

information from the Postal Service in any of the currently prescribed manners. This would be followed by a prompt mailer-initiated direct mail contact with the customer, requesting a signed verification of the address change. For example, the mailer could provide a preprinted barcoded business reply card that the customer signs and returns. Address information could then be updated in the mailer's records prior to the next mailing cycle.

d. Uniform Placement of Address Elements

During the comment period, the Postal Service decided to remove uniform placement of address elements from consideration as a proposed address quality standard. The Postal Service took this action in response to extensive mailer concerns regarding the details of the proposal and its potential adverse impact on rate eligibility.

e. Line of Travel

One commenter asked whether the line-of-travel (LOT) sequencing requirement applied only to flat-size pieces. Because LOT sequencing can be beneficial for casing of all carrier route mail, the proposed standard will apply to letters, flats, and merchandise samples prepared with detached address labels in Basic Enhanced Carrier Route mailings, and to all Publications Service pieces except for those pieces that are presented in a mailing of automation-compatible Publications Service barcoded letters.

One commenter stated that the requirement would be easy to meet, whereas two other commenters stated that it would be difficult to maintain and would be an unnecessary burden. The Postal Service has had assurance from the mailer and vendor communities that this requirement is not an onerous burden. The update of sequence information could be done through any of the established sequencing methods or through use of the newly-developed Line-of-Travel product, which has been available to the mailing industry since June 1995. Mailers who are interested in obtaining the Line-of-Travel product should contact the National Customer Support Center at (800) 238-3150 for subscription information. Continuing update of sequence information will occur with the same frequency that carrier route codes are updated.

Four commenters stated that there were many operational variables in their production lines and questioned whether exact delivery order or reverse order would be equally effective. The Postal Service will identify mailers

whose mailings are frequently in the reverse order and deal with them on an exception basis.

Three other commenters asked whether LOT could apply to High Density mail. Although the Postal Service believes that LOT sequencing would accomplish most of what walk sequencing will do for High Density mail, the Classification Reform proposal specifies walk sequencing for High Density mail. Therefore, LOT is not an acceptable sequencing option to qualify for High Density rates.

f. 5-Digit ZIP Code Verification

The Postal Service proposed to require a certification by the mailer that the 5-digit ZIP Codes on addresses in a Retail Presort First-Class, Regular Standard, or nonautomation-compatible Publications Service Periodicals mailing have been checked for accuracy within 12 months prior to mailing. One commenter stated that because ZIP Code verification was quick and easy, out-of-date ZIP Codes should not be allowed access to presort rates. Another called the proposed verification costly and intrusive on business activity. The Postal Service believes that accurate ZIP Codes are vital to ensuring consistent, timely delivery service. Moreover, the use of a correct ZIP Code is currently a requirement for the affected groups of mail. Those mailers who are unwilling to verify the correctness of the ZIP Codes they apply to mailpieces will not be allowed access to postage rates that require ZIP Code presortation.

Two commenters asked what some of the approved methods of verification might be. The Postal Service has previously stated, "A recommended checklist of possible ZIP Code verification options for address lists that are not computerized could be signed as a part of the verification process. Items to appear on the list might include manual verification using the most recent Postal Service ZIP Code directory, a survey of the addressees currently in the address list to inquire about changes to ZIP Code information, participation in the current manual list correction service (DMM A910), use of a service provider to verify ZIP Code information, and use of approved software."

Other options might include the use of electronic look-up services such as those available on the Postal Service home page on the World Wide Web and other bulletin board look-up services using certified address matching software. Mailers will be expected to identify the method used to verify the ZIP Code information and sign a certification of verification. Mailers will

have 3 months from the date of Classification Reform implementation to verify the accuracy of their 5-digit ZIP Code information. In addition, as new techniques for ZIP Code verification are developed, they will be added to the list of acceptable methods for verification.

6. Periodicals

a. Overview

Periodicals, like today's second-class mail, is designed for newspapers and other periodical publications. Under Classification Reform, all current categories of authorization would remain (general, requester, institutions and societies, foreign, and state departments of agriculture). Current subclasses would also be retained and Publications Service, a new low-cost subclass, would be added.

No substantive change to Preferred Rates Periodicals (In-County, Classroom, Nonprofit, Science-of-Agriculture zones 1-2) is proposed in the current Classification Reform case. The provision will also be retained that prescribes payment of Regular rates for advertising that exceeds the 10% limitation.

Publishers may mail at only one subclass of outside-county rates for each publication: Preferred (when applicable), Regular, or Publications Service. The publication must follow the same basic standards as today, i.e., it must be formed of printed sheets and published from a known office of publication at a regular frequency of at least four times per year. Current requirements by authorization category continue to apply. General publications must have a minimum of 50% paid circulation and contain no more than 75% advertising in one-half the issues published during a 12-month period. The publisher must maintain a list of subscribers. Likewise, requester publications must have a list of requesters/subscribers, with a minimum 50% of the circulated copies either requested or paid for by the recipient. Advertising in requester publications may not exceed 75% in any issue.

A notable change proposed for the Regular subclass pertains to the presort levels: Basic, 3/5, and Carrier Route would replace current levels A, B, and C, making the presort structure for Regular Periodicals more consistent with other classes. The new 3/5 rate replaces the current Level B3 and B5 rates. Mail presorted to all 3-digit destinations (not just to unique 3-digit destinations) will qualify for the 3/5 rates. Another minor change renames the current 125 walk-sequence rate as High Density.