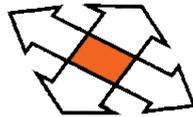


DeliveryPoD Internal Mail Tracking



CHANNEL AND MOBILE SOLUTIONS

Tracking Report (Tracking No / Consignment No: 0000000001132)

Service: Urgent 30 Minutes Items: 1 Ready At: 16/07/2010 07:53:34 All Delivered: Yes Report Date: 16/07/2010 08:26:33

External Courier: Royal Mail External Tracking No: RM967923876GB

Notes: Marked URGENT

To: Julie Grey, Legal Dept, Fiction Bank HQ, 5 Long Street, Bournemouth, BH15 4AE, United Kingdom

From: Bournemouth Mailroom, Fiction Bank, Bournemouth, BH15 4AE, United Kingdom

Items in this Consignment along with their Tracking Barcode and any other information

Package Barcode: 0000000001132001784 Contents: Sealed Document

Package Barcode	Tracking Stage	Completed	Date and Time	Details	Image or Signature	Extra Information
0000000001132001784	Load Mail Trolley	Yes	16/07/2010 08:08:39			Into Building: Bournemouth HQ. Into Mail Trolley: Katies Trolley in: Bournemouth HQ. User: Katie Silver
0000000001132001784	Deliver With Trolley	No	16/07/2010 08:17:10	Could Not Complete:-Customer Not Available		User: Katie Silver
0000000001132001784	Customer Collects	Yes	16/07/2010 08:25:57	Received By: Julie Grey		User: Peter Webb

A tracking report showing each step of the delivery process. At each point, the system knows where the item is. Note the photograph to prove the failed delivery attempt.

Benefits and Return On Investment Calculations

Benefits of Using DeliveryPoD for Internal Mail Delivery Tracking

1) Introduction

We are often asked about the benefits people can expect to see after deploying our DeliveryPoD tracking solution for internal deliveries. This document aims to help people to understand the benefits and how to calculate the likely return on investment they might get within their business.

The reality is that all organisations are different, so we can only help people to identify the areas in which they can see improvements and provide some ideas to help them calculate the likely return on investment.

2) What are the Benefits

When most organisations approach us for a system, their overriding concern is obtaining a signature for delivery and preventing items being lost. This is a benefit of the system, but it is only one of many benefits. When we go back after the system is live, the staff often tell us how surprised they were about benefits in areas they were not interested in before.

DeliveryPoD has a number of features that bring benefits, which briefly are:

1. Full Tracking from Start to Finish
2. Automatic Emails to keep both staff and people due to receive items informed on events such as:
 - a. Items being booked in
 - b. Failed Delivery Attempt (e.g. nobody available to sign)
 - c. Delivery to Non Addressee
3. Online Access to Information for Mailroom Staff and People Receiving Items
4. Ability to search for items with Minimum Information (show items for Legal Department on DHL)
5. Management Reports to analyse what is going well and where things are going wrong (and why)

Here is a list of potential areas where savings can be made:

We will go into more detail on each item later, but here are a few areas:

- Reduction in items being lost
 - Less mailroom time being spent looking for items
 - Less non mailroom staff time being spent looking for items
 - Reduced cost of lost items
 - Reduction in consequential costs due to lost items (e.g. lost customers, lost orders, replacement items, legal action etc)
 - Reduction in reputational value damage (sensitive document loss etc)
- Higher Percentage of On Time Deliveries

- *Avoidance of consequential loss of time and money (e.g. time critical item being delivered late has a cost to your business)*
- *Early Warning of Lost Items (Non Delivered Items Report)*
 - *Higher chance of finding item*
 - *Precautionary measures can be taken (e.g. Press Management, Inform Customer etc)*
- *Reducing Lack of Communication*
 - *The cost to your business of not knowing that an item has arrived, been delivered etc*
 - *Example: Item delivered to a colleague who forgets to pass it on and leaves the office*
- *Mailroom Time Saving*
 - *Reduction of calls to mailroom "Has XXX Arrived", "Where is XXX"*
 - *Ability to search for items with limited search Criteria (e.g. it is coming on DHL but it may not have my name on it, just "Legal Department")*
 - *Reduced arguments over things such as failed delivery attempts*
- *Non Mailroom Time Saving*
 - *All of the benefits in Mailroom Time Saving also apply to the people receiving items*
 - *For example what is the cost of a corporate lawyer spending 30 minutes of their day chasing a document that the mail person has in their mail trolley, but could not deliver it earlier because the lawyer was not at their desk when they went past?*
- *Management Information*
 - *Understanding how the mailroom team is performing*
 - *Seeing where the problems are and why they are occurring*

3) Likely Error Rates with Manual Systems

The biggest difficulty in providing precise statistics is that there is not a known industry figure for the percentage of items that go missing or are delivered late. A number of companies suggest that an average of around 2 – 2.5% of internal deliveries go astray, however they do not say how many companies this was averaged over, so we think this is an educated guess.

Our gut feeling is that 1.5% is not an unrealistic figure in the UK, but this could be much lower for a company taking great care and much higher for a company taking little care.

Of course few companies will want outsiders to know that they lose anything at all!

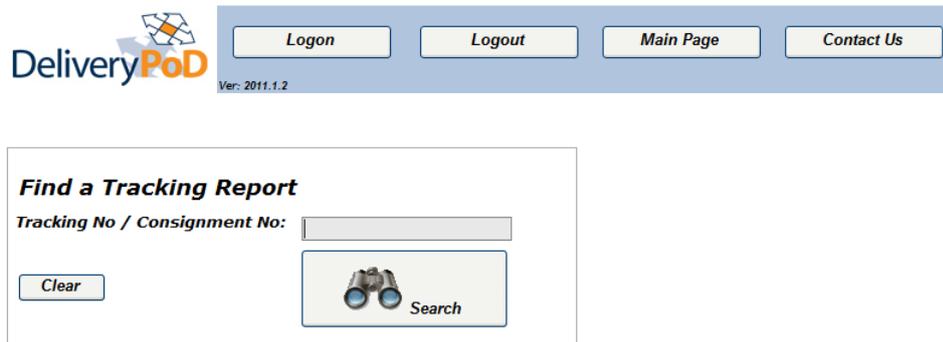
Most organisations that we supply systems to are tracking highly confidential documents under strict Non Disclosure Agreements. There is no way that such organisations will talk about loss rates to third parties – hence my comment, I think the industry in general has a gut feel rather than precise figures.

4) Measuring Your Business

We advise all organisations to talk to their Mailroom Manager(s) and staff receiving items in order to obtain some basic statistics for your organisation. Here are some of the measurements we would ask about:

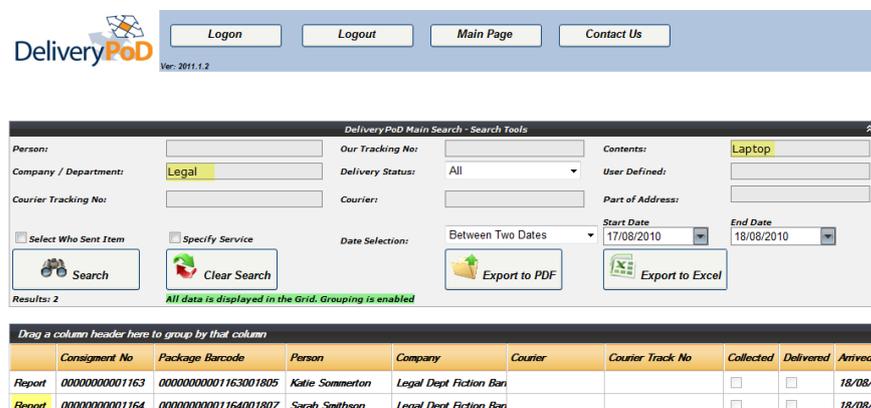
- *Quantity and Value of Items being handled:*
 - *Bear in mind that the “Value” of an item should be looked at in a number of ways:*
 - *What is the cash price of the item itself?*
 - *What is the “Reputational Value” of the item if I lose it? For example, if handling Government Orders and you have to tell them you lost a document containing information that may result in bad newspaper headlines.*
 - *What is the “Consequential Loss Value” of the item. For example one customer tracks high value cheques. They are just paper and can be re-issued, however the customer might be so concerned they take their business elsewhere.*
 - *Are there any penalties that have to be paid when items are lost? This can be the case in the Financial Services Industry.*
 - *Is there some kind of cost to the business if the item got into the hands of a competitor? Scientific research papers, exploration surveys, customer lists, sales figures etc.*
- *Percentage of Items that go missing*
 - *Percentage of these items that are found*
 - *How long did it take on average to find them (mailroom staff time)*
 - *How much other staff time did it waste (e.g. Legal Department searching through their in-trays for an hour could be expensive.*
 - *For the items delivered (after being found), were they still of use or were they no longer useful?*
 - *For example if an item was needed that day for a tender document, what is the overall cost to the business if it was delivered a day late?*
 - *Percentage of Items Not Found*
 - *How much time is spent looking for items that are never found?*
 - *What is the cost value of the items that were never found?*

- What is the Reputational Damage to your business (if any)?
- Is there any Consequential Loss to the business?
 - E.g. you missed a tender deadline or failed to invoice by the end of the month so that it will be another 30 days before you get paid?
- Mailroom Staff Time
 - How much time is spent dealing with telephone and email queries that could be handled by DeliveryPoD's online access to tracking reports / automated Emails?



People expecting items can check themselves if DHL 12345 has arrived. When non courier items arrive, you can send an email to let them know something has arrived for them, they can click on the link to obtain to see where it is at any time. This reduces the calls to the mailroom.

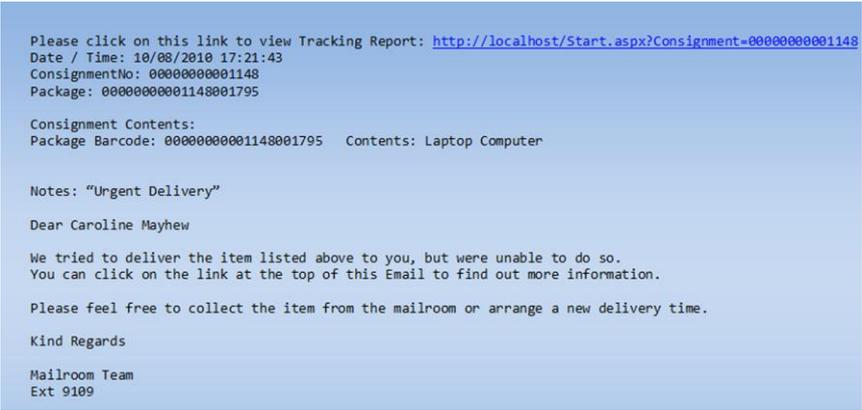
- How much time is spent searching through log books to answer questions with very limited information?
 - This is often overlooked but ask, how many times they get questions such as “it is addressed to the Sales Department, but they did not put my name on it – it’s a parcel and I need it desperately”? This can take 30 minutes to hours without a system and just seconds with a system.



Mailroom staff can search for items with very little information. In the case above, the person knew a Laptop had been sent, but the sender did not put her name on the address label! Still we

narrowed it down quite quickly and found they had put a persons name on the label – just the wrong one.

- **Other Staff Time**
 - *How much time is spent asking the mailroom for information?*
 - *If you were sent an email when items arrived, delivered to a colleague or you were not there when they tried to deliver – how much of your time would be saved?*



Please click on this link to view Tracking Report: <http://localhost/Start.aspx?Consignment-000000001148>
Date / Time: 10/08/2010 17:21:43
ConsignmentNo: 0000000001148
Package: 0000000001148001795

Consignment Contents:
Package Barcode: 0000000001148001795 Contents: Laptop Computer

Notes: "Urgent Delivery"

Dear Caroline Mayhew

We tried to deliver the item listed above to you, but were unable to do so.
You can click on the link at the top of this Email to find out more information.

Please feel free to collect the item from the mailroom or arrange a new delivery time.

Kind Regards

Mailroom Team
Ext 9109

- *What is the cost per hour of staff time?*

- *How does it affect you if items are delivered late?*

5) Conclusion

After collecting the information in Section 4, you can go back to the checklist in Section 3 and start to work out the potential benefits / return on investment for your business.

6) Other Information

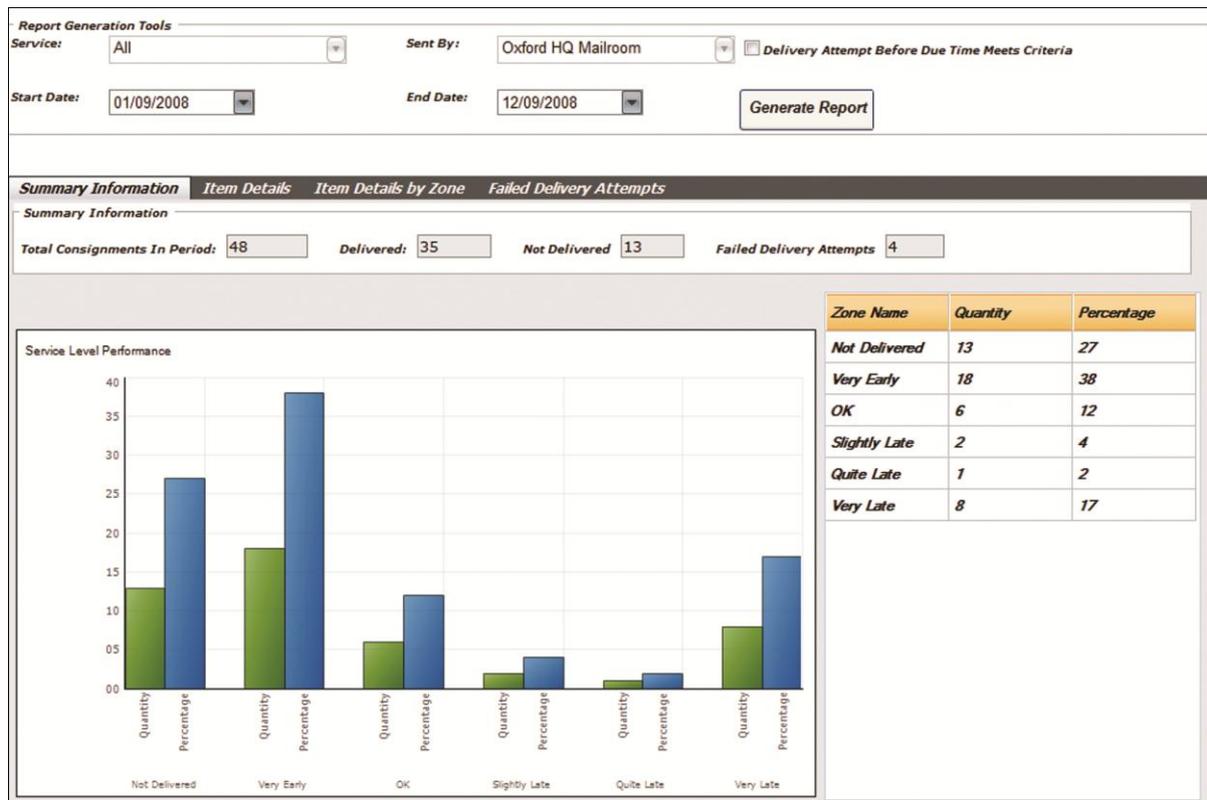
Most of our clients in the UK track items that would cause them significant reputational or consequential damage if they lost them. In a number of cases they have said off the record that the system paid for itself the first time it prevented an item going astray.

A couple of customers have what we call "time critical" internal deliveries. For example Computershare handle share transactions which have to be processed within certain timescales, or they would breach FSA (UK Financial Services Agency) regulations that might result in a large fine as well as upsetting customers etc.

In our view, in the UK too many companies focus purely on the mailroom staff time saving rather than looking at the consequences to other departments within the organisation.

Some customers have also been amazed with benefits they were not expecting. For example one organization found that 20% of mail was redirected within the business. Using our drag and drop grouping they quickly dragged the "To Department" and "From Department" to the group by areas and established that in 80% of those redirects applied to one department and they were always redirected to the same place! After a few

discussions, they established that certain types of mail should be re-addressed in the mailroom rather than being sent to that department.



The service level report allows you to see how you are performing overall. By clicking on the tabs, you can drill down to see more detail and organise information as you would like to see it.

Summary Information | Item Details | Item Details by Zone | Failed Delivery Attempts

Description of Issue ↑

	To Company	To Person	Tracking No	Date and Time	Tracking Stage
Description of Issue : Customer Refused to Sign (1)					
Report	Fiction Bank HQ	Alexia Smart	0000000001157	17/08/2010 13:46:43	Book Into New Location

In the case above, I went to the failed Delivery Attempts Tab and grouped on the "Description of Issue" so I can see why items could not be delivered and how frequently this was occurring. One customer found things such as a department having a meeting every Monday 9am – 10am so nobody was there to sign and another found that a department would frequently refuse to sign for items.