

Interview

Delivering End-to-End Value

An Interview with Murray Martin,
President and Chief Executive Officer, Pitney Bowes Inc.



Murray Martin

EDITORS' NOTE Murray Martin was appointed to his current position in May 2007, after serving as Pitney Bowes's President and COO since September 2004. Prior to that, he was Executive Vice President and Group President for Global Mailstream Solutions, following a three-year stint as President of Pitney Bowes International. He also served as President of Pitney Bowes Copier Systems and President and CEO of Dictaphone Canada Ltd., a former division of Pitney Bowes. Prior to joining Pitney Bowes in 1987, Martin worked at Monroe Systems for Business, a division of Litton Industries, where he ultimately served as President. Martin attended the University of Waterloo in Ontario, Canada.

COMPANY BRIEF Founded in 1920 and headquartered in Stamford, Connecticut, Pitney Bowes Inc. (www.pb.com; NYSE: PBI) is the world's largest provider of mailstream hardware, software, and services, all of which optimize the flow of mail, documents, and packages. Pitney Bowes employs more than 35,000 people around the globe and offers products in more than 130 countries.

Can you give a brief overview of the range of products and services that Pitney Bowes offers? What is your outlook for growth?

Pitney Bowes is a trusted global leader in communications and in managing and evidencing funds worldwide. That breaks into a number of business components. First is our original

business, postal evidencing, which still accounts for about 50 percent of our revenues. We securely print about \$20 billion worldwide in more than 100 countries. We have expanded that business into a number of areas, including managing onsite mailroom activities. Our mail services business is growing rapidly, particularly in the United States, where we process more than 13 billion pieces of mail in more than 30 locations and provide large customers with better, faster, and more reliable access and lower-cost delivery within the U.S. Postal Service's network. We're also the largest private provider of outbound international services, shipping mail to more than 200 countries around the world on behalf of our customers and providing higher reliability, better trackability, and lower costs. The third area of expansion for us has been in software. Our software entities are focused on document composition and data quality. The last component of our expansion is consulting and marketing services.

Does the financial community have an effective understanding of the breadth of the Pitney Bowes brand?

There has not always been a clear understanding of the end-to-end value we can deliver. Just recently, we began demonstrating how our business components can link and generate value that has not been available from a single source before. We provide a one-stop, end-to-end solution that has never been available before, and this is news in the marketplace.

Is technology a key enabler for your business?

Technology and data are the sources of our brand's evolution. Everything centers on data – its management, the tools you need to access it, and the technology and services you need to create it. Both physical and digital technology are extremely important components of our business.

How has Pitney Bowes addressed environmental sustainability in its operations?

Internally, we are focused on identifying our total carbon footprint. We're identifying what we can do to enhance our output while reducing our ecological impact. Even more important is our effect on the industry overall. We want to enhance the value of communication so companies can get more with less, because that is where we'll have the largest impact. That is what putting this mailstream together is all about.

What is your take on corporate social responsibility and its value to Pitney Bowes?

You start with the customer and the community and then come back to the company and ask how you can, in the end, enhance the value of your business in a responsible way. Companies that focus on it in that manner are exercising not only corporate responsibility but superior business acumen; they're dealing with end users in the community, which inevitably creates growth for the company.

As CEO, do you still find time to personally interact with your customers?

Definitely. If you don't have a focus on your customers, your investors will go away, your board is irrelevant, and your number of talented employees will dwindle. You have to ask your customers about the value you deliver, and that drives the company's vision for the future. The CEO has to be the communicator both externally to the customer, the community, and the investors and internally with the board and employees, to motivate and direct them into the future.

What is it about Pitney Bowes that has kept you there for more than 20 years?

I believe every individual can create value in an organization, and we should look for ways to do so. That was the approach that I took from the beginning at Pitney Bowes. I asked how I could help change the company to ensure that it has continued growth and relevance and that it takes its 80-year legacy into the future. That kind of sustained impact cannot be made by jumping in and out of an organization.

What are your key priorities for the brand in the coming years?

My focus is on a couple of areas: One is continually sharing my vision of the future. The second is ensuring that the organization is aligned in a way that allows it to get where it needs to be, while removing any roadblocks that occur. One organizational priority is the engagement of all employees in the value that they deliver to the customer. In the next couple of years, I expect that every employee at Pitney Bowes will be able to identify the value he or she brings to the customer. I call that an engaged workforce. Engaged employees have a vision of where we're going, but they also need the freedom to innovate – not to be instructed but to freely associate with others across the company to move the components of our vision forward on their own. We won't take a top-down, hierarchical approach. This is a significant change in our culture; people will accept responsibility on their own and move that value forward. ●