



PRODUCTION SOLUTIONS

CHECKLIST FOR POSTAL SUCCESS



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**PRODUCTION
SOLUTIONS**
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MAKE MORE POSSIBLE



As postage rates continue to climb, comprising a significant portion of your direct mail budget, the need for a lean, strategic postal approach has never been more crucial. What was once a "nice-to-have" is now a necessity. Postage alone can account for nearly half of your overall package costs, making it essential to develop a well-defined, proactive strategy that:

- 1. Reduces postage expenses without compromising response rates,**
- 2. Captures every possible savings opportunity, and**
- 3. Streamlines postal logistics to keep supply chain, shipping, and commingling costs under control.**

In this landscape, your direct mail program remains a vital engine for nonprofit fundraising. From Acquisition mailings to Acknowledgements and everything in between, every touchpoint is critical with donors and constituents. With rising postage costs, insulating your program from these increases has never been more important. Accurate budget forecasting and partnering with top industry experts are key to achieving your fundraising goals.

This Checklist For Postal Success will guide you in optimizing your program's postal strategy, allowing you to continue making smart investments in your direct mail initiatives.

Together, we can make more possible.



YOUR CHECKLIST FOR POSTAL SUCCESS



HAVE A SMART POSTAL LOGISTICS STRATEGY

Evaluate the many destination entry point options within the postal supply chain to actively minimize transportation, labor, and manufacturing costs.

- **Local entry:** Local entry mail is delivered to the nearest post office from the point of origin, similar to dropping personal mail at your local post office. Since no postal logistics work is involved, this option is best used for mail destined for donors or households near the mailshop, or for First-Class mail that will not be commingled.

Now, let's explore mail that requires more advanced logistics strategies. The United States Postal Service (USPS) offers lower postage rates to mailers who assist with sorting and transportation, providing greater savings than simply using local entry. Most of our mail utilizes one of the following methods:

- **Commingle:** Combine mail from multiple mailers to maximize postal savings. Mail is sorted and delivered to the USPS with much of the work already done. This method is especially cost-effective for nonprofits, both for small and large volumes of mail.
- **Drop Shipping:** Presorted and palletized mail is shipped by the mailer to a USPS facility closer to the destination, qualifying for discounts when shipping high volumes to a single area.
- **Hybrid Solutions:** Use a combination of delivery methods within a single mailing, such as local entry for nearby recipients, drop shipping for specific regions, and commingling for the remaining mail.

Each program is unique, and every campaign plays a vital role in communicating with your donors. Be sure to weigh cost savings against your in-home date goals—time is money, and missing a key delivery date can result in opportunity costs far beyond just postage. Having an experienced partner by your side is essential to help navigate these critical decisions, weighing the impact of savings, delivery timelines, and long-term program health. By optimizing your logistics strategy, you can ensure both the short-term success of each campaign and the long-term growth of your direct mail program.





TAKE ADVANTAGE OF PROMOTIONS AND INCENTIVES

Each year, The USPS updates its Postal Promotions & Incentive Programs, providing valuable opportunities to reduce your mailing costs. However, navigating the constantly shifting schedules and details of these opportunities can be a challenge. To maximize these benefits, you need careful planning and a clear understanding of the registration process.

At Production Solutions, we take pride in being early adopters and experts in postal promotions and incentives. These opportunities are more important than ever for controlling postal costs, and we're here to help. As your proactive partner, we'll simplify the process, uncover opportunities, and offer strategic recommendations tailored to your needs, ensuring you make the most of every dollar in your mailing strategy.

**IN 2024, OUR CLIENTS ACHIEVED OVER
\$3,500,000 IN POSTAL SAVINGS FROM USPS
PROMOTIONS WE MANAGED ON THEIR BEHALF.**

There has been a significant number of changes to the USPS Postal Promotions and Incentives Program in 2025 that we anticipate will lead to reduced savings opportunities than previously enjoyed over the past few years. Exploring new treatments, running promotions with new add-on discounts, and having a partner like us by your side will ensure you'll be able to capture every saving opportunity despite the vast changes.



2025 PROMOTIONS: WHAT YOU NEED TO KNOW

Integrated Technology Promotion

Previously known as "Emerging and Advanced Technology," this promotion incentivizes mailers to incorporate technologies such as artificial intelligence (AI), augmented reality, virtual reality, video in print, and QR codes into their mailings.

- Eligible Mail Classes: First-Class Letters, Cards and Flats, Marketing, Nonprofit Letters and Flats
- Registration Period: Nov 20, 2024 – Dec 31, 2025
- Promotion Period: Maximum six consecutive months in CY 2025

UP
TO **3%**
DISCOUNT

Tactile, Sensory, and Interactive Promotion

This promotion rewards mailers for adding unique textures, scents, interactive elements, and specialty inks to mail. Designing a multi-sensory experience with your mailer is known to enhance customer engagement. Gloss stock is no longer eligible in 2025.

- Eligible Mail Classes: First-Class Letters, Cards and Flats, Marketing, Nonprofit Letters and Flats
- Registration Period: Dec 15, 2024 – Jul 31, 2025
- Promotion Period: Feb 1, 2025 – Jul 31, 2025

UP
TO **4%**
DISCOUNT

Continuous Contact Promotion

This new promotion encourages sending more frequent mailings to the same donors. By delivering targeted, evolving content, you stay top of mind, deepen engagement, and increase donor support. The key is to ensure each mailing complements the previous one, providing new information or updates, rather than repeating the same message.

- Eligible Mail Classes: Marketing, Nonprofit Letters and Flats
- Registration Period: Feb 15, 2025 – Dec 31, 2025
- Promotion Period: Apr 1, 2025 – Dec 31, 2025

UP
TO **3%**
DISCOUNT
APPLIED AFTER
INITIAL MAILING



2025 PROMOTIONS, CONTINUED

Reply Mail IMbA Promotion

This promotion helps mailers transition their Qualified Business Reply Mail (QBRM) to the new Intelligent Mail Barcode Accounting (IMbA) system. By adopting IMbA, you can enhance visibility and streamline operations, taking full advantage of the system's improved efficiencies.

- Eligible Mail Classes: First-Class QBRM Response Mail
- Registration Period: May 1, 2025 – Dec 31, 2025
- Promotion Period: Jul 1, 2025 – Dec 31, 2025
- **NOTE:** Serialized Barcode mailings are eligible for up to a **6%** discount.

UP
TO **3%**
DISCOUNT
STATIC BARCODE

First-Class Mail Advertising Promotion

Previously called "Personalized Color Transpromo," this promotion encourages the use of full-color advertising within First-Class mailings such as billing statements to enhance your overall advertising strategy. While it may not always be the best fit for nonprofits, it's still an option worth considering depending on your goals.

- Eligible Mail Classes: First-Class
- Registration Period: Jul 15, 2025 – Dec 31, 2025
- Promotion Period: Sep 1, 2025 – Dec 31, 2025

UP
TO **3%**
DISCOUNT

New Add-on Discounts for 2025

Add-on discounts are paired with a USPS promotion to increase your savings potential. While they can not be claimed alone, mailers may leverage one or both discounts with another USPS promotion to unlock up to an additional 1% savings each.

- **Informed Delivery Add-On:** This popular "interactive" promotion that reaches your target audience digitally and in close succession to your printed mailers is no longer available on its own, but continues as an Add-on, providing up to an additional 1% discount on any mailing throughout the year. Registration starts November 20, 2024, and the promotion runs from January 1 to December 31, 2025.
- **Sustainability Add-On:** Shows your efforts of being environmentally conscious through sustainably sourced printed materials, offering up to an additional 1% discount on postage. Registration begins November 20, 2024, and the promotions runs from January 1 to December 31, 2025.



2025 PROMOTIONS, CONTINUED

Volume-based Incentive

Last year, the USPS introduced their Volume-based Incentive offering a 30% credit on additional year-over-year mail volumes. The nuance to this incentive is that the credit is calculated based on the net increase in volume and applies to mailers who exceed one million pieces.

This program is designed for organizations increasing their First-Class and Marketing Mail volumes. With complex eligibility criteria and a challenging enrollment process, preparation is crucial. 17 PS clients enjoyed **\$1,100,000 in postage credits** through this program. Registration closes in June 2025, so time is of the essence!

So, theoretically, if your 2023 volume was 1 million pieces, and your 2024 volume is 1.5 million pieces, you would be eligible for a 30% postage discount on the 500,000 pieces that exceeded the first-year total.

Planning Ahead is Essential

To leverage these benefits, it's essential to align your mailing calendar with the promotions that best support your goals, as the registration periods and requirements can be complex. At Production Solutions, we're here to guide you through every step—from understanding eligibility and maximizing promotional opportunities to making strategic recommendations tailored to your needs. These promotions remain critical for optimizing your postal expenses, and we are committed to providing the support you need to make informed, long-term decisions.

By staying informed, planning ahead, and partnering with us, you can achieve both your marketing and financial objectives. Let's start strategizing together to ensure you take full advantage of these valuable opportunities.

**FOR A FULL CALENDAR, DOWNLOAD OUR
HANDY 2025 PROMOTIONS CALENDAR.**





CONSIDER FIRST-CLASS VS. MARKETING MAIL

Many nonprofits are considering shifting from USPS First-Class postage to Marketing Mail, and while this can offer savings, it's important you weigh your decisions carefully:

Know what you can mail: Though it's cost-effective, Marketing Mail isn't forwarded or returned without additional fees. In contrast, First-Class Mail offers faster delivery, includes forwarding and return services at no extra cost, and is ideal for personalized content and segmented donor lists. Another consideration is the impact to your commingle strategy.

Consider the impact on delivery speed: First-Class Mail typically delivers within 2 to 3 days after the USPS receives it, while Marketing Mail can take 11 to 14 days to reach your donors. Be mindful of timing for critical mailers, like year-end appeals, when every donation counts.

Test and evaluate your donor's experience: Before switching to Marketing Mail, test its impact on donor response. First-Class may still be cost-effective for certain donor segments or when timing is crucial to your mission. Testing allows you to weigh the pros and cons, giving you the insight needed to make the best decision for your program.

Evaluate your reply envelope strategy: If you currently use Stamped Reply Envelopes (SREs), consider testing Business Reply Envelopes (BREs) to explore potential cost savings without impacting response rates. Additionally, evaluate which donor segments or mailers might benefit from the cost-effectiveness of switching to BREs.

Explore QBRM to reduce return mail costs: Qualified Business Reply Mail (QBRM) can reduce the costs of your return mail but comes with limitations, such as allowing only one BRE size per permit. Although QBRM typically involves higher annual and quarterly fees, the USPS announced earlier this year that these fees are now waived for mailers who enroll in their new Intelligent Mail barcode Accounting (IMbA) system.

By considering these factors and testing the impact on your donors, you can make informed decisions about which mail strategy will offer both cost savings and timely delivery.



KEEP IT CLEAN

Address hygiene is a powerful way to cut costs and reduce waste in your direct mail campaigns. Regularly cleansing your address lists eliminates undeliverable mail before it's printed or sent, saving money and conserving resources like paper and fuel.

With over \$20 billion lost annually to undeliverable mail, maintaining clean data not only boosts your bottom line but also promotes environmental sustainability. As your production partner, we help you implement a cost-effective, eco-friendly mailing strategy.

Here are some USPS systems and services to ensure every mailpiece counts:

CASS (Coding Accuracy Support System): A USPS software certification program that ensures address accuracy by verifying postal codes, including the 5-digit ZIP code, ZIP +4, delivery routes, and carrier routes.

NCOA (National Change of Address): A national database of individuals and businesses that have filed a change of address with the USPS, helping you keep your address lists current.

ACS (Address Correction Services): An automated USPS service that provides updated or corrected addresses for mailpieces that have been delivered (or attempted to deliver). ACS helps further cleanse your data files, but it's crucial to integrate the updated data into your databases for future mailings.

Some of these systems may seem duplicative at first glance, but it's important to remember that most direct mail project lifecycles range from 6-12 weeks. During that time, between the initial data pull and the moment your mail is ready to enter the postal system, it's crucial to perform both a front-end and final cleansing step. This ensures all addresses are accurate and up-to-date, accounting for any changes that may have occurred throughout the campaign's lifecycle. At Production Solutions, we proudly offer this service to all our clients, ensuring every mailpiece reaches a real donor.





UNDERSTAND AND MEASURE THE FULL IMPACT OF YOUR MAIL

Not all production partners provide the same level of mail tracking and reporting. It's important to know what you're currently receiving and what you should expect from your production team to gain visibility and make informed decisions.

Mail tracking: Do you know where your mail goes after it leaves the mailshop? Mail tracking adds transparency by allowing you to monitor its journey from the post office to your donor's home. At Production Solutions, we track individual donors, overall mail progress, percentage delivered, and more, giving you real-time insights.

Reply mail tracking: Just like outbound mail, we have the ability to track inbound donations or replies. Using IMB barcodes, we can track overall volumes or individual donors, giving you visibility into your caging results before the money hits the bank so you can accurately forecast revenue.

Matchback: Don't underestimate how your mail impacts other fundraising channels. Matching online gifts to your mail file helps you understand how mail is reaching donors and offers insights into further investing in your direct mail budget.



FOCUS ON THE FUNDAMENTALS

As they say, "An ounce of prevention is worth a pound of cure," and this holds especially true in the complex world of direct mail production. Simple quality control steps and tactical adjustments can significantly reduce postage costs. Here is a sample of key fundamentals we keep on our radar on behalf of our clients:

Consider using an indicia: A postal indicia replaces stamps or meter imprints, saving time and reducing labor costs. Test its impact on donor experience, and follow USPS guidelines for proper use. We've successfully implemented this tactic for many clients.

Test cost-effective formats: Switch from flat rate to letter rate, such as using a slimline calendar instead of a full-size one, to save on postage and help your mail stand out.

Triple-check package thickness: Even a millimeter matters. Mailpieces nearing a quarter-inch require extra attention to ensure they meet the requirements for your desired postal product and will not require extra postage. A thorough quality check, even for repeat mailings, saves time and money and prevents issues down the line.

These are just a few examples of the quality assurance steps and cost-saving ideas you gain when partnering with Production Solutions. Your production partner should add value to your team by working closely to identify simple, cost-saving, and quality control tactics early in the process and leverage them for continuous improvement. With the right experts by your side, you'll avoid surprises and enjoy a well-managed program where every campaign runs smoothly, accurately, and on time.



STAY INFORMED

We're pleased to share that the USPS did not raise postage rates in January 2025, offering stability and predictability for your mailing strategy. However, it's important to remember they have authority to increase rates twice a year without being limited by the Consumer Price Index. While this isn't ideal, knowing what to expect empowers you to budget in advance and make informed decisions to protect your program's long-term success. The next potential rate adjustment is not expected until July 2025 with rate increases anticipated two times a year there after. Stay up to date by following Production Solutions on [LinkedIn](#) and by keeping up with our [blog](#).

We also encourage you to get involved! Every voice matters in our industry. Stay informed about the efforts of advocacy partners who are raising awareness of the challenges and impacts we face. We fully support their work and invite you to join the conversation. By adding your voice to the growing chorus of nonprofit mailers, you can help advocate for the critical role direct mail plays in donor communications.



The Nonprofit Alliance – A collective of nonprofit organizations and partner firms aimed to strengthen the nonprofit sector and enhance public engagement for greater mission impact. <https://tnpa.org>



Alliance of Nonprofit Mailers – A grassroots organization of nonprofits working to preserve affordable, reliable U.S. Mail. <https://nonprofitmailers.org>



Keep Us Posted – A nonprofit advocacy group of consumers, nonprofits, newspapers, businesses, and more united to promote a reliable, affordable U.S. Postal Service. <https://keepusposted.org>

It's crucial to have a partner with deep industry connections. At Production Solutions, we've built strong relationships within the USPS and the broader mailing industry, ensuring we stay ahead of new developments. Your postal partner should be well-connected to help insulate your program from potential risks and ensure its long-term success.



A PARTNERSHIP THAT DELIVERS

In today's evolving postage landscape, with USPS rate increases and complex processes, having a proactive postal strategy is more critical than ever. At Production Solutions, we partner closely with our clients to thoroughly evaluate mail plans, identify savings opportunities, and recommend package formats and timing strategies that maximize USPS promotions and annual qualifications. As early adopters of postal discounts, we ensure your campaigns are optimized for cost efficiency and impact.

Our expertise extends beyond production management—we act as an extension of your fundraising and marketing teams, expertly handling complex USPS processes, including registration, data processing, and savings reporting. With PS managing the logistics, your team can stay focused on what they do best. In turn, we focus on streamlining budgets, mitigating risks, uncovering hidden value, and maximizing your direct mail program's potential. Every step of the way, we simplify the process, ensuring every opportunity is captured to offset rising postal costs and support the long-term health of this critical fundraising channel.

READY TO MAKE MORE POSSIBLE?

Let's start with a comprehensive, no-obligation audit to uncover savings, efficiencies and strategies to maximize your postal budget. Connect with us today and take the first step toward a smarter, more cost-effective mailing program!

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