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# Mail Services Connection

## IN THIS ISSUE

President's  
Message

International Mail:  
News & Notes

Innovation in Action

New Barcode  
Reaches Milestone

3 Quick Savings  
Tips

Year-end Planning

And More

**A Reputation  
for Excellence**

## The power of innovation

Physical mail has been the communication standard for so long, there's this assumption that people who manage mail are less concerned with innovation.

As a fifteen-year veteran of this industry I can say with certainty that nothing is further from the truth. Every day I see companies apply new technologies and innovative workflows to cut costs, streamline processes and expedite delivery—in areas where people thought that every improvement that could be made had already been implemented.



In some ways, because all of the low-hanging fruit has already been picked, you need to be even more innovative than your counterparts. That's why I am particularly excited about the year ahead, and the new ways we can help you connect with your customers.

Recently we shared news about how we've integrated Ecommerce technology with our International Parcel service to overcome logistics barriers, simplify duty and tax calculations and deliver a better online shopping experience. And publishers applauded when we expanded capabilities in publication management to include customized routing, inventory management and automated reporting.

In this issue of Mail Services Connection, the Presort Services division will provide you with an update on Mail Exchange and demonstrate how we can help you presort a mailpiece twice—at two separate locations—in order to save money (without slowing down delivery). We'll also celebrate the one-year anniversary of Intelligent Mail® Full-Service and highlight some of the ways companies are using this new-found data to strengthen customer relationships.

New innovation will be especially important in the year ahead, as you will be tasked to once again identify new, innovative ways to reach more customers for less. You have my commitment that the entire Pitney Bowes Mail Services team is focused and energized about finding new ways to bring value to your business. Together, we can make 2011 the year of innovation.

With regards,  
Jay Oxtan  
President, Pitney Bowes Mail Services



## International Services: news & notes

### Get ready for the 2010 Holiday International Mailing Season

Need to ensure delivery by December 24? Go to [pb.com/mailservices](http://pb.com/mailservices) today and mark your calendar based on the appropriate service level:

### International Parcel Service: Expedited, Priority and Standard by Region of the World

Core Mail: Priority and Economy by Region of the World

### Royal Mail Update

The new Royal Mail Mailsort® Database took effect Monday, September 27, 2010. This update applies to mailers that access any Mailsort®, Presstream® and Walksort® services. Avoid delays and download the database at [www.mailsorttechnical.com](http://www.mailsorttechnical.com).

### Ecommerce Goes Global

Check out our new web page at [pb.com/goglobal](http://pb.com/goglobal). View video solutions to learn more about Ecommerce and Parcel Distribution options that you can customize for your business. Stay informed with our always updated Ecommerce articles available for download in our *Resources* tab.



## Innovation in action: Mail Exchange

There are two ways to increase the amount of mail that qualifies for five-digit presort rates. While some simply choose to wait until sufficient volume accumulates, Pitney Bowes takes a proactive approach to mail savings that provides for faster delivery and lower postage rates.

### What is Mail Exchange?

Once mail is sorted at your local Pitney Bowes Presort Services center, we instantly analyze each piece and determine whether it makes sense to transport that mail closer to its final destination. If there's an opportunity to save money, we will truck mail to a regional facility and conduct a second sort there all while maintaining same day induction to the USPS.

### How does Mail Exchange generate savings?

Since we have implemented the innovative sorting methodology of Mail Exchange, our depth of sort and efficiency of operations have improved, which equates to lower pricing and cost relative to the current 5-digit automation rate. That translates into lower postage costs—and added savings for your organization.

### Does this approach delay mail processing?

No. On the contrary, the innovative workflows and mailstream intelligence engineered by Pitney Bowes Presort Services ensure that your mail will be inducted by the USPS® on that same mail date. The initial sort automatically determines whether the second pass will be onsite or at a regional Presort Services facility. Mail comes off the sorter already prepped and labeled for same-day trucking. Once the second sort is complete, mail is trayed for final delivery.

### How can Pitney Bowes presort twice and still improve delivery?

Because we handle so much mail and can presort to such a fine level, a good portion of our mail arrives at the Post Office "truck ready"—with no additional sorts required by the USPS. Add to that the fact that we often induct mail closer to its final destination; it's not surprising that mailings processed by Pitney Bowes are delivered significantly faster than an average USPS mailpiece.



# One year later: Intelligent Mail® in full swing

This November marks the one-year anniversary of Intelligent Mail® Full-Service. However, with the official retiring of the POSTNET™ barcode slated for May 2011, some mailers are only now starting to focus on this mandate.

Fortunately, Pitney Bowes Presort Services has your back. For the past five years, our mailstream experts have participated in and lead countless USPS committees and work sessions—helping to uncover and resolve potential issues before they could negatively affect customers. Leaders in this effort include:



- Tracey Evans, VP Operations
- Steven Krejcik, Director of Strategic Technical Business Development
- Craig Graeve, VP USPS Relations
- John Sexton, Director - Postal Process Development & Integration
- Lori Snyder, VP Information Technology

We have invested millions in software, inkjet printers, MLOCR readers and data warehouse upgrades needed to comply with the strict Intelligent Mail® process and reporting requirements and will continue to support our client's needs through the next phase of Intelligent Mail®.

"The upcoming seamless acceptance requirements demand strict adherence to electronic reporting, containerization, placard barcodes and mail preparation," notes Lori Snyder, VP Information Technology. "Because we are at the front lines of this launch, we can keep up with all of the rule changes and take the complexity out of this transition for our customers."

Pitney Bowes Presort Services customers are already ahead of the game, accounting for a high percent of the more than 7 billion pieces sent using the Intelligent Mail® barcode to date. Many mailers have incorporated these new-found insights into business processes including free Address Correction Service and 'Start the Clock' data, which helps measure and improve deliverability. Others monitor delivery tracking and use this data to verify that they have met delivery dates required under industry regulations, such as the CARD Act.

"We've been mastering this data for so long," Snyder adds, "we can show our customers the innovative ways they can use this information to improve their business."

## 3 quick Presort Services savings tips

When you see as many mail pieces as we do, it's easy to see where there are ways to save. Take a few moments this month to consider these high-frequency opportunities.

- 1. Piece Weight.** All too often, we process mail pieces that weigh 1.1 or 1.2 ounces—where slight modifications in mail design could have saved 12.5 cents per piece. One less insert or slightly lighter paper could save \$12,500 for every 100,000 letters.
- 2. Standard Envelope Sizes.** Custom-sized envelopes add to the cost and complexity of mailings. Switch to standard-sized envelopes and you can expect to pay 20% less.
- 3. Up-to-date Mailing Lists.** With 2 million new addresses and more than 40 million moves each year, be sure to ask your list supplier when the last time addresses were updated. The older the list, the higher likelihood for undeliverable mail. (We've received some mailings this year where 80% of the records needed to be corrected!)

When you are thinking about mailpiece design change, be sure to call your Pitney Bowes Presort Services Customer Service Manager – we will be happy to advise you of the postal impact.

## Year-end Planning

With holiday mailings and last-minute sales, October, November and December are often big-months for Standard Mailers. And right on their heels, First-Class™ Mailers follow-up in January with year-end statements and notifications.

If you are planning any new campaigns or increased volume in the upcoming months, please contact your local center early so we can facilitate any additional pickups or additional supplies.



# Customer Event: Mail Innovation Days

This fall, our customer appreciation events will include a Mail Innovation Summit, so you can combine a day of fun and networking with critical business-building insight. Visit the resources page at [www.pb.com/mailservices](http://www.pb.com/mailservices) for a calendar of event locations, days and times – and be sure to register early.

Join us so we can show you how much we appreciate your business and we'll make sure you walk away with industry updates as well as practical solutions that can help your company maximize productivity and cut costs. In addition to refreshments, Q&A sessions with postal experts, facility tours, fun activities and prizes, you can also attend complimentary seminars at all Mail Services sites that will address the following topics:



## Presort Services

- ❑ USPS Industry Updates
- ❑ Full Service Intelligent Mail® Update
- ❑ USPS® 5 Day Delivery
- ❑ My Account Updates

## International Services

- ❑ Industry Updates
- ❑ Transportation Security Administration -- 100% Cargo Screening Mandates Takes Effect
- ❑ International Parcel Service: Break Down Shipping Barriers and Achieve Profitable International Growth
- ❑ International Fulfillment

To RSVP or learn more, please contact your local Pitney Bowes facility, call **877-962-4578** or email [mailservices@pb.com](mailto:mailservices@pb.com).

### NEW JACKSONVILLE FACILITY:

In November, a new state-of-the-art domestic presort facility will open its doors in Jacksonville, Florida – providing added convenience, improved delivery and greater savings to organizations based in the southeast.