New Shipping and Mailing Rates Provide Opportunities for Businesses to Save in 2017

STAMFORD, Conn., January 19, 2017 - Pitney Bowes Inc. (NYSE:PBI), a global technology company that provides innovative products and solutions to power commerce, today noted that the recent rate increases by UPS® and FedEx® and the upcoming January 22 rate increase by the U.S. Postal Service (USPS) will prompt U.S. businesses to adopt new and innovative solutions and services to optimize sending mail, flats and parcels and save money. In addition to maximizing shipping and mailing savings, businesses are seeking ways to better manage growing parcel volumes, which are expected to rise by 20 percent by 2018 according to the Pitney Bowes Parcel Shipping Index, and simplify the complexity of managing multiple carriers with different rate structures, service levels, and tracking and billing processes.

Here are a few key rate changes that could significantly impact businesses:

- ***Parcel Shipping Rates Rise Across the Board --*** Parcel shipping rates continue to rise for all three major U.S. carriers.
    - UPS increased its U.S. Ground, Air and Freight rates by an average of 4.9 percent late last year.
    - FedEx raised its FedEx Express package and freight standard list rates by an average of 3.9 percent for U.S., U.S. export and U.S. import services and raised its FedEx Ground and FedEx Home Delivery standard list rates by an average of 4.9 percent.
    - USPS will institute an average rate increase of 3.9 percent across their domestic shipping services like Priority Mail Express®, Priority Mail® and Parcel Select, on January 22, 2017.
- ***First-Class Mail Rates Increase; But Greater Discounts Available --*** While the postage rate for USPS First-Class Mail® Letters (up to 1-ounce) will increase from $0.47 to $0.49, businesses using metered mail will enjoy a rate decrease for First-Class Metered Mail from $0.465 to $0.46 today. Compared to the new non-metered rate of $0.49, that $0.03 discount represents significant savings for businesses of all sizes.

  In addition, businesses that presort their mail will also save big. The USPS' new pricing rewards mailers that prepare their mail to the finest level. By commingling mail, presort service providers are able to reach greater density and qualify for the 5-Digit rate, which helps businesses save more on postage. Additionally, mailers that presort their First-Class volume will also be able to send up to 3.5-ounce letters for the same price as a 1-ounce letter (previously same price up to 2-ounce), allowing them to include additional inserts or other pieces with no additional cost.

  * For more details on these rate changes, visit Pitney Bowes Rate Change Central at http://www.pitneybowes.com/us/postal-information.html

"In this new borderless and connected world of commerce, shipping and mailing remain critical channels for businesses to compete for and serve clients remotely and connect with vendors and suppliers," said Mark Shearer, Executive Vice President and President, Pitney Bowes Global SMB Solutions. "With rates rising each year and a projected 20 percent increase in parcel shipping volume by 2018 [1], businesses are challenged to better manage their sending operations, which includes everything an organization sends out, from parcels and overnight envelopes to bills and statements. Thankfully, there are new cloud-based multicarrier solutions available to help even the smallest shippers maximize their shipping budget to best meet their customer requirements and deliver like the big guys. For mailers, leveraging metering technology to process their mail is a no-brainer. Between the metering discount and presorting options, businesses will be able to lower their overall mailing cost and be able to do more with each mail piece."

Today, more than ever, shipping and mailing power global commerce. New technology, tools and services are available to help businesses simplify their sending operations by integrating shipping and mailing, connecting physical sending with digital systems and data, and delivering consolidated accounting and reporting functions.

Here are three recommendations for optimizing your sending operations in 2017:

- ***Simplify Sending.*** New cloud-based sending solutions can help simplify the sending of mail, flats and parcels, gain greater control and visibility into the true cost of shipping and mailing within your organization, and qualify for discounts. New sending technology can also enable your organization to:

    - Facilitate multi-carrier management, enabling you to select the best carrier for each parcel based on a simple view of service level, cost and value
    - Initiate carrier pickup in real-time from the desktop, tablet or mobile device
    - Automatically reconcile all sending charges to one account
    - Improve the package receipt process, so inbound tracking capability becomes as convenient as outbound shipping
- ***Meter your Mail.*** Using a postage meter saves 3 cents per piece for 1-2-3 ounce envelopes – up to 3.5 ounces, lowering the cost of your mail to 46 cents. This is on top of the many other benefits of metered mail, including convenience, accuracy, cost accounting, security, and payment options. The 3 cent discount also applies to mail sent using Pitney Bowes' SendPro online shipping and mailing solution, Permit Imprints and Pre-Cancelled stamps.
- ***Presort your Mail & Parcels.*** Presorting helps businesses qualify for significant postage discounts. Partnering with a presort services provider enables businesses to lower mailing and shipping costs, streamline operations and simplify financial reporting.

Pitney Bowes is committed to helping businesses of all sizes simplify their sending operations and thrive in the connected and borderless world of commerce. For more information on the latest rate changes and to learn how to simplify your sending operations, visit www.pitneybowes.com.

About Pitney Bowes

Pitney Bowes (NYSE: PBI) is a global technology company powering billions of transactions – physical and digital – in the connected and borderless world of commerce. Clients around the world, including 90 percent of the Fortune 500, rely on products, solutions and services from Pitney Bowes in the areas of customer information management, location intelligence, customer engagement, shipping, mailing, and global ecommerce. And with the innovative Pitney Bowes Commerce Cloud, clients can access the broad range of Pitney Bowes solutions, analytics, and APIs to drive commerce. For additional information visit Pitney Bowes, the Craftsmen of Commerce, at www.pitneybowes.com.

1. 2016 Pitney Bowes Parcel Shipping Index