mail preparation such as: Using an IBI-compliant meter; including a CBP endorsement; and printing a USPS®-approved, computer-generated, bar-coded shipping label.

**Q: What is the difference between CBP and Retail Pricing?**

**A:** Commercial-Based Pricing (CBP) is a discounted USPS® pricing structure for Priority Mail® and Express Mail® shipping rates. CBP requires some additional mail preparation such as: Using an IBI-compliant meter; including a CBP endorsement; and printing a USPS®-approved, computer-generated, bar-coded shipping label. Retail Pricing for Priority Mail® and Express Mail® does not require this additional preparation, therefore charges a higher rate than CBP.

**Q: What is the difference between CBP and Commercial?**

**A:** Commercial rates refer to presorted and automation discounts that require minimum mail volumes to qualify. CBP does not require minimum volumes to qualify for its discounted rates; however, there are additional mail preparation steps required.

**Q: Why can't I use Commercial-Based Pricing?**

**A:** The USPS® mandates that you must have an IBI-compliant meter, updated CBP endorsement, and a USPS®-approved, computer-generated, bar-coded shipping label in order to qualify for CBP discounts.

**Q: Why is the Post Office rejecting my mail for insufficient postage?**

**A:** You must meet the minimum USPS® requirements. Please see the FP website for full details on postage requirements.

**Q: What is an Endorsement Card?**

**A:** The endorsement card loads the updated mail endorsements to be printed as part of the postage indicia. For the May 2009 rate change, an Endorsement Card is only required for IBI-compliant meters who wish to process mail using CBP rates.

**Q: Why do I need an Endorsement Card?**

**A:** The USPS® requires a specific endorsement be printed on the indicia in order to get discounted rates for CBP on Priority Mail® and Express Mail®. If you do not use Priority Mail® and Express Mail®, or if you do not wish to take advantage of discounted CBP rates, you do not need an Endorsement Card.

**Q: Where can I get shipping labels for CBP?**

**A:** You can either use a 4x6 peel and stick shipping label, or simply print the bar-coded label on your desktop printer and tape it to your mail piece.

**Q: What happened to Bound Printed Matter (BPM)?**

**A:** The USPS® made a ruling in late 2008 that BPM can only be posted by using permit indicia. A postage meter indicia is no longer an acceptable form of payment for BPM.

**Q: How many rate changes are we going to have?**

**A:** At this time we do not anticipate another rate change in 2009; however, this is subject to change by the USPS®.

**Q: Do I have to go through this again in 2010?**

**A:** Although not confirmed, there is an anticipated rate change from the USPS® in January 2010 for shipping services and May 2010 for First-Class Mail®.

**Q: Can my IBI-compliant meter (mymail™, optimail™ 30, ultimail™ 65/95, centormail™) still calculate Retail Pricing rates?**

**A:** Yes.

**Q: Can I use both Retail Pricing and CBP rates on my IBI-compliant meter (optimail™ 30, ultimail™ 65/95, centormail™)?**

**A:** Yes. You can either use the Retail Pricing rates as usual, or order an Endorsement Card and begin using the CBP Rates.

**Q: Can I use both Retail Pricing and CBP rates on my Non-IBI meter (T-1000, optimail™, jetmail™)?**

**A:** No. USPS® regulations limit the use of CBP Rates to qualifying IBI-compliant meters only. You may continue to use the Retail Pricing rates as usual.

**Q: How do I know if I have an integrated scale?**

**A:** If the scale platform is "built into" your mailing system, then you have an integrated scale.

**Q: Can my meter generate the Barcoded Shipping Label for CBP?**

**A:** No, you must use shipping software, like USPS Shipping Assistant®, in order to print shipping labels.

**Q: What software can I use to generate a Barcoded Shipping Label for CBP?**

**A:** You can download USPS Shipping Assistant® for free. This is available on the USPS® website at [www.usps.com](http://www.usps.com).

**Q: What is FP rateguard™?**

**A: FP rateguard™** provides customers with the assurance that they will be covered when the USPS® announces a rate change. This program helps control operating costs while ensuring that rate updates for scales are automatically sent to your customers when needed.

**Q: What is the difference between rateguard™ Gold and Platinum?**

**A:** Generally speaking: rateguard™ Gold offers one Free Rate update per year. rateguard™ Platinum offers unlimited rate updates per year. Consult the rateguard™ terms and conditions for full details.

