

SIMPLE SECRETS OF SMALL BUSINESS SUCCESS

Volume 1: Shipping and Mailing

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Mailing and Shipping Solutions

To Post Office or not to Post Office? That is the question. Internal mailing and shipping capabilities have become an invaluable addition to offices small and large. The tricky part? Selecting the most cost-effective and convenient solution for your business.



Two Choices – the Post Office[™] or your office.

For USPS mailing and shipping, you basically have two choices – take your letters and packages to the Post Office and have them apply the postage and USPS special services. Or, print and apply your own postage with an in-house metered mail solution. Some metered mail solutions even give you access to USPS special services. The obvious advantage of a metered mail solution is the ability to manage your mailing and shipping without having to take time to go to the Post Office. Since most of you already know first-hand what going to the Post Office is all about, in the following pages we'll concentrate on your choice for metered mail solutions.

FACT: One 45 minute trip to the Post Office each week for an employee making \$15 an hour will cost your company \$45 per month.



Printing Postage Your Computer vs. a Postage Meter

There are basically two ways to legally print postage in the United States – using your computer or using a postage meter.

Postage meters are postage printing machines that are linked directly to the United States Postal Service. Using a phone line, postage meters are loaded with a specified amount of postage. To print postage, users enter the postage amount and insert an envelope or label into the machine for printing. Postage meters are usually leased under a long-term contract.

Printing postage from your computer requires a postage-printing software (free from most providers) along with a standard printer and internet access (linking the computer to the United States Postal Service). Within the software, users can calculate the exact amount of postage and print on labels, envelopes or plain paper. The software will also allow users to add special services such as Certified Mail®, Delivery Confirmation $^{\mathsf{TM}}$ or Return Receipt®. The software can also import and print delivery addresses from most computer address books.



- Eliminate trips to the Post Office®
- \bullet Small businesses that use a meter solution are up to 18% more productive than those that don't
- Print exact postage every time, saving up to 20% a year in postage
- Metered mail may be delivered faster
- Metered mail looks more professional

Which metered mail solution should you choose?

Before beginning your research, you should answer these questions:

- Do you send mostly packages, envelopes or both?
- How often do you go to the Post Office? How much money is this costing you?
- Is it important for you if your mail has a professional look?
- Do you want to manage your costs by tracking postage expenses?
- Do you want to promote your business while mailing and shipping?
- Do you send high volume mailings (more than 500 envelopes at a time)?
- Do you need special services like Insurance or Certified Mail with Return Receipt?
- Do you send International mail?

On to the detailed comparisons...

Postage Meters

Postage Meters provide you with a convenient, easy way to print postage for all mail services except periodicals. Services include First-Class Mail®, Priority Mail®, Express Mail®, Package Services, International Mail, Presorted First-Class Mail Services.

Postage Meters are a great solution when you need to send high volume mailings. Postage meters also support presorted first-class mail services if you are mailing more than 500 pieces at once. This can save you a lot of money. However, you will still need to apply to the United States Postal Service for a permit to be able to use bulk mail rates.

Postage Meter Hardware Add-ons

Some postage meter models may have semi-automatic or automatic letter feed, envelope sealers, stackers, tape dispensers and fast printing speeds. Be careful with low-priced postage meters since they usually don't include the necessary add-ons for full functionality such as the feeder, sealer, stacker and tape dispensers which can be purchased separately. Price range varies but they are usually several hundred dollars.

Printing Addresses with Postage Meters

Unlike software-based postage printing, postage meters won't print the address on your mailpiece so you will have to print address labels first. To make the process easier, you can buy a label printer which usually costs between \$100 and \$300.

Postage Misprints

As with any other system, mistakes can happen and you may misprint postage. With most postage meters, you will need to go to the Post Office to get a refund of your money.

Tracking your Postage Spending

Some postage meters have accounting codes that allow you to track spending. These are great to track spending by client, department or cost code. There is a limited amount of codes available and there may be a surcharge for enabling additional codes.

Fitting Large or Odd-Shaped Packages into a Postage Meter

When sending packages or odd-shaped mail, it is not always possible to print the indicia directly onto the mailing piece. In these cases, strips of adhesive paper, called tape, are fed through the meter and affixed to the package. If you will be sending packages, it is worth getting a base that has a tape dispenser.

Postage Meters

Special Offers

When signing up for a free trial, keep in mind that postage meter vendors may ask you to purchase a certain amount of postage up front. They may also charge you for shipping and handling charges for both delivery and return of their postage meter after your lease is up. Be aware, it sometimes takes a few weeks to receive your meter.

The Contract

When considering a postage meter, spend some time reading and understanding the contract. These contracts can be exceedingly complex and will usually require you to keep the service for multiple years. As with any long-term lease, significant cancellation fees will apply if you cancel before your contract is over.

Here are a few items you should take into consideration before signing the contract:

- **Special ink cartridges** these can cost up to \$0.10 per print. Look on the box or online at the number of impressions your cartridge is expected to yield and divide by the cost.
- Scale rentals and extras Beyond the postage meter, there are a range of additional pieces of hardware that you may be charged for. For example, the scale.
- Equipment insurance, shipping and handling and maintenance agreements these additional fees may be added to your monthly bill and can add significantly to the total cost. One-time fees include shipping costs for delivery and/or replacement of the meter (approximately \$25). Monthly charges include equipment insurance (up to \$12 per month, which you don't have to get from them, but they make it more difficult to use someone else's).
- Reset fees Reset fees are "processing" or other charges added to the amount of postage you buy. For example, if you load \$200 into your postage meter, there is often a \$5-10 fee that is charged on top of the postage.
- Charges to update postage rates and other software maintenance agreements Many postage meter companies charge you to change the postage rates when rate increases occur. Most postage meters won't work after a rate increase unless you have done the "software upgrade."
- Automatic annual price increases Many postage meter companies will raise your rates every
 year depending on how much postage you used in the prior year. So verify that the price you are
 being offered will be locked in for the life of your contract.
- Charges for a company logo or seasonal images If you want to print a logo or other message
 next to your postage, meter companies will charge you up to \$95 per image. Keep in mind that
 adding a logo or image will increase your ink costs.

Software-Based Postage Printing

Software-based postage printing allows you to print postage and manage all your mailing and shipping needs using your existing Windows-based computer. You just need the software (which you can download for free from Stamps.com), a PC and an Internet Connection (dial-up or higher).

Unlike Postage Meters, software solutions allow you to print postage and addresses on various types of labels, directly on envelopes, or even on plain paper.

The software will connect you via internet to your Postage Account. When you print postage, the postage amount will be deducted from your account. There's no surcharge. You just pay a low monthly service fee. NOTE: The amount of money you save in time every month is usually much greater than your monthly service fee.

Benefits

Software-based postage printing solutions provide you with a convenient, easy way to print postage for all mail services except periodicals. Services include First-Class Mail[®], Priority Mail[®], Express Mail[®], Package Services and International Mail.

Print Postage and Address in One Step

Software-based postage meters allow you to print both the indicia (postage) and address at the same time. They also use the USPS database to validate your delivery address to ensure fast, accurate delivery. Software solutions can even send an email to the recipient to inform them that the package is on its way.

Delivery Decisions Made Easy

Software-based solutions like Stamps.com even gives you an estimate of the delivery time for all available USPS services. This helps to make the most cost-effective shipping decisions.

Auto-Integration with Most Address Books

Software-based Postage Meters also import delivery addresses automatically from your MS Outlook and many other popular address books and contact management software. You can add or edit addresses anytime. With some vendors like Stamps.com, you can even print postage directly from MS Word, Outlook and Corel WordPerfect.

Electronic Refunds for Postage Misprints

As with any other system, mistakes can happen and you may misprint postage. Unlike postage meters, you don't need to go to the Post Office to get a refund of your money; you can just do it electronically.

Software-Based Postage Printing

Tracking Your Postage Spending

Software-based postage solutions have accounting codes that allow you to track spending. Codes can be used to track spending by client, department or cost code.

Special Offers

When signing up for a trial, you can start printing postage right away. Companies sometimes offer you free postage and a free digital scale to get you started.

No Long-Term Contracts

Software-based postage printing vendors do not require a multi-year agreement. Unlike postage meter agreements, you can cancel the service anytime. There is only a low monthly subscription fee to access the service but there are no additional costs like postage surcharge or special supplies required.

No Proprietary Inks

Software Postage Meters use the standard ink used in your desktop printer and ends up costing about \$0.001 per print. There is no need to buy special inks.

Postage Rate Increases

Unlike postage meters, software-based solutions will update postage rates at no extra charge.

Special Services

If you frequently use Certified Mail® and Return Receipt® forms, a software-based postage solution simplifies the preparation of the forms. Instead of filling out the Certified Mail form and the Return Receipt "green card" for each piece of mail, you use a custom-designed one-piece form to print your postage, addresses, the Certified Mail receipt and the green card all in one step.

Some companies like Stamps.com also allow you to print all the USPS mail classes and get access to FedEx services right from your account. Whether you have an existing FedEx account or want to start a new one, you can use your existing address book and take advantage of discounted services.

If you send International mail, some software solutions like Stamps.com have automated custom forms that make the process easier.

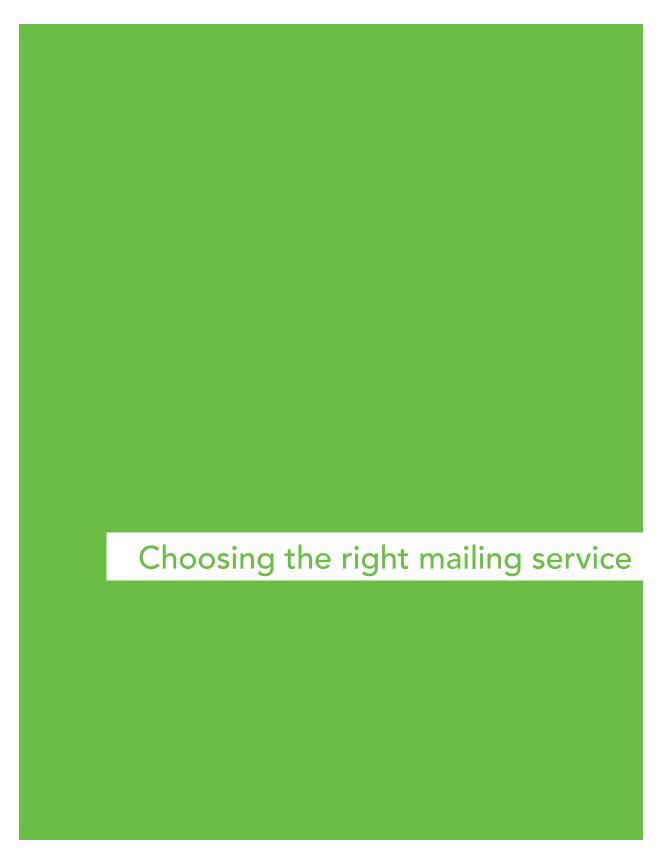
Software solution also offers discounted insurance without requiring you to drop the package at the local Post Office. If insurance is important to you, a software solution is the way to go.

Summary - Which postage printing solution is best for you?

If you send low/medium volume of mail (less than 500 at once) and a few packages, a better option for you may be a software-based PC postage printing solution.

If cost is a very important factor or you send International mail or use special services like Certified Mail with Return Receipt or Insurance, you may also want to consider a software solution.

If you send very high volume mailings (more than 500 at once) and prefer a semi-automated or automated system that will even seal the envelope, consider a postage meter. It is much more costly, but may be worth it with the amount of mailing you do.



Choosing the Right Mailing Service

Choosing the right USPS service to send your letters and packages can be a confusing task. What size package can I send with what service? How fast will my package get there? What will it cost? These are all good questions. Hopefully the chart below will offer some good answers. In fact, you may even find services you didn't even know existed, but may be perfect options for you. In addition, the following pages of this section will break down some of the most popular USPS delivery services so you can more easily choose the most efficient delivery option for your needs.

SERVICE	SHAPE	CONTENT	SPEED	COST
Express Mail	70 lbs or less	Any mailable item*	1-2 days money back guarantee	\$\$\$ based on weight
Priority Mail	70 lbs or less	Any mailable item*	2-3 days (average)	\$\$ based on weight and distance over 1 lb.
First-Class Mail	13 oz or less	Any mailable item*	1-3 days	\$\$ based on weight
Parcel Post	70 lbs or less	Merchandise and gifts	2-9 days*	\$ based on weight, distance and shape
Bound Printed Matter	15 lbs or less	Permanently bound printed material	2-9 days*	\$ based on weight, distance and shape
Media Mail	70 lbs or less		2-9 days*	\$ based on weight

^{*}Certain hazardous materials are excluded.

^{**}Except Alaska and Hawaii.

Priority Mail vs. Express Mail: What's the Difference?



Priority Mail and Express Mail services are two of the most popular USPS mail classes. But what are the differences between the two services? And which one is right for you?

Express Mail guarantees delivery by noon or 3:00pm next-day to most U.S. locations. Priority Mail is delivered in an average of 2-3 days (without any guaranteed delivery times). Priority Mail is often delivered the next day if sent within the same postal zone. You can send both letters and packages using the Express Mail and Priority Mail services.

Express Mail is automatically insured against loss for up to \$100. Priority Mail does not include any insurance. You can add either USPS or Stamps.com insurance to any Express or Priority Mail package. Express Mail pricing begins at \$10.40. Priority Mail can be sent for as little as \$3.85.

Both Priority Mail and Express Mail are available from the Mailing or Shipping tabs when you use Stamps.com.



Every day, businesses and individuals spend too much when they ship small packages. The least expensive way to get full USPS tracking is to add Delivery or Signature Confirmation to create a First Class "parcel"—a rigid package between 1/4" and 3/4" deep. Perfect for shipping CDs, DVDs, tickets or other important documents for which you want tracking information, but don't need Certified Mail or Priority status.

Media mail rates are based on the weight and size of your mailpiece (not the distance between your origin and destination). This makes Media Mail particularly valuable for packages being sent long distances. For example, a 2-pound package with Delivery Confirmation containing books sent from Los Angeles to Washington, DC would cost \$1.97 (8 days) via Media Mail versus \$5.75 (2 days) via Priority Mail and \$4.62 (8 days) via Parcel Post.

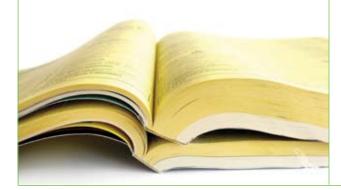
In general, the estimated delivery time for Media Mail is the same as for Parcel Post. The U.S. Postal Service does not guarantee a specific delivery time for Media Mail and thus Media Mail is more likely to be delayed en route than First Class or Priority Mail.

BOUND PRINTED MATTER

Bound Printed Matter service is a cost efficient way to mail permanently-bound sheets of advertising, promotional, directory or editorial material such as catalogs, phonebooks, advertising, promotional, directory or editorial material (or any combination of these). Volume discounts are available with a minimum of 300 pieces (50 for barcoded pieces).

Guidelines:

- Can weigh up to 15 pounds
- Sheets must be permanently-bound by secure fastenings such as staples, spiral binding, glue or stitching
- At least 90% of the sheets must be imprinted by any process other than handwriting or typewriting (they must not have the nature of personal correspondence)
- Rates are based on weight, distance and shape
- They cannot be stationery



PARCEL POST

Use Parcel Post® when value is most important. Small and large packages, thick envelopes and tubes containing gifts and merchandise can be sent using Parcel Post.

Parcel Post can be delivered to every address in the United States, including P.O. Boxes and military addresses. Saturday and residential deliveries are at no extra cost. Parcel Post packages can weigh up to 70 pounds and measure up to 130 inches in combined length and distance around the thickest part. Rates are based on weight, distance and shape. A surcharge applies to certain items including packages weighing over 35 pounds (25 pounds for books and printed matter) and certain shapes (i.e. tubes, rolls and large packages).



If you regularly send books, magazines, CDs or DVDs, then Media Mail is a cost-effective alternative to traditional mail services. You can save up to 60% on your mailing costs if your mail qualifies. Send your printed or recorded material using this service. The maximum weight is 70 pounds. Presorted rates are available for bulk quantities, with a minimum of 300 pieces.



Media mail rates are based on the weight and size of your mailpiece (not the distance between your origin and destination). This makes Media Mail particularly valuable for packages being sent long distances. For example, a 2-pound package with Delivery Confirmation containing books sent from Los Angeles to Washington, DC would cost \$1.97 (8 days) via Media Mail versus \$5.75 (2 days) via Priority Mail and \$4.62 (8 days) via Parcel Post.

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SERVICE	WHAT YOU GET	COST
Certificate of mailing	Provides evidence of mailing. Discounts are available for four or more pieces.	\$0.90
Certified Mail	Provides proof of mailing at time of mailing and the date and time of delivery or attempted delivery.	\$2.30
Insured Mail	Provides coverage against loss or damage up to \$5,000. Proof of mailing is provided for insured items.	Starts at \$1.30
Registered Mail	Provides maximum security. Includes proof of mailing at time of mailing and the date and time of delivery or attempted delivery. It is the most secure service the Postal Service offers. It incorporates a system of receipts to monitor the movement of the mail from the point of acceptance to delivery. Insurance can be added up to \$25,000.	Starts at \$7.50
Delivery Confirmation	Provides the date and time of delivery or attempted delivery.	\$0.45-\$0.55 at the post office, free when you print Priority Mail labels from www.stamps.com
Signature Confirmation	Provides the date and time of delivery or attempted delivery and the name of the person who signed for the item.	\$1.80 at the post office, \$1.30 when you print Priority Mail labels from www.stamps.com
Restricted Delivery	Confirms that only a specified person will receive a piece of mail. This service is available only if you also purchase Certified Mail, Insured Mail (more than \$50), Registered Mail or COD.	\$3.50
Special Handling	Provides preferential handling for fragile or perishable items. It must be used when mailing items such as honeybees and day-old poultry sent as Parcel Post.	\$5.95-\$8.25
Collect on Delivery (COD)	Allows the Postal Service to collect the postage and price of an item from the recipient and give it to the mailer. The Postal Service maintains the delivery record. The goods must be ordered by the addressee.	Starts at \$4.50
Return Receipt	Provides a postcard with the date of delivery and recipient signature. Must be combined with another extra service. Return Receipt for Merchandise service is also available.	\$1.75 extra at time of mailing, \$3.25 when requested after mailing.



How to Better Protect Your Shipments

When it comes to protecting the contents of your shipments, there is a custom solution for everybody. Experts will tell you, however, that the best solution comes from a combination of the following:



Bubble wrap—start with a solid foundation. Bubble wrap is an inexpensive way to provide an extra level of protection for whatever you're sending. Bubble wrap is available in a wide variety of dimensions, and can be custom cut into rolls as well.

Styrofoam—if you're sending the same product often, have a Styrofoam packing solution custom-made. Because it was cut specifically for your product, you can be sure that it will not shift while in transit.

Packing Peanuts—the most flexible way to provide interior cushioning for your box.

Short on Time? Use USPS Carrier Pickup

Not many people realize it, but anyone can arrange for a U.S. mail carrier to pick up packages or documents from their home or business — at no extra charge and regardless of the number of packages. You must have at least one Priority Mail, Express Mail or expedited International package to qualify for Carrier Pickup. Your carrier will also pick up your other packages (Parcel Post, First Class, Media Mail, etc.) if you include one Priority or Express Mail package.

Carrier Pickup can be scheduled for the next day (as long as it is scheduled before 2:00 am). Your mail carrier will pick up your packages when delivering the day's mail. If you will not be at home at the time of the pickup, you can include specific pickup instructions for the mail carrier, such as "Pick up at the side door."



Just prepare your letters and packages, print the correct postage for all your mailing and shipping, then go to the Activity screen and select the packages you would like to have picked up and click the "Carrier Pickup" button. You'll be taken to an official USPS form—just fill it out and have your mail ready to go. You may schedule advanced pickup for up to 3 months in the future. The maximum weight per package is 70 pounds. Postage must already be applied to the packages.

Flat Rate Boxes and Envelopes: All You Can Ship for One Low Price



Priority Mail Flat Rate boxes and envelopes offer a convenient way to send packages fast without having to worry about the specific weight of the contents. Box sizes are 12 x 3.5×14 " and 11 x 8.5×5.5 ".

You can put as much weight as you need into these sturdy boxes and send them anywhere in the US via Priority Mail service—all for a cost of \$7.70. Flat Rate Boxes come in two convenient sizes to handle a range of different shipping needs: boxes are available (at no charge) at your local Post Office.

The USPS also offers USPS Flat Rate envelopes. These sturdy envelopes follow the same rules as the boxes and cost \$3.85 to send via Priority Mail. They work great for sending important documents or merchandise samples.

Use the USPS Carrier Pick Up service to arrange for a mail carrier to come to your home or office and pick up your Flat Rate Priority Mail boxes.

We Welcome Your Feedback

We will be updating this guide often to add more helpful information about mailing and shipping. If you have any tips or tricks you think would be helpful to other small business owners, or if you'd like to make any comments about the content of this guide, please email us at: feedback@stamps.com