



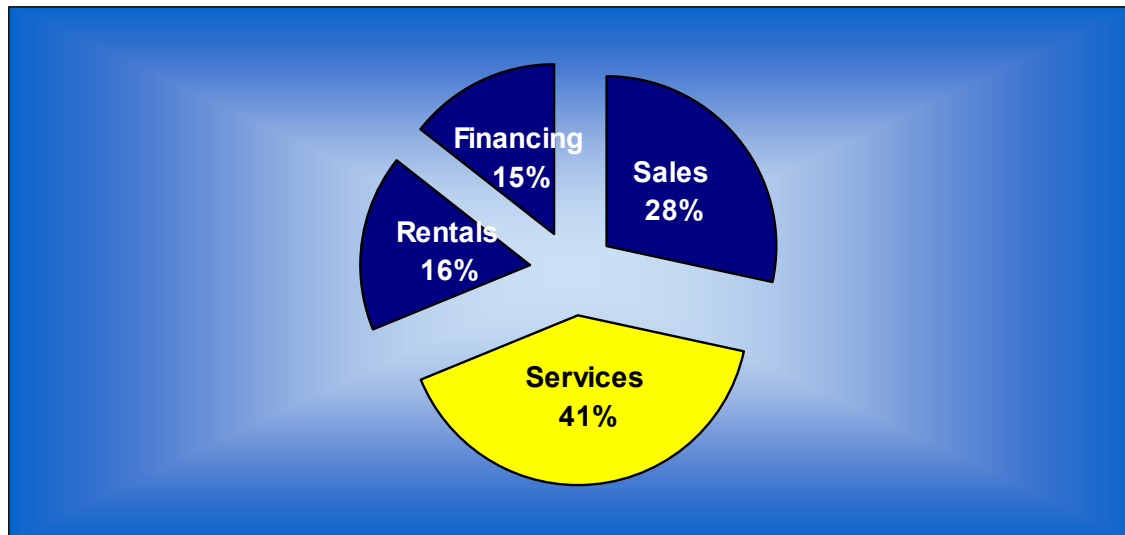
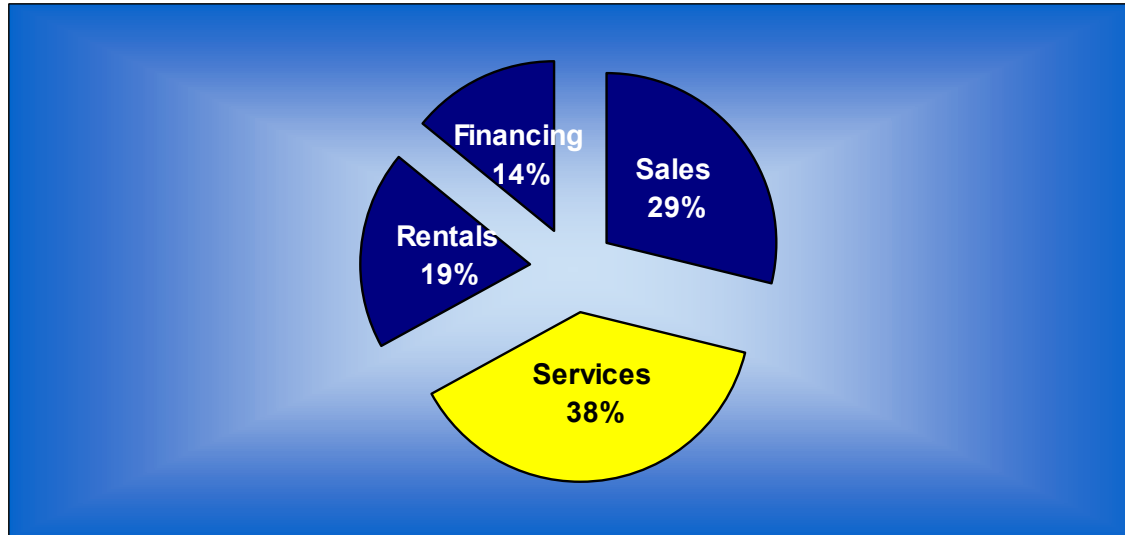
Engineering the flow of communication™

Future of Services Innovation

Christian Crews
Director, Futures Strategy
Pitney Bowes

IBM Services Innovation Meeting
November 17, 2004

Rising Role of Services at PB



It's about the experience...

Case Study:

Example: Outgoing USPS Mail and Parcels

- 21 sites process 408,136 pieces per day
 - 60 FTEs used to prep and meter
 - Average throughput is 1,019 pieces per labor hour
- Variation between sites ranges from:
 - 300 to over 2,000 pieces per hour

Common causes of variation are due to the following:

- Measurement
- Methods
- Machines
- Material
- People
- Facility

More than \$30MM in total savings over five years

A Look Ahead...

Dator's Law: Any useful statement about the future should seem ridiculous



Will our understanding of industries change?