

ID MAIL SYSTEMS

Innovative Thinking

And

New Revenue Opportunity

ID MAIL SYSTEMS

If Innovative Thinking Makes You Different



It Also Makes You A Leader

ID Mail Systems

Innovative Thinking Creates New Markets

ID Mail Systems 2001

- USPS Outgoing Marketplace
 - 1st Class Letters & Flats
- Corporate Mail Center
 - Incoming Mail Sorting
 - Accountable Mail

ID Mail Systems 2006

- USPS Outgoing Marketplace
 - 1st Class Letters & Flats
 - Standard Class Flats
 - Manifest Mail Systems
 - All Classes of Mail
- Corporate Mail Center
 - Incoming Sorting & Tracking
 - Accountable and Digital Mail
- International Postal Services
 - UK, France, Germany
- International Re-mail Markets
 - 80% Use of ID Mail Systems
- Private Delivery Companies
 - Courier, Intl and Postal Dev

ID Mail Systems

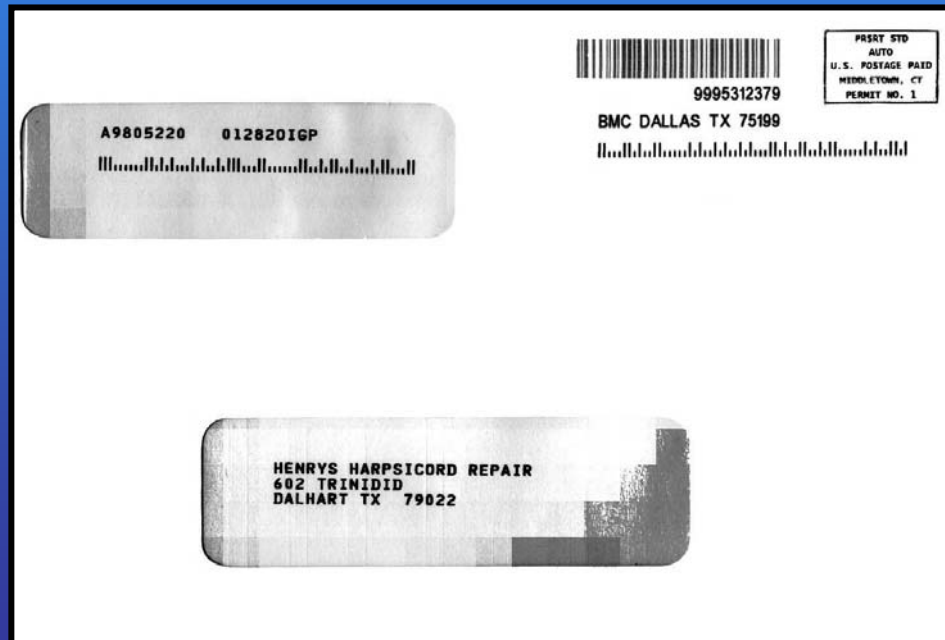
Innovative Thinking Creates New Revenues

- **Making Money on Flats**
 - 1st Class and Standard Mail
 - Manifest vs. Metering
 - Production Techniques
- **Making Money on BPM**
 - Up to .50¢ per piece or more
 - 1000/day = \$110,000/year
- **Making Money on Other Mail Classes**
 - Media, Library and Parcels
- **Making Money on Expanded Services**
 - Barcode and Tracking
 - Direct Addressing and Sorting

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Innovative Thinking Creates New Revenues

- Making Money on Flats (VAR on flats Now)
 - 1st Class and Standard Mail
 - Manifest vs. Metering
 - Production Techniques



ID Mail Systems

Innovative Thinking Creates New Revenues

- **Making Money on BPM**
 - Up to .50¢ per piece or more
 - 1000/day = \$110,000/year

ABC Presort Service – case study

1000 BPM per day via UPS

- Zone 1 & 2 - \$5.41
- Zone 3 - \$5.53
- Zone 4 - \$5.69

**Have Tracking and
Delivery Confirmation**

1000 BPM per day via USPS

- Zone 1 & 2 - \$1.89
- Zone 3 - \$1.94
- Zone 4 - \$1.99

Paying at Single Piece Rate

**Have Tracking and
Delivery Confirmation**

Assume 1lb Package

ID Mail Systems

Making Money on BPM

ABC Presort Service – case study

- Now submitted under Manifest Mail Rules
- Presort Rate
- Includes .03 barcode discount

1000 BPM per day via ABC

- Zone 1 & 2 - \$1.22
- Zone 3 - \$1.24
- Zone 4 - \$1.28

Have Tracking and Delivery Confirmation

Add \$.13

ID Mail Systems

- **Making Money on BPM**
 - Up to .50¢ per piece or more
 - 1000/day = \$130,000/year

ABC Presort Service – case study

1000 BPM per day via UPS

- Zone 1 & 2 - \$5.41
- Zone 3 - \$5.53
- Zone 4 - \$5.69

Have Tracking and Delivery Confirmation

1000 BPM per day via USPS

- Zone 1 & 2 - \$1.89
- Zone 3 - \$1.94
- Zone 4 - \$1.99

Paying at Single Piece Rate

Have Tracking and Delivery Confirmation

1000 BPM per day via ABC

- Zone 1 & 2 - \$1.22
- Zone 3 - \$1.24
- Zone 4 - \$1.28

Have Tracking and Delivery Confirmation

Add \$.13

1000 BPM per Day

$\$1.89 - \$1.22 = \$.67 \times 1000 = \$670.$

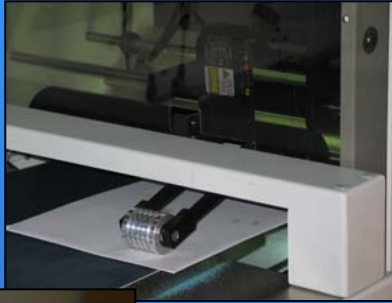
Less Labor (2 operators x 3 hours) @ \$10/hr = \$60.

Give Customer 10% Off from Single Piece Rate = \$190.

Net to ABC Presort Service = \$420 per day or \$110,000 per Year

ID MAIL SYSTEMS

Innovative Product Development



ID Mail Systems

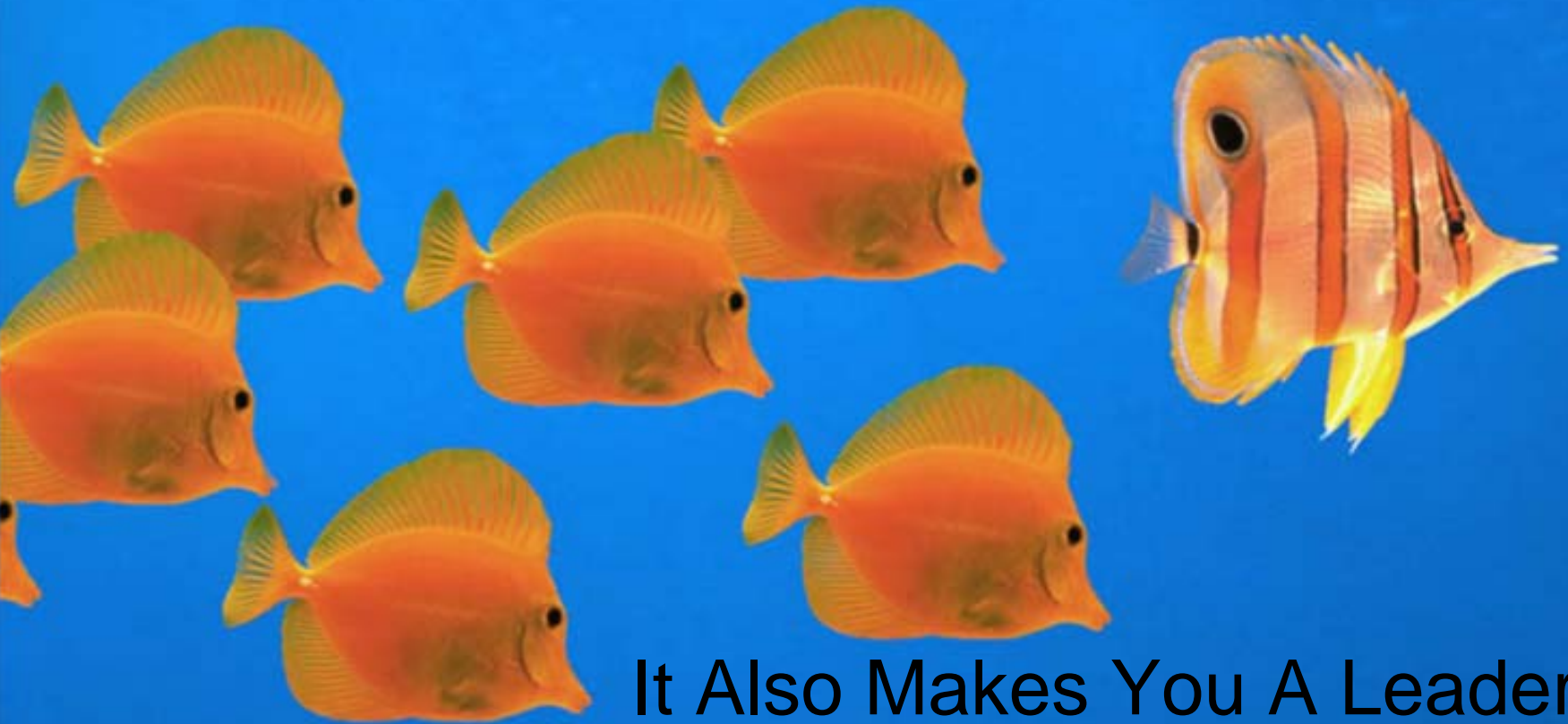
Innovative Product Development

2006

- **Dispatcher Throughput Enhancements**
- **MAX-A System**
 - Package/Parcel Sorting System
- **Manifest Mail Software Packages**
 - Media Mail
 - Standard Class Flats to Destination Entry Discounts
 - Library Mail
 - Parcel Select
 - Periodicals
- **2” Ink Jet Printer**
 - Direct Addressing
 - 4 State Barcode
 - Manifest ID
- **TL3 Sort Module Modifications**
 - New Transport Module prior to Ramp

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There Are Sharks Out There!