

### THE MARKET

The physical or digital documents and mail that flow throughout the work world are primarily mission-critical business communications that help sustain our economy. These communications take many forms — billing statements, e-mails with attached reports, faxed contracts, and medical records updated with test results, to name a few. They may flow exclusively through electronic channels, travel more traditionally via the physical mail system, or both. Some communications are designed to be shared; others are confidential.



No matter what form communications take, both senders and receivers want them to be accurate, timely, and secure. The demand for business information and the need for businesses to communicate and build relationships with their customers have never been greater. Pitney Bowes has the technology and services that enable accurate, timely, and secure communications that build internal efficiency and customer loyalty for businesses of all sizes.

For more than 80 years, Pitney Bowes has earned a reputation as a global leader in the mail and document management industry with a full range of innovative products and services that help its customers cut costs, streamline operations, uncover revenue opportunities, and add maximum value to their mail and document processes.

### ACHIEVEMENTS

The strengths behind Pitney Bowes work-enhancing products and services are technology and people. Proprietary state-of-the-art encryption technology and other patented processes enable Pitney Bowes to offer safe, secure Internet-based money transactions and information transmissions. Credited with more than 3,400 patents worldwide, Pitney Bowes remains among the top 200 firms receiving U.S. patents each year.

The company has received numerous customer service, preferred supplier, and design awards as well as recognition for best practices related to diversity and the environment. In 2002,

*Business Ethics* magazine named Pitney Bowes one of the “100 Best Corporate Citizens” for the third year in a row.

Today, more than 35,000 employees support Pitney Bowes mail and document solutions for more than 2 million customers in more than 120 countries around the world.

### HISTORY

Founded in 1920 by the remarkable Arthur Pitney and Walter Bowes, Pitney Bowes opened for business with a seemingly simple, yet significant invention: the world’s first U.S. Postal Department-approved postage meter.

A tradition of innovation enabled the company to continually optimize its offerings to make mailing faster, easier, more cost-effective, and safer, providing both small- and large-sized business customers all over the world with highly advanced mailing systems that offer postal discounts as well as the ability to track and trace, all without a trip to the post office.

The company entered the new millennium as a leading mail and document solutions provider, making history with attention to the customer, excellence in product and service design and development, and quick recognition of and response to changing market needs.

Key developments in the Pitney Bowes success story include:

- April 23, 1920 — The Universal Stamping Machine Company and American Postage Company merged to form the Pitney Bowes Postage Meter Company.
- 1922–23 — The government collected \$4,339,070 in postage from the first commercial installations of 400 meters, and Pitney Bowes products began to be sold outside the United States.
- 1930s — Pitney Bowes expanded meter use by meeting the cost-saving needs of many Depression-era businesses.
- 1940 — Company income topped \$4 million with the new “R” line meters capable of printing variable amounts of postage and employees numbered 1,243.
- The War Years — Pitney Bowes received four Army-Navy “E” awards for war production excellence for 28 different products.
- 1950s and ’60s — The demand for meters grew rapidly, particularly the “DM” desk

model C. New products included folders, Tickometers, and an electric mail opener.

- 1970s and ’80s — Pitney Bowes had nearly 800,000 postage meters producing more than \$1 billion revenue and introduced electronic POSTAGE BY PHONE® technology, full lines of facsimile, copier/printers, and other computerized document and mail inserters, folders, and related products. The U.S. Postal Service collected \$8 billion through postage meter resets, representing 49 percent of their total postage revenue. Pitney Bowes Management Services was created to provide mailroom management and other outsourcing services.
- 1990s — Pitney Bowes introduced solutions that manage the secure production, routing, multi-channel delivery, and tracking of documents and Intellilink™ technology, the next generation of advanced mailing systems that capture important customer data. Pitney Bowes celebrated its millionth customer of POSTAGE BY PHONE® technology.
- 2000 — New products and services included electronic statement presentment and bill payment, and software-based tools that track and manage documents and package flow.
- 2001 — During the anthrax threats that followed the terrorist attacks of September 11, Pitney Bowes shared its expertise through a mail security campaign to address the immediate needs of customers and the public. The company divested its copier and fax business to focus on its core strengths in mailing and document management.
- 2002 — Pitney Bowes launched Intellilink™ technology globally. Pitney Bowes continued to expand its capability in the mailstream and increase its presence worldwide with strategic acquisitions, signaling an exciting new beginning for the company.



## THE PRODUCT

**Mailing Systems Equipment.** The Intellilink™ technology-based series of mailing systems offers the highest quality mail processing with data-capture capability and track and trace features at speeds to suit customer requirements. For lower-volume customers in the small business and home business sector, the PersonalPost™ meter is an economical choice.

Mid- to large-sized businesses can enhance their mailing operations with additional mailing system components that print personalized documents and matching envelopes, add preprinted sheets, accumulate and fold this material, add a business reply card, insert the completed mail piece, and seal the envelope. Pitney Bowes has solutions for physical billing that are equally effective. At the same time, Pitney Bowes equipment can significantly cut the time and labor involved in collating, folding, and inserting mail pieces. Pitney Bowes POSTAGE BY PHONE® system processes billions of dollars in postal funds with remote meter resetting capability, enabling customer efficiencies and convenience.

Pitney Bowes also offers equipment for high-volume document producers and mailers who require collating multiple pages of statements, folding and inserting them into envelopes, adding advertisements or other enclosures, addressing the envelopes and sorting them for processing, in conjunction with meters that weigh and affix postage. The new line of inserters achieves unparalleled high speeds.

**Software Products.** Pitney Bowes delivers advanced solutions for both physical and digital document processing, from creation through delivery and receipt. Pitney Bowes research has led to the development of software programs that can, for example, correct addresses and show comparative carrier rates for shipping packages, make post-processing changes and enhancements to documents before they reach print operations, and provide multi-channel delivery and electronic bill presentment and payment options.

Pitney Bowes has solutions for ordering and online fulfillment logistics that provide advanced multi-carrier shipping and transportation management that integrate data throughout the supply chain and expedite the receipt of accountable mail and packages. Also, shipping management software enables businesses to optimize small-package carrier selection, track delivery status, audit carrier performance and security, and keep every shipment “in sight” throughout the delivery process. Integrated software solutions help customers monitor processes and manage their decisions. Pitney Bowes database and marketing software programs work together to help small and large businesses do personalized marketing.

**Outsourcing and Professional Services.** Pitney Bowes provides outsourcing services that allow customers to focus on their core business by staffing and running other companies’ mailrooms and managing their records and document centers for them, including applicant screening, education and training of staff. Pitney Bowes handles the full array of customers’ document management needs and can create, produce, and distribute reports at the customer’s site or at an offsite loca-

## Pitney Bowes: Engineering the Flow of Communication™

We create value by increasing revenue, saving customers time and money, improving the efficiency, accuracy, security, productivity and profitability of their mail and document management processes, and helping them build loyalty with their customers.

Our Products and Services Become Integrated Solutions For Customers

**It starts and ends with the customer...**

tion and provide business process backup for disaster recovery to enable continuation of business during an emergency.

Pitney Bowes also shares its expertise with customers in mail and document process redesign and improvement. Pitney Bowes research helps customers achieve the highest level of security through patented technology and first class services.

**Financial Services.** Finally, Pitney Bowes offers a variety of financing options that help customers manage cash flow, costs, and productivity and acquire essential business tools and resources — such as supplies, postage, equipment, and services — more affordably. Customers can take advantage of credit accounts that enable fast, reliable, high-value Internet transactions, postage credit lines and general credit and payment management services, equipment leasing, and small business lending and credit services.

### PROMOTION

Pitney Bowes launched a major advertising campaign in 2003 to create awareness of its integrated mail and document solutions among organizations of all sizes from large enterprises to mid-sized companies to the small/home office. Pitney Bowes has a new tagline — *Engineering the flow of communication™* — that demonstrates its capability to improve the critical flow of business information by increasing the efficiency and improving the effectiveness of customer response.

### RECENT DEVELOPMENTS

An aggressive acquisition strategy has furthered the company’s global reach in Europe and the United Kingdom, Africa, the Middle East, Latin America, Canada, and the Asia-Pacific region. Ongoing technological development enables Pitney Bowes to penetrate adjacent industries that provide growth outside the company’s core business areas. With state-of-the-art Intellilink™ technology, Pitney Bowes set new industry standards for mailing systems during its 2002 worldwide launch.

### BRAND VALUES

Pitney Bowes has a heritage and values that are founded in its innovative spirit and commitment to provide its customers with real-world solutions that drive the critical business flow of communication. Throughout its history, the company has built a strong leadership position by anticipating, recognizing, and preparing for its customers’ changing needs. In the global market where businesses now compete, companies turn to Pitney Bowes for its market leadership, expert solutions and services, and consistent commitment to the success of its customers.

### THINGS YOU DIDN'T KNOW ABOUT PITNEY BOWES

- The U.S. Postal Service receives more than \$15 billion each year — 61 percent of its annual metered postage revenue — from 1.4 million Pitney Bowes mailing systems.
- Pitney Bowes products enable the processing, folding, and inserting of 100 million pages of financial credit card statements each month
- Pitney Bowes manages facilities that produce 1.7 million copies each hour. That’s more than 28,000 every minute.
- More than 6.25 million pieces of mail per day are processed by Pitney Bowes.
- Pitney Bowes Financial Services’ Purchase Power® — a revolving line of credit — helps more than 300,000 companies finance postage costs.
- Pitney Bowes invests in programs that support literacy, education, and diversity as well as employee giving and volunteering efforts in communities worldwide.