



Pitney Bowes

**"Sustainability
Happens"**

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**Pitney Bowes
will deliver
shareholder
and customer
value by providing
leading-edge global,
integrated
mail and document
management solutions
for organizations
of all sizes.**

Manage the Message

Products & services to support basic, critical customer business processes: create, manage, send and receive packages & physical or electronic mail

Manage the Money

Funds management, credit and payment solutions to help customers: manage cash flow, manage assets, transfer funds, and facilitate transactions

Manage Business Information

Products & services to support basic, critical customer business processes: create, manage, send and receive packages & physical or electronic mail



Pitney Bowes Inc

- Pitney Bowes Management Services
- Document Messaging Technologies
- Global Mailing Systems
- Information Based Solutions
 - PBFS
 - Small Business Services
- Mail Security
 - Traceable meter imprints
 - Professional mail facility management
 - Paperless document solutions



Environmental Sustainability Observations

- Mail, Messages and Documents are information
- Products, services, solutions and business models maximize the value of managed information and service
- This business direction **happens** to be aligned with environmental sustainability
- **Customers**, technology, market forces and values drive Pitney Bowes towards sustainability
- With limited exceptions, we do no market environmental or 'sustainability' attributes of our products, services & solutions

Sustainability Efforts

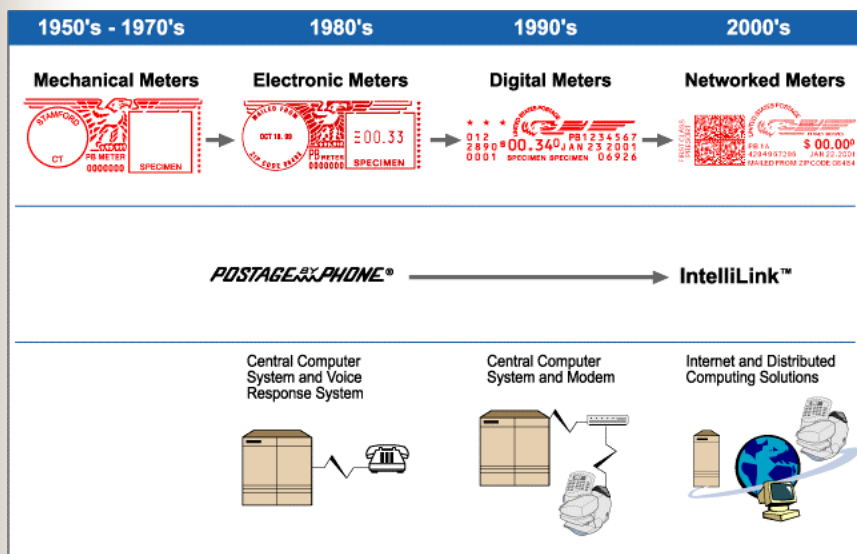
Corporate

- GPMDG
- CT Climate-Wise Steering Committee
- Sustainable Forestry Board-Customers Forum (SFI)
- Recycled Paper Coalition Board
- Green Business Network
- Supply Chain Environmental Management Initiative
- Keystone Environmental School
- DJSI/FTSE-4-GOOD

Products & Services

- Mailing Systems
- Electronic Statement Distribution/EBPP

Metering Technology Progression



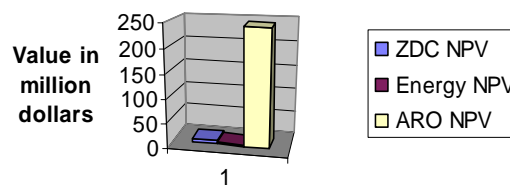
Modular Product Design

Common Components	Mailing Systems	Platform Specific Modules
 + PSD  + User Interface  + Print Engine  + Platform Scale	 DM400  DM500  DM550  DM800  DM900  DM950	DM400/500/550 Feeder Sealer  Tape Transport  Finisher  DM800/900/950 Base Unit 

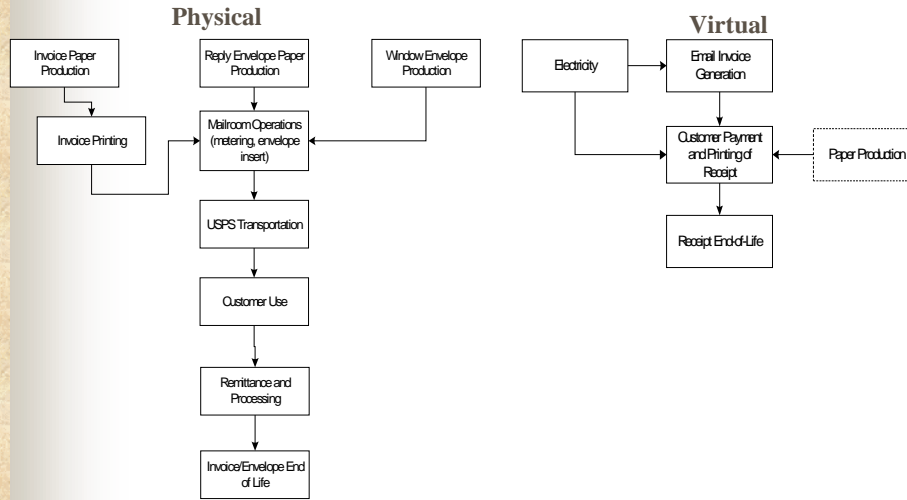
Asset Recovery Operation

- Upgrade software, rather than hardware
- Recover and extract maximum value from returned products
- Minimize transport costs through ‘distributed decommissioning’
- Finance to make leasing attractive – PB retains end-of-use control
- Develop and market ‘reconditioned’ product line & components

**NPV of CS&EA Programs
(CY 2000)**



Bill Presentment & Payment Process Flows



Based on draft white paper by Brian Glazebrook, PWC (2001)

CO₂ Footprint of Physical & Virtual Billing

	Raw Material Production	Generation and Payment	Transport to Customer	Transport to Processing	End of Life	Total	Percent reduction
Traditional Billing	13	2	1	1	-1	16	
E-Billing (best case)	4	10	0	0	0	14	
Difference	-8	8	-1	-1	1	-2	-12.17%
E-Billing (incremental, receipt)	4	6	0	0	0	10	
Difference	-8	4	-1	-1	1	-6	-37.35%
E-Billing (incremental, no receipt)	0	6	0	0	0	6	
Difference	-13	4	-1	-1	1	-10	-65.06%

Based on draft white paper by Brian Glazebrook, PWC (2001)

Mail Volume (U.S.)

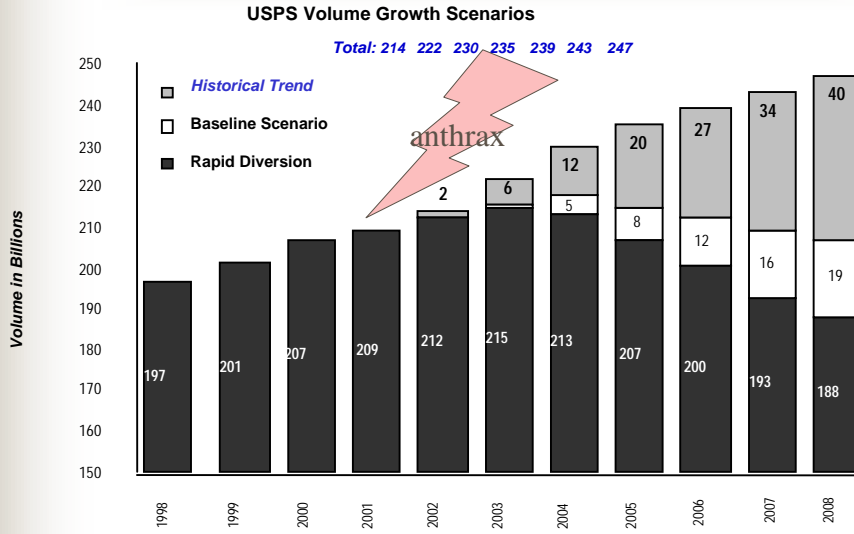
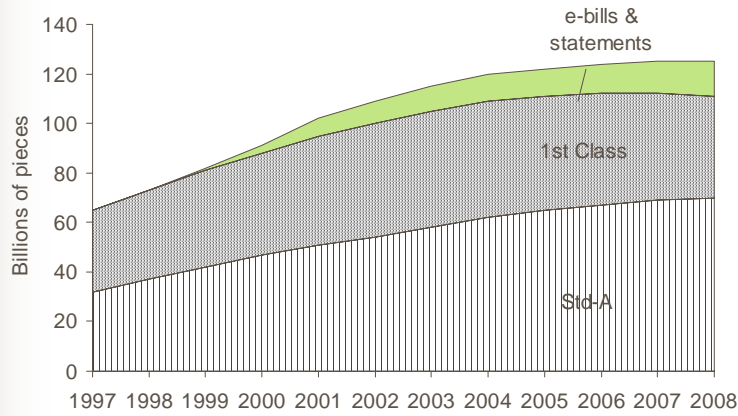


Figure 2.2.b

(Source: 2001 US Mail Segmentation Study)

Mail Volume Capable of Inserter Processing

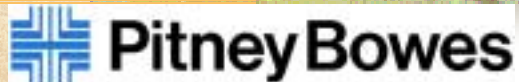
USPS consensus estimate of electronic mail diversion shows that E-bills and statements will represent about 15% of the mail that is capable of being processed on an inserter by 2008



Source: USPS & PWC 1st Class Mail Study which considers adoption rate estimates by McKinsey, Killen, Forrester, and Gartner

Pitney Bowes Strategy for Sustainability

- Corporate
 - Values driven
 - Engage markets to move towards sustainability
 - Avoid positions of competitive disadvantage
 - CS&EA integration into core business value chain
- Products, services & solutions
 - Customer focused
 - Technology driven
 - Adaptive business models
 - Maximize the value that Pitney Bowes adds/extracts
 - Less material and resources, more intelligence
 - Explore win-win revenue models



Thank You

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