Mail will be required to certify that enclosed reply pieces are properly prepared when the mailing is presented to the post office. For this purpose, the mailer is defined as the party who presents the mail to the post office.

The barcode on reply mail must match the address. A piece with a nonconforming address could be mistakenly forwarded to the printed address rather than delivered to the address represented by the barcode. Accordingly, the mail could be misdelivered or incur additional processing and transportation costs if the barcode and address do not match.

The Postal Service will provide free of charge camera-ready positives of appropriate FIMs and correct barcodes for the production of reply mail pieces. Mailers should contact their local Postal Service account representatives or postal business centers to obtain the positives and additional information on preparation standards. Obtaining the correct barcode for mailpieces is extremely important. The Postal Service assigns ZIP+4 barcodes to BRMAS reply pieces. Publication 353, Designing Reply Mail, contains information on correctly preparing barcoded courtesy reply mail and business reply mail. DMM S922 contains additional information on business reply mail.

c. Barcoded Tray Labels

The Postal Service proposes that Automation First-Class and Standard Mail and Publications Service Periodicals must be prepared with barcoded tray or sack labels. Nine comments were received concerning this proposal.

One of the commenters expressed outright support and another said that if the Postal Service plans to provide preprinted barcoded tray labels, they have no problem with the proposal but would like to have this expressly confirmed. Five commenters wanted the requirement to use barcoded labels phased in or made optional. Two commenters indicated that they would have to buy new equipment to produce the labels.

The Postal Service plans to require the use of barcoded tray and sack labels on barcoded mailings with implementation of Classification Reform. Use of barcoded tray labels speeds the processing of First-Class Mail at the ''scan where you band'' step of the presort breakdown operation. Barcoded labels will also be used to sort trays of Standard Mail at BMCs. Finally, barcoded tray labels will be an integral part of the planned tray management system. Barcoded tray labels are currently being scanned on existing tray management systems at several plants.

The Postal Service will supply barcoded tray and sack labels. Customers must complete Form 1578–B and submit it to the business mail entry unit to order barcoded labels from the Postal Service. The labels will be delivered in approximately 6 weeks. Alternatively, mailers having a personal computer and modem can obtain free Passport software from the Postal Service to order labels directly. In addition, the Passport system allows mailers to print barcoded labels on demand if they use a Monarch 9425, Monarch 9445, or Intermac 3000 printer. The Passport system also includes free updates to the DMM labeling lists. Passport software or further information about Passport may be obtained from the National Customer Support Center at (800) 238–3150.

3. Letter Mail

a. Automation (Barcoded) Carrier Route Rates

The Postal Service is proposing to limit Carrier Route Automation rates to ZIP Codes where mail will be sequenced either manually or by a carrier sequence barcode sorter (CSBCS). Four commenters opposed the limits on eligibility for Carrier Route Automation rates. Two of these commenters believed that this requirement should be removed because it seemed to represent the inability of the Postal Service to provide necessary equipment on a national basis. One commenter was concerned that the Postal Service is penalizing mailers based on the geography of the mailings lists, something the mailer cannot change.

The limits on the availability of Carrier Route Automation letter rates are necessary for efficient Postal Service processing. For an increasing number of 5-digit ZIP Code areas, the Postal Service sorts mail to delivery point sequence (DPS), the sequence in which carriers deliver the mail, using two passes on delivery barcode sorters (DBCSs). Where this takes place, the carrier does not have to sort this mail manually into delivery or walk sequence, which saves carrier in-office time. At postal facilities where DPS processing is being performed, it is to the Postal Service's advantage to have as much mail as possible DPS processed on the automated equipment. Currently, at 5-digit ZIP Code areas for which DPS processing on DBCSs has been implemented, all mailer-prepared carrier route and walk-sequence presorted letter mail received with barcodes is processed on DBCSs rather than directed to carriers for manual sequencing. Carrier route and walk-sequence sorted letter mail without barcodes is directed to MLOCRs for application of barcodes and subsequent DPS processing. In many cases, this process results in the Postal Service backflowing mail from a delivery unit to the place where the DBCS or MLOCR is located. Thus, there is no additional value provided to the Postal Service by mailer presortation to carrier route or walk-sequence versus a 5-digit presortation for automation-compatible letter mail at destinating DBCS sites.

Carrier route discounts are based in part on steps avoided by the Postal Service during processing. Carrier route presorted mail needs only the final step of sortation into the sequence of carrier delivery. When the Postal Service sequences mail using DBCSs at general mail facilities (GMFs), presortation by the mailer to carrier route groups is not needed. Therefore, for those 5-digit ZIP Code areas sequenced on DBCSs, presortation to carrier routes by the mailer saves no processing steps for the Postal Service and is no longer going to be either permitted or encouraged by a discount. Accordingly, even though this process means that Automation Barcoded rates will be based in part on geography, the Postal Service will not give reduced rates for mail preparation that provides the Postal Service no value. Therefore, under Classification Reform, Carrier Route Automation rates will not be provided to barcoded carrier route mail at those 5-digit ZIP Code areas where DPS sequencing is performed on DBCSs. This is not a matter of the inability of the Postal Service to provide necessary equipment on a national basis. Rather, it is at those places where the Postal Service has deployed DBCS equipment and has implemented DPS processing that carrier route rates will be restricted.

CSBCSs are smaller barcode sorting machines that also sequence mail to delivery point. However, mail must already be sorted to the carrier route level before it can be processed on a CSBCS. Therefore, it will still be useful for the Postal Service to offer carrier route discounts for barcoded mail that it sorts on CSBCSs and for mail on carrier routes that are sequenced manually.

One of the commenters indicated that matching mail to a list of places where Carrier Route Automation rates can and cannot be obtained is an additional processing step and therefore a financial burden to mailers, particularly when the Postal Service plans to revise the list periodically. Matching mailing lists with a list of ZIP Codes where Carrier Route Automation rates are not