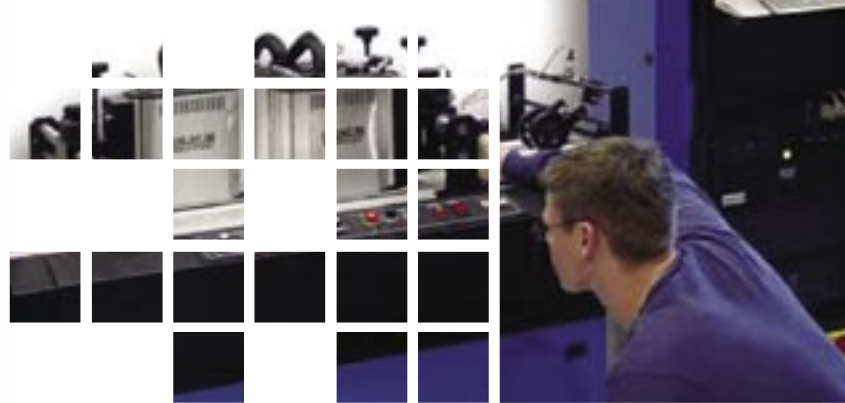


# BUSKRO QUARTERLY

MARKETING NEWS



JANUARY 2007 ISSUE #2

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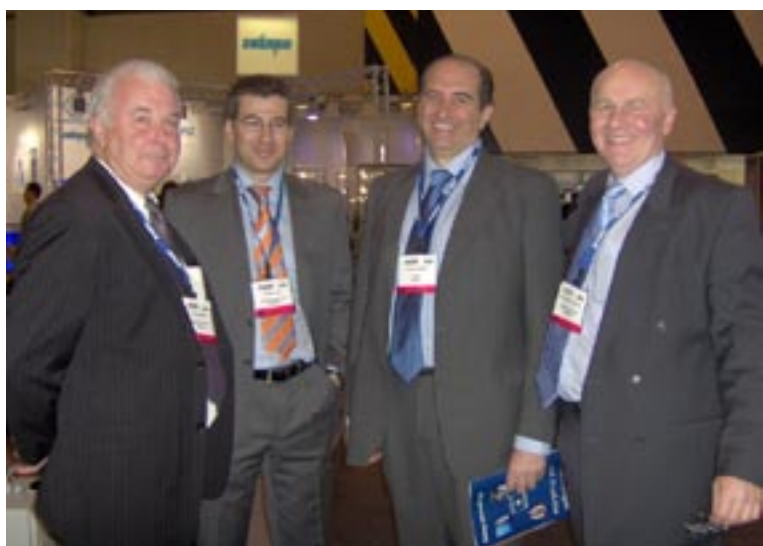
## Year in Review

### Notes From The President



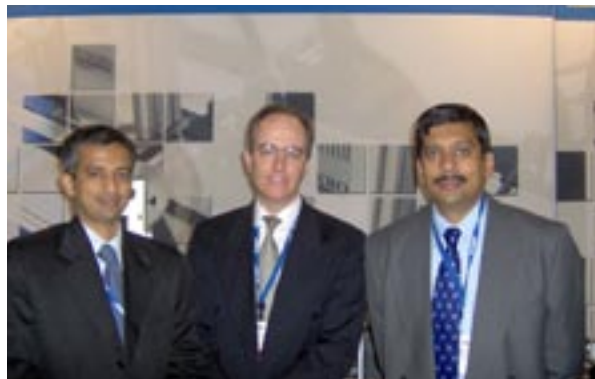
I would like to begin by wishing all our readers a Happy and Prosperous New Year. 2006 was a hectic one for Buskro. We have launched several new products, participated in numerous trade shows and conferences across North America, Europe and Asia and added new dealers and territories to our fold. Indeed the year has been a busy one for everyone at Buskro. Looking back at 2006 here are some of the highlights:

- \* Buskro Celebrated its 30th Anniversary
- \* Launched two new products - The popular 3250 slant heads and the new 1710/1720 Controllers expanding our capacity to print up to 24" with web type applications
- \* Re-launched our website with new graphics and greater functionality attracting twice as much traffic as before
- \* Created new sales literature with more contemporary graphics and up to date information
- \* Attended 15 trade shows and/or conferences around the world
- \* Launched The Buskro Quarterly to communicate better with our end customers and industry suppliers



- \* Hosted Dealer Meetings in the US and the UK
- \* Opened a new US Corporate Office in Raleigh, North Carolina. This new expanded operation has a large demonstration room and maintains an inventory of parts and consumables for easy onward delivery to our customers

- \* Expanded our Dealer Network by signing up new dealers in the US, India and Sweden. We have great expectations of the emerging markets in 2007




The New Year looks equally exciting. We have a variety of shows planned globally and dealer meetings scheduled in Spring in the UK and the US to honor our commitment to our dealers and partners to train and keep them abreast of the latest innovations and tools available to them. Naturally we have a series of new products and upgrades in the pipeline. In March, we expect to launch our online BuskroShop at [www.buskro.com](http://www.buskro.com) where our customers can conveniently order consumables such as inks, wipes and flushing solutions.

Richard Hamilton  
President Buskro Ltd.

## Compose Software now with the new 4-State barcode



The new 4-State barcode will become mandatory in less than two years in the US, all part of the USPS plan to deliver so called "intelligent mail". Barcodes are nothing new, we are all familiar with the PostNET code which registers the ZIP+4 and delivery point information as well as the PLANET code used for tracking. Both of these are available with Compose. Now Buskro introduces Compose 7.3 with the 4-state barcode. 

## INSIDE THIS ISSUE

1. Year in Review
2. 4-state barcode added to Compose
3. What is a dongle?
4. Understanding the USPS rate case
5. Buskro People

## UPCOMING EVENTS

### GRAPHISPAG 2007\*

Feb 19-25  
Barcelona, Spain

### GOA/EXPLORE

Feb 28-Mar 5  
Miami Beach, FL

### FLEXO 2007

Mar 6-8  
Birmingham, UK

### POSTAL FORUM 2007\*

Mar 25-28  
Washington, DC

### FIEPAG 2007

Mar 27-31  
Sao Paulo, Brazil

### CHINA PRINT 2007

Apr 10 - 14  
Guangdong, China

### ACUP ANNUAL CONFERENCE\*

Apr 15-19  
San Francisco, CA

### ON DEMAND\*

Apr 17-19  
Boston, MA

### PRINT FEST\*

Apr 20-21  
Long Beach, CA

### NORTHPRINT 2007

Apr 24-26  
Yorkshire, UK (nr Leeds)

### MFSA/NAPL FULFILLMENT CONFERENCE

Apr 25-28  
Louisville, KY

\* Trade shows at which Buskro will be exhibiting

## WRITE TO US

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# 4-State Barcode Fact Sheet



## What Is The 4-State Customer Barcode?

The 4-State Customer barcode is the next generation of USPS barcode technology used to sort and track letters and flats. The Postal Service is promoting the use of this new barcode because it will make mailing more efficient for the mailer and for USPS by allowing expanded tracking capability and greater visibility into the mailstream. The 4-State barcode technology, among other things, combines the capabilities of the POSTNET barcode and the PLANET Code(r) barcode into one unique barcode. It is a type of 4-State barcode, which is a height modulated barcode using four distinct, vertical bar types.



## How Do Mailers Benefit From Using The 4-State Customer Barcode?

Mailers will get better and more information about their mail and as a result can make better decisions.

The 4-State Customer barcode is the result of Postal Service's effort to develop more advanced coding standards that can significantly increase the amount of information carried, but requiring only minimal increase in space on the mailpiece. The primary benefits of this barcode are:

\* Increases mailpiece "real estate" that can be used for marketing messages by combining the capabilities of POSTNET barcode and PLANET Code barcode.

\* Provides more overall data capacity and more digits to enable mailers to uniquely identify up to a billion mailpieces.

\* Allows for the selection of multiple services through a single barcode. Furthermore, the 4-State Customer barcode has undergone rigorous testing both in controlled and live production environments.

## When Can I Start Using It?

The USPS plans to begin offering a 4-State Customer barcode option as part of the OneCodeCONFIRM and OneCodeACS services for letters in the summer of 2006. At that time, Confirm customers will have the choice of using either 4-State barcode or PLANET Code to help them track mail. To facilitate a more manageable implementation, USPS is following a staged deployment of 4-State barcode, which will be made available on flats after evaluating the processes for participating mailers' letter mail. The 4-State Customer barcode option will be available for OneCodeCONFIRM on flats in the fall of 2006.

BMEU staff training is planned for the end of March. BMEU should be ready to accept letters with 4-State barcode this summer. Flats will be accepted in the fall of 2006.

## Will I be forced to use it in lieu of POSTNET and PLANET barcodes?

No. The use of 4-State Customer barcode is optional. However, it offers significant advantages over using POSTNET and PLANET barcodes, including less mailpiece "real estate" for barcodes and more overall data capacity. If you are currently a Confirm subscriber, please



contact Confirm Customer Assistance at 800-238-3150 for detailed instructions on how to use your ID and modify your account to accept the 4-State Customer barcode.

## Can I Get Automation Discount?

Yes, as long as all other automation requirements and Confirm or ACS requirements are met. Getting automation discounts work the same way as with POSTNET. Postage reduction is offered to mailers who barcode their letters and flats and meet addressing, readability, and other requirements for processing on automated equipment.

## Where can I place the 4-State Customer barcode and what are the acceptable dimensions?

The 4-State Customer barcode can be placed in the address block. Except for OneCodeACS, MLOCR vendors can also place it in the barcode clear zone in the lower right corner of the envelope.

The 31-digit 4-State Customer barcode (65 bars) is slightly longer than the 11-digit POSTNET (62 bars). The 4-State Customer barcode offers mailers certain flexibility in choosing the height and width of the barcode. Full specifications are available at <http://ribbs.usps.gov/OneCodeSOLUTION/>.

## Is my provider capable of printing the 4-State Customer barcode?

To aid in implementing 4-State Customer barcode, a number of tools and resources are being made available via the Rapid Information Bulletin Board System (RIBBS) web site <http://ribbs.usps.gov/OneCodeSOLUTION/>), such as an online encoder/decoder, encoder software for a range of platforms and 4-State barcode fonts.

## Will I have more problems passing MERLIN program requirements?

No. The Postal Service's MERLIN program (Mail Evaluation Readability Lookup Instrument) is a tool that assists with the acceptance of business mail. The 4-State Customer barcode tolerances are similar to POSTNET's, so you should not expect any additional print issues.



## Do I need to redo CASS or MASS certification?

CASS enables the Postal Service to evaluate the accuracy of address-matching software programs, and the CASS process is still applicable to mailpieces with the 4-State Customer barcode, so there is no need to redo this certification.

The MASS certification is an extension of CASS and is a requirement that needs to be redone annually. Testing for the new 4-State Customer barcode certification will be available in April 2006.

## What Services Are Using The 4-State Customer Barcode?

The 4-State Customer barcode initially will be offered as an option for the OneCodeCONFIRM and OneCodeACS services for letter mail in the summer of 2006. Both Origin and DestinationConfirm service types will be offered, as well as ACS options for automation letters.

## Where can I find more information on 4-State Customer barcode?

The Rapid Information Bulletin Board System (RIBBS) web site has a dedicated section for OneCodeSOLUTION barcode resources at <http://ribbs.usps.gov/OneCodeSOLUTION/>.

# What is a Dongle?



By Peter-Elias Alouche

A dongle is a field programmable and serialized USB device used to add security to a Buskro Inkjet System. The versatility and power of a Buskro system is only possible as a result of its proprietary Compose IQ software.

Every installation of Compose IQ requires a mandatory dongle to be installed in the computer's USB port shipped with the system in order for the software to work.

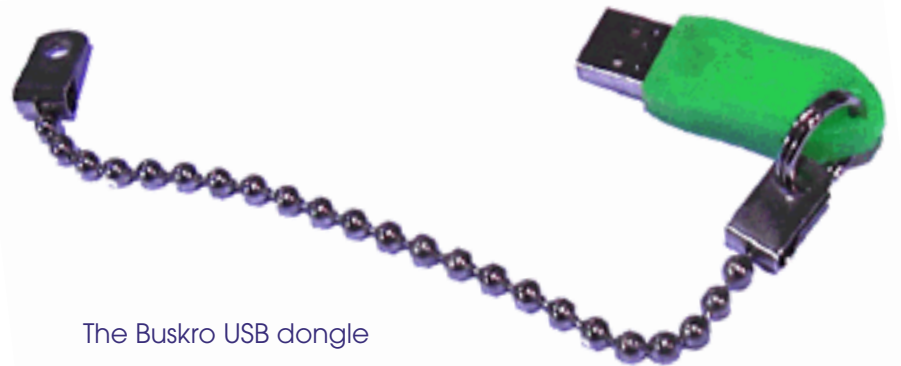
Via a Dongle Information File (\*.dif), the dongle is used to determine what print technology, number of allowable heads installed, or special application features are available and will unlock varying levels of restrictions depending on the customer's requirements.

For example, a dongle may enable special options such as OCR support and also Aurora UV print technology support. If at any time a customer's requirements change, Buskro will support you as you expand. Field upgrades to a dongle are possible and such inquiries should be directed to your Buskro

sales representative. The licenses can be thought of in terms of a hierarchy whereby some technologies and options are unlocked by licenses supporting "higher-end" systems. This hierarchy is indicated below:

- Master License (supports Elite, Aurora and below technologies)
- Atlas (supports Atlas, Apollo)
- Apollo (only supports Apollo)

Currently, there are nine different categories of product license codes for Buskro dongles. These are listed below in the dongle license matrix to be used as an easy reference:



The Buskro USB dongle

License Code	Options	Description
BKLI - MCIQ - n	n = 1, 2, 3, 4, 5, 6, 7, or 8	This is a master license that supports Elite, Aurora, Atlas, and Apollo print technologies. The last digit in the dongle code is used to indicate the number of printheads that can be supported by the dongle.
BKLI - ATIQ - n	n = 1, 2, 3, 4, 5, 6, 7, or 8	This license includes support for Atlas technology printheads. Apollo print heads are also supported with an Atlas dongle license.
BKLI - APIQ - n	n = 4 or 8 BKLI - OPT - COL	This license only supports Apollo technologies for a maximum of up to 8 Apollo print heads. It does not support the Apollo 4C colour printhead. A separate option, BKLI - OPT - COL will need to be ordered to obtain Apollo 4C support.
BLKI - OPT - OCR	N/A	OCR Support: This is the OCR (Optical Character Recognition) software option in Compose IQ allowing camera devices to perform a barcode or OCR text key lookup for variable data printing and matching purposes.
BKLI - OPT - COL	N/A	Color Support: This is the Apollo 4C color support option required by Compose IQ. It unlocks the color features of Compose IQ required for color print applications.
BKLI - OPT - PDF	N/A	PDF Support: This option enables *.PDF files to be loaded in Compose IQ as part of a job layout.
BKLI - OPT - VER	N/A	Verification Support: This option allows verification of printed data on an OSE (outside envelope) to be matched with the original piece that was tracked based on an OCR key.
BKLI - OPT - SEO	N/A	Selective Inserter Control: This option allows for integration between Compose IQ and intelligent inserters. It enables Compose IQ to control what inserts are placed into an envelope based on customer criteria.
BKLI - OPT - PAM	N/A	Partial Match: Allows for partial match acceptance of received data. It is important to note that this partial match will only compare its received data with the next record in the list. A Partial Match license also requires the BKLI-OPT-OCR option in order to function.

Dongle tip: If your Compose IQ software is unable to load certain functions or appears to be malfunctioning, double-check to ensure that your dongle is plugged into the motherboard of the Buskro controller.

Peter Elias Alouche is a member of the Engineering Department at Buskro Ltd.

# Understanding the USPS Rate Case

By Mike Porter



For those of us who work in the document business in one way or another, it has always been pretty difficult to get upper management to pay a lot of attention to the operation. Mail just isn't on the radar scope of most corporate executives. So its been tough to get resources allocated for looking at document costs and researching ways to reduce them. As a mail center manager, you know there is waste and fat that could be cut, but you just don't have the resources or the authority to do

anything about it. There are dozens of factors that go into any document's total cost. Those factors are controlled by lots of different departments. It's pretty difficult to get your arms around it all and still manage to keep your own department running smoothly!

But coming up in May of 2007, the next USPS rate case could be a real catalyst for making document processing the center of attention.

This is not a simple rate hike like we experienced in January 2006. While the overall average increase is said to be around 8%, the actual effects vary greatly, depending on the characteristics of your mail. Analysts have computed the rate case effect on an individual piece of mail to range anywhere from an 8% reduction in cost to a 92% increase.

Mail center managers that understand the impact of the rate case and take appropriate steps ahead of time will be the heroes of the company. OK, maybe not. But those that are not prepared could certainly find themselves in the uncomfortable position of explaining a lot of unexpected large cost increases.

There are actually lots of things that organizations can do to minimize the effects of the postal rate increase and improve the productivity of your printing and mailing centers, while still maintaining the effectiveness of the printed communications being produced by your organization. In fact, the proposed adjustments in **the postal rates, along with other USPS changes, present a highly visible opportunity for mail center managers to make a big contribution to their company's financial bottom line in 2007.**

But the time to start is right now! There are so many factors to consider that it is going to take a while for companies to decide on the best courses of action. Depending on the decisions that are made, your company's project approval process, and the number of different groups involved, getting everything implemented before the postal rate change takes effect is going to be quite challenging.

Our industry will be seeing some radical changes in the next few years - color printing, database marketing technologies, refined customer relationship system integration, etc. But some of the biggest things on the horizon involve the USPS.

The rate case currently under review by the Postal Rate Commission, the digital meter migration, new barcode technologies, and an overhaul of the distribution network promise to affect every single mailer in the country - in any number of ways. We will see companies changing their applications, considering new distribution methods, and upgrading equipment and software in reaction to the USPS evolution to a new model of operation. Every organization is different. There are no set solutions that will be sure to work for everyone. Different mixes of documents, regulatory requirements, printing and mailing equipment in the shop, software used to compose documents and handle mailing lists and many other factors will have to be considered for each individual company. But generally, here are a few factors that most companies should be analyzing now:

- **Shape-based Postage Costs** - The postage prices proposed for the new rate case take not only the weight of an item but its shape into consideration. The cost for a piece that is currently being sent as a parcel will be higher than a flat or a letter of the same weight. **Look for opportunities for moving parcels into flats or flats into letters.** Some of this may require equipment modifications, but some may not. A lot of shops use their

inserters to process only #10 envelopes although the same equipment may be capable of inserting higher page-count documents of bi-folded material into a 6 x 9 envelope. The 3 oz automation flat you are

mailing today at a cost of .79 could be mailed as a letter at .656 after the rate change. Keep it as a flat after the rate increase and you'll pay .865! Additionally, the processing costs for folded mail are generally less than flats because the machines can run faster. There are lots of different ways a company might convert higher-priced mail into lower-priced, and lots of different tools to help accomplish that.

- **Lower Second Ounce Rate** - The cost of additional ounces in letter mail is slated to decrease dramatically from today's rates. Therefore, it makes much more sense to send one heavier letter instead of two lighter weight ones. If you don't household already, now is the time to do so, if it is allowed. Also, look for mailings that go to the same recipient but on different days. If they are not time-critical, maybe they can be merged together.

- **Non-machinable Mail** - Under the new rate case, non-machinable letters will be charged as flats, which are going up in price. Make sure anyone

designing mail pieces in your company understands things like tabbing requirements and aspect ratios to eliminate the possibility of having to pay substantially higher rates. If you are a service bureau, consider educating your customers or work with your local post office to educate them. There is also a new category of flats in the rate case called "Non-Machinable Flats". This could affect certain types of mailings such as CD's and DVD's which may be too rigid in their current packaging to pass new USPS machinability requirements. You might have to consider a different container for these items.

## Big Changes Are Coming Your Way!



(continued on page 5)

• **Address Correction** - The USPS really wants to encourage mailers to clean up undeliverable as addressed (UAA) mail. The rates for getting electronic Address Change Service data are expected to be slashed. If your company has been hesitant about the .20 per address cost in the past, you may want to take another look at ACS as an economical way to correct your address lists. The lowest cost ACS services will be extended to mailers using the 4-state barcode, some of the changes may even be provided for free!

• **Delivery Point Validation** - While not a requirement for qualifying for workshare discounts in the next rate case, it probably will be in the future. Therefore, most of the postal presort software vendors have already augmented their software or will soon be adding DPV capability to their products. Look into it now, particularly if you are using rented lists for direct mail advertising. Sending a great mail piece out at the lowest cost is still 100% waste if the address is a vacant lot or has no mail receptacle.

• **Sortation** - The USPS has proposed lots of changes in sortation discounts, across practically every type of mail. Some current presort levels are being eliminated, others are being added. Each mailer should try to determine what effect the rate case will have on their particular business.

• **Meter vs. Permit Mail** - Depending on the model, non-digital postage meters must be replaced by the end of 2006 or 2008. The new digital models represent an initial capital expense and come with higher consumable costs for ink and print heads. You may be able to lower the number of meters in your shop by moving some of your mailing applications to permit. You'll have to do the math on this one - there are numerous choices, depending on your mix of mail and how it's processed.

• **Personalized Marketing** - The tools just keep getting better for being able to target messages to specific customers. With the lower cost for additional ounces, marketing departments may want to put more personalized communications in with the statements. Your inserter vendor or a third party supplier should be able to quote you camera-based systems for your equipment that will both facilitate the matching process for more personalized inserts and also prevent inserting errors on this valuable mail. The value of the personalized marketing may offset the cost of the equipment.



that will both facilitate the matching process for more personalized inserts and also prevent inserting errors on this valuable mail. The value of the personalized marketing may offset the cost of the equipment.

• **4-State Barcode** - The post office has authorized the use of the 4-State barcode although it is not expected to be mandatory on letter mail until 2009. You will want to look into converting to the 4-State, or "Onecode" barcode if you use the USPS Confirm system or address correction services since these services can now be indicated right in the new barcode. The length of the barcode should not be significantly different, but it is definitely taller than the current Postnet barcode. This might be an issue with addresses showing through window envelopes or printing on labels. And it's no longer a simple string of characters printed in a particular font. An algorithm is necessary to construct the barcode and imbed error correction. This may be an issue for documents generated by in-house programs. Make sure to confer with document designers and the programmers so they know the USPS clearance requirements and your material restrictions.

• **Fulfillment** - There are a number of new requirements for parcels, and the postage is going up significantly. This may have a dramatic effect on mail order operations. It could be the time to look into freight consolidators, parcel delivery firms, or other methods for dropping your packages into the postal network as close to the delivery point as possible.

• **All the USPS Changes that Affect Your Mail** - rates, shapes, services, Onecode, digital meters, flats automation, address quality requirements, and a major restructuring of the delivery network itself, make it impossible to recommend a strategy that will be right for everyone. However, I strongly recommend that you take a hard look at how things will change for your own organization and then start taking the appropriate steps. The rate change has not yet been approved by the Postal Rate Commission or the Postal Board of Governors, but waiting until that happens in March or April leaves very little time to prepare.

By looking at the opportunities that the USPS changes present and being proactive now, savvy mail center managers can save their companies some money or at least help them to gain benefit from what on the surface seems to be bad news. A postage rate hike to those people who do not understand the details seems like an inevitable expense to either absorb or pass along to customers. The mail center will certainly be looked upon as a hero if they can turn an apparent unfortunate event into a positive result.

With the proposed rates expected to be in effect this spring, mail center managers have an excellent opportunity to initiate analysis activities now so that their companies are prepared.

Mike Porter, President of Print/Mail Consultants has 30 years experience in the document business. His consulting firm provides a range of services to in house operations, service bureaus, and managed services providers. For more information, visit [www.printmailconsultants.com](http://www.printmailconsultants.com)



**Mike Home**  
- Buskro Global Channel Manager  
Mike's responsible for driving sales and building a stronger relationship with our dealers in Europe and Asia. He is stationed in the UK and operates out of Buskro UK office in High Wycombe but reports directly to Greg Merrick, GM of Buskro Global. Mike has previously worked in a similar capacity with Videojet and has sales and an engineering background as well as considerable experience with ISO compliance. You may contact Mike via e-mail [mhome@buskro.com](mailto:mhome@buskro.com) or directly by Mobile Phone 44 (0)7855 156 292.



**Sue Janashak**  
- Buskro's USA National Training Consultant  
Sue brings to Buskro extensive operator training experience in the mail industry. She has written several training curriculums and operator manuals, been involved in mailroom analysis activity and has also participated in equipment installations and setups. She has developed a basic training course for operators. This first course includes an introduction to inkjet printing and the basics of printing with Apollo and Atlas systems, Compose software and Transport and Feeder systems. The US basic operator course is now available to our customers and can be booked by calling Sue at Buskro USA Tel: 919-439-3300 or via email: [sjanashak@buskro.com](mailto:sjanashak@buskro.com)



**Serge Robichaud**  
- Technician at large  
Serge has moved to Raleigh to join Buskro USA at the beginning of December. Serge has been a valuable member of the technical team at Buskro Ltd for the past 3 years. He has moved to the US with his wife and son to join Buskro USA as Technical Service Support Specialist.



**Cindy Weir** -the face behind the voice  
In case you wondering who the voice is at the end of your calls to the Canadian head office, let me introduce you to Cindy Weir our efficient and cheerful receptionist at Buskro Ltd. Cindy has been with the company for a year and a half.

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