D000 Basic Information
D070 Drop Shipment

# D072 Metered Mail



**Summary** D072 describes the application procedures for mailing metered mail at locations other than the meter licensing office. Four options are presented for depositing this mail.

## 1.0 BASIC INFORMATION

**General**
1.1 A customer may affix postage using a postage meter (postage evidencing system) licensed at one post office (licensing post office) and deposit that mail at another post office (entry post office) only if prior authorization is obtained from the USPS under one of the procedures described below. Such authorization may be revoked under 2.6 when the USPS determines that information or circumstances supporting the original authorization may no longer be accurate, complete, or applicable. (P030 provides an exception to this standard for metered Express Mail, Priority Mail, and single-piece rate metered mail.) These general conditions apply:

a. The meter stamp or indicium must show the name of the licensing post office.

b. Metered mailpieces that bear meter impressions or other endorsements containing the wrong post office name, authorization number (as applicable), or other required information are not accepted.

c. A metered mail drop shipment must be deposited at the time and place and under any additional condition specified by the USPS.

d. Annual mailing fees, as applicable for the class of mail, must be paid at the office(s) where mailings will be entered, as required under E110.4.0 or E610.6.0.

**Effect on Service**
1.2 The USPS assumes no responsibility for the material presented until it is accepted into the mail. The USPS is not responsible for service delays when the mailer does not meet the applicable preparation or entry requirements. Entry of mail by drop shipment may adversely affect the USPS's ability to achieve the applicable service objectives.

**Changes**
1.3 A mailer authorized to drop ship metered mail must inform the approving official of all changes to the information originally provided as part of the application. When the USPS asks, the mailer must submit additional information supporting that authorization. Failure to provide this information is grounds to revoke the authorization.

## 2.0 AUTHORIZATION

**Options 1 & 2**
2.1 Authorizations under Options 1 and 2 in 3.0 and 4.0 are granted to meter license holders. The meter license holder must apply in writing to the district manager of business mail entry whose district includes the licensing post office of the meter holder.

**Options 3 & 4**
2.2 Authorization under Option 3 in 5.0 is granted to mailers intending to present mail for other meter license holders (including their own mail, if applicable) at one location other than the licensing office(s), whereas authorization under Option 4 in 6.0 is granted for mailings presented at more than one location. For authorization under Option 3, the mailer or consolidator must apply in writing to the district manager of business mail entry whose district includes the post office(s) where the

mailings are verified for presort preparation and payment of postage. Applications under Option 4 must be submitted to the manager, Business Mailer Support.

**Application**
2.3 The application must describe the classes of mail to be deposited and the volume, processing category, frequency of mailing, and requested deposit schedule of each. The application must also state how the mail to be entered meets applicable eligibility and service standards and must identify any third party preparing and presenting the mail. The application must be prepared on the mailer's letterhead and signed by an authorized manager or representative. There is no USPS form for this purpose. Additional information is required for Options 3 and 4. Mailers seeking authorization under Option 4 must contact Business Mailer Support, USPS Headquarters, for guidance (see G043 for address).

**Notification**
2.4 The manager of business mail entry (or the manager, Business Mailer Support under Option 4) notifies the applicant in writing of approval or conditions of approval, including the drop shipment (DS) authorization number, or denial.

**Application Denial**
2.5 A decision denying an application for operational reasons may be appealed within 15 days of its receipt to the area manager of processing and distribution. If denied because of noncompliance with applicable eligibility standards, the applicant may appeal the denial under G020.

**Revocation**
2.6 An authorization may be revoked:

a. When it is determined that the authorized entry no longer reduces postal handling or improves service, or is not in the best interests of the USPS.

b. For nonuse during any consecutive 12 months.

c. When used in operating any unlawful scheme or enterprise, or for any noncompliance with the regulations governing the use of postage meters.

**USPS Authorities**
2.7 Authorization is revoked by:

a. The manager of business mail entry of the district originally issuing authorization or the manager, Business Mailer Support.

b. The postmaster of the licensing post office (under any option) when it is used in operating any unlawful scheme or enterprise, or for any noncompliance with the regulations for postage meters.

**Nonuse**
2.8 If revocation is for nonuse, and the mailer shows that use is to resume within 90 days after the revocation notice, revocation may be deferred for a period not to exceed 90 days from the date of the original revocation notice.

**Appeal**
2.9 Written appeal of the revocation notice may be made within 15 days of its receipt, under G020.

## 3.0 OPTION 1: DEPOSIT AT P&DC/F

Metered mail of any class may be entered and deposited by the licensed meter holder or an agent at the local processing and distribution center/facility (P&DC/F) making the initial originating distribution of mail deposited at the post office where the meter license is held. Mail must be prepared under the standards for the class and rate claimed and as specified in the drop shipment authorization. The mailer may be required to prepare and deposit the mail in an additional manner that best enhances postal handling as specified in the drop shipment authorization. Any such requirements are modified to reflect changes in the mailings subsequently presented by the mailer. Failure to meet these standards may lead to revocation of the authorization.

## 4.0 OPTION 2: DEPOSIT AT ANOTHER POST OFFICE

**Eligibility**
4.1 Metered mail of any class may be entered and deposited by the licensed meter holder or an agent at a post office other than the licensing post office or P&DC/F serving the licensing post office. Mail must be prepared under the standards for the class and rate claimed and as specified in the drop shipment authorization. The mailer may be required to perform additional preparation and meet specific deposit schedules to enhance postal handling. Any such requirements are specified in the drop shipment authorization and may be modified to reflect changes in the mailings subsequently presented by the mailer. Failure to meet these standards may lead to revocation of the authorization.

**Endorsement**
4.2 Each mailpiece deposited under this option must contain an endorsement with the city and state of the entry post office, the words “Drop Shipment Authorization” (or the abbreviation “D/S AUTH”), and the unique authorization number issued by the district manager of business mail entry serving the entry post office. If the abbreviation “D/S AUTH” is not used, the mailing office ZIP Code may be used instead of the city and state of mailing. The endorsement must be included in digital indicia or placed outside the indicium boundary (under the conditions in P030.9.8) in 8-point or larger type by a computer or mechanical method providing a clear and legible impression. For letter press indicia, the endorsement must appear in the ad plate area. The application and the endorsement format must be approved by the district manager of business mail entry before mail is deposited under this option.

**Examples**

Full Endorsement—Mailing Office City and State

| | |
|---|---|
| MAILED AT CHICAGO IL | DROP SHIPMENT |
| DROP SHIPMENT | AUTHORIZATION 48 |
| AUTHORIZATION 12 | MAILED AT YAKIMA WA |

Full Endorsement—Mailing Office ZIP Code

| | |
|---|---|
| MAILED AT 606 | DROP SHIPMENT |
| DROP SHIPMENT | AUTHORIZATION 48 |
| AUTHORIZATION 12 | MAILED AT 98901 |

Abbreviated Format

| | |
|---|---|
| CHICAGO IL | D/S AUTH 48 |
| D/S AUTH 12 | YAKIMA WA |

**Not Valid**
4.3 Drop shipment endorsements authorized before March 19, 1989, are no longer valid.

**Rate and Class Marking**
4.4 The drop shipment endorsement placed in the ad plate area or within the indicium boundary may include the marking required by the standards for the rate claimed if that marking is placed directly below the drop ship endorsement and meets the standards in M012. The marking may also be provided separately directly below the indicium boundary if the marking meets the relevant size and legibility standards.

## 5.0 OPTION 3: CONSOLIDATED DROP SHIPMENT WITH ENDORSEMENT

**General**
5.1 A mailer presenting a consolidated mailing may apply to collect metered mail bearing postage from meters licensed at different post offices and present such mailings at one post office, subject to the conditions and limitations in 5.0. All

conditions for presenting presort mailings must be met as applicable for the class of mail. All applicable conditions under P014.4.0 and P960 must also be met.

**Barcoded and Nonbarcoded Portions**
5.2 The majority of the mail consolidated for entry under Option 3 must be prepared in a single mailing (with a single postage statement) in which all pieces, regardless of rate claimed, have the correct barcode (ZIP+4 for flats, delivery point for letters and cards) and are physically compatible with automated mail processing equipment. The entry post office may reject a mailing if all pieces do not have the correct barcode. A minor portion of the consolidated mail may be prepared as a second, separate mailing (with its own postage statement) in which the pieces do not bear the correct barcode (or are not compatible with automated processing equipment) but do meet the standards that apply to the rates claimed.

**Service Objective**
5.3 When a mailpiece is part of a consolidated mailing, the service objective that applies must be the same as or better than that which would have applied had the piece been entered at the licensing post office. As part of the application, documentation must be provided by the mailer to show compliance with this standard to USPS satisfaction. (Typical documentation lists the service objective that applies to each licensing post office from whose area mail is to be consolidated and the standard that applies to that mail when it is entered under Option 3.)

**Information**
5.4 An application under Option 3 must be submitted by the mailer (i.e., the party to present the consolidated mailing to the USPS). In addition to the information detailed in 2.3, the application must identify the meter licensees whose mail is to be consolidated and the serial numbers of each licensee's meters.

**Notice to Licensees**
5.5 After receiving an authorization notice, the mailer must give written notice to each licensee whose mail is to be consolidated under the authorization. The mailer's notice must include a copy of the authorization, a full explanation of preparation requirements, and a reminder that consolidation of their mail can adversely affect service. The mailer must give copies of each licensee notice to the entry office and licensing office postmasters.

**Additional Standards**
5.6 Metered mail deposited under Option 3 must be prepared as specified by the USPS. This preparation may extend beyond that which is required to qualify for the rate paid for the mail, and may require the mail to be configured and its deposit scheduled to enhance USPS handling. Failure to meet these standards can lead to revocation of the authorization.

**Endorsement**
5.7 Each mailpiece deposited under this option must be endorsed with the letters "DS," followed by a unique drop shipment authorization number (issued by the manager of business mail entry of the district in which the mail is entered) and the words "MAILED AT," followed by the 3-digit ZIP Code prefix of the entry post office. The endorsement may also include the correct mailing date. (Including this date does not relieve the meter licensee(s) from meeting the standards for correct dating of metered mail.) The endorsement must be printed immediately below the meter stamp or indicium or in the lower left corner of the mailpiece, in 8-point or larger type, by a computer or another mechanical method providing a clear and legible endorsement. The district manager of business mail entry issuing the

authorization number must approve the endorsement before drop shipment mailings may be made under this option.

**Examples**

DS12 MAILED AT 606—04/01/04
MAILED AT 606 DS12—04/01/04
DS48 MAILED AT 981
MAILED AT 981 DS48

**Placement**
5.8 The drop shipment endorsement must not interfere with the barcode clear zone or any other marking.

**Preparation**
5.9 The preparation and documentation standards that apply to the rates claimed in the mailing remain unaffected by entry under Option 3.

**Consolidation**
5.10 Mail collected from licensees for mailing under Option 3 may not be further collected or consolidated by any other mailer or consolidator.

## 6.0 OPTION 4: CONSOLIDATED DROP SHIPMENT WITHOUT ENDORSEMENT

**General**
6.1 A mailer presenting a consolidated mailing may apply to collect metered mail bearing postage from meters licensed at different post offices and consolidate that mail for mailing (entry and deposit) at other entry post offices, subject to the conditions and limitations in 6.0. All conditions for presenting presort mailings must be met as applicable for the class of mail. All applicable conditions under P014.4.0 and P960 must also be met.

**Barcoded and Nonbarcoded Portions**
6.2 The majority of the mail consolidated for entry under Option 4 must be prepared in a single mailing (with a single postage statement) in which all pieces, regardless of rate claimed, have the correct barcode (ZIP+4 for flats, delivery point for letters and cards) and are physically compatible with automated mail processing equipment. The entry post office may reject a mailing if all pieces do not have the correct barcode. A minor portion of the consolidated mail may be prepared as a second, separate mailing (with its own postage statement) in which the pieces do not bear the correct barcode (or are not compatible with automated processing equipment) but do meet the standards that apply to the rates claimed.

**Service Objective**
6.3 When a mailpiece is part of a consolidated mailing, the service objective that applies must be the same as or better than that which would have applied had the piece been entered at the licensing post office. As part of the application, documentation must be provided by the mailer to show compliance with this standard to USPS satisfaction. (Typical documentation lists the service objective that applies to each pair of origin/destination 3-digit ZIP Codes in the consolidated mailing, both if entered at the licensing post office and if entered as authorized under Option 4.)

**Information**
6.4 An application under Option 4 must be submitted by the mailer (i.e., the party to present the consolidated mailing to the USPS). The information in 2.0 must be provided for each post office at which mail is to be entered under Option 4. The application must also detail: the meter licensees whose mail is to be consolidated and the serial numbers of each licensee's meters; the mailer's method of sortation, documentation, and quality control; and the mailer's procedures for ensuring that all pieces in the consolidated mailing are entered to meet or exceed the service objectives for the place of origin.

**Notice to Licensees**
6.5 After receiving the authorization notice, the mailer must give written notice to each licensee whose mail is to be consolidated under the authorization. The mailer's notice must include a copy of the authorization, a full explanation of preparation requirements, and a reminder that consolidation of their mail can adversely affect service. The mailer must give copies of each licensee notice to the entry office and licensing office postmasters.

**Additional Standards**
6.6 Metered mail deposited under Option 4 must be prepared in segments for entry at postal facilities according to schemes and schedules provided by the USPS. Further, each segment must be prepared for dispatch without additional postal processing or handling, and deposited at places and times specified by the USPS. The USPS may stipulate preparation beyond that required to qualify for the rate paid for the mail. Failure to meet these standards can lead to revocation of the authorization.

**Transportation**
6.7 The mailer must provide transportation for the consolidated mailing, unless the USPS provides plant load service.

**Endorsement**
6.8 A drop shipment endorsement is not required on pieces mailed under Option 4.

**Preparation**
6.9 The preparation and documentation standards that apply to the rates claimed in the mailing remain unaffected by entry under Option 4.

**Consolidation**
6.10 Mail collected from licensees for mailing under Option 4 may not be further collected or consolidated by any other mailer or consolidator.

**Documentation**
6.11 The mailer/consolidator must keep documentation supporting each consolidated mailing, including the volume collected from each meter licensee, for at least 1 year from the date of mailing, and make it available for postal inspection on request.