



case study | safeway, inc



In March of 2010, Pitney Bowes Management Services (PBMS), a wholly owned subsidiary of Pitney Bowes Inc. (NYSE: PBI) and a leading mail, print and document management services provider, launched the Intelligent Locker System to the market with focused promotion to its corporate managed mail services clients, which includes major insurance agencies, healthcare providers, colleges and universities, banks, government agencies and Fortune 1000 companies.

The Intelligent Locker System incorporates TZ's SMARt device technology as the hardware and software system backbone to drive a custom-designed, multi-locker system with an intelligent network of TZ electronic locking devices driven by TZ Courier™ software control.

During that same month, the first Intelligent Locker System installation was deployed at Safeway Inc. (NYSE:SWY) headquarters in Pleasanton, California.

Terry Doeberl, U.S. Product Manager for Managed Mail Services at PBMS knew from the start that Safeway was the perfect managed mail services customer for Intelligent Locker Systems.

“Safeway is known for its innovation, so adding the Intelligent Locker System to their internal systems line-up was a natural,” Doeberl said. “The fact that the System so completely addresses the need for a secure and unquestionable chain of custody was a prime factor in the company’s decision to invest in the Intelligent Locker System. Additionally, many of our corporate mail services customers are beginning to implement more flexible workplace strategies. The more that happens, the more they need a secure and complete chain of custody for high value accountable mail — and the more opportunity for installation of the Intelligent Locker System.”

PBMS runs all Safeway mailing and shipping operations. The Intelligent Locker System has proven its potential to efficiently and securely manage the high volume of mail and packages that Safeway receives daily. Almost 85% of the packages delivered to Safeway facilities are small parcels and envelopes — the most difficult mail to track in such a high volume environment — especially when it's more likely that the intended recipients are not at their desks.

Prior to introducing the Intelligent Locker System in Safeway's showcase facility, Safeway's mail center team only used the Pitney Bowes Arrival™ accountable mail tracking system to manage chain of custody. The Arrival™ system allows mail center staff to use a handheld device to scan package barcodes at each step in the transportation of the parcel — from dock, to mail center, to mail cart, to the recipients' desks where the recipients are required to sign for the package on a PDA-type device screen. This process works well unless the recipients are not at their desks. The only way to ensure security of the package is to return it to the mail center to be locked up until the recipient is available to pick it up and sign for it. Today, the Arrival™ tracking system combined with the Intelligent Locker System extends package chain of custody and increases package security. The Arrival™ software tracks the parcel right up to the time it's placed into a secure locker and the barcode is scanned into the locker. The TZ Courier™ software takes over from there.

“Our Arrival tracking system and the Intelligent Locker System's software undeniably creates the most complete and trackable chain of custody in the final mile of delivery,” Doeberl states. “We've virtually achieved 100% first time delivery using the tracking system with the Intelligent Locker System.”

“And because we aren't pushing mail carts around to each office in the facility, the rate of package distribution efficiency has almost doubled — from 32 to 53 packages an hour — in just a few months. That's amazing!”

Since initial installation, TZ's Packaged Asset Delivery team has been busy providing PBMS with software maintenance, upgrade support and customization services as the System is institutionalized into the Safeway operation. Both PBMS and Safeway have already realized the benefit of TZ's ability to customize applications to meet the needs of specific user segments.

“After the installation of the Intelligent Locker System at Safeway, the client requested that a specific locker be allocated for access at any time for high-priority, time-sensitive deliveries,” says Doeberl. “The TZ team was quick to create a specific user profile and assigned a specific locker to the profile to effectively accommodate the request.”

“In the past weeks, we've been working with the TZ team to develop a range of expanded services for Safeway and all of our future Intelligent Locker System customers. TZ also plans to launch their TZ Asset Manager Server platform which will allow us to manage multiple deployments of the Intelligent Locker Systems remotely across the customers' networks of locations — effectively offering what could be called an enterprise deployment system.”

The early success of the first PBMS installation of its Intelligent Locker System with Safeway has established a launch pad for new sales opportunities within the extensive PBMS client base. This opportunity and others that will surely follow, supports TZ's and PBMS' shared objective to help other companies grow their businesses.