

A.M.

# LetterLink

Your Resource for Direct Mail Marketing



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“Providing seamless direct mail solutions”

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- New Postal rate increase
- AMA defines marketing
- 15 more DM ideas
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## Direct mail getting greener

Green marketing is all the rage. Nowhere is the need for being “eco friendly” more apparent than in the direct mail industry. Illinois has now joined a dozen other states in proposing legislation for a Do-Not-Mail list. Mailers need to start fighting back.

Fortunately the recycled paper industry has caught up to the green demand. The cost of recycled paper has gone down as demand has gone up. The quality of paper made from post consumer waste is better than ever. Your newsletter is now printed on Neenah 70# Classic Crest Text that is recycled from 100% post consumer waste. What do you think?

Direct mail is very visible. It arrives in your mailbox every day. If it was not requested, or has no relevance to the recipient it is seen as more damage to a landfill and the loss of another tree.

In reality direct mail adds little to environmental costs. Paper is made from sustainable forests. There are more trees in the U.S. today than there were 50 years ago. Direct mail makes up just 2 percent of the nation’s waste in landfills. Over 50 percent of advertising mail is now being recycled and that number grows every year.

Direct mail marketers need to be aware of these concerns. Using recycled paper will not only have a positive impact on the environment... but on your response rates too. A consumer who is an environmental advocate will be more receptive to direct mail offering on paper that has been recycled. Your company will be viewed as eco friendly. Here are some tips that will help you start green marketing.

- When you print on recycled stock, tell them about it. Include a line that says...“This mailer printed on 100% post consumer paper.”
- Remind recipients to RECYCLE THIS MAILPIECE PLEASE.
- Clean up your database through NCOA so you are mailing to the person at that address.
- Use the RETURN SERVICE REQUESTED endorsement on every mailing so undeliverable mail is returned to you for database cleanup.
- Provide an opt-out option from future mailings with an e-mail or fax back response method.

There are many ways you can conserve the environment while conserving costs. You should price out some recycled stocks on your next mailing promotion. You’ll be joining the green marketing bandwagon.

A.M. Mailing Services, LLC offers recycled stocks that meet several green



Over 109 tons of waste paper is recycled at A.M. Mailing Services each year. That represents enough timber resources for 1,850 mature trees and saves 383 cubic yards of landfill space.

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## DM News & Tips

### New Postal rates May 12<sup>th</sup>

On May 12<sup>th</sup> the Postal Service will adjust prices for all classes of mail. A First Class one ounce letter will increase to 42 cents and postcards will be 27 cents. Under the new postal reform law prices can increase no more than the rate of inflation. Standard presort mail will increase 3% on average. See the postal service website at [www.usps.com/prices](http://www.usps.com/prices) for downloadable price files.

### First Class mail volume declining

Over the last seven years, First Class mail volume has dropped by 7 percent, a loss of 1.3 billion pieces per year. During that same time period the domestic delivery points for business and residential has increased by 9 percent – now totaling 148 million addresses in U.S. With revenue decreasing and delivery requirements increasing, an annual postage rate increase seems inevitable. A 15 percent growth in bulk direct mail has offset some of the revenue loss. The USPS is testing new products, services and ways to improve efficiency. The new 31 digit intelligent bar code is one step in that direction. It will provide tracking services and more efficient delivery.

### Retain customers and stop costly “churn”

The average U.S. company will lose 20 to 40 percent of its customers this year. “Churn” is the process of replacing lost customers with new ones. Research shows that if just 5 percent of lost customers are resold - profits can increase as much as 85 percent - depending on the industry. Consistent multi-channel marketing is the best approach to retaining customers. A newsletter (like this one) is one method of maintaining customer relationships. Use National Change of Address (NCOA) to track moves. Survey past customers to learn why they left, then provide a solution.

### AMA redefines marketing

Every five years the American Marketing Association reviews the definition of marketing. New concepts create new meanings for terms like “product,” “customer” or “target.” A new definition was approved in October 2007. The definition reads...

*“Marketing is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large.”* This is not intended to be a definition of marketing management, but simply a definition of marketing at all levels.

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standards. If you’d like pricing or samples of these or other recycled paper, call 608-884-3452 or 800-410-MAIL (6245). Here are some examples that meet these green standards.



100% Consumer waste



Forest Stewardship Council



Sustainable Forestry Initiative

- Neenah 70#, 80# and 100# Classic Crest Super Smooth White Text
- Neenah 70#, 80# and 100# Environment Text in white, crème, colors and flecked.
- Neenah 100# Classic Crest Smooth Cover with 99 Brightness
- Envelopes with the “Please Recycle This Envelope” logo preprinted on the back.

**GUEST COLUMN** EDITOR’S NOTE: Article provided by ©North American Publishing Company. All Rights reserved. This article originally appeared in TM Tipline, Target Marketing Magazine’s weekly e-mail newsletter offering practical tips and solutions for profitable direct marketing. To learn more, visit [www.targetmarketing.com](http://www.targetmarketing.com).

## Four Pointers on Postal Pricing

By **Brittany Brouse**, associate editor, *Inside Direct Mail*

By now, its common knowledge that the USPS is going to adjust postal rates again this May. But before you go into a tailspin about another draconian increase, here are some facts behind the new rates—to help you understand and apply the new postal pricing to your business model.

**The law has changed.** This rate adjustment is the first one to be carried out under the new Postal Accountability and Enhancement Act, passed in December 2006. Last year, when the USPS hiked rates considerably and created shaped-based pricing, it was operating under the old rate-setting system. Now, the PAEA puts a cap on the amount the USPS can elevate rates and gives the Postal Regulatory Commission more authority to determine whether adjustments are not only legal, but fair.

**Predictability is key.** The new law is intended to create more predictable annual pricing, announced every February and implemented every May, in tune with general market practices. “Many of our business customers have told us of the problems they experienced with how we operated under the old law, where we would go several years without any price changes and then all of the sudden they’d be hit with a large increase, which made it difficult for them to plan their mailing budgets. So, it’s a benefit to our business customers that they know every year that prices will be adjusted, and they can keep track of what that will be by checking the Consumer Price Index,” says Dave Partenheimer, a spokesperson for the USPS.

**A cap to safeguard marketing budgets.** The PAEA introduces the CPI as the limit for average increases. “Increases are capped by the rate of inflation as measured by the CPI, and right now the CPI is 2.9 percent,” Partenheimer says. “Average increases are kept at the class level. So, for instance, in the First Class mail category, you could have an average increase that’s lower than the CPI, and within First Class mail, you could have a lower increase for a First Class letter rate and a higher increase for postcards,” he explains.

**Every application is unique.** “Not all prices go up—there’s some that stay the same and some that go down,” Partenheimer says. Notably, flats and nonprofit categories in general, remained at a less than 1 percent increase and nonprofit flats rates were actually reduced. “Every mailer is different with respect to size, frequency and weight ... and each mailer has to look at the specifics of this rate increase and determine whether or not they want to do more automation, more drop-shipping or whether they want to go to the next level in prospecting,” concludes Ed Gleiman, postal consultant and former chairman of the PRC.

**Links to helpful rate charts and calculators:**

<http://www.usps.com/prices/>

<http://www.the-dma.org/postal/>

<http://rrd.com/wwwRRD1/Services/Deliver/PostageCalculators.asp>



# 30 direct mail creative ideas

## Continued from LetterLink 11-1

Direct Marketing guru, Herschell Gordon Lewis was the presenter in a recent webinar sponsored by Target Marketing. Lewis has authored 21 direct response books and is a columnist for a half dozen marketing magazines. He is one of the best-known direct response writers.

Lewis offered 30 ideas to improve your direct marketing. The first 15 were featured in the last issue of A.M. LetterLink. Here is the second half of his presentation.

16. Match response methods to offer – Response to highly emotional appeals can be damaged by a mail back response method. Use phone or online for more immediacy.
17. Tell'em what to do – Request the obvious...*call today*, or ask for the order...*send check or money order in postage paid envelope*.
18. Clarify the commands – Repeat the offer, bold the call to action and don't let other components interfere with the goal.
19. Design for an older audience – The over 50, age group now controls 77% of the nation's financial holdings and makes up 35% of the population. They think young, but are changing physically. Never use type smaller than 10 point. Don't reverse out long copy. Use models that are 10 years younger than the target audience.
20. Remember the envelopes purpose - The primary job of the outer envelope is to get the package opened. Tease the recipient, but don't spill your guts on the outer.
21. Try a stamp – A live stamp on an envelope will out pull a postal indicia.
22. Stay in character – If the envelope looks official, then the letter and contents must carry the same look.
23. Keep first sentence short – “Wow”! Now that's a short sentence that will get the readers attention. Paragraphs should be no longer than seven lines. Page two should always jump in the middle of a sentence.
24. Don't sneak up on the reader – Fire the big gun right away. This is imperative for e-mail marketing.
25. Always include a P.S. – The P.S. is often read before the rest of the letter. It should reinforce one key selling motivator - an extra benefit that doesn't require explanation.
26. Don't be subtle – A subtle approach doesn't work in direct marketing. Your copy must grab them and shake them.
27. Never apologize – A negative approach seldom works in direct mail.
28. Use a testimonial – It doesn't need to be a celebrity. An endorsement by another company actually works better for B2B.
29. Offer Free shipping – This will out pull a price discount of greater value, almost every time.
30. Add personalization – Using the persons name will work in all formats of direct marketing.



A teaser message, label or live stamp can help get an outer envelope opened. It's important to test these creative tools to learn which one's will work on your audience.

The first 15 tips from this webinar are available at [www.ammailing.com](http://www.ammailing.com). Click in the newsletter link and go to Issue 11 number 1.

Read more about direct mail marketing in A.M. Letterlink past issues.  
Visit [www.ammailing.com](http://www.ammailing.com)

## Meet A.M. Employees



**Julie Herheim**  
Project Manager  
Supervisor

Julie Herheim is very familiar with the fast paced mailing industry. She worked 15 years at Zip Sort in Madison, a leader in the mailing presort and commingling industry. She joined A.M. last year as Project Manager Supervisor. Julie has experience with postal regulations, lettershop production, job scheduling and project management.

Originally from Minneapolis, Julie began her career there as a cosmetologist. She later transplanted to Madison, Wisconsin after meeting her husband Tim, who is an over the road truck driver. Julie took a job at Zip Sort in Madison where she worked her way up from running presort machines to Lettershop Supervisor. Julie describes her career challenges now as being “the bridge. I work with sales on job intake, massage the order with project managers and then hand it over to production and shipping.”

Julie has been married to husband Tim for 23 years. They have three sons one daughter and three grandchildren. She enjoys cooking, fishing, playing with the grandkids and working on cars with her family.

“I joined A.M. because I enjoy working in the mailing industry and was impressed with A.M.'s dedication to excellence,” said Julie. Her challenge is in maintaining a balance between customer service and production services. “This is the last step for mailing projects and they are always on tight deadline.”

## A.M. acquires Zip Sort's lettershop

A.M. Mailing Services, LLC recently purchased the lettershop equipment and accounts from Zip Sort in Madison, Wisconsin. This included the laser printing, inkjetting and inserting equipment. A.M. has retained the key customer service and production staff members from Zip Sorts Madison lettershop facility.



**Marty Ochs,**  
President of A.M.

Marty Ochs, President of A.M. Mailing Services, LLC said “this move has enabled us to grow our lettershop capabilities and capacity. I'm confident that the transaction will bring greater opportunities for our customers. It will also provide our new customers from Zip Sort a broader range of print to mail services.”

The acquisition brings additional high volume mailing equipment to A.M.'s Edgerton facility. New capabilities include laser imaging on paper stocks up to 10 point in thickness and improved ability to match inserts to the outer envelope.



**A.M. MAILING SERVICES, LLC**  
**100 INTERSTATE BLVD**  
**EDGERTON WI 53534-9399**

PRSR STD  
 U.S. Postage  
**PAID**  
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 Services, LLC

**RETURN SERVICE REQUESTED**



**Inside:**  
**Your LetterLink Newsletter Vol. 11 No. 2**  
**from A.M. Mailing Services, LLC**

**PLEASE RECYCLE**

**Mark your calendar for these print, mail and marketing events**

**April 29 – May 2, MAILCOM 2008**

Atlantic City Convention Center, the 28th global conference and exhibition for the mailing industry. Sponsored by Mail magazine and Mail Systems Management Association, for details go to [www.mailcom.org](http://www.mailcom.org).

**April 29-30, NEW CADM – IMX08**

Chicago, Il, Sheraton Chicago Hotel and Towers, the DM Days and Expo becomes Integrated Marketing Expo...or IMX08, sponsored by the Chicago Association of Direct Marketing, the multi channel world of direct marketing will be explored with educational sessions, keynote speakers and vendor expo hall, call 312-849-CADM (2236) or go to [www.cadm.org](http://www.cadm.org) for details and registration. Be sure to visit the A.M. Mailing Services, LLC at booth #300.

**May 18-21, 2008 NATIONAL POSTAL FORUM**

Anaheim, CA, four-day conference and expo for the mailing industry. Mark the date and visit [www.npr.org.reg2](http://www.npr.org.reg2) for details and registration.

**May 19-22, 25TH ANNUAL ACCM CONFERENCE**

Orlando, FL, Gaylord Palms Resort, the largest conference for catalog and multichannel merchants, sponsored by the DMA and Multichannel Merchant, for details call 800-388-3426 or e-mail [accm@ttgonline.com](mailto:accm@ttgonline.com).

**May 20, WPPC COLOR MANAGEMENT TECHNIQUES**

Pewaukee, WI, Country Springs Hotel, meeting will track the complete print reproduction chain from digital photos, to proofing, to putting ink on paper. Sponsored by The Wisconsin Publishers Production Club,

contact Marty Ochs at 608-838-9899 or visit [wppc.org](http://wppc.org) for details.

**June 10 -12, DM DAYS NEW YORK**

New York, Jacob K. Javits Convention Center, a three day sales and marketing event sponsored by the Direct Marketing Association, for details visit [www.dmdays.com](http://www.dmdays.com).

**July 18, CADM COUNTRY CLUB DAYS**

Bloomington, IL, Indian Lake Golf Course, scramble golf outing, dinner and door prizes, sponsored by the Chicago Association of Direct Marketing, for registration and details call 312-849-CADM (2236).

***Moving? Want someone added to this mailing list?***

Please correct my name and/or address  
 YES – add me to the LetterLink mailing list  
 Fax 608-884-8949 E-mail [info@ammailing.com](mailto:info@ammailing.com)

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

E-Mail \_\_\_\_\_



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