

The Impact Of Address Hygiene On Merge Purge

NCOA FASTForward^R

DSF LACS

AEC

Anchor Computer is a non-exclusive licensee of the United States Postal Service

Anchor
Computer



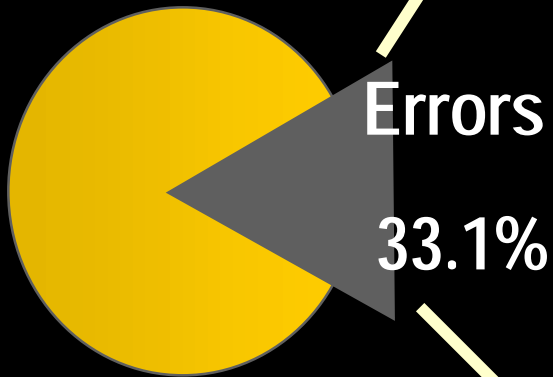
Value



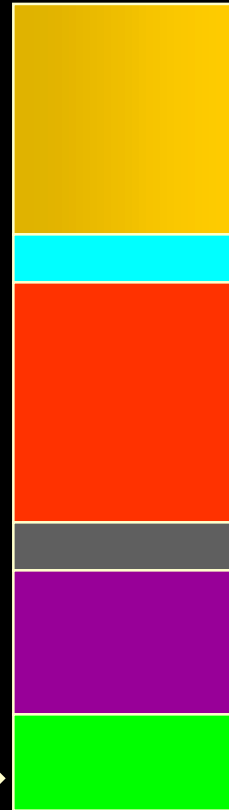
- *Why*
- *When*
- *Frequency*
- *\$ Return*

Major Addressing Deficiencies

Deliverable
Addresses
66.9%



Errors
33.1%



8.6 % Moved

2.2% Apartment Number

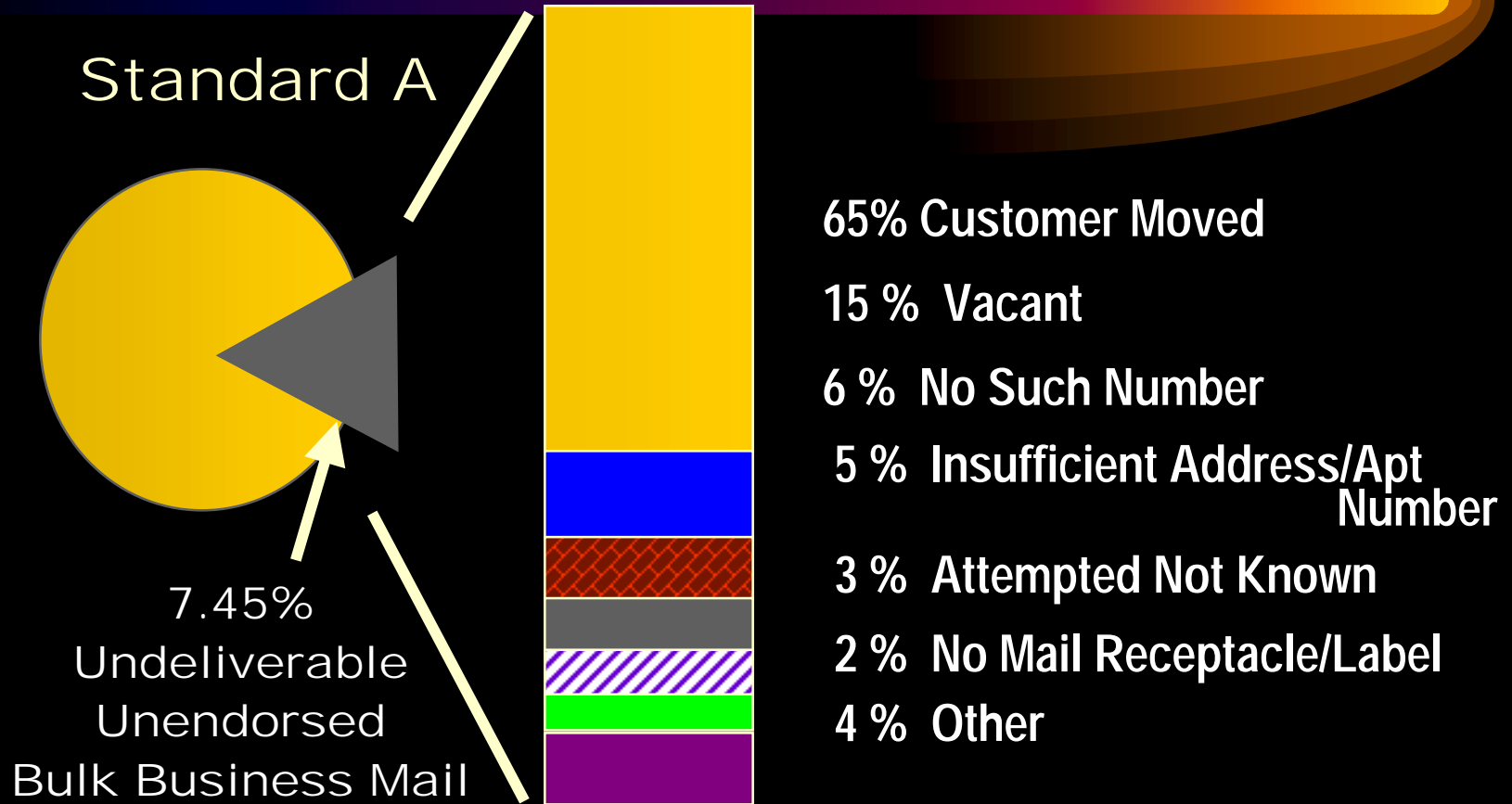
8.9% Directional / Suffix

2.5% Rural Route / Box Number

6.2% Street Name / Number

4.7% ZIP Code / City / State

Undeliverable Unendorsed Bulk Business Mail



Why ?



- **Save Money**
- **Postage Discounts**
- **CASS = Deliverability**
- **Maintain Customers**
- **Remove Annoyance Factor**
- **Improve Matching**



National Change Of Address



- USPS Licensee
- Audit
- CASS
- **Standardize, Parse ZIP Correct, ZIP+4 Append, Carrier Route Code**
- Strict Matching Rules
- 130,000,000
- Nixie Option
- PAF



National Change Of Address



- Helps You To Maintain Your Address File
- Provides New Address Information When Your Customers Move
- Postage Discounts
- Satisfies 'Move Update' Requirements



Value For All Mailers

NCOA AND NCOA NIXIE OPTION

NCOA
SAVES
YOU
MONEY
EVERY
TIME
YOU
MAIL!

	<u>Fundraiser</u>	<u>Publisher</u>
Original File	808,173	457,252
NCOA Corrected	31,600	55,387
	3.91%	12.11%
NIXIE HITS	18,089	27,833
	2.24%	6.09%
Total NCOA & NIXIE	49,689	83,220
	6.15%	18.20%
Mailing Cost	\$406/M	\$515/M
\$\$'s Saved	\$20,278	\$42,848

Benefits Of Nixie Option

NIXIE OPTION AND \$\$\$ ADVANTAGES

The following example will demonstrate the effect of Nixie Option processing of a 1 million piece mailing.

If

- Z *Nixie Option match rate of 1.5% equals 15,000 Nixies not mailed.*
- Z *At \$400/M (estimate to mail), the savings equal \$6,000.*
- Z *If the 15,000 Nixie Option names are replaced with 15,000 deliverable names and a 2% response rate results this equals 300 additional orders.*
- Z *If the average order is \$50, Additional sales = \$15,000.*

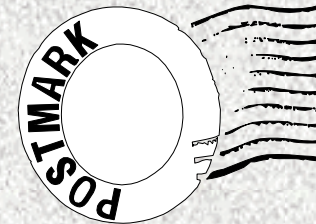
In summary, processing a 1 million piece mailing with Nixie Option added to the NCOA processing can result in additional saving and sales of \$21,000 plus the potential on-going revenue stream from these new customers.

NIXIE Option Codes

NIXIE Option processing, records that **almost** match the **NCOA** Database can be identified and coded to indicate why they were not matched by **NCOA**. The **NIXIE** Option codes are appended to your original record and are used in building the **Anchor Change of Address Index (ACAI)**.

The **NIXIE** Option codes are (when **NCOA** Action Code is equal to B):

- Z B NIXIE Option match (additional codes will be appended to record)
- Z D Client record is missing house number
- Z E Apartment number missing, master file
- Z F Surnames do not match
- Z G First name does not match
- Z H Generation titles do not match
- Z I Firm name does not match
- Z J Client file missing first name
- Z K Middle initial does not match



. . . more



NIXIE Option Codes

- Z L Different gender
- Z M Client file missing box # on rural route or highway contract
- Z N Addresses do not match (directionals and/or suffix)
- Z O Street names do not match
- Z P Master file had multiple matches
- Z Q Apartment number not equal
- Z R Individual move
- Z S Company move
- Z T Family move
- Z U Apartment number missing on client file or NCOA database
- Z V First initial versus first name
- Z W Transposed apartment number
- Z X Exceptional unit designator without value (unspecific address number, such as "rear")

J Balaban 12 Warner Rd
vs.
J Balaban 12 Wagner Rd

. . . more



NIXIE Option Codes

Additionally, an **Address Type Code** will be appended to the input record based on the result of match to the USPS **ZIP+4** Master file. These codes are:

F	Firm Delivery
S	Street Address
G	General Delivery
R	Rural Route / Highway Contract
H	High Rise
--	Multiple Match
M	Postmaster
(Blank)	No Type Determined
P	PO Box
	... more



NIXIE Option Codes

NCOA ACTION CODES

When a match to the **NCOA** database is made one of the following **NCOA** Action Codes is appended to the input record:

I	Individual Move	F	Foreign Move
M	Family Move	K	No Forwarding Address
O	Business Move	G	PO Box Closed

ANCHOR CHANGE OF ADDRESS INDEX (ACAI)

- 1 Moved, new address provided
- 2 Did not match NCOA database
- 3 Probably not moved (valid for NIXIE Option)
- 4 Probably moved (valid for NIXIE Option)
- 5 No forwarding address provided



NIXIE Option Codes

Name Specific, Standard Class Mailing

SELECTION PARAMETERS - *include records that have:*

Address Type Code

F	Business address
G	General delivery address
H	Apartment (high rise) address
M	Postmasters address
P	Post office box
S	Street address
R	Rural or highway contract address

Anchor Change of Address Index

1	NCOA provided new address
2	Did not match NCOA database
3	Was significantly different from the NCOA database record

SELECTION PARAMETERS - *exclude records that have:*

Address Type Code

- (dash)	Matched to multiple ZIP+4 Master file records
(blank)	Not matched to ZIP+4 Master file

Anchor Change of Address Index

4	Was slightly different from the NCOA database record
5	NCOA match with no forwarding address

NCOA vs. FASTforward[®]



*Which fits you
best?*

NCOA vs. FASTforward^R

NCOA

36 Months

Yes

Weekly

Licensees

\$1-2 /M

Overnight-Normal

Same Day Special

Currency

Nixie Option

Update Frequency

Availability

Cost

Turnaround

FASTforward^R

8 Months

No

Weekly

Licensees & Internal

Licensees \$ /M

Internal \$10,000/Year USPS

\$5-15M/year Licensed Interface

Overnight-Normal

Same Day -Special



FASTforward^R

INVESTMENT REQUIREMENTS START UP

1. Hardware	\$ 4,000 - \$ 10,000
2. Solution License	\$20,000 - \$ 80,000
3. USPS	\$10,000
4. Staffing	\$ 0 - \$ 10,000
<u><i>TOTAL</i></u>	<i>\$25,000-\$110,000</i>

... more

FASTforward^R

INVESTMENT REQUIREMENTS YEAR 2

1. Hardware	\$ 1,000 - \$ 5,000
2. Solution License	\$ 5,000 - \$ 15,000
3. USPS	\$10,000
4. Staffing	\$10,000 - \$ 80,000
<u>TOTAL</u>	<u>\$26,000-\$100,000</u>

... more

FASTforward^R

INVESTMENT REQUIREMENTS 5 YEAR MODEL

Investment **\$ 140,000 - \$ 560,000**

Avg./Year **\$ 28,000 - \$ 112,000**

Millions of Records @ \$ 1.00/M **28 - 112**

@ \$.50/M **56 - 224**

Pay-off From USPS

Licensed

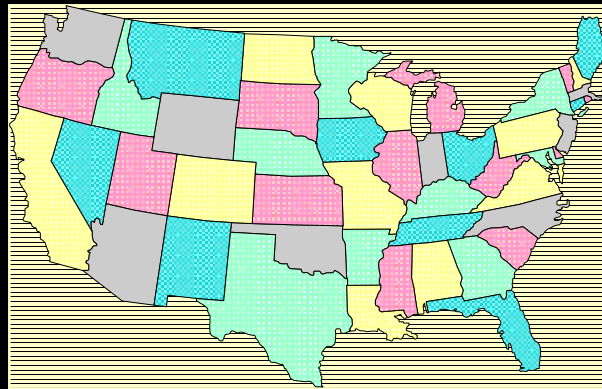
Products ...

DSF, LACS, AEC

Delivery Sequence File

DSF

Contains Each Of The 135+ Million Delivery Points
Serviced By The USPS (Except General Delivery)



Offered To Mailing Industry
By Non-Exclusive Licensees



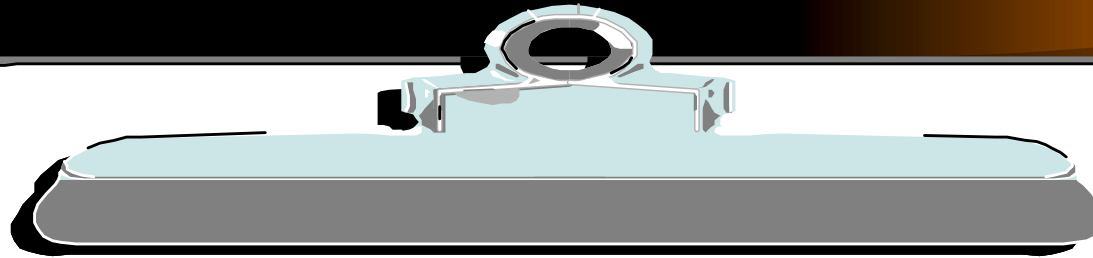
Delivery Sequence File

PROVIDES MAILERS WITH
THE FOLLOWING:

- **Address Validation**
- **ZIP+4 Coding**
- **Improved Address
Standardization**
- **Carrier Route Coding**
- **Carrier Delivery Sequence**



Delivery Sequence File



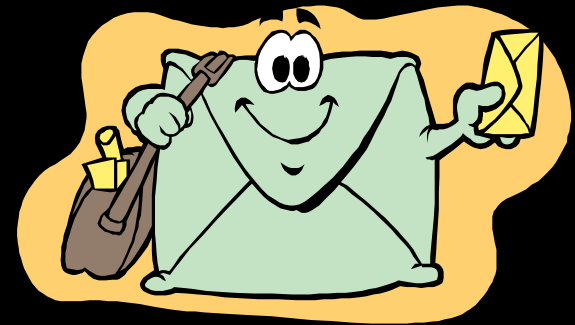
- **Detects Potentially Undeliverable Addresses For Reasons Other Than Change-Of-Address**
- **Saves Costs By Improving Address List Quality**
- **Indicates Delivery-Type Code For Business Or Residence**
- **Provides Seasonal Delivery Information**



LACS

Locatable Address Conversion System

- **Obtain Updates Of Your Addresses Changed Due To 911 Or Other Reasons**
- **Old Addresses May No Longer Be In USPS Data Files. Consequently They Can No Longer Be Barcoded**
- **When An Old Address Can Be Updated To A New Address, You Can Then Barcode The New Address**
- **Processing Services Provided Through Licensees**



LACS

Changes in 5 Years

- Buddy Spiegel, Old Hawleyville Rd., Bethel CT. 06801
2. RR1 Old Hawleyville Rd., Bethel CT. 06801
 3. RR1 Box 57 Old Hawleyville Rd., Bethel CT. 06801
 4. RR1 Box 57, Bethel CT. 06801

Current Address

57 Old Hawleyville Rd., Bethel CT. 06801

How would Your Merge Purge Handle This ?

AEC

Address Element Correction



FROM THE
UNITED STATES POSTAL SERVICE

AEC

A QUALITY PROCESS DEVELOPED BY THE USPS WITH INDUSTRY SUPPORT

Focuses On Addresses
Unable To Be Matched
To A Postal ZIP+4 Code
Using CASS-Certified
Address-Matching Software

Focuses On The 33%
Of All Addresses On Mail
Containing Deficiencies
That Might Cause The Mail
To Be Delayed Or Not Delivered



AEC

Address Element Correction

No ZIP+4 Match

Category 1

- ✓ **Incomplete Addresses**
- ✓ **Street Name Wrong**
- ✓ **Missing/Incorrect Directional**
- ✓ **Missing/Incorrect Suffix**
- ✓ **Incorrect Street Numbers**
- ✓ **Incorrect City Names**



What AEC Returns To You



If AEC Can Correct / Add Address Elements, A Correct And Standardized Address With A Correct 5-Digit And ZIP+4 Is Returned



Correct Carrier Route Codes



Informational Footnote Codes To Identify How Addresses Were Resolved



AEC

Example Resolutions

Input Address

Returned Address

**315 1/2 WESTFORCE
DOVER OH 44622**

**315 1/2 W 4TH ST
DOVER OH 44622-3105**

**1440 S SEOYKVEDA BKVD
LOS ANGELES CA 90025**

**1440 S SE PULVEDA BLVD
LOS ANGELES CA 90025-3492**

**N 2493 TRIPLE S RD
CAMPBELLSPORT WI 53010**

**N2493 COUNTY RD SSS
CAMPBELLSPORT WI 53010-2950**



Is NCOA Enough?

*The more
you use
the more
you get in return !*

Keeping Up With Moving Customers

A Case Study

COMPANY ABC DIRECT - BACKGROUND

- ***Markets High Quality, Name Brand Consumer Products***
- ***Maintains Their Own Customer Contact / Mailing***
- ***Traditionally Cleanses It's Customer List Quarterly***
- ***Mail Class Is Standard Mail (A)***
- ***Uses No. 10 Envelopes***

... more

Keeping Up With Moving Customers

A Case Study

Company ABC Direct - A Little Later ...

- ***In 1990, They Experimented Using The NCOA Process***
- ***While They Reduced Costs, The Address Corrections Provided Did Not Meet Their Quality Criteria Needed For Maintenance Of Their Customer Database.***
- ***Accordingly, They Went Back To The “Address Correction Requested” Endorsement***

... more

Keeping Up With Moving Customers

A Case Study

Company ABC Direct - Still Later ...

- *In 1992, They Tested The ACS Program.*
- *ACS Met Both Their Quality Criteria And Reduced Cost.....*

EUREKA!!

- *On A Million Pieces Mailed ACS Saved \$ 40,000 In Fees Versus "Address Correction Requested".*

... more

Keeping Up With Moving Customers

A Case Study

Company ABC Direct - Even Later Still...

- ***In 1994, Tried Alternate ACS Address Format.***
- ***Tested Mailings In Both Formats.***
- ***USPS Specified Improved Response Rate By 8 %.***

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Keeping Up With Moving Customers

A Case Study

Company ABC Direct - Much Later !!

- ***In 1997, USPS Reassured Company ABC Direct That NCOA Quality Had Improved, Primarily Due To The USPS Confirmation Notice Letter Initiative***
- ***Decided To Use NCOA And ACS In Combination***
- ***Results Delivered An Additional \$20,000 Fee Savings Over ACS Alone And Met The Quality Criteria***

... more

Keeping Up With Moving Customers

A Case Study

Company ABC Direct - The Bottom Line

	<u><i>NCOA/ACS</i></u>	<u><i>ACS ONLY</i></u>	<u><i>ACR</i></u>
MAIL QUANTITY	1,000,000	1,000,000	1,000,000
ACR Updates	0	0	140,500
NCOA Updates	112,400	0	0
ACS Updates	28,100	140,500	0
	-----	-----	-----
TOTAL UPDATES	140,500	140,500	140,500
NCOA Cost	1,250	0	0
ACS Cost	5,620	28,100	0
ACS Cost	0	0	70,250
TOTAL Cost	\$ 6,870	\$ 28,100	\$ 70,250

Keeping Up With Moving Customers

A Case Study

BUSINESS-TO-BUSINESS

- *Weekly Mailings to Companies with 10 or Fewer Employees*
- *Historically 12% Return Mail*
- *NCOA - DSF - LACS: 5% Return Mail*



Thank You

Anchor Computer Inc.

