

NEW MAILMARK SURCHARGE CLASSIFICATION

From 2 September 2024, any Mailmark items that do not attain the minimum sorting machine read-rate will be analysed and could be charged a higher service rate by Royal Mail. The difference in these rates could be significant, and therefore we would like to help you minimise or avoid any such surcharges.

How the charge will appear

Royal Mail are labelling this charge as 'Out of Specification' and it will only be applied to Mailmark items that fail to meet the Mailmark specification whilst being processed through Royal Mail's sortation machines.

Currently when mail items fail to be processed on the Royal Mail sortation machines, these tend to be reported under the 'Barcode not seen' Mailmark charge. This new charge type hopes to eliminate any ambiguity where there is a physical processing issue, and Royal Mail will aim to provide supporting information accordingly.

Examples of 'Out of Specification' Scenarios

Issue	Impacts	Examples of processing issues
Mailpiece of design	Includes one-piece mailers, paper wrap, unwrapped large letters, postcards.	Machine jams, double detection (items need to be singulated during processing to enable item level reading), item damage, culling contents rejection, 3rd party item damage.
Item flexibility	Envelope and paperwrap letters.	Ejected at culling contents and/ or cause machine and item damage. Items are required to be read to enable address validation/ barcode reading.
Paper quality and gsm	Includes one-piece mailers, paper wrap, postcards, unwrapped large letters.	Machine jams, double detection (items need to be singulated during processing to enable item level reading), item damage, culling contents rejection.
Adhesive application and type	One-piece mailers and paper wrap letters.	Unsealed or poorly sealed items cause jams and item damage. Peelable adhesive opens and causes machine and item damage.
Excess paper or polywrap	Paper wrap letters and large letter, Poly wrap large letters.	Item jams, item damage and large letters cannot be trayed effectively when machine is sorted.

'Out of Specification' Charges

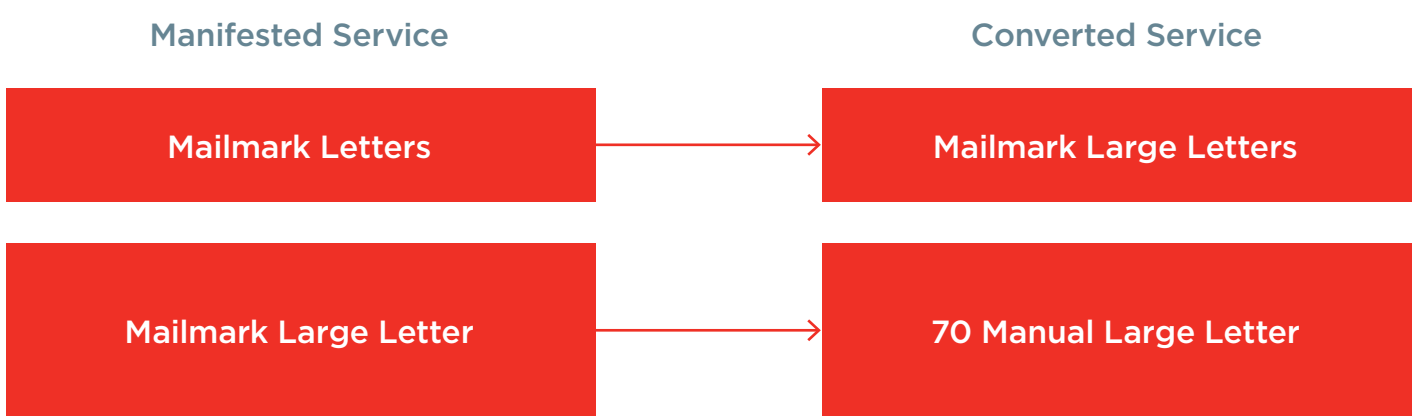
Mailmark letters and large letters which do not meet the specification for the services they were posted against, through design or construction, will incur the Out of Specification conversion charge if they cannot be:

- Processed on the correct machine(s) to achieve the minimum expected read rate

And/ or

- They have to be manually sorted at Royal Mail

The charge applied will be the difference between the manifested service and the service in which the mail campaign items were processed on:



Mail Presented as Letters		Mail Converted to Large Letters		Variation Charge (£/p)	
Manifested Format	Manifested Service	Converted Format	Converted Product	Bag Price	Tray Price
70 Letter Mailmark	Advertising (tray)	70 Large Letter Mailmark	Advertising		£0.05329
70 Letter Mailmark	Advertising (bag)	70 Letter Manual	Advertising (bag)	£0.06157	
70 Letter Mailmark	Business Mail	70 Large Letter Mailmark	Business Mail	£0.05223	£0.04023
70 Letter Mailmark	Mailmark Catalogue	70 Large Letter Mailmark	Mailmark Catalogue	£0.06531	£0.05331
70 Letter Mailmark	Economy Mailmark Catalogue	70 Large Letter Mailmark	Mailmark Catalogue	£0.10100	£0.08900
70 Letter Mailmark	Partially Addressed	70 Large Letter Mailmark	Partially Addressed	£0.07029	£0.05829
70 Letter Mailmark	Economy Business Mail	70 Large Letter Mailmark	Business Mail	£0.13270	£0.12070
70 Letter Mailmark	Economy Advertising	70 Large Letter Mailmark	Advertising	£0.10105	£0.08905
70 Letter Mailmark	Economy Partially Addressed	70 Large Letter Mailmark	Partially Addressed	£0.10605	£0.09405

Mail Presented as Large Letter		Mail Converted to Manual Large Letter		Variation Charge (£/p)	
Manifested Format	Manifested Service	Converted Format	Converted Product	Bag Price	Tray Price
70 Large Letter Mailmark	Advertising	70 Large Letter Manual	Advertising	£0.06428	£0.06428
70 Large Letter Mailmark	Business Mail	70 Large Letter Manual	Business Mail	£0.06256	£0.06256
70 Large Letter Mailmark	Partially Addressed	70 Large Letter Manual	Advertising	£0.07928	£0.07928
70 Large Letter Mailmark	Mailmark Catalogue	70 Large Letter Manual	Manual Catalogue	£0.06434	£0.06434
70 Large Letter Mailmark	Magazine Subscription	70 Large Letter Manual	Magazine Subscription	£0.08394	£0.08394

Please note: There is no Economy variant for Large Letters, so Economy Letters are converted to Large Letter Standard.

70 Advertising Letter Mailmark in Bags is converted to Manual Advertising Letter in Bags as the conversion rate is lower than converting to Advertising Mailmark Large Letter in Bags.

Working with you

If Royal Mail report an 'Out of Specification' charge, your Client Relationship Manager in conjunction with our Service Delivery department, will work with Royal Mail to obtain as much information as possible. Once our investigations have been completed, we will communicate the charge with you, providing any supporting evidence available.

In Preparation

Between now and the 2nd of September, if any of your mail campaign items would incur the 'Out of Specification' charge applicable from the 2nd of September 2024, Royal Mail will be reporting this information. Your Client Relationship Manager will alert you to this possible charge and work with you to understand how the charge can be mitigated in the future.

Supporting you along the way

If you would like your Client Relationship Manager to help you complete a Mailmark compliance mail pack review, please let them know as soon as possible.

Here to help

If you have any questions we are here to help.