

Pitney Bowes Takes the Lead with an Innovative Commercial E-Commerce Payment Solution



THE CLIENT

Pitney Bowes Inc. (NYSE: PBI) is a \$4 billion global provider of integrated mail, messaging, and document management solutions headquartered in Stamford, Connecticut.

The company serves over 2 million businesses of all sizes through dealer and direct operations. Additional information is available at www.pitneybowes.com.

THE CHALLENGE

Pitney Bowes determined that there is a significant opportunity to develop a comprehensive suite of financial products that extend their current brick and mortar financing capabilities to commercial Web sites and their buyers. Its goal was to develop an Internet-based, trusted commerce intermediary capability that they could market to any company needing financial e-commerce capabilities on its web site. However, Pitney Bowes was unfamiliar with the business and technical implications of designing and building a high-performance, Internet-based financial system of this scale. Pitney Bowes knew it needed specialized expertise to both define the scope of the undertaking and develop the solution that would enable a successful strategy for its offering.

THE SOLUTION

Pitney Bowes initially engaged Praxinet to conduct a Project Scoping (Phase 0) study to validate the solution strategy and define the high-level project parameters for the planned offering. The Phase 0 study resulted in Praxinet confirming that Pitney Bowes should develop an escrow-based product called PitneyEscrow as its first offering in the suite of payment instruments. Praxinet used a multi-phase methodology that defined specific activities and the resulting deliverables, in well-defined “logical steps”. The key outcome of this approach was a plan that defined costs, resources, and timelines that properly aligned with the project’s business and technical requirements. It also lent itself to tight management control and the incorporation of client resources into the “process.”

During the Phase 0 study, Praxinet worked with Pitney Bowes to:

- ascertain the overall scope of the project
- clearly articulate high-level business needs
- assess various alternative risk management business models
- support the selection of a business model that meets Pitney’s needs
- identify candidate commerce Web sites/ business partner
- construct a high-level plan for the development and implementation of the appropriate technical infrastructure

Based on the results of Phase 0, Pitney Bowes enlisted Praxinet to a multi-phase project to design, develop, and implement Pitney Escrow. It was introduced to the market as a commercial service supporting commerce from a payment perspective. PitneyEscrow leveraged the existing Credit Card, ACH, and wire transfer systems and was designed to tightly integrate with commercial web sites where a commerce transaction is facilitated by an escrow or trusted third-party intermediary. Pitney Bowes continues to engage Praxinet to evolve PitneyEscrow and expand its payment capabilities under the re-branded name of PitneyPay.

THE TECHNOLOGY

webMethods B2B Server
Apache Server
HTML
Java

XML messaging
Oracle 8i
Java Server Pages
C++ for email API

THE BENEFITS

The solution that Praxinet implemented for Pitney Bowes has provided several benefits. Having experienced Praxinet’s methodology, Pitney Bowes now has a basis for understanding and evaluating its future development approach. PitneyPay (formerly PitneyEscrow) was developed using Pitney Bowes-defined technology and architecture standards. Therefore, its open architecture has provided Pitney Bowes with scalability and a platform for easy enhancements.

PitneyPay has added immediate value by providing Pitney Bowes with a marketable solution to offer companies wishing to conduct business-to-business transactions. It provides high value on-line transaction sites with escrow management, funds management, secure communications, and logistics services. In addition, it provides increased control for both the B2B buyer and seller by securely holding funds until all terms of the purchase are complete.

CASE STUDY

Pitney Bowes selected Praxinet based on their experience developing Internet applications for the financial industry. "PitneyPay will manage millions of dollars worth of on-line transactions on a daily basis," says Mike Ryan, Vice President, Pitney Bowes. "Because of this, we wanted a partner who could demonstrate their success creating Internet-based infrastructures that are the foundation of on-line financial services businesses."

About Us...

Praxinet, Inc. provides consulting and software solutions that improve business performance across government and private enterprise. Praxinet leverages its core competencies in strategic consulting, Internet technologies, and business intelligence to enable its clients to manage their operations more efficiently and intelligently. Praxinet has designed and developed mission-critical solutions for major clients such as Avaya, Swiss Re, Pitney Bowes, GE, Star Gas Partners, Deloitte & Touche, PricewaterhouseCoopers, Citibank, Pfizer, Verizon, UPS, IRS, NH Dept. of Health & Human Services, and Tishman Speyer Properties.

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