



CASE STUDY

VERIZON WIRELESS

CUSTOMER PROFILE

- Headquartered in Basking Ridge, NJ, Verizon Wireless operates the nation's largest 4G LTE and 3G networks.
- The company serves over 90 million retail customers and employs over 80,000 people.

Executive summary

Verizon Wireless faced challenges in providing accurate tax assignment throughout its business operations. By implementing Pitney Bowes Software's GeoTAX® solution, Verizon Wireless was able to achieve higher efficiency, compliance with federal guidelines, cost savings, and improved customer service. Verizon now manages tax assignments with an automated solution that integrates with its existing billing and taxation systems.

Business challenge

Verizon's network footprint covers more than half the total landmass of the continental U.S. With its extensive network and client base, the company faced challenges in providing accurate tax assignments throughout its business operations, given the need to recognize more than 10,000 state and local taxing jurisdictions.

Verizon needed to improve its tax management system. The company was inaccurately taxing customers, losing revenue, and dealing with penalties and even lawsuits as a result of improper tax management. The company turned to Pitney Bowes Software for a solution that would enable the wireless provider to more efficiently and strategically manage tax assignments, as well as integrate with the existing billing and taxation systems the staff was already using.

The company's previous tax management system required the customer service organizations to manually pick jurisdictions as customers signed up for its services or as addresses changed. This led to a number of inaccuracies caused by human error. The overtaxing of customers also resulted in additional costs to the company. Transaction Taxes Staff Manager Vicki Anger explained, "We were overtaxing customers because of errors such as selecting a jurisdiction where there was a city tax, when the customer is in fact located in the county boundary. This was sometimes resulting in penalties, interest or lawsuits."

"We were able to fully implement these solutions extremely quickly—actually five months earlier than we had planned. A key component was availability of on-site Pitney Bowes Software IT staff to ease the transition."

Vicki Anger
Transaction Taxes
Staff Manager
Verizon Wireless

Solution

Verizon Wireless implemented the GeoTAX solution, which includes an address standardization tool to help ensure accuracy of customer addresses. The solution cleanses and standardizes customer information entered by service staff. This standardized data can then be used to provide accurate tax jurisdictions for each entry.

Additionally, the solution provides quarterly-updated information on changing boundaries. When inconsistencies do arise, members of the tax management staff are able to access individual customer data immediately to more-quickly resolve discrepancies, leading to better taxing practices and improved customer service.

Recently, Verizon Wireless implemented a procurement system for the purchase of all property and infrastructure at its locations. The system identified sites by city, state and ZIP Code™ locations. However, when cross-referenced with GeoTAX, the company saw that 40 percent of the sites listed in a city tax jurisdiction were, in fact, in county zones. Avoiding city taxes in these sites resulted in dramatic cost savings.

Additionally, GeoTAX helped Verizon Wireless adhere to the Mobile Telecommunications Sourcing Act (MTSA), which prohibits assigning jurisdictions based on ZIP Code to decrease inaccurate taxing. Verizon Wireless was able to benefit from provider discounts by complying with taxation accuracy measures, in addition to avoiding frequent audits.

CASE STUDY

TECHNOLOGY USED

- GeoTAX®

Results and benefits

Dramatic cost savings due to identifying that 40 percent of the sites listed in a city tax jurisdiction were, in fact, in county zones.

Improved customer data quality and more accurate addresses has helped the billing department cut down on billing errors and returned mail.

Mapping of sites for taxation purposes provide geographic data for site selection and analysis.

“We’re always working to improve our customer service, because we don’t want a customer leaving and walking down the street to another provider. It’s a highly competitive industry today.”

Vicki Anger
Transaction Taxes
Staff Manager
Verizon Wireless

For more information call 800.327.8627 or visit us online: www.pb.com/software

UNITED STATES

800.327.8627
pbsoftware.sales@pb.com

CANADA

800.268.3282
pbsoftware.canada.sales@pb.com

EUROPE/UNITED KINGDOM

+44.800.840.0001
pbsoftware.emea@pb.com

ASIA PACIFIC/AUSTRALIA

+61.2.9437.6255
pbsoftware.australia@pb.com
pbsoftware.singapore@pb.com



Every connection is a new opportunity™



Pitney Bowes Software Inc. is a wholly-owned subsidiary of Pitney Bowes Inc. Pitney Bowes, the Corporate logo and GeoTax are [registered] trademarks of Pitney Bowes Inc. or a subsidiary. All other trademarks are the property of their respective owners. © 2012 Pitney Bowes Software Inc. All rights reserved.

93270 AMER 1207