POSTAL SERVICE

IMPLEMENTATION OF INTELLIGENT MAIL® BARCODES

AGENCY: Postal Service

ACTION: Advance Notice of Proposed Rulemaking

SUMMARY: In January 2009, mailers will be required to meet one of two options using Intelligent Mail barcodes to access automation prices for letters and flats. The first option, referred to as "Full Service" Intelligent Mail, will require the use of unique Intelligent Mail barcodes applied to letter and flat mailpieces, trays, sacks, and containers, such as pallets, and the submission of electronic mailing documentation. The second option, or "Basic" Intelligent Mail, will only require mailers to apply Intelligent Mail barcodes on mailpieces and not on trays and containers. Automation prices will no longer be available for the use of the POSTNET barcode. This *Federal Registe*r notice provides advance information to help mailers understand the mail preparation requirements when using Intelligent Mail barcodes and offers insight into the additional information that will be available to mailers that comply with these requirements.

Given the success of our automation program over the years, the great majority of letters and flats are currently eligible for automation prices. Therefore, this continuing evolution of our automation program is expected to generate extensive comment. The purpose of this advance notice is to seek such comments so that we can address them as we move forward to the revised requirements for automation prices. A separate notice for comment will be issued in the near future to address mail characteristics that impact machinability and delivery efficiency for letters and flats.

DATES: In order to transition to Intelligent Mail barcodes by January 2009, it is important that we receive comments to this advance notice by February 21, 2008.

ADDRESSES: Mail or deliver written comments to the Manager, Mailing Standards, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 3436, Washington DC 20260-3436. Written comments may be inspected and photocopied at USPS Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor N, Washington DC between 9 a.m. and 4 p.m., Monday through Friday. Comments and questions can also be emailed to imb@usps.gov

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Although we are exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S. C. of 553 (b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), we invite public comments on the following advance notice.

1. The authority citation for 39 CFR Part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3626, 5001.

SUPPLEMENTARY INFORMATION:

Two options are proposed for using Intelligent Mail barcodes to access automation prices. Under the Full Service option, mailers will be required to apply Intelligent Mail barcodes on their letter and flat mailpieces, trays and sacks, and other containers. Mailers will also be required to submit their postage statements and mailing documentation electronically. For drop-ship mailings and all origin-entered mail verified at a detached mail unit (DMU), mailers will be required to schedule appointments using the Facility Access and Shipment Tracking (FAST) system.

Under the Basic option, mailers will be required to use the Intelligent Mail barcode on their letter and flat mailpieces in place of the POSTNET barcode. At a minimum, this barcode will include the same delivery point information that is included in the POSTNET barcode today, an assigned Mailer ID, the class of mail, and optional endorsement line (OEL) information if an OEL is printed on the mailpiece. Mailers using pressure sensitive barcoded presort labels will not be required to include this information in the Intelligent Mail barcode.

General requirements for the Full Service and Basic options for use of the Intelligent Mail barcodes are as follows:

REQUIREMENTS FOR FULL SERVICE INTELLIGENT MAIL OPTION

Intelligent Mail Barcodes

Mailpiece barcode. The 65-bar Intelligent Mail barcode, which accommodates 31-digits of data, will be required on letter and flat mailpieces. This barcode is used to sort and track letters and flats and will include the delivery point routing code. Unlike the POSTNET barcode that only contains the routing code, the Intelligent Mail barcode contains additional fields that encode special services, identify the mailer and the class of mail, and uniquely number the mailpiece. The USPS will issue a Mailer ID to each mailer for use in their Intelligent Mail barcodes. Mailers must include this USPS-assigned Mailer ID in the Intelligent Mail barcode. In most circumstances, mailers will be expected to use the mail owner's Mailer ID in all Intelligent Mail barcodes. Mailers will be required to uniquely number each mailpiece in a mailing and the number cannot be reused for a period of 45 days from the date of induction. Alternatives to this requirement, such as using the same number on all mailpieces in a mailing or the same number on all mailpieces in a handling unit (tray, sack or bundle) may allow for the collection of similarly-detailed data, but will require USPS approval.

Tray barcode. An Intelligent Mail tray barcode will be required on letter trays, flat trays and sacks. Unlike the current 10-digit tray barcode that only contains routing information, the 24-digit Intelligent Mail tray barcode includes additional fields to identify the mailer and uniquely number each tray or sack. Mailers will be required to uniquely

number each tray or sack in a mailing, and the number cannot be reused for a period of 45 days from the date of induction.

Container barcode. An Intelligent Mail container barcode will be required on all containers used to transport mail such as pallets, all purpose containers (APCs), rolling stock, gaylords, etc. This 21-digit Intelligent Mail container barcode includes fields to identify the mailer and uniquely number each container. Mailers will be required to uniquely number each container in a mailing, and the number cannot be reused for a period of 45 days from the date of induction.

Electronic Documentation and Appointment Scheduling Using FAST (Facility Access and Shipment Tracking)

Mailings claiming prices that require minimum volumes must be accompanied by a postage statement and, in most cases, by presort documentation. Mailers typically furnish hard copy postage statements and documentation or supply a computer terminal at their site for USPS acceptance personnel to view their documentation. Several mailers have already transitioned to electronic submission of their postage statements and mailing documentation to the Postal Service's *PostalOne!®* System using Mail.dat®, Wizard Web Services, or Postage Statement Wizard. Mailers will be required to use one of these three methods to send their electronic mailing information to the *PostalOne!* System if they are meeting the new requirements through the Full Service option. This information-management system translates the customer-generated electronic information into postage statements and supporting documentation, such as qualification and container reports, that are used for business mail verification, acceptance, and induction processes. By submitting documents electronically, mailers will be able to avoid the creation of paper-based forms and use this technology to manage their mailing data.

In addition to the presort documentation required today, the mailer's electronic documentation will contain information about Intelligent Mail barcodes applied to mailpieces, trays and sacks and containers. The documentation must include the unique Intelligent Mail barcode applied to each mailpiece in a mailing, the unique Intelligent Mail tray barcode applied to each tray or sack, as well as the unique Intelligent Mail container barcode applied to each container in a mailing. The documentation must also describe how mailpieces are linked to handling units, such as trays and sacks, and how mailpieces and handling units are linked to containers. The documentation must also identify the preparer of the mailing and the mailer for whom the mailing is prepared (i.e., mail owner, if applicable). Mailers that otherwise meet the Full Service option standards and use Postage Statement Wizard for mailings that do not require documentation to support presort (mailings of fewer than 10,000 pieces with postage affixed to each piece at the correct rate or if all pieces are of identical weight, the pieces are separated by rate) will not be required to submit this additional documentation.

Mailers will be required to schedule appointments using the FAST (Facility Access and Shipment Tracking) system for drop-ship mailings and for all origin-entered mail verified at a detached mail unit (DMU). Mailers may schedule appointments online using the FAST web site or they may submit appointment requests through *PostalOne!*

FAST Web Services using the Transaction Messaging (TM) specifications. This convenient messaging protocol allows customers to automate the appointment scheduling process and receive electronic information about their appointments from the Postal Service.

REQUIREMENTS FOR BASIC INTELLIGENT MAIL OPTION

Intelligent Mail Barcode

The 31-digit Intelligent Mail barcode will be required on letter and flat mailpieces. Mailers will be required to include the delivery point routing code in the barcode. The USPS will issue a Mailer ID to each mailer for use in the Intelligent Mail barcodes. Mailers must include this USPS-assigned Mailer ID in all Intelligent Mail barcodes. In most circumstances, mailers will be expected to use the mail owner's ID in their Intelligent Mail barcodes. Under this option, mailers will not be required to uniquely number their mailpieces. Mailers will simply populate the Intelligent Mail barcode with the Mailer ID, delivery point routing code, the class of mail (service type identifier), and OEL if an OEL is printed on the mailpiece. Mailers using pressure sensitive barcoded presort labels will not be required to include this information in the Intelligent Mail barcode.

Scheduling Using FAST (Facility Access and Shipment Tracking)
Mailers will be required to schedule appointments electronically using the FAST system for drop-ship mailings. Mailers may schedule appointments online using the FAST web site or they may submit appointment requests through *PostalOne!* FAST Web Services using the Transaction Messaging (TM) specifications.

ADDITIONAL AVAILABLE MAILING INFORMATION WITH THE FULL-SERVICE OPTION

Implementation of the Intelligent Mail barcodes and electronic mailing documentation solutions will offer mailers better visibility into the mailstream. The additional fields in the Intelligent Mail barcodes expand the ability of mailers to track individual pieces, handling units and containers; receive information about mail preparation and address quality; and determine when a mailing was inducted to the postal system.

Mailers that comply with the January 2009 requirement through the Full Service option (Intelligent Mail barcodes, electronic documentation and appointment scheduling) will receive address correction services, if requested, and mail induction (start-the-clock) information at no additional charge. We understand that some mailers will be interested in more granular information such as piece, unit, and container tracking and service performance data at a mailing-specific level. We plan to make such information available at an additional charge, either through an existing service such as Confirm or through a service that we will develop later.

DESCRIPTIONS OF INTELLIGENT MAIL BARCODES AND ELECTRONIC DOCUMENTATION

Types of Intelligent Mail Barcodes

The Intelligent Mail program includes the following three Postal Service barcodes that enable the tracking of letter and flat pieces, handling units and containers as they move across the Postal Service network:

- Intelligent Mail barcode for mailpieces
- Intelligent Mail tray barcode for handling units (trays and sacks)
- Intelligent Mail container barcode for containers (pallets, APCs, gaylords, etc.)

Each of these barcodes is mailer applied and has a common customer identifier called the Mailer ID which can be used to associate the mailpiece, handling unit or container to the appropriate mailer. Each barcode also has a field which is used to support a serial number allowing mailers to uniquely identify their mailpieces, handling units and containers.

Intelligent Mail Barcode for Mailpieces

The Intelligent Mail barcode is a 65-bar USPS barcode used to sort and track letters and flats. It allows the mailer to number each mailpiece so that it can be uniquely identified in the mailing. The Intelligent Mail barcode contains a USPS-assigned Mailer ID field.

There are two formats of the Intelligent Mail barcode. The format a mailer will use depends upon the Mailer ID assigned by the Postal Service. Figure 1 represents the Intelligent Mail barcode with a 6-Digit Mailer ID while Figure 2 represents the Intelligent Mail barcode with a 9-Digit Mailer ID.
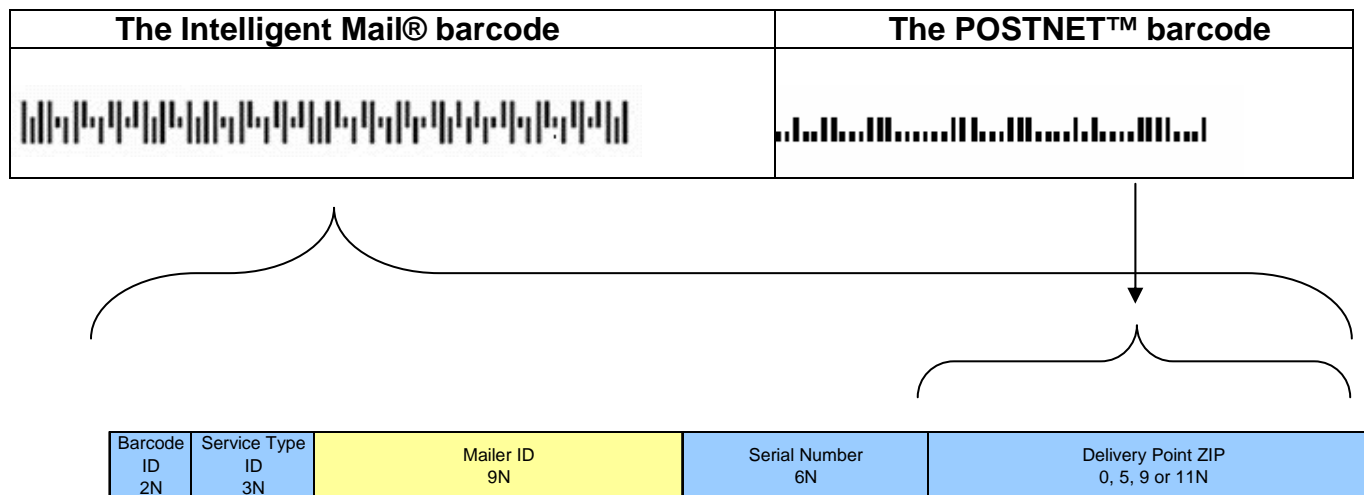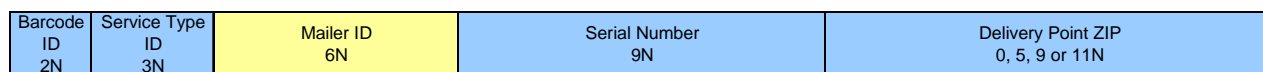
The Intelligent Mail® barcode	The POSTNET™ barcode

Barcode ID 2N	Service Type ID 3N	Mailer ID 9N	Serial Number 6N	Delivery Point ZIP 0, 5, 9 or 11N

Figure 1. Field Layout of the Intelligent Mail Barcode with 9-Digit Mailer ID

Barcode ID 2N	Service Type ID 3N	Mailer ID 6N	Serial Number 9N	Delivery Point ZIP 0, 5, 9 or 11N

Figure 2. Field Layout of the Intelligent Mail Barcode with 6-Digit Mailer ID

Barcode ID: The barcode identifier is a 2-digit field that is used to specify the presort makeup.

Service Type Identifier: Used to indicate the class of mail and request special services such as tracking or address correction.

Mailer ID: Used to identify mail owners and/or mailing agents. The Mailer ID is assigned by the Postal Service. The Postal Service assigns 6-digit or 9-digit Mailer IDs based upon the mail volume of the mail owner/mailing agent. Mail Owners and Mailing Agents will be expected to use the Mail Owner's Mailer ID in the Intelligent Mail barcode in most circumstances. Mailer IDs can be obtained by making a request to the *PostalOne!* Help Desk at 800-522-9085.

Serial Number: If a 6-digit Mailer ID is assigned, the mailer will have 9-digits to uniquely identify the mailpieces. If a 9-digit Mailer ID is assigned, the mailer will have 6 digits to identify the mailpieces. To comply with the full service option standards, the Serial number field is populated with a unique number for each mailpiece in the mailing. These unique mailpiece IDs must be maintained unique for 45 days from the date of induction.

To access the automation prices through the Basic option, the minimum information required in the Intelligent Mail barcode will be the Service Type Identifier (showing class of mail), Mailer ID, delivery point routing code, and OEL information if an OEL is printed on the mailpiece.

To access the automation prices through the Full Service option, the information required in the Intelligent Mail barcode will be the Service Type Identifier (showing class of mail), Mailer ID, delivery point routing code, OEL information if an OEL is printed on the mailpiece and a unique serial number.

To view the final specifications and for detailed information on how to generate the Intelligent Mail barcode, access the Intelligent Mail barcode link from http://ribbs.usps.gov/.

Intelligent Mail Tray Barcode for Trays and Sacks

Today, mailers that prepare their mail in trays and sacks typically use a 10-digit barcode that contains only sorting information on their labels as shown in Figures 3 and 4. A 24-digit Intelligent Mail tray barcode will be available for mailers that use barcoded tray or sack labels. The Intelligent Mail tray barcode not only includes routing information but also includes additional fields to identify the mailer and uniquely identify each tray or sack. Use of the Intelligent Mail tray barcode allows mailpieces bearing Intelligent Mail barcodes to be linked to the specific tray or sack in which they are placed. The Intelligent Mail tray barcode is applied to a label called the 10/24 Digit Intelligent Mail tray label (Figure 5). The 10/24 Digit Intelligent Mail tray label is a transitional label which contains the current 10-digit barcode on it as well as the 24-digit Intelligent Mail tray barcode. The inclusion of the current 10-digit barcode on the label is a transitional strategy as the Postal Service enhances all processing systems to read the 24-digit barcode. Mailers will need to use the new 10/24 Digit Intelligent Mail tray label to comply with the full service option standards.

ZIP Code 5N	Content ID Num (CIN) 3N	Processing Code 2N

Figure 3. Field Layout of 10-Digit Tray Barcode

There are two formats of the Intelligent Mail tray barcode. The format a mailer will use depends upon the Mailer ID assigned by the Postal Service. Figure 6 represents the Intelligent Mail tray barcode with a 9-Digit Mailer ID while Figure 7 represents the Intelligent Mail tray barcode with a 6-Digit Mailer ID.
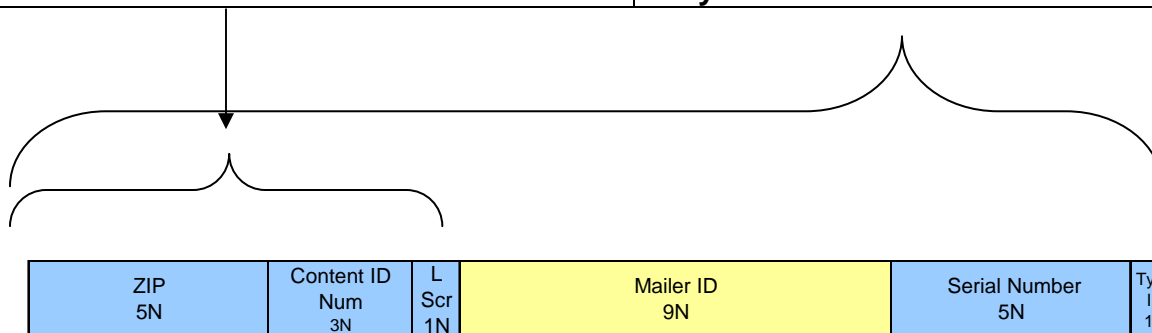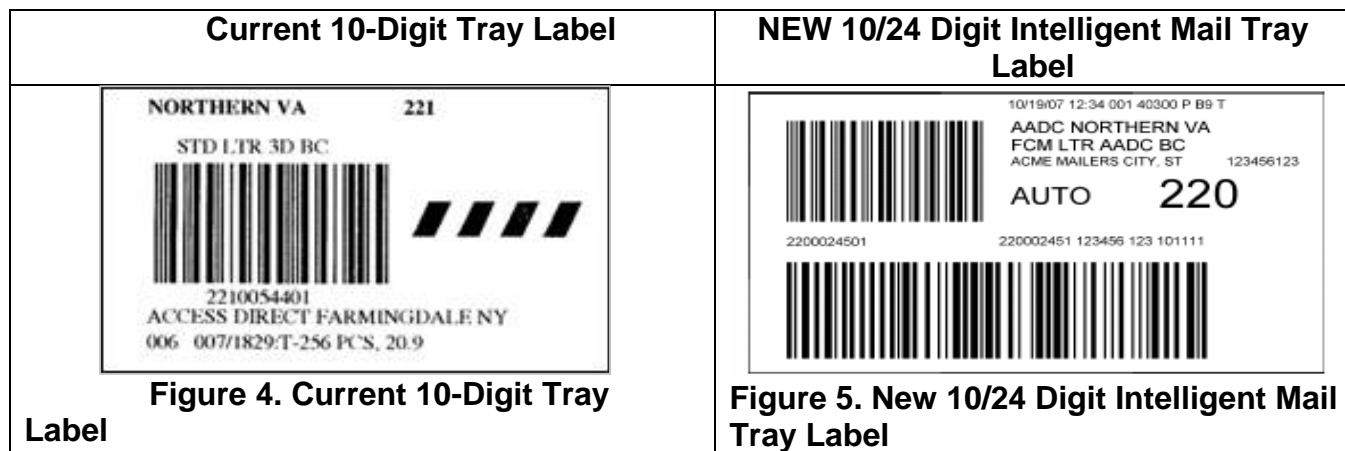
Current 10-Digit Tray Label	NEW 10/24 Digit Intelligent Mail Tray Label
Figure 4. Current 10-Digit Tray Label	Figure 5. New 10/24 Digit Intelligent Mail Tray Label

ZIP 5N	Content ID Num 3N	L Scr 1N	Mailer ID 9N	Serial Number 5N	Type ID 1N

Figure 6. Field Layout of the Intelligent Mail Tray Barcode with 9-Digit Mailer ID

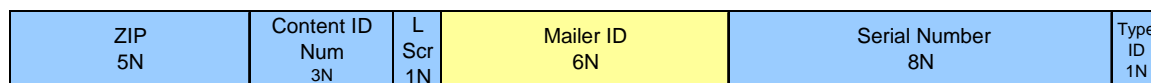| ZIP 5N	Content ID Num 3N	L Scr 1N	Mailer ID 6N	Serial Number 8N	Type ID 1N

Figure 7. Field Layout of the Intelligent Mail Tray Barcode with 6-Digit Mailer ID

ZIP Code: Used to identify the destination of the tray or sack.

Content Identifier Number (CIN): Describes the contents of the tray or sack including presort level and class.

Content Label Source (L SCR): Used to designate that the contents of the tray or sack are automation compatible.

Mailer ID: A 6-digit or 9-digit Mailer ID assigned by the Postal Service for use in the Intelligent Mail barcodes.

Serial Number: A mailer will use this field to uniquely identify individual trays or sacks. If a 6-digit Mailer ID is assigned, the mailer will have 8 digits to uniquely identify the handling units. If a 9-digit Mailer ID is assigned, the mailer will have 5 digits to identify the handling units. To participate in the Full Service option, the Serial Number field is populated with a unique number for each handling unit (tray or sack) in the mailing. These unique mailpiece IDs must be maintained unique for 45 days from the date of induction.

Label Type: Indicates the length of the Mailer ID field.

To access the automation prices through the Full Service option, mailers will be required to populate all fields in the Intelligent Mail tray barcode to include a unique serial number.

To view the final specifications and for detailed information on how to generate the Intelligent Mail tray barcode, access the Intelligent Mail tray label link from http://ribbs.usps.gov/.

Intelligent Mail Container Barcode for Pallets, APCs, Rolling Stock

Mailers typically apply a label on containers of mail deposited with the Postal Service. Today, mailers are not required to put a barcode on these labels. Figure 9 below shows the current label format. The Postal Service has introduced a label format (Figure 10) which includes the Intelligent Mail container barcode. This barcode includes fields to identify the mailer and uniquely identify the containers. To comply with the Full Service option standards, mailers will need to apply the label to all containers such as pallets, APCs, rolling stock, and gaylords.

The Postal Service is also exploring other modifications to container labeling to improve the visibility and scanning of the barcodes. The proposed changes would require the use of green identifying strips or borders for enhanced visual identification of the Intelligent Mail container barcode and the application of three labels (increased from the two labels currently required) with one facing the tail of the truck on all drop shipments and plant load mailings. These changes would provide the flexibility needed to scan the barcodes in processing and enhance the ability to locate the barcodes quickly at varying distances.

There are two formats of the Intelligent Mail container barcode. The format a mailer will use depends upon the Mailer ID assigned by the Postal Service. Figure 11 represents the Intelligent Mail container barcode with a 9-Digit Mailer ID while Figure 12 represents the Intelligent Mail container barcode with a 6-Digit Mailer ID.

Current Pallet Label	Pallet Label with NEW Intelligent Mail Container Barcode
Figure 9. Current Pallet Label	Figure 10. New Pallet Label with Intelligent Mail Container Barcode

Appl ID "99"	Type Ind "M"	Mailer ID 9N	Serial Number 9N
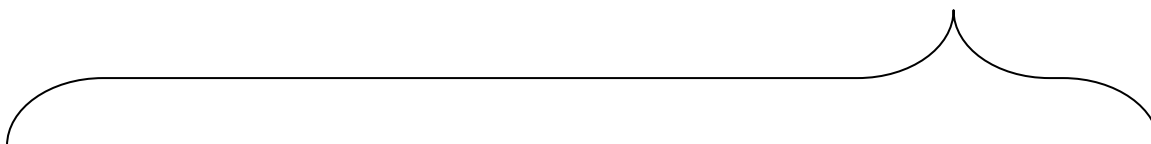
Figure 11. Field Layout of the Intelligent Mail Container Barcode with 9-Digit Mailer ID

Appl ID "99"	Type Ind "M"	Mailer ID 6N	Serial Number 12N

Figure 12. Field Layout of the Intelligent Mail Container Barcode with 6-Digit Mailer ID

Application ID (Appl ID): "99" indicates the source of the barcode.

Type Indicator: "M" indicates a mailer generated barcode.

Mailer ID: A 6-digit or 9-digit Mailer ID assigned by the Postal Service for use in the Intelligent Mail barcodes.

Serial Number: A mailer will use this field to uniquely identify individual containers. If a 6-digit Mailer ID is assigned, the mailer will have 12-digits to uniquely identify the containers. If a 9-digit MID is assigned, the mailer will have 9 digits to identify the containers. To participate in the Full Service option, the Serial number field is populated with a unique number for each container in the mailing. These unique mailpiece IDs must be maintained unique for 45 days from the date of induction.

To access the automation prices through the Full Service option, mailers will be required to populate all fields in the Intelligent Mail container barcode to include a unique serial number.

To view the final specifications and for detailed information on how to generate the Intelligent Mail container barcode, access the Intelligent Mail Container barcode link from http://ribbs.usps.gov/.

ELECTRONIC DOCUMENTATION
To participate in the Full Service option, mailers will be required to submit their postage statements and mailing documentation, when applicable, electronically using one of three methods: Mail.dat®, Wizard Web Services or Postage Statement Wizard. Electronic information is transmitted to the Postal Service's *PostalOne!* System. The information is used for verification, acceptance, and payment. The *PostalOne!* System can also use this information to automate payment processes using ACH Debit or Credit payment methods. With the *PostalOne!* System, mailers have access to their mailing documentation and financial transaction information 24 hours a day, seven days a week.

Mail.dat: Mail.dat file submission is part of the overall *PostalOne!* application and provides customers with the capability of submitting mailing documents over a secure connection with the Postal Service. Mail.dat uses industry standard electronic file formats developed by IDEAlliance to facilitate communication of mailing information to the Postal Service. Mailing information is sent electronically to the *PostalOne!* System where it is stored and used to generate documentation to support verification and payment.

Wizard Web Service: The Wizard Web Service is part of the overall *PostalOne!* application and provides customers with the capability of submitting mailing documents through the internet using a Web service over a secure connection with the Postal Service. The Wizard Web Service uses a Simple Object Access Protocol (SOAP) to submit information in an Extensible Markup Language (XML) format that ensures that the data can be sent and received by applications written in various languages and deployed on various platforms. Mailing information is sent via Wizard Web Service to the *PostalOne!* system where it is stored and used to generate documentation to support verification and payment.

Postage Statement Wizard: The Postage Statement Wizard is an online tool that allows mailers to enter their postage statement information using a secure *PostalOne!* account. The Postage Statement Wizard verifies completed information for an online postage statement and automatically populates the Permit Holder section of the postage statement based on the account number provided. It guides the user through the items needed to complete the statement. The Postage Statement Wizard automatically calculates the postage and validates the information entered. Once the postage statement is completed online, the electronic statements will be submitted directly to the acceptance unit.

For detailed information about electronic mailing information options, access http://www.usps.com/postalone/guides.htm.

Neva R. Watson,
Attorney, Legislative

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