

Address Accuracy Program

Customer Guide



Address Accuracy Program

What is an address and what makes it accurate?

An address is the information required to identify the specific location of a residence/business and/or the destination where a recipient receives

mail. An address is deemed accurate when all components are present, correct and match information on Canada Post's database.

What is Address Accuracy and why is it important?

Address Accuracy is a Canada Post program designed to encourage mailers to accurately address mail. Consistent and accurate addressing eliminates the need and the additional costs associated with extra handling and/or redelivery.

The resulting savings translate into more efficient service and lower costs for our customers. Accurate addressing ensures the mail is delivered on time, the first time, every time.



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Who participates in the Address Accuracy Program?

Customers who utilize Incentive Lettermail, Addressed Admail and/or Publications Mail must meet the Address Accuracy Program requirements.

Incentive Lettermail	Minimum Volume Threshold for Address Accuracy
Low Density	5,000
High Density	500
Machineable	5,000

Local to Local Exemption Rule
Customers who deposit short/long (S/L) **High Density Presort** mail in non-letter carrier offices, for delivery within that

same office, will be exempt from the Address Accuracy and Delivery Mode requirements. The letters HDL must appear in the Address Accuracy % field.

The image shows a screenshot of a USPS mail sorting software interface. The interface includes a header with 'M12345678' and various status indicators. Below the header is a table with columns for 'Mail Class', 'Weight', 'Volume', and 'Address Accuracy'. A callout bubble points to the 'Mail Class' column with the text 'Remember this entry applies to High Density Presort'. Another callout bubble points to the 'Volume' column with the text 'Delivery Mode Audit code not required'. A third callout bubble points to the 'Address Accuracy' column with the text 'This value "PCA" must appear here'. At the bottom right, a callout bubble points to a field with the text 'Adjustment not required'. The interface also includes a 'No Solution' section and a 'Log' section.

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Addressed Admail	April 2000 Minimum Volume Threshold for Address Accuracy	April 2001 Minimum Volume Threshold for Address Accuracy
Machineable	>10,000	>5,000
LC Presort	>10,000	>5,000
NDG Presort	>10,000	>5,000

Publications Mail	April 2000 Minimum Volume Threshold for Address Accuracy	April 2001 Minimum Volume Threshold for Address Accuracy
Machineable	>10,000	>5,000
LC Presort	>10,000	>5,000
NDG Presort	>10,000	>5,000

Who is responsible for the Address Accuracy Program?

The Addressing Policy and Programs function within Address Management at Canada Post Head Office is responsible for the development and implementation of the Address Accuracy Program. Customers may reach Address Management staff by calling

1 800 363-3459. Address Accuracy Coordinators have been appointed within each region. Your Canada Post representative can provide you with the name of the Address Accuracy Coordinator within your region.

What is the Address Accuracy Standard?

Address Accuracy is 95%, which means that 95% of the addresses on the database being evaluated are valid. This

standard must be achieved, otherwise an adjustment is applied to the mail pieces with inaccurate addresses.

How do I report the Address Accuracy percentage for my mailing list or database?

A Statement of Accuracy (SOA) is used to report the percentage of accurate addresses on a mailing list. Both **urban** and **rural** addresses are included in the

calculation. Customers are requested to keep a valid copy of the SOA on file in the event that Canada Post requests a copy.

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How do I obtain a Statement of Accuracy (SOA)?

Customers can obtain a SOA by comparing their database to Canada Post's address data. This is done by processing the database through Canada Post-recognized *Address Validation* or *Address Validation and*

Correction software or by using a mail service provider who offers this service. A list of mail service providers may be found in your local telephone listing under Addressing and Letter Service, Mailing Service, etc.

What is the Software Evaluation and Recognition Program (SERP)?

To determine their Address Accuracy percentage, customers must compare their database(s) against Canada Post's address data by using a Canada Post recognized software. There are a number of *Address Validation*, and *Address Validation and Correction* software packages available to help customers achieve maximum efficiency in their mailings.

Canada Post has developed a testing program called Software Evaluation and Recognition Program (SERP) which evaluates software packages for their ability to validate and/or validate and correct mailing lists to Canada Post

requirements. Once the evaluation is complete, Canada Post publishes a list of all "recognized" software packages. This list of recognized packages is published four times a year in *The Address Manager*. *The Address Manager* is a free publication published six times per year and contains information on addressing changes and other mailing news. It is available for viewing on the Canada Post web site at: www.canadapost.ca or by writing to:

THE ADDRESS MANAGER
2701 RIVERSIDE DR SUITE N0883
OTTAWA ON K1A 0B1
or email:
address.management@canadapost.ca

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What information is found on a Statement of Accuracy?

The Statement of Accuracy includes the following information:

Statement of Accuracy (SOA)	
1. Customer Name and Address	The customer's company or corporate name and their mailing address.
2. Customer CPC Number	The customer's eight-digit number found on their Canada Post contract.
3. Total Number of Records Processed	The total number of records (or addresses) included in the evaluation, which must be equal to or greater than the number of pieces being deposited.
4. Address Accuracy Level	The Address Accuracy level indicates the percentage of accurate urban and rural addresses. This percentage is always calculated to one decimal place.
5. Address Accuracy Expiry Date: yyyy/mm/dd	The expiry date of the Address Accuracy percentage is always one year from the date the SOA was produced.
6. Software Company Name and Software Version	The name of the software company used to evaluate the database, as well as the software version, are required. Only current versions produced by recognized software vendors are accepted. Refer to the most current listing published in <i>The Address Manager</i> , January, April, July and September issues.
7. CPC Postal Code Address Data Used: yyyy/mm/dd	The effective date of the Postal Code Address Data Used.

How often must a customer produce a SOA?

Customers must generate a new SOA a minimum of once a year. However, it is strongly recommended that Address Accuracy software be an integral part of customers' ongoing process to ensure deliverability. A SOA must be

generated for each customer database or on the contents of merged databases. Should a customer be using a database other than the one used for regular mailings, a separate SOA is required for that particular database.

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Does the SOA, or a copy, need to be included with each mailing?

No, a customer or a mail service provider must record the SOA percentage and expiry date on the Statement of Mailing (SOM) corresponding to the mail deposited. A customer may be required

to provide a SOA to verify the validity of mailings from time to time.

Note:

Mail service providers must retain a valid original SOA on file or return the original to their customer for their files.

What is the SOA Blended Level Method?

Assuming a customer has more than one existing Statement of Accuracy, one for a database of 11,000 records at 95% and one for a database of 12,000 records at 90%, the following calculation would take place:

	$11,000 \times 95.0\% = 10,450$
	$12,000 \times 90.0\% = 10,800$
Total	<u>23,000</u> <u>21,250</u>

Therefore, 21,250 divided by the total 23,000 = **92.4%** Address Accuracy blended level.

Note:

1. The earliest expiry date (from the various Statements of Accuracy) must appear on the Statement of Mailing.

How are adjustments calculated?

If the 95% Address Accuracy standard is not achieved, an adjustment is applied.

Lettermail

The adjustment rate for Incentive Lettermail customers varies due to the progressive rating of mail categories within the product. The maximum is \$0.05 per piece. The total adjustment is calculated by subtracting the customer's actual Address Accuracy (AA) rate from 95% and multiplying the result by the total volume. The result is then multiplied by the calculated rate. A customer is never charged more than the full Lettermail rate for the weight category.

The formula to calculate the adjustment is:

$$\text{Volume} \times (95.0\% - \text{Customer's Actual AA\%}) \times \text{Adjustment (max } \$0.05) = \text{Total Adjustment}$$

Addressed Admail and Publications Mail

The adjustment rate for Addressed Admail and Publications Mail is \$0.05 per piece. The total adjustment is calculated by subtracting the customer's actual Address Accuracy rate from 95% and multiplying the result by the total volume. The result is then multiplied by \$0.05.

The formula to calculate the adjustment is:

$$\text{Volume} \times (95.0\% - \text{Customer's Actual AA\%}) \times \$0.05 = \text{Total Adjustment}$$

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Where on the Statement of Mailing (SOM) is the Address Accuracy information recorded?

The image shows a Statement of Mailing (SOM) form. A red circle highlights the 'Excellence' and 'Continuous Improvement' sections. The 'Excellence' section is labeled 'Excellence' and 'Excellence' and contains a table with columns for 'Excellence' and 'Excellence'. The 'Continuous Improvement' section is labeled 'Continuous Improvement' and 'Continuous Improvement' and contains a table with columns for 'Continuous Improvement' and 'Continuous Improvement'. The form also includes sections for 'Statement of Mailing', 'Déclaration de dépôt', 'Légende pour la description des services', and 'L'Étiquette de l'Étiquette'. The 'Légende pour la description des services' section contains a table with columns for 'Légende pour la description des services' and 'Légende pour la description des services'. The 'L'Étiquette de l'Étiquette' section contains a table with columns for 'L'Étiquette de l'Étiquette' and 'L'Étiquette de l'Étiquette'.

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Frequently Asked Questions

Questions	Answers
Some customers feel that the 95% Address Accuracy standard is aggressive and is very difficult to attain. Why doesn't Canada Post lower the standard?	In 1994, the average customer's Address Accuracy rate was less than 40%. Today, the majority of our customers have attained an Address Accuracy rate of 95%. Canada Post will work with customers to determine what is required to attain 95%. Contact Addressing Policy and Programs at Canada Post for assistance.
Has Canada Post consulted with its customers and/or associations on the program?	Yes, Canada Post consults with various associations, software developers and customers on proposed changes on a continual basis.
What is the United States Postal Service (USPS) standard for Address Accuracy and do customers need to produce a Statement of Accuracy with each mailing?	The USPS standard is 100% and customers are required to produce an original Statement of Accuracy with each mailing.
Will the Address Accuracy standard be increased beyond 95%?	At this point there are no plans to raise the standard beyond 95%.
What is the difference between Address Accuracy and machine readability requirements?	Readability measures the type and quality of printing (i.e. contrasts, proportion of font and pitch), spacing, location of data and interference from other text. Address Accuracy, on the other hand, measures the validity of address components compared to Canada Post's addressing database.
Can customers split mailings to avoid Address Accuracy requirements?	Yes, however this is not in the customers' best interest as Canada Post cannot ensure delivery or timely arrival of inaccurately addressed mail.
If the total number of records or addresses included in the evaluation are less than the number of pieces being deposited, is the Statement of Accuracy valid?	No, the SOA indicates that the total number of records (or addresses) included in the evaluation must be equal to or greater than the number of pieces being deposited.

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Questions

Answers

What is the benefit of Address Accuracy?

According to a study conducted by NFO Research Inc, seven out of 10 adults feel they can tell from the envelope whether a direct mail piece is worth opening. When deciding, three-quarters of adults look for a recognizable return address. In addition, spelling counts; six out of 10 disregard mail that isn't addressed correctly.

What impact does Address Accuracy have on the service a customer selects?

A mailer who selects Incentive Lettermail services is often mailing invoices. Reaching the target audience can be critical to the mailer's cash flow or financial projections. Customer satisfaction can also be affected as fees may apply to late payments regardless of the fact the delay may have been caused by an incorrect address.

A mailer who selects Addressed Admail is often: promoting merchandise or services, announcing a sales event or trying to generate consumer interest. This customer generally invests in the advertisement with the expectation that this will result in future sales. Reaching the target audience can have a significant effect on the expected return on investment.

Mailers who select Publications Mail have an interest in reaching their customers within a selected time frame. Customers who receive their publication late will be dissatisfied. This can lead to the loss of future sales for the mailer.

Who determines a customer's address?

Street numbers and names, usually referred to as civic addresses, are determined by municipal authorities. Canada Post records street numbers and names as supplied by city or town officials.

Should customers expect that address correction software will automatically get them to 95% Address Accuracy standard without any manual intervention?

No. Sometimes manual intervention on certain databases is required. When too many components do not match and it is impossible for the software to determine a unique address based on the information provided, manual intervention is required to correct typographical or spelling errors and incorrect information.

If a customer has questions or concerns on how their software is correcting or validating addresses, to whom should they raise these concerns?

A customer's agreement is with the software developers and not Canada Post. A customer should always raise their concerns with the developer. Canada Post will become involved only upon evidence that the customer has made every effort to work with the developer.

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Questions	Answers
What is the best software available?	Mailers should follow these steps to determine the best software for them: <ul style="list-style-type: none">• Talk to people in your industry to try to get the best software program for you;• Test at least 1,000 to 3,000 addresses to ensure the software is compatible with your system;• Before you run the validation test, remove foreign or in-houses addresses;• Use the software program to correct the list to the system's capability;• Make whatever manual corrections are necessary;• Run another validation check on your updated list to get your new level of accuracy and produce a Statement of Accuracy.
How do we go about developing our own software?	Customers should use the 1 800 363-3459 Address Management Help Line to obtain a handbook and to answer any questions on developing their own software.
Does the Address Accuracy Local to Local Exemption Rule apply to Addressed Admail or Publications Mail?	No. The exemption rule only applies to short/long (S/L), High Density Presort mail.
Does Dimensional Addressed Admail (i.e. product samples) require Address Accuracy?	Yes. Dimensional Addressed Admail is a product line extension of Addressed Admail and requires Address Accuracy.
Do Catalogue mailings require Address Accuracy?	Yes. Catalogue mailings are a product which requires Address Accuracy for mailings greater than 10,000 and, as of April, 2001, greater than 5,000.
Where can a mailer seek assistance if their customer provides an address different from that which is on Canada Post's database?	Mailers should use the 1 800 363-3459 Address Management Help Line to identify any anomalies on Canada Post's database.
If my address list remains static for over one year, is there really any need to run Address Accuracy more frequently?	Yes. Due to municipal amalgamations, 911 initiatives, urban growth, etc., addresses do not remain static.

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Addressing Tips

- Improving the accuracy of your addresses begins with the way in which addresses are recorded. Structuring the fields of your database in conjunction with addressing requirements will improve the performance of your address list. The *Canadian Addressing Guide* is a valuable reference tool and may be obtained by calling 1 800 363-3459. The employees recording addressing information should also be trained in the essential elements of proper addressing.
- Verifying each address to ensure its validity, by using Canada Post or other commercial lookup products before entering the information in the addressing database, is another excellent way to improve accuracy.
- Ongoing maintenance of the address lists is essential. By providing your customers with an opportunity to update their addressing information (i.e. Change of Address insert cards, Business Reply Mail, etc.) and verifying the accuracy of these addresses, you improve the performance of your mailing list.
- Removing foreign and in-house addresses from the database before running the *Address Validation and Correction* software will reduce the time required to run the software and will result in fewer invalid and non-correctable addresses.
- Printing a list of the addresses that are invalid can help you identify those addresses which may need to have additional, different or modified information in order to be deemed valid.
- Renting lists that are Address Accuracy compliant reduces the effort required to correct invalid addresses and may ultimately reduce your costs.
- Updating all your databases when correcting an address ensures that you will not have different addresses for the same customer.
- Adding your name to the mailing list for *The Address Manager* will ensure you get the latest information on Address Change Updates, such as community or area conversions to the use of civic addressing and urban postal codes.

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Addressing Tips (continued)

- Designing forms to allow for all possible addressing types will allow you to capture all the necessary addressing components. Refer to the *Canadian Addressing Guide* for more details on address types and formats.
- Including the following information in training material for personnel recording addresses will reduce some common addressing errors:
 - Numeric street names in Alberta typically do not end in “st,” “nd,” “rd” or “th.”
For example:
32 AVE not 32ND AVE
3 STREET not 3RD STREET
 - Hyphens have specific applications, as shown below, and should not be used to fill in blank spaces:
 - (a) to link a unit number and a civic number
For example:
100-252 BLOOR ST W means
252 BLOOR ST WEST SUITE 100
 - (b) in Quebec, where they are part of the official municipality name
For example:
ST-SAUVEUR-DES-MONTS
 - Unit numbers always require something that will identify them as such.
For example:
124 MAIN ST UNIT 4 or
4-124 MAIN ST not
124 MAIN ST 4
- Knowing a few correct spellings and including official punctuation helps to improve accuracy.
For example:
SAINT JOHN NB not
ST. JOHN and not
SAINT or ST JOHN'S

ST. JOHN'S NF not
ST JOHN'S and not
SAINT JOHN'S

ST CATHARINES ON not
ST. CATHERINES and not
ST CATHARINE'S
- **Alternate Municipality name:** When communities amalgamate, customers sometimes continue to use the old name. Municipalities may provide Canada Post with both the official name and a valid alternate name which may be used. The Postal Code Address Data product also contains a listing of invalid alternate municipality names that may be used for reference only and are not to be used for addressing.
- **13/18-Character abbreviations:** Municipalities with names longer than 13 characters provide Canada Post with official 13-and/or 18-character abbreviations for those mailers whose database fields cannot accommodate longer names. These abbreviations are found on the Postal Code Address Data product and on Canada Post's web site.
- **PO Box and Rural Route Information:** When directing the mail to a Canada Post facility use “PO BOX”. When the delivery point is along a rural route use “BOX”.