

2015

THE DEFINITIVE BUYERS GUIDE TO POSTAGE METERS

Insider Tips To Make An Informed Decision

**NEW 2015 USPS® INTELLIGENT
MAIL® PACKAGE BARCODE:
HOW IT IMPACTS SHIPPING**

**UNDERSTANDING METER
TYPES AND CAPABILITIES**

**REVIEW OF DISCOUNT RATES
FOR POSTAGE METER USERS**

TABLE OF CONTENTS

- 01 INTRODUCTION
- 02 3 WAYS FOR BUSINESSES TO MAIL AND SHIP
- 03 WHAT IS A POSTAGE METER?
- 04 WHY USE A POSTAGE METER?
- 05 HOW DO POSTAGE METERS WORK?
- 06 UNDERSTANDING POSTAGE METER TYPES AND CAPABILITIES
- 07 METERS ENTER THE DIGITAL AGE
 - ** NOW WITH 2015 USPS® INTELLIGENT MAIL PACKAGE BARCODE MANDATE DETAILS **
- 08 HOW MUCH DO POSTAGE METERS COST?
- 09 DETERMINING MAIL VOLUME
- 10 OTHER MAILING EQUIPMENT
- 11 CONCLUSION
- 12 APPENDIX
 - GLOSSARY
- 13 BUYERS “CHEAT SHEET” QUESTIONS TO ASK FORM
 - NEEDS ASSESSMENT
 - QUESTIONS FOR MAILING SYSTEM REPS

SECTION 01

INTRODUCTION

Trying to determine the most efficient way to purchase postage for your business? Thinking about upgrading your current mailing equipment? Maybe you want to learn more about the latest meter features and capabilities? All of these topics and more will be covered in the 2015 Postage Meter Buyers Guide.

There are three ways to send mail from your business. This guide will start with brief descriptions of each method, including a list of pros and cons to help you decide which option is right for your business. From there we will focus on the advantages of using a postage meter. We will discuss how meters work, how they provide efficiency and cost savings for your business and how to determine which type of meter best fits your needs. We will also provide you with a list of smart questions to ask when speaking to a sales rep as well as teach you about different types of fees so that you can find the best deal and avoid hidden costs.

Sprinkled throughout the guide you'll also find our Insider Tips; (marked by **i TIP**) little known facts many mailing technology companies don't publish in their brochures. With the right knowledge, you'll have all the facts you need to make a smart, confident buying decision.



SECTION 02

THREE WAYS TO SEND BUSINESS MAIL

For enterprise and mid-sized businesses, there is only one realistic option for sending mail: the postage meter. But for small businesses, online postage and regular old “lick and stick” stamps can be viable options as well. Stamps are likely the simplest and cheapest option for start-ups and one-man shops with very low outgoing mail volume. Once your mail volume begins to exceed 100 pieces or \$50 in postage a month, it becomes time to seriously consider a more efficient option.

Online postage, printing postage onto labels from your PC, is a good option for many small companies with low mail volume. The postage meter is a good option for any size business, and can be the fastest, most cost-efficient way to process batches of mail, as well as regular mail output at any volume over 100 pieces per month. The charts that follow highlight a few of the major differences between the three options and some of the pros and cons.

POSTAGE CHOICE	PROS	CONS
Stamps	<ul style="list-style-type: none">• No commitment• Less equipment needed	<ul style="list-style-type: none">• Gas• Time• Waiting in line at post office• Need news stamps with rate change every year• No commercial discounts
Online Postage	<ul style="list-style-type: none">• Expense tracking available• No contract required• Print both address and postage (although at different times)• Ability to print shipping labels• Add company logo or message to stamps and labels• Automatic rate change updates	<ul style="list-style-type: none">• Requires dedicated label printer• Must purchase proprietary labels• Need digital scale• Must print postage in sheets• Easy to misplace preprinted stamp sheets• 10-step process to log in and print postage• Printing on envelopes or label sheets can be frustrating experience with some printers• Fees for extra users• Credit card required• Difficult to cancel
Postage Meters	<ul style="list-style-type: none">• Expense tracking available• Automatic rate change updates• Print postage in seconds• Free credit for postage advances• Weigh, calculate and print postage on same device• Not server dependant	<ul style="list-style-type: none">• Lease or rental contract required• Does not print addresses• Not WiFi enabled• Must use online service to print shipping labels

Now that you've reviewed the pros and cons between meters, online postage and good old fashioned stamps, we will narrow in on the finer details of the postage meter. This guide is written to answer any questions you may have about postage meters, starting with the most basic.

POSTAGE CHOICE	POSTAGE METERS	ONLINE POSTAGE	STAMPS
Available	24/7	24/7	Post office hours
Equipment Needed	Postage meter with integrated scale	Computer, printer, digital scale	Stockpile of stamps in different denominations, digital scale, rate charts
Supplies	Ink cartridges, labels	Ink cartridges, labels	Gas for Transportation to Post Office; Staff Time
Discounts on USPS' Rates	Yes	Yes	No
Postal Fund Management	Credit extension available	Credit card required	Cash/credit at the post office
Postal Expense Tracking	Yes, Postal expense app available on digital meters	Yes	Individual paper receipts from USPS
Free Trials	Yes	Yes	N / A
USPS Extra Services Available (eSignature confirmation, return receipt...)	Yes, with discounts included on meters with internet connectivity	Yes, with discounts	Yes, discounted online only
USPS Rate Changes	Automatic download	Automatic	You need to know about the changes

WHAT IS A POSTAGE METER?

JUST WHAT IS A POSTAGE METER AND WHAT DOES IT DO?

It's a mechanical device used to create and apply official USPS® postage to mail items—envelopes, labels for packages, or postcards. Furthermore, postage meters are a safe way to purchase, store, monitor and track postage funds. Physical meters today are secured with the inclusion of PIN code systems to “lock” the postage preventing unauthorized users from accessing funds and printing an indicia.

The postage comes directly from the USPS. A postage meter imprints an amount of postage, functioning as a postage stamp, a cancellation and a dated postmark all in one. The imprint, also called an indicia, displays barcodes for sender identification as protection from “counterfeit” mail.

Interestingly, the postage meter is actually owned by two separate entities: the secure “meter” inside the machine is the responsibility of the USPS, while the machine that houses the meter and allows it to create the postage imprint belongs to the postage meter vendors. That's why businesses can only rent or lease the meters since they also belong to the US Postal Service and not the mailing system vendors.



WHY USE A POSTAGE METER?

1. Convenience

Eliminate trips to the post office and stop wasting postage due to uncertainty over rates. Get more work done and never have to stand in line again.

2. Out The Door Faster

Applying stamps to a huge stack of envelopes is a time-intensive process. With a postage meter, envelopes are stamped and sealed quickly and easily, so you can spend time and resources running your business, not worrying about the mail.

3. Online Postage Refills

Replenish your postage supply 24/7 and never scramble for stamps at the last minute.

4. Accurate Postage

Save money using a postage meter and scale with up-to-date rates. With an integrated digital scale for precision weighing, a postage meter enables you to print the exact denomination — instead of using multiple stamps. If you make a mistake, the postage refund credits the postage back to your account (minus a 10% fee).

5. Savings

You can save an average of 15% over retail prices when accessing Commercial Base pricing for internet connected meters. Plus, new in 2014 you can now save an additional 1¢ on every First-class letter.

6. Increased Security

Eliminating physical stamp inventories means you'll never have to worry about lost or damaged stamps. Your postage dollars are safe-and-sound in your secure meter, as opposed to a cluttered desk drawer or piles of forever stamps.

7. Data Accounting

A built-in cost accounting feature can accurately track postage expenditures for multiple accounts. This shows you where postage dollars are being spent, for easier budgeting and reconciliation.

8. Package Compatibility

Self-adhesive metered tapes are ideal for larger items such as packages, large flat envelopes and tubes. This looks cleaner and more professional than wallpapering an item with stamps, in addition to enabling you to apply the exact postage needed.

9. Enhancing Your Image

Your envelope is often the first impression you make on the future customer. Metered mail makes a professional statement about your company.

10. Free Advertising

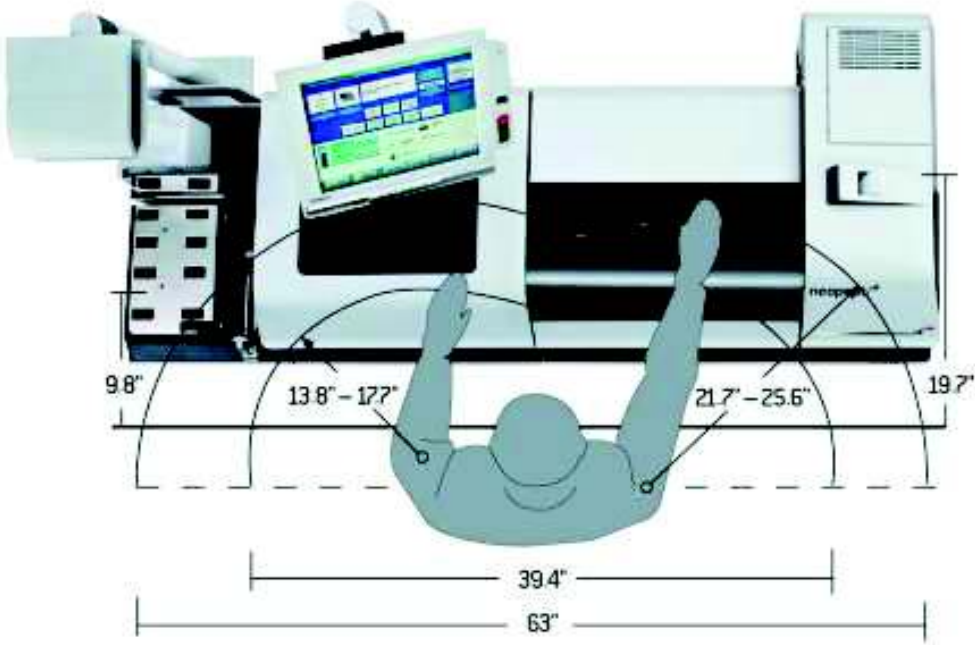
With its ability to print a logo, advertisement, a QR Code or even a product slogan, a postage meter can turn your envelope into a mini-billboard. Envelope marketing has been proven to enhance open rates and readership, while improving recipient response.

Next we'll cover the mechanical components of the postage meter and how each works.

HOW DO POSTAGE METERS WORK?

Postage meters are designed to weigh letters and packages, select a rate among the different options and then imprint the exact postage needed on each mail piece. Postage meters hold postage funds that can be pre-filled and refilled through an online postal account. Another option to refill the postal account is using ACH or Direct Debit. Today's postage meters have menu displays to guide the user through the process of determining the right dollar amount of postage for the correct weight and postal class. To actually add the indicia (imprinted postage) you simply run the letters and packages through a manual or automatic feeder. Some machines also include a sealer to moisten and close the flap of envelopes. Then your mail is ready to be sent. Once the mail is post marked, the postal amount is deducted from the remaining balance in the postage meter.

Another useful advantage is the ability to advance date your mail. For example, if you have a large number of bills to be processed on a specific date you can actually start a few days in advance, imprinting the postage on the envelopes with the needed date.



POSTAGE METERS HAVE THE FOLLOWING COMPONENTS

A) Base

The base of the postage meter machines is where the mail is fed through the meter to affix the indicia (postal mark).

B) Scale

Smaller postage meters come with a built-in scale that weighs letters, large envelopes or packages and determines the exact postage amount required. Larger postage meters can have separate scales included. Make sure that the size of the platform is large enough. If the weighing platform is too small, weighing a large envelope can make it difficult to read the screen on the meter.

C) Feeder

There are two types of feeders: Manual (hand-fed) and automatic. The feeder guides the item through the meter and imprints the indicia (postal mark). Automatic feeders are available on different size machines to handle varying mailing capacities, with speeds ranging up to 270 letters per minute.

D) Sealer

Like the name suggests, sealers moisten and close regular envelopes as they are fed through the machine. Eventually the sealing brushes need to be replaced. Pay attention to how easily accessible brushes are in order to clean them easily on a regular basis.



E) Shortcut keys

Programmed buttons for frequent tasks that save time versus pressing multiple keys to get the job done.

F) Memory keys

Not to be confused with shortcut keys, a memory key stores a regular task such as sending a package to country A under account # xxx. Naming the memorized task will save the user time and effort.

G) Screen

Different size screens display the mailing and menu options for the postage meter. Screens are available in color or black and white, and range from a couple of lines to 7 inches. Some mailing systems come with touch screens.

H) Larger mailing system options

Options include full keyboard, touch screens, and catch trays for large amounts of business mail, and conveyor stackers to help with organizing envelopes for mass mailings.

I) Actual meter (or PSD-Postal Security Device)

The meter itself is located inside the machine and provides secure storage of postal funds.



WHAT SHOULD YOU LOOK FOR IN AN ENTRY LEVEL POSTAGE METER?

Vendors offer both 'High Speed' Internet connections (also presented as LAN) and modem-connected equipment.

MODEM CONNECTION

Considered the 'old fashioned' way to get your postage meter to connect and refill your postage account, this solution may still be available for new equipment. You may go for this option if you have no analog connection available at all, though, a couple of drawbacks do arise:

- Most vendors will charge extra for the modem
- Maintaining a 'dial up' phone line costs extra to your business
- Modem communication can be painfully slow and may generate frustration when you want to download postage
- Overall, this connection type prevents you from getting access to common services such as equipment software update, remote diagnostics, new postal rates download

LAN CONNECTION

This is the preferred solution for 90% of the small businesses and 100% of the larger companies. By far the best way to fully benefit from a postage meter, a LAN connection reduces the time to download rates, refill the meter, and receive the latest software updates.

PC CONNECTION

Most vendors provide this alternative solution to customers who don't want to be slowed down by a Modem and can't connect the equipment directly to their network. This may be the right solution to consider as long as you have enough space and free connectors to your PC.

SECTION 06

UNDERSTANDING POSTAGE METER TYPES & CAPABILITIES

With a better understanding of what a postage meter is and how it works, there are just a few more details you need to know to choose the right one. The most important thing to consider is your mailing criteria. There is a wide range of postage meters available designed specifically for each business mailers processing needs. Determining the details of how your mail is processed in terms of volume, time, mix of mail and packages can help narrow down the available choices. Another consideration is the machine’s size and how it will fit in your office space.

Here’s a quick guide to the machine type and their capabilities. It’s easy to find one that meets mailings needs:

MAILING SYSTEM TYPE	Low	Mid	High
Typical Monthly Postage Use	< \$500	\$500 - 5,000	> \$5,000
Equipment Speed	15 - 45 Letters/Min	50 - 180 Letters/Min	70 - 310 Letters/Min
Feeding	Hand Feed	Hand or Auto Feed	Auto Feed
Sealing	Many Models	Included	Included
Meter Tapes For Oversized Items	Strip Tape Sheets (Fed Like an Envelope)	Strip Tape Dispenser	Strip Tape or Roll Tape Dispenser
Weighing (External Scale)	2 - 10 LB	2 - 49 LB	2 - 149 LB
Weighing (Internal Scale)	N/A	Optional	Optional
Postal Accounting	Summary Info Only	Summary or Transaction Level	Summary or Transaction Level
Additional Printing Capability	Simple Meter Ads and Endorsements	Simple Meter Ads and Endorsements	Optional - Customized Return Address and Graphics Printing
Space Requirements (L x W x H)	< 29" x 18" x 13"	30" x 15" x 12" - 80" x 25" x 24"	58" x 23" x 17" 104" x 23" x 33"
Typical Supply Cost - Ink and Tape (Per Impression)	Ink - \$.01 - .06, Tape - \$.05 - .13	Ink - \$.003 - .03, Tape - \$.04 - .08	Ink - \$.003 - .005, Tape - \$.01 - .04
Typical Monthly Lease Price	\$20 - 125	\$125 - 500	>\$500

*Chart courtesy of Adam Lewenberg, President of Postal Advocate Inc. from his article "Top 10 Items to Consider when Selecting a Mailing System"

METERS ENTER THE DIGITAL AGE

With smartphone usage growing rapidly, people have quickly adapted and expect to have apps, or shortcuts to applications, available for their business needs. The newest postage meters are no different, providing business apps and connectivity specifically designed to improve mail-processing productivity.

With connectivity, postage meters provide the ability to quickly download postage which is just one practical convenience. Other applications include the ability to connect to external accounting software programs for tracking all postage expenses.

THE FOLLOWING APPS ARE AVAILABLE ON CURRENT DIGITAL METERS

- Seamless USPS® rate downloads
- Postage usage tracking and reporting by department, postal class, time period
- Low-ink email alerts
- Remote access to postal and department usage
- Direct one button access to Commercial Rate discounts for Priority Mail and Priority Mail Express
- Track, confirm and save when utilizing USPS® Extra Services.
- Adding new USPS required barcodes (i.e. IMpb-Intelligent Mail® package barcode) with the postage meter.

INTELLIGENT MAIL® PACKAGE BARCODE (IM®pb)

The Intelligent Mail Package Barcode (IMpb) is the Postal Service's next generation tracking barcode for parcels and Extra Services and it became a requirement on January 25, 2015.

IMpb-compliant barcodes provide destination routing and piece-level data that enable the Post Office to increase system-wide processing efficiency, enhance tracking capabilities, and provide tracking services that compete more effectively in the package and expedited delivery marketplace.

Next we'll cover the essential details of the IMpb requirements.

SECTION 09

IM[®]pb: INTELLIGENT MAIL[®] PACKAGE BARCODE

The Intelligent Mail Package Barcode (IM[®]pb) for parcels and Extra Services allows the USPS[®] to better compete with private carriers such as FedEx and UPS. The IMpb provides detailed tracking from package origin through delivery.



The IMpb barcode became a requirement for all parcels and Extra Services on January 25, 2015.

Parcels, packages over 13 ounces, and Priority Mail[®] Express or Priority Mail[®] pieces of any shape, size, or price category, including flat-rate boxes and envelopes require an IM[®]pb (barcode).

Also Extra Services: Certified Mail, USPS Tracking, Signature Confirmation, Restricted Delivery, and Return Receipt

In addition, the following mail classes require an IM[®]pb:

- First-Class Mail Package Services
- Parcel Select
- Parcel Select Lightweight
- Standard Mail
- Library Mail
- Media Mail
- Bound Printed Matter

Complying with the IMpb requirements requires a change in behavior for many businesses. To better understand the requirements essential details review the following FAQ. It provides a helpful guide to digest the new information.

IMpb FAQ's

Q: What are the options for presenting an Intelligent Mail[®] Package Barcode on a package?

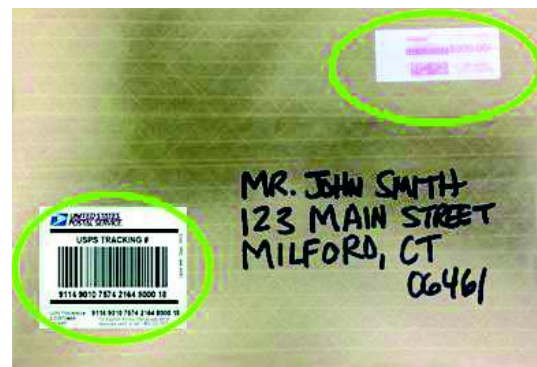
A: There are 2 ways you can ship a package via the USPS and be compliant with the IM[®]pb requirement.

Option 1 - Use a Pre-printed Label that includes an IM[®]pb Barcode:

In the image below, the IMpb is part of a pre-printed label. With a pre-printed label, you just peel and stick it on your item. With a pre-printed label, the characteristics of the mailing are not uploaded to the USPS.

Addresses can be hand-written and used in conjunction with a postage meter strip tape for parcel shipments. The mailer can track: arrival and departure info; date and time of delivery and attempted delivery.

In this case, the mailer does not qualify for Commercial Based Pricing and will pay Retail Rates. Finally, the package will not qualify for free insurance if it is being sent via Priority Mail or Priority Mail Express.



Option 2 - Create a Shipping Label that Includes an IM[®]pb.

In the image below, the formatted IM[®]pb is part of a shipping label. To create the shipping label, you need to first define the characteristics of the shipment. This is accomplished through online shipping software. You will enter in data such as: Delivery Address; Return Address; Class of Service; Extra Services; Zip + 4. The shipping label will also include a unique mailer ID. These characteristics create the barcode.

By creating an IMpb label, a package qualifies for full benefits including:



Use of Commercial Base Discounted Rates

Automatic qualification of Free Insurance on Priority Mail[®] & Priority Mail[®] Express Items (up to \$50 and \$100 respectively)

Q: What about Processing Envelopes/ Packages with Extra Services?

A: Extra Services will require an IM[®]pb barcode to meet the latest USPS mandate. The USPS has produced new Certified Mail and other Extra services labels with pre-printed IMpb tracking codes. To process certified mail and other extra services you can continue to use the existing labels without any compliance penalty as the new Extra Services labels are not currently available from all Post Offices.

Another image of the 2 ways to be IMpb compliant:

- 1 Using a Pre-printed label also called a Label 400.
- 2 Using an online shipping software with a mailing system.



Q: What is a Label 400?

A: A pre-printed label with a tracking code that will only qualify for Retail rates.

IMpb FAQ's (cont'd)

- Free label from the USPS®
- Does not qualify for Commercial -Base Pricing
- Does meet the USPS® requirement for affixing a barcode to every package
- 3 Options to order Label 400 through the USPS®:
 - 1-800-222-1811
 - Mobile USPS® App
 - At the retail counter

Q: Why doesn't a pre-printed label qualify for Commercial-Base Pricing?

A: Pre-printed labels do not qualify for benefits such as Commercial-Base Pricing because the label is missing data elements that are required in an IMpb barcode per the USPS. In order to qualify, you must be able to upload the following information to the USPS:

- Shipping Address File
- Destination Zip Code + 4
- Mail Class

When using an online shipping software package, you enter the characteristics of the shipment - for example: (1) What address is the item being shipped to? (2) How is it being shipped? (3) What Extra Services are being added to the shipment? The Intelligent Mail Package Barcode itself is then generated based on the criteria that you have defined. As part of the software package, a shipping services file is then sent to the USPS.

This is not the case with a pre-printed label. With a pre-printed label, you are peeling and sticking the label on the package. No shipping services file is being uploaded to the USPS - unless you have an application such as E-Services.

The pre-printed label DOES meet the USPS minimum requirement that states every package must now include an IM®pb barcode. In fact, the pre-printed label does include an IMpb barcode that will provide partial IMpb benefits including:

- Tracking information such as arrival and departure info; date and time of delivery and attempted delivery

A pre-printed label does not qualify for full benefits because the mail class is not included. As a result, pre-printed labels do not receive:

- Free insurance on Priority Mail/ Priority Mail Express or Commercial Based Rates

Q: What are the IM®pb full benefits?

A: Full IM®pb benefits enhance the overall customer experience by:

- Offering status from every scan point - leading to better management of shipment expectations
- Accessing the best prices for parcel shipments with Commercial Base Discounts
- Automatically qualifying for Free Insurance on Priority Mail and Priority Mail Express

IMpb FAQ's (cont'd)

- Items with a value up to \$50 (Priority)/\$100 (Priority Mail Express)
- Delivering a neat and clean shipping label
- Eliminating the need for multiple bar codes on a package
- Keeping compliant for future USPS® features, products, and services

Q: What is Commercial-Base pricing and how it impacted by the IM®pb requirements?

A: Commercial-Base Pricing (CBP) is a set of special discounted rates that are available to shippers who use scannable postage markings and send package data to the USPS systems electronically.

So what does that mean?

If you are using a mailing system that prints an IBI (information based indicia), you qualify for CBP since the marking that is being printed from the mailing system is scanned and that data is submitted to the USPS electronically.

With CBP there is no minimum shipping volume required to obtain the discounted rates and it applies to items with a weight up to 70 lbs. Also CBP can be applied to Mail Classes such as: Priority Mail, Priority Mail Express, First Class Package Services and First Class International Packages, Media Mail, Library Mail, etc.

As of January 25, 2015, only shipping labels that include an IM®pb will qualify for Commercial-Base Pricing. Packages with a USPS Tracking labels with pre-printed IMpb barcodes (Label 400) qualify for retail rates only.

Q: A common question asked is, will a manila envelope (8 1/2 x 11 for example) will need a shipping label?

A: The following scenarios should help provide some guidance, however for more specific rules, please refer to the USPS Postal Explorer website under Retail First- Class Mail – Single Piece at: <http://pe.usps.gov/>

- If you are sending out a First-class mail piece in the manila envelope and it is less than 13 oz and does not have any Extra Services - then the answer is NO - An IMpb is not required.
- If you are sending out a First-class mail piece in the manila envelope and it is less than 13oz and it DOES have an Extra Service applied to it, then the answer is YES - you do need an IMpb - because the requirement for IMpb affects Extra Services.
- If you are sending out a manila envelope and the weight goes over 13 oz - then the answer is YES - because that item is now considered Priority Mail and Priority Mail requires an IMpb.

HOW MUCH DO POSTAGE METERS COST?

Postage meters costs can range from as low as \$20 up to \$500 per month depending on the machines configuration and its advanced options. In addition to the machine monthly fees, there are operating costs to consider including paying for ink and other supplies which can be purchased online through various vendors.

Some key things to keep in mind when comparing meter pricing and associated fees. Here are some questions you should consider when thinking about purchasing a postage meter:



- **What's the cost of postage refills? Is it free or is there a fee involved?**
Please note that some vendors will charge you a fee, or state there is no fee if you sign up for a special program that actual requires a fee to join. Other vendors will not charge fees unless you authorize direct debit.
- **How do I get my postage funds back if I return my meter?**
Each vendor has its own policy. Make sure that there's no minimum balance required.



DETERMINING MAIL VOLUME:

1) HOW MUCH MAIL DO YOU SEND EACH MONTH?

Mailing equipment is designed for specific usage levels. This is important for four reasons:

1) Service

The performance of the unit could decrease if the machine is used far above these recommended volumes. Determine whether you need a technician to come to your business to service your equipment or you prefer “depot” service where you ship back the damaged machine and get a replacement one.

2) Over Buying

If your volume is much lower than what is recommended, you could be paying more than you need. Carefully review the options available on the model that closest matches your volume needs and be sure to avoid any options that you won't use.

3) Under-Buying

If your volume is much higher than what is recommended for a specific meter, you could be paying more for ink than the machine is designed for, and processing mail will be much more costly and time consuming. Options offered with equipment vary. After you select the meter you want, keep in mind that not all machines can be upgraded to add features you want after your original selection. So it's important to select a machine that not only fits your needs today but also meets potential future needs. Upgrading your equipment is not always possible because of the design.

4) Productivity

All units are designed to process a specific mail volume efficiently. If volumes are too high, it may not be productive to tie up labor with a slower system. If volumes are too low,

the unit may be too complex for the needs of the application.

2) MACHINE SPEED

How fast do you need the system to process mail to make it efficient?

The manufacturers provide the rates of speed of the unit and show how many envelopes can be processed in one minute. For comparison purposes, it makes sense to select equipment in the same speed range.

The speeds listed by the manufacturers may be different from the actual speed once you start using the meter. The advertised speed of an entry-level postage meter, for example, will decline significantly if you weigh each piece of mail prior to processing.

3) ENVELOPE FEEDING AND STACKING

Should you upgrade to an automatic feeder?

One of the most important aspects of a postage meter is how mail is fed through the machine. There are a number of options based on speed and manual effort.

Manual

Most basic low volume units feature a push in/pull out feature. The speed range is 15-25 pieces per minute per manufacturer specifications.

Hand Feed

Push from the left and the machine feeds it through the unit. Low and mid volume unit's speeds range from 25 to 65 pieces per minute. Practice makes perfect with this type of meter, as a skilled operator can quickly process mail in a rush situation.

Feed Directly from a Folding Machine

At the higher end of low volume units, there are options to have the mail fed directly from a Folder Inserter. This option provides maximum speed and efficiency for occasional large mailings and invoicing.

Automatic Feed

Put a pile of mail onto the stacker and the machine will pull each envelope into the unit. These units are much easier and faster than hand-feeding and are designed to process higher volumes. Lower volume units will require the operator to use sight guides to set the mail, where high volume units will have automatic alignment. Automatic alignment is especially helpful when you have an internal scale system as it lets you run different size and weight letters and flats together. Most high volume Automatic Feed Systems have this option.

STACKERS:

Mailing systems offers trays or a motorized conveyor stacker to collect and stack processed mail. There are three options, each offering a different level of stacking capacity:

Catch Tray

The catch tray is the most basic collector of processed mail. It physically attaches to the right side of the mailing system. It offers the smallest footprint, but holds the least amount of finished mail.

Drop Stacker

The drop stacker is a higher capacity catch tray that is mounted to the end of a table and sits lower than the table top. This offers a greater envelope stacking capacity, while still maintaining a small footprint. It is open on its front for unloading.

Motorized Conveyor Stacker

The Motorized Conveyor Stacker, a motorized envelope stacker with a conveyor belt, offers the highest level of mail processing efficiency. It provides the greatest envelope stacking quantity, while reducing the amount of interventions.

4) ENVELOPE SEALING

Do I need the system to seal envelopes and how are they prepared prior to processing? And how easy are the sealer parts to access and maintain?

LOW-END

It can be very time consuming to seal envelopes manually. All mailing systems in the mid and high volume category will have sealing standard and it is an option on many in the low end volume.

Moisteners

Also many entry-level machines include a moistener that does facilitate faster completion when sealing envelopes.

The main question with sealing systems is how the mail needs to be prepared prior to being sealed. This is especially important with Automatic Feed systems that process large quantities.

HIGH-END

Flaps Closed Sealing

The flaps are down just like they came in the box of envelopes. The system will open the flap slightly and have it run under its brush/sponge to wet the piece. Because it is trying to seal every piece, it is important to check that you do not have envelopes that are already sealed because they could rip or get jammed.

Pieces sealed prior to processing should be run together with the sealer turned off.

Flaps Open Sealing

Flaps open means that the envelopes flaps are stacked on top of each other. This option is only available with high volume automatic feed machines and is becoming much less popular. The benefit of this type of sealing system is you can run sealed and unsealed mail together.

Flaps Open and Closed Sealing

Some high volume automatic feed mailing systems can seal envelopes with the flaps open or closed. This is great flexibility for companies with different types of mail coming down from multiple departments.

Access to Moistener/Sealer Parts

Sealers and moisteners on all machines require occasional cleaning, and eventually replacement parts for the sponges and brushes. Machines vary in how easy it is to access these parts. Machines designed with uncomplicated access to the sealer parts make maintenance a quick and simple task.

5) METER TAPES

Do you send large packages regularly?

There are times when you will need to send mail or packages that are too thick to fit into the machine. All vendors provide meter tapes that can be run through the unit. As a rule of thumb, the bigger the unit, the less expensive the tapes become because they are bought in higher quantities.

Strip Tape Sheets

Low volume mailing systems will use tape sheets that are run through the machine like an envelope. These tape sheets have 2 to 4 places to print postage. These tapes are

self-adhesive and easy to apply. Cost per tape (per imprint): \$.05-.13

Strip Tape Dispenser

Most mid and some high volume units will have a separate tape dispenser where they can be created at the touch of a button. These tapes come two to a strip that is perforated in the middle and can be rerun again on the other side. Strip tapes are self-adhesive and easy to apply. Cost per tape (per imprint): \$.06-.08

Roll Tape

Many mid/high volume automatic feed mailing systems will have a roll tape dispenser that will cut the tapes to the proper size. This is easier than needing to load tape strips into a dispenser and rerun the back side to maximize their use. Self-adhesive cost per tape (per imprint): \$.02-.04. Note that some high volume units will have an option for gummed back tape that comes out wet and the cost per tape is about \$.01.

6) WEIGHING

How are you going to weigh and rate different sized pieces?

Most mailing systems come with a connected scale. They make it easy to calculate the right amount of postage and will have most USPS rates.

2 - 10 LB Scale

These are the most common scale sizes. Many are built right onto the mailing system for space savings and simplicity.

15 - 149 LB External Scale

These are for entities that have larger package weighing requirements. Or simply use the scale for multiple carriers in addition to the USPS.

Optional Internal Scale (also known as Weighing on the Way)

This is a useful option for entities that process a lot of mixed weight mail. The different size and weight pieces can be placed on the feeder and the unit will pull them in, assess their size (to determine if they are a letter or flat), weigh, rate, seal and meter the piece in one operation. This is much faster and more accurate than weighing and rating each piece and is available on many automatic feed mailing systems.

Differential weighing

With differential weighing, you simply place mixed weight mail on the weighing platform, remove an envelope one at a time and the correct rate is calculated. Each time an envelope is removed from the weighing platform in differential mode, the power feeder starts and is ready to process mail. This is a time saving and productivity boosting feature available in both low and high end units.

7) DO YOU NEED TO TRACK MAIL BY DEPARTMENT OR COST CENTER?

Many companies need to track their postage expense so it can be charged back (or attached/linked) to departments or cost centers. This means they need to know how much each group is spending. Here are specific accounting questions:

- How many accounts do you need to track?
- Do I need consolidated reporting?
- Are you only looking for a month end summary?

- Do you need the details of every transaction?
- How do you need to access the data?
 - » From the screen of the mailing system
 - » Printed on a meter tape?
 - » With a connected printer?
 - » Having the machine connected to a PC or laptop?
 - » Accessed from the vendors website?

8) CONNECTION INFORMATION

The newest meters use network and Internet connections for day-to-day functions such as adding postage to your account and for one-time conveniences like downloading all rate changes. With some postage meter vendors, the machines require constant connection to operate all mailing processing. Other vendors require you to connect only when needed and store data locally on the machine so you are able to process the mail without being connected.

As an example, if your meter is required to be connected at all times, your mail processing will come to a halt if the network connection is disrupted at your end, or at the vendor's server location.

**TIP**

This also impacts the time it takes to reset your system if you need to turn it off and reboot. Some systems can take as long as 15 minutes, and other are as quick as a few minutes. This is another area to ask about when considering the options.

9) SPACE REQUIREMENTS

Can the system fit in my space?

When deciding on a mailing system, it is a good idea to check your space requirements prior to ordering. In a small office environment, footprint counts.

10) WHAT IS THE TOTAL AMOUNT YOU WILL PAY?

What is the total amount you will pay?

There are several items you need to look at regarding the price of the unit.

Buy vs. Lease?

Most business lease their mailing equipment because all of the services are included in one payment. This is a recommended option for low and mid volume units but High volume should consider both options.

What is included?

Make sure to know the pricing on the following, and if they are included on the lease:

- Equipment
- Installation
- Meter Rental
- Meter Resets
- Postage Advances
- Maintenance
- Postal Rate Change
- Spare parts

What is the cost of supplies?

This is typically meter ink and tape but could also include print head replacement.

What are the added fees and terms?

You should look at the cost for late charges, finance fees, loyalty plans and vendor replacement insurance.

How long is the offered price locked in for?

What is the expected price increase if I renew my contract automatically?

This important question could lead you to opt for a longer term agreement with a fixed price rather than a short term commitment with a 20% increase on year two.

**TIP**

Mailing system vendors have different fee structures. The fees can vary from one time simple ones for property taxes to charges for updating postage funds every time.

OTHER MAILING EQUIPMENT

Refer to the chart on the following page to better understand the 14 different potential fees that can be charged so you'll have a complete picture of the total costs.

Mailing systems vendors provide additional products to enhance the complete mailing process. Below are a few examples:

Folder/Inserters

These machines automate the folding and stuffing of envelopes quickly, easily and productively, eliminating the need to do all the work by hand.

Tabbing Systems

When you need to send mail that doesn't use an envelope, tabbing is the solution. A tabbing system is an inexpensive alternative to envelopes, sealing newsletters, brochures, and documents with adhesive or wafer tabs.

Mail Management and Shipping Software Solutions

Shipping software solutions to properly organize your outgoing communications. There are three main categories of products: Output Management Solutions, Shipping Solutions, and Mail Preparation & Address Hygiene.

Address Printers

Office-based desktop address printers put a professional finishing touch on your business mailings. The ability to print message lines in color can eliminate the need for preprinted envelopes, and printing delivery point bar codes can substantially reduce your postage costs.

FEE CATEGORY	Service Category	Vendor 1	Vendor 2	Comments
Annual Account Access Fee	Postage Billing	Yes	No	Customers pay for this program that provides priority annual statements and priority routing when calling Customer Service. Many vendor's Customer Service Departments are located outside of the USA but not all. Be sure to ask each vendor.
Enhance Rewards Fee	Postage Billing	Yes	No	Membership fee to get rewards on your purchases with your vendor.
Finance Charges	Postage Billing	If Applicable	If Applicable	Interest accrue on the outstanding balance on customer account after the due date.
First Rental Invoice	Meter Rental Billing	Yes	No	Some vendors charge a prorated amount show on a complicated invoice that explains that your new meter was not installed the 1st of the month.
Interim Rent Charges	Lease Billing	Yes	No	Interim rent is the billing charge for the time between the installation date and the start date of the lease.
Late Fee	All Billing	If Applicable	If Applicable	Only applicable if your payment is late
Meter Refill Charges	Meter Rental Billing	Yes	No	This charge is accessed for refilling your meter (\$7.99 and up) this charges does not apply to Neoposts new meters.
Over Limit Fee	Postage Billing	If Applicable	If Applicable	Not applicable when you stay under your line of credit (\$700 a month with small bussiness equipment)
Postage Rate Change Fee	Rate Change Billing	If Applicable	If Applicable	Newer equipment comes standard with rate change included.
Postage Advance Transaction Fee	Postage Billing	If Applicable	If Applicable	This fee will be accessed only if you need a vendor to pay the postage for you, i.e. for direct mailing expenses, as a "bridge". You can then pay for postage after the mailing has been sent.
Property Taxes	Lease Billing	Yes	Yes	A standard unavoidable business fee
Reclear Fee	Postage Billing	If Applicable	If Applicable	If your check doesn't clear, the bank will charges the vendor and this cost is passed on to cover administrative costs.
Rental Rate Changes	Meter Rental Billing	Yes	No	Check the fine print of your contract. Be aware that some vendors add a clause 'this price is valid for 1 year only' which will allow your rentals rates to be increased after 1 year.
Value Insurance	Lease Billing	If Applicable	If Applicable	Not needed if you have proof of insurance coverage that protects the leased equipment from loss, damage or destruction.

CONCLUSION

Ready to make a decision?

Having read this far, you now appreciate that there are many questions to ask and lots of different things to know to make sure you make the right choice when selecting a postage meter for your business.

The information provided here is portable so please keep this guide handy when you're considering the different mailing system options. In fact, the appendix that follows includes a printable "cheat sheet" that you can fill in with your specific mailing needs so the questions you'll ask will be tailored to the solution that best fits your business. Armed with these resources, getting the right mailing system will be a hassle-free process.

Best of all, with an efficient, convenient postage meter in place, you can focus more on running your business successfully.

APPENDIX

GLOSSARY

Actual postage meter

The actual “meter” is “a little black box” inside the mailing machine which securely holds the postage funds (see picture on page 8).

Ad slogans/Logos

Postage meters have the ability to print an ad slogan or a company logo next to the indicia. These optional enhancements are available directly from the vendor. An ad slogan or company logo on the mailing envelope is a unique opportunity to spread a marketing or branding message.

Auto-on Scale

The scale turns on automatically with the meter.

Batch Mail Processing Speed

How many letters per minute a machine can process.

Certified/Registered Rates

Certified and registered mail rates are included on the machines selectable postage rate menu.

Commercial Rates

Commercial rate postages are for business mailers who send mail using Priority Mail® or Priority Mail Express® with digital mailing systems that generate an IBI (Information Based Indicia) and submit data electronically to the USPS®. These rates are discounted off of the retail rates. Currently, average savings of 15% are available for Priority Mail. And for Priority Mail Express average savings of up to 33% are available.

Connectivity Postage Uploads

The different ways to add postage to the meter: downloading through a phone line, PC, or LAN network.

Departmental Accounting

For businesses with multiple users, each user area or department can be set up to track just their postage for reporting and billing purposes. Differential Weighing - A postage meter feature that allows you to place mixed mail pieces on the scale or weighing platform and print the correct postage as you remove each individual piece. This feature enhances mailroom efficiency by increasing the processing speed of mixed weight mail and parcels.

Differential Weighing

A postage meter feature that allows you to place mixed mail pieces on the scale or weighing platform and print the correct postage as you remove each individual piece. This feature enhances mailroom efficiency by increasing the processing speed of mixed weight mail and parcels.

Downloading postage

Postage funds can be downloaded from the Internet or with a dial-up connection and be available immediately for processing mail. Sometimes the download takes less than a minute.

Envelope Sealing

Many postage meters include sealers in the machine that seal the envelopes after the postage has been applied.

Glossary (cont'd)

Indicia

Postal markings that are imprinted on mail or on labels to be affixed to mail. It's the postal mark located on the upper right hand corner of envelope that includes the sent from location and postage amount.

Mail Feeding Capability

From manual (or Front Load "punch card" style) that imprints one letter at a time to an automatic feed for large batches.

QR Code

A Quick Response code is a type of 2D bar code that is used to provide easy access to information through a smartphone. The smartphone's owner points the phone at a printed QR code, and a barcode reader app opens to interpret the code, which typically contains a call to action such as a product offer on a micro site or sales information.



Rate Wizard

A step-by-step guide on the postage meters screen takes you through the process of selection, best shipping method, and lowest rates. With a few keystrokes the correct postage is selected and imprints directly on the mail piece. A wizard ensures accurate postage is applied for the different size, class, and weight of your business mail.

Tabbing

Tabbing machines are provided by postage meter vendors to help automate placing "tabs" on folded mail that doesn't go into an envelope. The USPS has regulations for the size and placement of tabs on mailpieces. Vendor provided equipment is an efficient way to ensure your mailing process meets all the rules and regulations.

Weighing Options

Machines come with built in scales to handle from 2 to 70 lbs. their customers.

BUYERS “CHEAT SHEET” QUESTIONS TO ASK FORM

Needs Assessment: Answer these questions about your specific mailing needs to help narrow down the type of mailing system will work best

Recommended Mail Volumes

What type of system is needed based on your current and projected mail volumes?

Machine Speed

How fast do you need the system to process the mail to make it efficient? How many envelopes per hour? Will the machine speed meet your current and future needs?

Envelope feeding and stacking

How to save feeding multiple envelopes once and stacked quickly and easily?

Envelope Sealing

Do I need the system to seal envelopes and how are they to be prepared prior processing? And how easy are the sealer parts to access and maintain?

Weighing

Are you going to weigh and rate different sized pieces? If yes, you'll need differential weighing, be sure to ask if it's available. Not all machines have this feature.

Postal Accounting

Do you need to track mail by department or cost center?

Connection Information

what types are available? Wifi? LAN? Analog? PC? None?

Space Requirements

What are the dimensions of the machine? Will I need an separate space to accommodate it? Can the system fit in the space I have available in my location?

Investment/Price

What is the total amount you will pay vs. the savings to be gain in cost and time annually?

Now, with your answers, you can ask the following:

QUESTIONS FOR MAILING SYSTEM REPS	Vendor #1	Vendor #2	Vendor #3
What machines are available for my mail volume?			
What capabilities do they have in terms of:			
»Speed			
»Sealing			
»Weighing			
»Connection			
»Accounting			
»Apps			
»Cost			
Additional Fees and Contract Terms			
Typical Supply Cost - Ink and Tape (Per Impression)			

ABOUT NEOPOST USA

Neopost USA provides mailing, business communications management and shipping hardware and software solutions. For generations, we have worked with our customers to prepare, deliver and manage their customer communications in the most secure, efficient, and professional manner possible. As businesses increasingly move to digital communications, we continue to help our customers communicate via physical mail, digital communications or parcels.

For more information on Neopost USA, visit www.neopostusa.com