PostalAdvocate
MAIL MADE EASY

ONLY 9 Months Left To Replace your non-USPS® Compliant Mailing Equipment – What You Need to Know

Mail Equipment and Postage

Home and Small Office Mail

USPS® Permit Accounts

Outsourced Mail Services

Expedited Document and Parcel Shipping

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Background and Experience
Speaker: Adam Lewenberg

President/CEO of Postal Advocate Inc.

- The only mail audit and recovery firm in the US and Canada
- Manage a portfolio of 188,000 pieces of mailing equipment and 73,000 online postage users for the largest US companies.
- Speak and teach nationally on mail savings and industry trends.

Former Industry Co Chair- Boston Postal Customer Council and Mail Systems Management Association. CMDSS and MDC Certifications.

Featured Writer for Mailing Systems Technology Magazine.

Worked for one of the largest mailing vendors for over 17 years

- Director of national sales for presort, tabletop inserters, addressing hardware/software and green offerings.
- Was one of the top 5 account managers nationally working with some of the nations' largest accounts.

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What We'll Cover:

1. Details of the change
2. Devices impacted
3. Creating visibility to your equipment that needs to be migrated
4. Mail equipment options available
5. Rightsizing strategies that can save up to 80%!
6. Enterprise Online Postage solutions – Where and why these systems make sense
7. Planning and implementation
8. Ongoing visibility and control of future migration phases

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USPS® Forced Meter Migration

- The USPS® is decertifying all Information Based Indicia (IBI) compliant postage meters by June 30, 2024. New devices must be Intelligent Mail Indicia (IMI) compliant or will no longer be approved for use. Here is what you need to know:
- Current IBI devices will need to be replaced with new devices and cannot be retrofitted
- The USPS is doing this to provide a higher level of security and visibility to the mail pieces
- Metering devices will need constant internet connectivity (vs. only at the time of refill) to be compliant
- We estimate that 60-70% of the postage meters in the United States will not meet this new standard and will need to be replaced with potential supply chain issues based on chip shortages

Value to the USPS®

- Better automate their operations
- Higher security specifications due to the rise in threats and challenges
- Validate correct postage amounts
- Issue refunds automatically through the device
- Have more control over what mail is entering their network

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Products Impacted

The meter models requiring replacement and the associated timelines for replacement are shown below

Pitney Bowes	Quadient (Neopost/Hasler)	FP
Meters that need to be replaced by 6/30/2024		
MailStation (K7**)	IS/IM-280	Validate meters over 2 years old
DM1**, DM2** (P7**, PL**, PR**)	IS/IM-330, 350	
DM3** (3C**)	IN/IH-360	
DM4** (4C**, 6C**)	IS/IM-420, 430	
C200, C300, C400 (1H00, 2H00)	IN/IH-600 Hand Feed (HF)	
Meters that need to be replaced by 12/31/2026		
Infinity (Production Inserter Base Meter - 1M0T, 1R0T)		
Meters that need to be replaced by 12/31/2027		
Connect+ 1, 2 and 3000 (1W00, 4W00, MSF*)	IS/IM440, 460, 480, 490	
SendProP 1, 2 and 3000 (1W00, 4W00, MSF*)	IN/IH600 (Auto Feed), 700, 750, 760	
	IS/IM5000, 6000	
	IJ-15k and WJ-Pro	

Please Note: The above chart is subject to change and what is known today.
Please contact us or your vendor for final confirmation.

Client Challenges with Migration

- Network Connectivity – All meters need to be constantly connected
  - IT issues with meters on the network
  - Expensive meter vendor mobile connectors
- Costs – Replacement like for like units will typically be more expensive
- Creating visibility to the equipment that needs to be replaced across the enterprise.
- Collecting the requirements for the new equipment.
- Bidding the cost between vendors and models.
- Implementing the new units
- Returning old equipment
- Refunding postage from the old units – Issue if you change vendors or account numbers.

*Only 9 months to make this change – Potential supply chain issues – We estimate 500,000 devices need to be changed.

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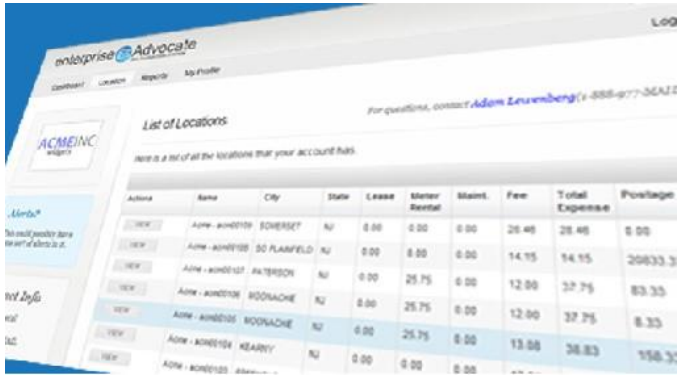
Creating Visibility



1. Obtain account numbers for your equipment and leases
2. Equipment models (to see if they match the list above) and serial numbers so you can gain access to the vendors web portals.
3. Contract expiration dates – Some of this equipment will be on leases or rentals that could expire in the future or be on evergreen agreements.
4. Mail volumes – It is important to know how much postage is being processed to better plan for rightsizing the future equipment.
5. Features needed – In the new solution, what is required for feeding, weighing, accounting etc.

Methodology – Build a master inventory list

- See if you have any reports or agreements provided by your mailing vendors.
- Go to accounts payable and do a search of the main mailing vendor names.
- Request copies of invoices from specific line items from the accounts payable reports to get a higher level of detail.
- Create an account on the meter vendors website. You need to link an account number and a serial number for linkage.
- Search the online account for postage usage, contract expiration dates (Available from Pitney Bowes Only) and equipment details.
- Call the meter vendors for other visibility items required.

Postal Advocate will build this list for any client with over 20 locations with equipment at no fee or obligation

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Mail Solution Options

Mail Equipment Model Types Category	Online Postage	Online Postage Enterprise	Stand Alone Meter	Automatic Mail Machine - Mid Volume	Automatic Mail Machine with Internal Scale - Mid Volume	Automatic Mail Machine with Internal Scale - High Volume
Monthly Postage Range	<$400	<$400	$100-600	$400-2,000	$2,000-5,000	$4,000-25,000
Monthly Piece Range	<800	<800	200-1,200	800-4,000	4,000-10,000	8,000-50,000
Specifications						
Speed			15-45	80-120	130-160/70-100 with internal scale	160-300-160/100-200 with internal scale
Thickness Capability	local printer	local printer	Up to 3/8"	Min.: .007"Max.: 5/16"	Min.: .007" Max.: 5/8"	Min.: .007" Max.: 3/4"
Feeding	Send to local printer	Send to local printer	Hand Feed	Automatic Feed	Automatic Feed w/internal weigh	Automatic Feed w/internal weigh
Sealing	n/a	n/a	Some Models	Included	Included	Included
Scale	10LB	Sold Separatly	5-10 LB	5-149 LB	5-149 LB	5-149 LB
Accounting	Unlimited	Unlimited	10 to 50	25-3000	25-3000	25-3000
Accounting Type			Std	Web Accounting	Web Accounting	Web Accounting
Typical Price Ranges	$10-30 per mo	$1-10 per month per location - One fixed fee for the enterprise	$25-100 per mo	$170-300 per mo	$350-600 per mo	$700-1300 per mo

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Rightsizing Opportunities – 40-90% Cost Savings

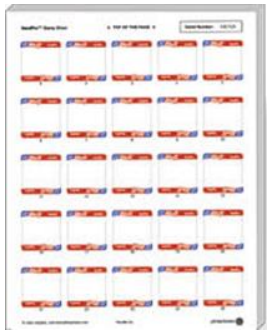
- Does the internal weighing systems and automatic feeding systems justify the costs based on your mail volumes?
  - Internal Weighing System Cost - $200-300 per month increase
  - Automatic Feeding Cost - $100-200 per month increase
- Can you live with lower weight capacity scales because heavier items are typically going UPS®/FedEx ®or there are other scales that can be used onsite?
  - Standard scales – 5LB
  - Higher capacity scales – 10, 15, 30, 70 and 149LB – Can add $30-100 per month

  *Note – 150LB Electric non-integrated scale can costs $113 at your office supply store – See image.

- Are all the features in the current mailing system being fully utilized? Examples: Mail Accounting, custom weighing, conveyor stackers, special services etc.
- Can online postage be an option vs. low volume meters? There are 20% postage savings for parcels and can be expanded to UPS® and FedEx® processing.
- If you have more than 10 locations, or work from home staff, can enterprise online postage options work for uniform processing and visibility across the enterprise.

Online Postage

- Most common remote mailing solution
- Subscription model
- Print from any computer with an internet connection and a printer.
  - **Postage stamps**
    - Directly onto envelope (Along with destination and return address)
    - Stamp Sheets (Most common) – Purchased from online postage provider.
    - Vendor provided label printer
  - **4 x 6 - Shipping labels**
    - Regular paper (To be taped to the item or use labelope)
    - Avery type labels (Purchased from office supply provider)
- Inexpensive compared to postage meters and typical costs range from $10-30 per month.
- Cloud-based and can be accessed from any device.
- Easy to deploy and use – Within 7-10 days, you can receive your login credentials, a scale and starter labels. There are simple online tutorials to get you started quickly.
- Visibility to all history and package tracking statuses.
- Some systems have multiple carrier options to process UPS®/FedEx®
- Significant postage savings –some newer postage meters may come with an online postage subscription to get these rates.



Mail Type	Stamps	Postage Meter	Online Postage	Savings	% Savings
1 Ounce Letter	$0.66	$0.63	$0.63	$0.03	5%
1 Ounce Certified Mail with Return Reciept	$8.53	$7.18-8.53	$7.18	$1.35	16%
Ground Advantage 4 OZ (Formerly 1st CL Parcel)	$4.75-5.25	$4.75-5.25	3.59-4.13	$1.12-1.16	21-25%
Ground Advantage 8 OZ (Formerly 1st CL Parcel)	$5.40-5.85	$5.40-5.85	$3.99-4.44	$1.41	24-26%
Ground Advantage 15.99 OZ (Formerly 1st CL Parcel)	$7.60-8.55	$7.60-8.55	5.85-6.78	$1.75-1.77	21-24%
Ground Advantage 5LB	$10.20-20.50	$10.20-20.50	$7.57-13.42	$2.63-7.08	26-35%
Ground Advantage 10LB	$12.70-31.45	$12.70-31.45	$9.38-18.73	$3.32-12.72	26-40%
Priority Mail 1LB	$9.35-12.55	$9.35-12.55	7.09-10.07	$2.26-2.48	20-24%
Priority Mail 5LB	$11.90-29.35	$11.90-29.35	$7.83-21.43	$4.07-7.92	27-34%
Priority Mail 10LB	$14.90-49	$14.90-49	$9.58-32.80	$5.32-16.20	33-36%
Priority Mail Express	$29.20-51.65	$29.20-51.65	$25.25-44.60	$3.95-7.05	13-14%

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Why is it easier for a company to send an $15 Overnight item than a $.63 letter?

- Use free carrier provided solutions
- Simple to use and defined process across the organization
- All users can ship from any location at any time
  - Includes home office and traveling users.
- All charges are summarized by cost center and downloadable into an excel file for uploads

- Multiple ways to process
  - Postage Meters - $30-1300 per month
  - Online Postage - $10-30 per month
  - End users purchasing Stamps at the Post Office at a 5-70% premium + (Cost to go to the USPS)
  - Courier mail to a hub location to process at $5-15 per pickup
- No defined process across the organization
- The location determines how mail gets processed based on purchased technology
  - The majority of locations will need to drive to the USPS® to purchase stamps and will not have the correct denominations for heavier items.
- Limited visibility to postage spends. Fragmented process between vendors, petty cash and credit cards.

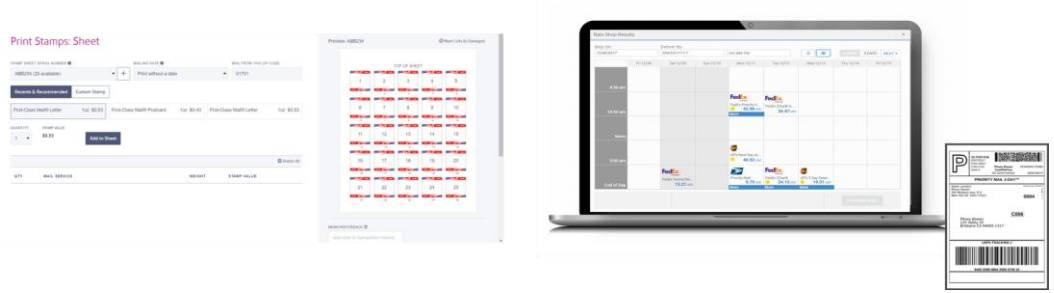
80%+ of the business locations and 100% of work from home staff in the US have no accessible postage technology.

Enterprise Online Options – Fastest growth segment

Enterprise Online Postage is the same as standard Online Postage with the main difference being how multiple locations can be controlled under a central administration license.

This offers the following benefits:

- Simplicity of onboarding new users
- Reporting on all location and user activities from a central dashboard.
- Managing billing for subscriptions, supplies and postage
- Controlling user access (This includes removing users who are no longer active)
- Single Sign On - Some systems have this option to link to an active directory to eliminate password management.
- Platforms can be expanded to process UPS® and FedEx® with real time rate shopping.
- Certified Mail Capabilities
  - Electronic Return Receipts at $1.25 savings
  - Firm Mail Book creation
  - All signature files are automatically downloaded with a central repository to hold all information
- **If you have more than 10 locations using Online Postage, we recommend having them controlled through an enterprise license.**



Eliminate the need for low volume meters – 70% Savings!

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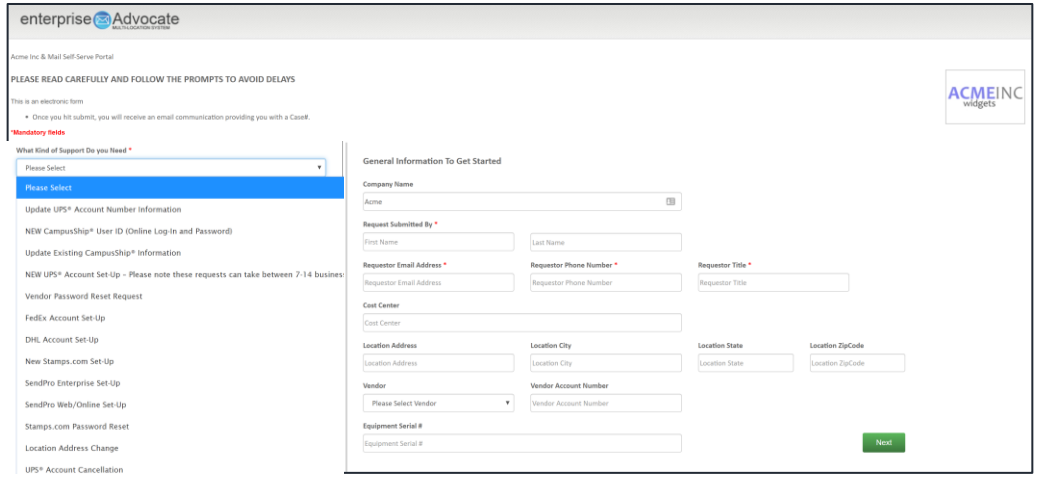
Central Administration – Keys To Success

With users spread out at different locations, working remotely and with different needs, how do you implement and manage these systems to ensure success?

Postal Advocate Central Administration

1. Defining requirements
2. System implementation
3. Training
4. Onboarding users
5. Managing user access
6. Case and issue management
7. Monitoring usage
8. Reporting and chargback on key metrics
9. Quantifying savings
10. Expanding and promoting usage



- Dedicated client specific landing page
- Customized messages and links for common questions.
- Pull down menu for common carrier requests
- Once the case is submitted:
  - Email is sent to Postal Advocate to start the process
  - Email is sent to the requestor with a case number
  - Activity is created and notes are entered into their location record.
- Resolutions are taken care of by Postal Advocate with communication to the location and closure to the activity.
- All cases, activities, contacts and notes are stored for reporting and archiving.

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Migration Planning & Implementation

- Create your inventory report - Make sure it has contract end dates and spends for all equipment.
- Document postage spends by location so you can properly right size.
- Understand the features your locations need.
- Compare pricing and features with multiple vendors.
- Order the new solutions
- Validate that the new solution is installed.
- Remove the current systems.
- Validate that the postage is recovered.
- Make sure all locations across the enterprise are covered.

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Ongoing Visibility and Control

Important to keep a master list or database of all your mailing equipment, contract terms, spends, invoices and postage balances for the following reasons:

- Ongoing rightsizing needs – Mail volumes will continue to go down and solutions will need to be resized. We average 56% and you can do the same with proper oversight.
- Invoice Validation – The vendors are not perfect billers and we have been able to recover $19 million for our clients and the key is reviewing every invoice against a master database and validating the charges with the end users.
- Postage Management – We have recovered $13 million for our clients in dormant postage. These are the places you need to look to find this money:
    - Overfunding the meters – Devices sitting with large balances that will take years to use.
    - Prefunding accounts – Some of these accounts will have excess amounts, might not have any meters connected or may be funded by an advance account.
    - Advance accounts – Similar to prefunding accounts where there may be large credit balances. These accounts typically charge 18-22% interest and it is important balances are paid in full. We see clients spending tens of thousands in these fees unknowingly.
    - State Unclaimed Funds Offices – Pitney Bowes will turn funds over for accounts that go dormant for excessive periods. This is typically from returned postage meters where the funds were never requested.
    - USPS – Quadient and FP does not have their own bank and the funds are held by the USPS.
- Location Support – To make sure your offices have the best mailing options and support available.
- Manage Future Migrations – 2026 and 2027 requirements
- To offset future USPS price increases – Rate shave gone up 18-38% over the last 19 months with two rate increases expected annually.

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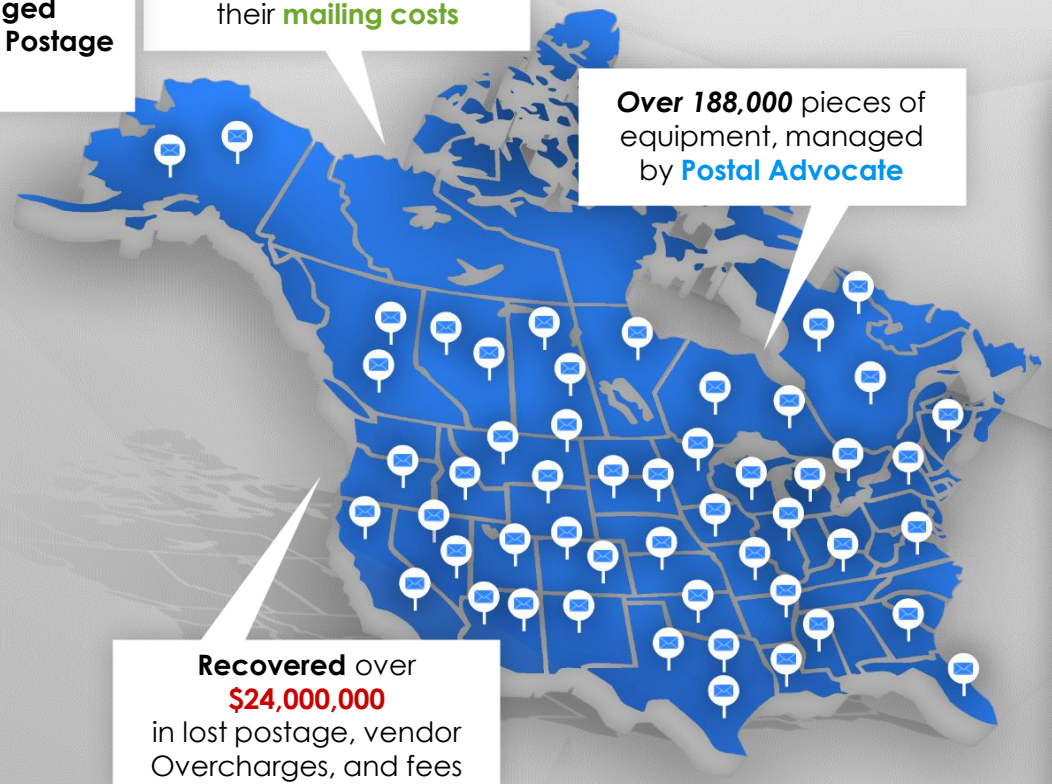
ENTERPRISE-WIDE MAIL AUDIT AND RECOVERY

OVER $85,000,000 IN CLIENT SAVINGS

73,000 Managed Enterprise Online Postage Users

Helping **multi-location** organizations streamline their **mailing costs**

Over 188,000 pieces of equipment, managed by **Postal Advocate**



Recovered over **$24,000,000** in lost postage, vendor Overcharges, and fees

55%
Average Equipment Savings

$1.9M
Average Client Savings

Risk-Free No Cost Analysis!

HOW WE DO IT

- *237+ years of industry experience*
- *Comprehensive web-based tool providing visibility of all mail and equipment spend*
- *Time Savings - Assistance in fleet management*

visit **www.postaladvocate.com** *or call* **(888)977-MAIL(6245)**

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WE REPRESENT LEADING MULTI-LOCATION COMPANIES IN THESE INDUSTRIES

- **Banking** — 8 of Top 15
- **Uniforms** — 3 of Top 4
- **Insurance** — 3 of Top 10
- **Pharmacy** — 1 of Top 2
- **Dairy** — 1 of Top 2
- **Utilities** — 2 of Top 10
- **Radio** — 1 of Top 3
- **Commercial Real Estate** — 2 of Top 30
- **Accounting Services** — 1 of Top 3
- **Telecommunications** — 3 of Top 10
- **Health Clubs** — 1 of Top 3
- **Engineering Services** — 1 of Top 3
- **TV Networks** — 1 of Top 5
- **Auto Auctions** — 1 of Top 2
- **Small Package Delivery** — 1 of Top 2
- **Scientific Instrument MFG** — 3 of Top 10
- **Kidney Dialysis Centers** — 1 of Top 2
- **Document Destruction** — 1 of Top 3
- **Outdoor Advertising** — 1 of Top 3
- **Food Manufacturing** — 1 of Top 2
- **Business Services** — 1 of Top 5
- **Long Term Care** — 2 of Top 10
- **Cable Providers** — 2 of Top 5
- **Higher Education** — 1 of Top 3
- **Pest Control** — 1 of Top 3
- **Paper Products** — 1 of Top 3
- **Title Insurance** — 1 of Top 2
- **Mutual Funds** — 1 of Top 5

OVER $85,000,000 IN CLIENT SAVINGS

55%
Average Client Savings

Recovered over **$24,000,000** in lost postage, vendor overcharges and fees

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*Information found in Hoovers ranking on company revenue in a specific industry. 2016

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HOW IT WORKS

1

Sign **Letter of Authority/Kick-Off Call.**

2

Provide copies of vendor **invoices, AP export, location list, equipment inventory list.**

NO COST – AUDIT PHASE

Work with current vendor to build population report, contract terms/start/end dates, postage volumes, costs.

Analyze spend, check for contract compliance, billing errors, vendor fees/overcharges, lost postage.

Identify **savings opportunities.**

3

Conduct Analysis

CONTRACTED CLIENT

Submit vendor **credit requests, lost postage forms** and eliminate **avoidable fees.**

Negotiate **pricing.** Create **catalog.**

Work with locations - **asset validation, rightsize, termination...**

Full implementation of **savings.**

4

Present **savings opportunities** and get **client approval.**

5

Provide **enterprise visibility** of all **spend, costs** and documented **savings** through enterpriseAdvocate. Provide **client log-in.**

6

Postal Advocate provides **ongoing support,** manages **renewals, billing** and **vendor compliance.**

visit **www.postaladvocate.com** *or call* **(888)977-MAIL(6245)**

Free No Cost Mail Analysis – For any location with 20 or more locations

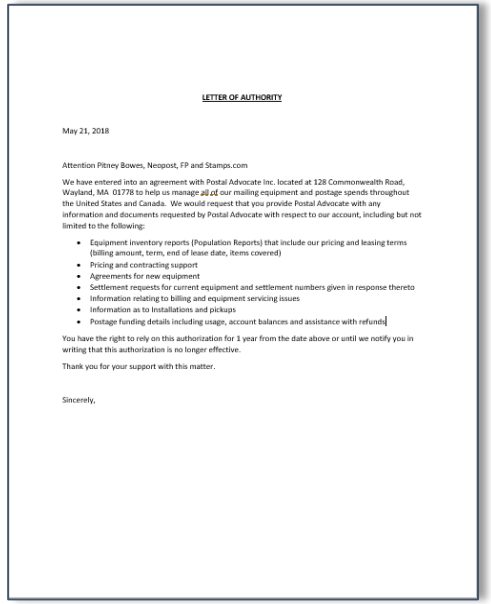
What we need for the mail analysis:

1. **Letter of Authority** – Giving us the approval to research your mailing spends.
2. **Any mail equipment reports you may have** – Current or Historical.
3. **Accounts Payable Export of Mailing Vendor Transactions** – Postal Advocate will provide a listing of vendor names.
4. **Providing PDF copies of specific invoices requested from the Accounts Payable Export** – We will try to limit this.
5. **UPS/FedEx** – One month of invoice detail in Excel.
6. **Meet with us to review the results**

Outcomes

- Full equipment inventory
- Contract details
- Postage spends
- List of equipment that needs to be migrated
- Optimized mail plan to maximize savings

Letter of Authority



LETTER OF AUTHORITY

May 21, 2018

Attention Pitney Bowes, Neopost, FP and Stamps.com

We have entered into an agreement with Postal Advocate Inc. located at 128 Commonwealth Road, Wayland, MA 01778 to help us manage all of our mailing equipment and postage spends throughout the United States and Canada. We would request that you provide Postal Advocate with any information and documents requested by Postal Advocate with respect to our account, including but not limited to the following:

- Equipment inventory reports (Population Reports) that include our pricing and leasing terms (billing amount, term, end of lease date, items covered)
- Pricing and contracting support
- Agreements for new equipment
- Settlement requests for current equipment and settlement numbers given in response thereto
- Information relating to billing and equipment servicing issues
- Information as to Installations and pickups
- Postage funding details including usage, account balances and assistance with refunds

You have the right to rely on this authorization for 1 year from the date above or until we notify you in writing that this authorization is no longer effective.

Thank you for your support with this matter.

Sincerely,

AP Report Vendor Names

Vendor	Possible Vendor Names
Pitney Bowes Names	Pitney Bowes
	Purchase Power
	Reserve Account
Quadient Names	Quadient
	Neopost
	Hasler
	Neofunds
	Total Funds
	Mailfinance
Francotyp-Postalia Names	Francotyp-Postalia
	Postalia
	FP
Stamps.com Names	Stamps.com
	Endicia
United States Postal Service Names	United States Postal Service
	US Postal Service
	USPS
	Postmaster
	Post Office
	CMRS

Savings Detail

Savings Summary	# of Sites	Meter Rentals	Maintenance Agreements	On Call Maintenance	Lease	Total	Postage	Spend Ratio
								0.00

Item	Current		Year 1	Year 2	Year 3	Year 4		Combined Savings
Equipment Costs								
Avoidable Fees								
(Late Fees, Finance Charges, Equip Insurance, Loyalty Plans)								
Contract Violations and Overcharges								
(Supply, maitnenance and meter discount, returned equipment)								
Lost Postage								
Total								
Savings								

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THANK YOU

QUESTIONS?

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