

Report to PostalMate Users

February 15, 2010

As we pass another carrier rate change, it's a good time to report to PostalMate Users where PC Synergy is headed with the software that you use to run your store.

The next two significant enhancements are integration with Next Pay credit card processing and DHL updates. This will include "ramp ready" labels for international shipments.

PostalMate is now a Windows 7 certified application. It will run on 32 and 64 bit machines. PC Synergy will continue to support PostalMate on Vista and XP. If your computer meets the current hardware requirements (see website), you can continue to run PostalMate without upgrading to Windows 7.

The carriers continue to make substantial changes to their offerings and they are doing it at a faster pace. In addition to the upcoming DHL international rate change, we expect the USPS to raise some rates in May. Along the way, look for a new carrier pack, a business rule change and modifications to the FASC and UPS ASO programs.

The merchant card processing industry has set new standards for handling credit and debit cards. We have already met compliance with the X-Charge interface. We will be making the PC Charge interface compliant in the first quarter. When we add Next Pay, it will meet the standards.

The Retail Shipping industry has been contracting the last three years. There are fewer stores today than there were in 2007. The recession's credit crunch has constrained the opening of new stores. And the general retail slump has caused more stores to close.

Despite a slight shrinkage in our customer base, we have managed to maintain our revenue level. We have not had any layoffs, nor do we plan any. Rather, we have added a staff person and we plan to hire more. The demand to keep pace with needed changes requires us to grow our development team.

Something's got to give – we can't keep increasing our payroll with a decreasing customer base. We are planning to raise PostalMate support fees this summer. We don't know the amount or the date, but expect an increase.

Our goal is to make sure PostalMate remains to be the tool you rely upon to keep your store current with business opportunities, carriers, technology and regulation.

Rick Crawford
President

