

TONIGHT'S MAIN EVENT:

POSTAGE METERS VS. PC POSTAGE

WHEN IT COMES TO CHOOSING A POSTAGE SOLUTION FOR YOUR OPERATIONS,
DON'T OVERLOOK THESE IMPORTANT FACTORS **BY ADAM LEWENBERG**





tonight's main event, we feature the ultimate battle between two serious contenders. In the white corner, we have the long-term reigning champion postage meter/mailing system. It has had a remarkable run since its debut in 1920. In the red

corner, we have the up and comer PC Postage, which has been experiencing tremendous growth since it started in 1999. We are going to have a fair fight and only focus on the pros and cons of each to arrive at a winner.

Round One: Ease of Use

Both are very easy to use. With a postage meter, items are placed on the scale, the proper class is chosen (they typically default to First-Class Mail, which is the most common) and the postage prints directly onto the envelope. For items too large to fit through the feeder, meter tapes are printed, peeled, and placed onto the piece.

With PC Postage, the user logs into a program or website, chooses the appropriate class, weighs the piece (or enters the weight), and generates a label from a label or local printer.

Round Two: Speed

Hands down, we have to give this to the Postage Meter. Systems can process 20-310 pieces per minute and are designed for production. With PC Postage, the labels need to be applied one by one. Also, many mailing systems will seal the envelope at the same time the item is metered, which is clearly not an option with PC Postage.

This might not sound important, but you need to think about how much postage is being done in your operation to see the actual impact. If you are spending \$100 per month in letter mail, this is most likely less than 200 pieces per month, or 10 pieces per day. Speed does not typically become an issue at low volume use. But if you are doing \$1,000 per month, this now becomes 100 pieces per day and starts to make more of an impact.

Round Three: Rating

Both contenders can do most rate structures. Postage Meters will typically have rates for discounted mailings like First-Class Mail or Standard Mail Automation where PC Postage may not. But if you are a large Priority or Express Mail user, the USPS has plus based rates (contracted with the USPS) that typically can only be found with PC Postage providers.

Round Four: Printing

Postage Meters can print an indicia in the upper right of the piece, plus a message or graphic directly to left of the imprint. Newer high-end systems can provide flexible printing across the top ¾" of the envelope where a return address can be added in one pass.

PC Postage can print either just the postage or the entire shipping label including the destination address, USPS tracking barcode, return address, and postage. They can also hide the postage amount if you do not want end users to know how much it cost to ship (typically done when you are charging the customer for shipping and handling).

Round Five: Flexibility

The postage meter is perfect for the office environment where ev-

eryone runs their own mail. Anyone can walk up to the system and quickly generate postage. The PC Postage solution is loaded on a single PC that is most likely not open for everyone to use. Even if the solution is web-accessible, any label printers and scales will typically be linked to the same PC.

PC Postage shines when people need flexibility on where their postage is generated. Since many of the providers have web-based solutions, workers can generate postage in the office, while traveling, or when working from home. Postage can be applied onto label sheets that work on almost any printer.

Round Six: Accounting

Most postage meters can track funds by department and typically have a designated number of accounts when the machine is installed. Lower-end units will be able to give you a summary only of how much postage you have spent over a period of time. Higher-end systems can give you detail of the specific transactions that you processed.

PC Postage provides transaction level reporting and can give you much more information based on how the item was sent through the system. It can provide the sender's address, tracking number, and a direct link to see delivery status all in one place. Keep in mind that to get this level of detail, this information needs to be entered up front when the piece is being processed. This would be tedious for simple letters but helpful when doing packages.

Round Seven: Space

Typically, companies making decisions between the two are looking at smaller end mailing systems that are relatively compact. The size difference between a low-end postage meter, and a label printer and scale from a PC Postage provider will be negligible. Larger mailing systems will take up more space but are designed to handle larger volumes than would typically be recommended for PC Postage.

Round Eight: Postage Payments

Postage Meter providers will all allow you to prepay postage into an account, have it pulled directly from your bank accounts, or advance you funds. Some low-end systems also accept credit cards. The advance option is very popular and the fee may be included inside your lease agreement. Keep in mind that this form of payment is similar to a credit card in that it charges hefty fees if bills are not paid on time and in full.

PC Postage can have funds pulled directly from your bank account, can link to your CAPS account with the USPS, or be paid via credit card. Most customers will choose the credit card option because of the flexibility and simplicity it provides.

Round Nine: Investment

Postage meters start at around \$20 per month on special promotions and can grow to over \$1,000 based on speed and options. Agreements are typically all-inclusive including a base unit, scale, meter, service and rate changes. You need to make sure you are getting the right solution and not overpaying for speed or features you can live without.

	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	2-100 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

PC Postage runs anywhere from free for limited feature systems to \$35 per month for a premium package designed for shipping. To purchase the peripherals, label printers will run \$80-400, and scales will cost \$50-150.

Round 10: Supplies

Meter Tapes/Labels: To do a true comparison, we have to look at what it costs to print the postage only from both options. Postage meters run from \$.01-\$.13 for tapes. The higher prices are for lower volume systems where supplies are purchased at smaller quantities. PC Postage labels range from \$.03-.07 each.

Ink: Postage meters will also have a charge for ink of \$.003-.06 per impression. Most PC Postage Thermal Label Printers will not have an ink cost. Also, if label sheets are run on local printers, the cost should be negligible because it is spread over 24 labels.

Make sure you know the supply cost for the model you are looking at prior to entering an agreement.

Final Verdict: Draw

The judges cannot come out with a clear cut winner because it depends on the application of what you are sending. If you are doing high volumes of letter mail, in an office environment, with lots of people, the postage meter is the clear winner. If you are focused on packages and want the flexibility of printing the address and barcode in one pass, PC Postage is your clear solution. Other than that, it depends on the pros and cons of each solution to know what will work best with your application.

The information in this article is based on publicly available information on the vendors and services listed above. The commentaries discussed are opinions and are not endorsed by any of the vendors in this space.

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