Enterprise PC Postage – Control, Simplicity and Cost Savings

We are managing the mailing equipment fleets of some of the largest companies in the US and Canada finding that many are switching at least part of their locations to Enterprise PC Postage solutions. They are doing this because of the control, simplicity and cost savings associated with these managed programs. What differentiates Enterprise vs. Standard PC Postage is having one central account to manage the postage disbursement and control throughout the locations across an organization.

Overview of PC Postage

PC Postage allows the user to generate stamps either onto the envelope or on special labels. This can eliminate the need for a postage meter and mail can be generated wherever you have an internet connection and a printer. This is a quick highlight on the pros and cons of PC Postage compared to Postage Meters and I have included the table below that gives more detail.

Pros – Inexpensive, no long term contracts, no hardware required (Space savings), 9-32% price reductions on Priority/Express Mail® and flexible for most mail classes.

Cons – Not designed for mid/high volume mail; No feeding or sealing capability.

	PC Postage	Hand Feed Mailing Systems	Automatic Feed Mailing Systems
Vendors	Pitney Bowes, Endicia, Stamps.com, USPS Click and Ship	Pitney Bowes, Neopost, Hasler, FP, Datapac	Pitney Bowes, Neopost, Hasler, FP
Typical Monthly Postage Use	<$250	<$500	>$500
Equipment Speed (Pieces per Minute)	N/A	20-65	90-310
Envelope Sealing	**N/A**	•*	•
Postage Tapes	Labels sheets or label printer rolls	Tape Sheets	Tape sheets or rolls
Weighing	5-100 LB Scales*	2-149 LB Scales*	2-149 LB Scales*
Postal Accounting	•	•	•
Number of Accounts that can be tracked	Unlimited	10-50	50+
Transaction Level Detail	•		•*
Additional Printing Capability			
Destination Address Printing	•		
Return Address Printing	•		•*
QR Code or Custom Graphic	•		•*
Full Color Printing	•**		• High End
Space Requirements	Minimal	Minimal	Medium to High
Monthly Investment	**$0-35 (Est)**	**>$20 (Est)**	**>$150 (Est)**
Postage Refill Charge	N/A	**	**
Postage Advance Charge	N/A	**	**
Maintenance Charge	N/A	**	**
Rate Change Fees	N/A	**	**
Supplies			
Ink - Manufacturer (Per Impression)	N/A	$.01-.06**	$.003-.012**
Tape - Manufacturer (Per tape)	$.03-$.07 per label**	$.05-.13**	$.01-.08**

* - Optional

** - Varies by vendor

Overview of Enterprise PC Postage

When we are discussing Enterprise, it is regarding how a PC Postage program would be implemented and managed throughout an organization. Typically this would have the following benefits over having your locations sign up on their own.

1. **Dedicated Account Manager** – This is the most important piece of an effective program. Organizations are going to need to help you get initial locations set up, locations added and removed and to provide ongoing support. The success of any program is determined by the level of support you may require for the future.
2. **Consolidated Billing** – With the Enterprise programs, you can get consolidated invoices for subscription rental, postage and supplies.
3. **Enterprise Visibility** – These systems give you a view into every piece of mail and which operators sent them. From a control perspective, it is much more detailed than what is available through meters.
4. **Enterprise Control** – You can limit who can print postage and what they are able see with the application.

Who may benefit from this type of solution?

Organizations that have multiple locations or have staff that work in remote locations may want a central way to distribute postage and control expenses. They may not do enough mail to justify having a postage meter and have people filling out expense reports or using petty cash to go to the Post Office to buy stamps. Having one simple way to allow their users to generate postage, while being able to fund it centrally and control its use has a lot of value. Also, by having a simple way to process USPS® packages, users are more apt to reduce the usage of pricier overnight spends with the private carriers.

Choosing the Right Provider

There are two main vendors in this space; Pitney Bowes with their pbSmartPostage Solution and Stamps.com. Here are a list of items you should consider to make sure you are selecting the right solution.

- **Support** – What resources is the vendor providing to manage your account. You will need help ordering, training, and maintaining your solution. As an example, you may want to have location cost centers added to each location and may need the vendor to help you maintain this level of detail.
- **Billing** – Can the charges be consolidated for all of your locations? Can you be invoiced or do you need to do ACH or Credit Card payments? The big question is on the postage. Most companies want to have a consolidated invoice for the postage that has been used. You want to validate that this invoice can be exported to excel and have your cost centers added.
- **Data Visibility** – You should ask for a demonstration on how you are able to drill down to the usage of postage throughout your organization. Can the operator charge back to different accounts and how is the data managed and updated? What reports can be generated? You need this to be as simple as possible or it will be difficult to get users to follow procedures for the future.

- **Data History** – How long is the data being stored on the provider's servers? You want to make sure it is long enough to be able to go back and look up information.
- **Key Features** – These are some items that you may want to inquire about if your application fits:
  - Certified Mail with Electronic Return Receipt – There is $1.35 savings by switching to an electronic version and you no longer need to store the green cards.
  - Batch Printing – Let's say you want to generate 100 shipping labels. You may have an address file in Microsoft Excel that you would like to import into the system and have the labels produced all at once vs. needing to type out each one.
  - Interface Addresses From Other Applications – Can you link to different Outlook Address books or other Microsoft applications?
- **Investment/Price** – There are a few key areas you need to consider when comparing the total investment of the solution:
  - Subscription Cost – Monthly cost per subscription
    - **Contract Term** –Locations are going to need to be added and removed on an ongoing basis. One of the biggest benefits over Postage Meters is you should not be locked into a long term lease. Inquire about the term of the agreement along with the penalties to add and remove locations.
    - **Number of Users per Subscription** – If you have 50 locations on the program, you may want multiple people at each of the 50 locations using the tool. Find out how many users with unique logins are allowed per subscription.
  - Hardware Costs – What are the costs for each of the following:
    - **Scales** – They are typically offered from 5-100LB's.
    - **Label Printers** – These are optional and are best for medium to larger shipping volumes. Stamps can be printed onto sheets or have dedicated label printers.
  - Supply Costs – Compare the prices for Stamp Sheets and Label Rolls. Also, do they charge shipping costs? Finally, can you use private label supplies from companies like Avery or do you have to buy them from the provider?

Conclusion

The web has been the single greatest reason for the decline in mail volumes. Ironically, now there is a way to harness the power of the internet to have a single mail distribution and management platform that can help us grow and control our mail volumes across an organization.

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