



Capacity of Offeror Response Form

STATE OF ARIZONA

Agency: Arizona Department of Administration
State Procurement Office

Customer: NASPO - WSCA participating states;
AZ Statewide (state agencies & cooperative partners)

Description: **Mailing Equipment, Supplies and Maintenance**

1. Proposed Offering

Contractor is proposing equipment, supplies, and maintenance for all fifty States, Washington D.C. and Puerto Rico.

Neopost USA is proposing equipment, supplies and maintenance for all fifty States, Washington D.C. and Puerto Rico. Please see attached listing of authorized dealer and branch locations.

If Contractor is not proposing equipment, supplies and maintenance for all fifty States, Washington D.C. and Puerto Rico, please detail the States, District, and territory you are proposing.

N/A

2. Proposed Categories

Contractor shall detail below all categories they are offering. Please see attachment titled Price and Pricing for details of the different categories. The contract shall be awarded by Category.

Neopost USA is offering products and pricing for all categories that are detailed within the Price and Pricing attachment with the exception of :

- **Check Imprinting**
- **Pressure Sealing**
- **Bursting Equipment**
- **Mail Labeler**
- **Presorting**
- **Production Tabbers**
- **Extractors**

3. Contractors Organizational Capacity

Contractor shall describe in general their organizational capacity to support the proposed offering and the Participating Entity's under any subsequent Contract.

3.1. Experience in Industry

3.1.1. Contractor shall describe their experience in the provision of the Products and Services and Support, throughout the Geographic Areas, as required herein. Please provide information regarding your firm's experience in this industry, to include the number of years your firm as been in the business, what has been your firm's US market share in the Mailing Room Equipment industry for the past three years, etc.

Founded in the United Kingdom in 1924, Neopost has been in the business for nearly 90 years. We have had a US presence since 1956. Neopost has a long history in the provision of the Products and Services and Support of Mailing Room Equipment Industry. During its 90 year history, Neopost has delivered innovative mailing solutions, including the first electronic postage meter, the first folder/inserters with automated setting adjustments and its renowned digital ink jet mailing systems.

Over the years we have proved that we can innovate in this global changing market and our company has seen growth through continuous product innovation and process improvements. All Neopost USA employees, not just the R&D department, are considered a rich source of innovative ideas. Hands-on employees know intimately how products and services operate and have lots of ideas for improvements. These ideas not only translate into product and service enhancements, but also into internal process improvements that can lower operating costs and enrich the customer experience. Our entrepreneurial spirit, decentralized structure and engaged employees have produced many innovative ideas and products that our culture of sharing and learning from each other has helped spread across all our markets.

We have experience in managing large consortium accounts due to managing the Western States Contracting Alliance (WSCA) and National Association of State Procurement Officials (NASPO) OFF22 contract. In addition, we have experience with managing state level contracts as well. Further detailed information can be referenced in section 3.2.1.



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Neopost USA, headquartered in Milford, Connecticut, is the American operating company of Neopost S.A., based in France. Neopost USA markets its two flagship brands – Neopost and Hasler – of mailing and shipping solutions throughout the United States via dealers and direct-sales channels.

Neopost USA supplies the most technologically advanced solutions for mailing, folding/inserting and addressing as well as logistics management and traceability. Neopost USA also offers a full range of services, including consultancy, maintenance and financing solutions. Neopost USA partners with its customers to help them achieve higher levels of efficiency, control and value in their mailing operations.

Neopost S.A. is the European leader and number two worldwide supplier of mailing solutions. It has a direct presence in 15 countries, its products and services are sold in more than 90 countries.

Our US market share in the Mailing Room Equipment Industry over the past three years is:

2009 – 16.9%

2010 – 17.2%

2011 – 17.8%

3.2. Experience with Similar Customers (or specify Government)

3.2.1. Contractor shall describe their experience with similar Customers in the provision of the Products, Services, and support throughout the Geographic Areas.

With Neopost offices in over 160 cities in the United States and in 80 countries, coverage for placement of equipment and service will be more than adequate.

Neopost USA Inc. has held the WSCA and NASPO (OFF22 – Massachusetts) contract for Mailing Equipment, Document Handling and Related Software Products for the past five years. The states in which Neopost has a participating addendums with are as follows:

Arizona	Minnesota	South Carolina
Alaska	Montana	South Dakota
California	Nevada	Utah
Colorado	Nebraska	West Virginia
Hawaii	North Dakota	Wisconsin
Idaho	Oregon	Wyoming
Iowa	Pennsylvania	

Neopost holds a Federal GSA contract. We have held and performed against this contract for the last 15 years. Under the GSA contract, Neopost holds and now supports many Federal Government Contracts some of which are listed below:

US Department of Housing and Urban Development – Neopost USA has been performing against this contract for 2 years

- 80 locations nationwide

US Marshals Service – Neopost has been performing against two contracts with this customer for the last 8 years

- 233 locations nationwide

US Army – 63rd Regional Support Command – Neopost has just been awarded this contract last year

- 121 locations nationwide

National Parks Service – Neopost has been performing against this contract for 10 years

- 453 Locations nationwide

IRS – Neopost has been performing against this contract for 5 years

- 200 Locations nationwide



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Neopost USA offers many solutions through our distribution channels (described above). We hold and perform against various independent state contracts as well, such as:

- Georgia – Neopost has been performing against this contract for 2 years
- New York State – Neopost has been performing against several contracts with the state for over 15 years
- State of New Jersey – Neopost has been performing against several contracts with the state for over 10 years
- Louisiana – Neopost has been awarded this contract recently but has participating in dealer owned contracts with the state for over 10 years.

In addition, Neopost holds contracts with many counties and municipalities.

Our Nationwide coverage services every state territory located within the United States. Our specialized National and Government Account Department is made up of:

- A network of Government Account Managers – There are five (5) dedicated Government Account Managers for all Geographic Territories
- A team of Contract and Sales Support Specialists – There are five (5) dedicated Government Account Managers for all Geographic Territories
- Strategic Relationship Group for Customer Support and problem resolution – There are five (5) SRG Coordinators that are dedicated to National and Government Contract customers with regards to issue and problem resolution as well as customer service.

Please refer to the “Key Personnel Document” submitted within our response for the specific persons ultimately responsible for maintaining and managing the contract.

3.3. Management Structure

3.3.1. Contractor shall describe their management structure in support of the Products and Services, throughout the entire proposed Geographic Area.

Neopost USA, Inc. is comprised of a network of both corporate branches and independent authorized dealers. The dealers are the first line to local service. For branch customers, Neopost has a field organization structure in which the branches report into the Vice President of Direct Sales and the Vice President of Service.

Please see attached Flow Charts.**

3.4. Key Personnel

3.4.1. Contractor shall assign specific individuals to key positions in support of the Contract. Contractor shall provide brief bios of key personnel including their training, experience and performance in supporting similar Customers as anticipated under any resulting Contracts. Contractor shall list all such Key Personnel in the applicable Contract Attachment titled Offeror Response Form –Key Personnel.

Neopost has completed the Offeror Response Form – Key Personnel

3.5. Cost Containment

3.5.1. Contractor shall describe your firm’s cost containment history over the past five years including a description of cost savings programs and the associated quantitative savings/efficiency realized the Percentage price increase per product line for the past three years, and the date and percentage of all anticipated price increases to the MSRP price for calendar years 2011-12.

In the past 3 years, Neopost USA has had price increases of less than 3% on average. Increases that have taken place have been implemented during the month of February each year to coincide with the start of the company’s fiscal year.



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During the past 2 years, all products lines have experienced 3% increases except mailing machines where pricing has been flat for existing products during that time.

Increases for the 2011 calendar year have taken place already, and for 2012 any increases that will take place will occur in February and are anticipated to be along the same lines as the past 3 years.

4. Authorized Dealers/Partners/Sales and Service Provider Relationships

4.1. Contractor must include in their response a list of Authorized Dealers/Partners authorized to represent them per the Terms and Conditions of this RFP by state (Authorized Dealers/Partners/Sales and Service Provider Response Form). It is the manufacturer's responsibility to ensure complete coverage of service throughout all States they are proposing. Invoices and payments will be addressed within the individual PA's. Some Participating Entities may require all invoices and billing go through the Contract and some Participating Entities may require invoices and payment to go through the Authorized Dealers/Partners/Sales and Service Provider. Please verify that either invoicing/billing option is available.

Please provide your response in the Response Form titled [Authorized Dealers/Partners/Sales and Service Provider Response Form](#).

Neopost has provided their response within the form titled Authorized Dealer/Partners/Sales and Service Provider.

4.2. The Contractor shall be fully responsible for meeting all of the Terms and Conditions of any contract /MPA/PA resulting from this RFP. The Contractor will have full responsibility for their Authorized Dealers/Partners/Sales and Service Provider performance. Contractor will be responsible for any training and education of authorized resellers to ensure contract.

Please respond that you read, understand and will comply.

Neopost has read, understands and will comply with this section.

4.3. Contractor shall notify the MPA Contract Administrator and the affected PA Procurement Officer of any authorized reseller changes, additions and deletions throughout the term of the Contract as they occur. The MPA Contract Administrator and the affected PA Procurement Officer will have the right to deny approval of any authorized reseller additions and/or substitutions.

Response would be that you read, understand and will comply, or to take exception

Neopost has read and understands this section and will comply with the first sentence of this section, however, Neopost USA takes exception to the second sentence as we believe it is our decision in our course of daily business regarding which authorized resellers that we decide to add or terminate.

4.4. Describe what your firm requires from potential dealers to become an "Authorized Dealer" and define specifically how your firm currently measures an authorized dealer's performance, including the following:

4.4.1. Dealer commitment including product marketing, sales staff, sales volume, and service after the sale.

Performance Measurement - Minimum Sales Volumes/Quotas.

Dealer shall be required to achieve the minimum sales goals for its Territory ("Minimum Sales Quotas"). The initial Dealer's Minimum Sales Quotas are set out in Schedule D the right at its sole discretion to change the Minimum Sales Quotas after the expiration of the period for the quota referred to in Schedule "C". Any such further quota will become binding upon Dealer upon receipt of written notice from Neopost USA which specifies the new quota requirements. Failure by Dealer to meet the Minimum Sales Quotas, shall constitute a material breach of this Agreement and shall entitle Neopost USA to terminate this Agreement

Service after the Sale.

(a) Dealer shall provide, at its own expense, all installation, user training, warranty service, maintenance, upkeep and replacement service for Products (collectively, "Service") to all authorized users of the Products within its Territory. Dealer shall maintain directly, or through one or more independent contractors approved by Neopost USA in writing, a staff of trained personnel sufficient to provide Service. Dealer shall provide Service at normal rates of charge to such persons who are located in its Territory but are not customers of Dealer as Neopost USA may from time to time reasonably designate.

(b) Dealer must provide Service to Government entities, national accounts and split sales located within its Territory.

(c) Dealer shall maintain or cause to be maintained such stocks of repair parts, components, accessories, tools, test equipment and supplies necessary to provide Service.



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(d) Dealer shall not charge Neopost USA for any such Services, except as expressly agreed upon in writing by Neopost USA.

(e) Neopost USA shall have the right to inspect Dealer's facilities and books and records and to visit installation sites to ensure Dealer's compliance with its Service obligations and other obligations under this Agreement.

(f) Service shall be performed in accordance with Neopost USA Policies, and failure to comply with such shall constitute a material breach of this Agreement, and be grounds for termination of this Agreement. Following termination of this Agreement, Neopost USA agrees to negotiate in good faith with Dealer about entering a Neopost USA Service Agreement for the purpose of servicing, maintaining, and supporting those existing end-users that Dealer established while an authorized Neopost USA Dealer.

Standards of Neopost Dealer Conduct.

(1) Sales Staff - Dealer shall use its best efforts to establish, maintain, and increase the sale of Products and the leasing of postage meters in its Territory by all usual and ethical means, including advertising, personal solicitation, and distribution of promotional materials. Dealer shall maintain a trained staff sufficient to support its efforts. Dealer shall not engage in any activity which would in any way diminish or detract from the sales potential of Products or their attractiveness to potential buyers or users thereof.

(2) Product Marketing - Dealer shall only market the Products under the names, trademarks and model designations as specified from time to time by Neopost USA. Dealer agrees not to cause or permit the removal, obliteration or alteration of any patent numbers, trade names or marks, notices, decals, name plates or serial numbers affixed to Products.

(3) Dealer shall comply with all applicable laws, rules and regulations and cooperate with Neopost USA in the implementation of such procedures as may be required by laws relating to the Products. Dealer shall maintain in effect all licenses, permits and authorization from all governmental agencies necessary to the performance of its obligations hereunder.

(4) Dealer shall not make any false or misleading statement to customers or potential customers and shall not engage in any conduct or practice which injures or may injure the reputation or goodwill of Neopost USA, any Neopost USA affiliate, or any other Neopost USA Dealer. Dealer acknowledges the value of the Neopost USA name and good will to both Neopost USA and its Dealers. Actions by Dealer of an immoral, unethical, or criminal nature that may harm the Neopost USA brand shall be a material breach of this Agreement, and grounds for termination of this Agreement.

(5) Dealer shall submit all advertising and/or advertising literature relating to Products to Neopost USA for its approval prior to use, and shall not use any advertising and/or advertising literature that Neopost USA does not approve.

4.4.2 Dealer contract support including contract administration and administrative/financial assistance.

Dealer Compliance with Neopost Administrative Policies.

(a) Dealer shall at all times comply with Neopost USA Policies, as established from time to time by Neopost USA for its Dealers in the United States. Neopost USA shall publish its Policies on its website, and Dealer shall be bound by all changes to such Policies as of the date such changes post on the Neopost USA website. Dealer has the obligation to familiarize itself with and to periodically review the Policies on the website. In the event of a discrepancy between the terms of the Policies as they appear on the Neopost USA website, and any terms provided separately to Dealer, the terms of the website shall control.

(b) Dealer shall at all times comply with all U.S. Postal service policies.

(c) Failure of Dealer to comply with Neopost USA or Postal policies constitutes a material breach of the Agreement, and is grounds for termination.

4.4.3 If a Participating Entity files a complaint about an authorized dealer due to customer service issues, lack of inventory, poor design service, late deliveries, incorrect billing practices, or other performance issues, describe how the Authorized Dealers/Partners/Sales and Service Provider is assisted by the Contractor in improving their performance, the Contractor's corrective action process, and the Contractor's process for removing the Authorized Dealers/Partners/Sales and Service Provider from the Authorized Dealers/Partners/Sales and Service Provider list if they fail to meet the requirements, including the criteria that would warrant a removal or replacement of an Authorized Dealers/Partners/Sales and Service Provider.

Corrective Action Process – Dealer in Default. Dealer shall be deemed to be in default under this Agreement and Neopost USA may at its option terminate this Agreement and all rights granted herein effective immediately upon the



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receipt by Dealer of notice to that effect and without prior opportunity to cure the default (except as otherwise expressly provided below) if:

(1) Dealer shall be or become insolvent;

(2) Dealer shall be dissolved or liquidated, or if a petition in bankruptcy is filed against Dealer, or if a liquidator, trustee in bankruptcy, custodian, receiver, or receiver and manager is appointed for Dealer, or if Dealer makes an assignment for the benefit of its creditors or commits any act for or in bankruptcy, or if Dealer is subjected to any levy, attachment, garnishment, execution or any other similar process which is not vacated or removed within ten days by payment or bonding;

(3) There is any direct or indirect change of ownership of Dealer or active management of Dealer without the prior written consent of Neopost USA or Dealer otherwise breaches

(4) Any other agreement between Dealer and Neopost USA (or any company affiliated or associated with Neopost USA) is terminated due to default by Dealer;

(5) Dealer fails to pay any undisputed amount owing to Neopost USA (or any company associated or affiliated with Neopost USA) when due under this Agreement or otherwise and fails to cure same within fifteen (15) days following written notice from Neopost USA;

(6) Dealer submits to Neopost USA or any other person any false or fraudulent claim for reimbursement, refund, credit, rebate, allowance, discount, bonus or other payment, or engages in any other dishonest or misleading practice;

(7) Dealer fails to function in the ordinary course of business;

8) Dealer fails to meet any of its Minimum Sales Quotas, and fails to cure that default prior to the end of the quarter immediately following the default notice;

(9) Dealer violates the provisions of Territory;

(10) Dealer engages in the sale of parts, supplies or consumables that are not Approved; or

(11) Dealer breaches any other provision of this Agreement or any other agreement between Dealer and Neopost USA (or any company associated or affiliated with Neopost USA) and fails to cure same within fifteen (15) days following written notice from Neopost USA.

4.4.4 Provide a list of all your Authorized Dealers/Partners by State, in a document including the following Information.

4.4.4.1 State

4.4.4.2 Authorized Dealers/Partners/Sales and Service Provider Name

4.4.4.3 Authorized Dealers/Partners/Sales and Service Provider Address

4.4.4.4 Single Point of Contact

4.4.4.5 Title

4.4.4.6 Phone Number

4.4.4.7 Fax Number

4.4.4.8 Email address

4.4.4.9 Web address (if applicable)

4.4.4.10 Geographic area of coverage in each state for each dealer

4.4.4.11 Product lines each dealer is authorized to market

Offeror Response – Provided response in document titled: Offer Response Form – Authorized Dealers/Partners/Sales and Service Provider List.

5 Good Standing

5.1 The Contractor and Authorized Dealers/Partner must be in good standing with trade associations, certification boards, or other regulatory agencies. Disclosure of any alleged issues, investigations, and/or citations is required. Provide information



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regarding on-going or past bankruptcies or reorganizations within the last five (5) years with your proposal submission. The MPA Contract Administrator reserves the right to request more information or to take further action based on information received.

Neopost USA is not aware of any investigation against it by, or any issues with, any trade associations, certification boards, or other regulatory agencies and no citations have been issued against Neopost USA by such associations, boards, or agencies. Neopost USA has never declared bankruptcy. Neopost USA Inc. was known as Neopost Inc. until February 1, 2009. In November, 2009, Neopost conducted a corporate reorganization (unrelated to any bankruptcy or debt restructuring). The reorganization involved the consolidation of several of Neopost USA's subsidiaries and affiliates, including the merger of Hasler, Inc. into Neopost USA.

6 Customer Service

6.1 Describe in detail the process that your firm utilizes to track and respond to issues and concerns from both the Authorized Dealers and the end user.

Neopost USA utilizes a Customer Relationship Management (CRM) tool in order to track and respond to issues and concerns from both our Authorized Dealers and Direct Sales Channel as well as the end user of our products. The CRM tool, named ACEcrm, is helpful for us in managing our cases and allows us to track outstanding issues real time which in turn allows for accountability within the organization.

This tool is necessary for us to have as over the past few years we have grown and we realized the need to improve upon our resolution of incoming customer issues. The ACEcrm tool was rolled out in June 2010 to more than 200 new users and has had a steady rollout to the rest of the organization since then.

The ACEcrm functionality, called Case Management, allows customer-facing and customer-supporting teams across Neopost USA and MailFinance to more effectively collaborate cross-functionally to deliver better, faster and more accurate service to our customers and partners.

The ACE Case Management system provides a common repository for all customer service issues and requests, providing a way for different functional teams to better manage the deliverables needed to keep customer relationships strong including:

- Capturing customer feedback from 50,000 calls per month
- Queuing cases to multiple groups across the organization that are accountable for resolving specific issues
- Assigning cases to named individuals tasked with executing the work on behalf of the customer
- Tracking and reporting on the status of each case
- Eliminating dozens of voicemails and e-mails with file attachments for 50,000 cases per month
- Reporting the monthly productivity of customer-facing and customer-supporting teams

Groups recently adopting ACE Case Management include the Leasing Administration and Quoting teams, the Dealer and Direct CARE group including Asset Recovery, Order Care, Account Administration and Support Care, Postage Administration, Cash Administration, Postal Compliance, National and Government Accounts (NAGA), Dallas Customer Service teams and the Retention team in the Dallas Call Center.

In addition we are looking to provide access to additional departments, including Sales, Service and Accounts Receivable Management.

The adoption of ACEcrm should help improve our response/resolution time to our Authorized Dealers and end users concern. We have established a Service Level Attainment (SLA) of 95% of all cases need to be closed within department established time frames. The SLA is measured weekly.



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A detail of the process is as follows:

Step	Action
1	<p>Access ACE and look for duplicate requests.</p> <ul style="list-style-type: none"> If there are no duplicate requests, begin creating an ACE Case for the request and proceed to Step 2 If a request has already been submitted, advise the customer of the status and proceed to Step 3
2	<p>For Supply orders if customer identifies their account as WSCA:</p> <ul style="list-style-type: none"> Have the customer email the order request to: <ul style="list-style-type: none"> WSCA_Supply@neopost.com for WSCA accounts Proceed to Step 3
3	<p>For other customer issues/concerns - Complete ACE Case</p> <ul style="list-style-type: none"> Select the following Case options: <ul style="list-style-type: none"> Type: Billing, Orders, Postage, etc. Subtype: Leasing, Supplies, etc. Action: NAGA Special Handle Summary: Enter a brief summary of request Document action taken. Group: Leave blank. Attachment: Not applicable. Status: Change Case to Completed Proceed to Step 4
4	<p>End Call</p> <ul style="list-style-type: none"> Advise customer of Case # as a reference for the requested work. Thank the customer and end call. Cases are accessed internally including our local branches and our Authorized Dealers for Issue Resolution
5	<ul style="list-style-type: none"> Reports are run on a weekly bases to follow up and ensure the cases were handled and closed by the appropriate internal department, branch or local dealer.

6.2 The Contracted Supplier or Authorized Dealer must have one lead representative for each Participating Addendum. Contact information shall be kept current.

Provided response in document titled: Offer Response Form – Authorized Dealers/Partners/Sales and Service Provider List.

6.3 Customer Service Representative will respond to all inquiries within one business day.

Neopost has read, understands and will comply with this section

6.4 Customer Service Representative(s) must be available by phone or email, at a minimum, from 7:00 AM – 6:00 PM Monday through Friday for the applicable time zones.



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6.5 Describe the standard lead time for the following order types and describe what situations could increase or decrease the lead times for each order type:

6.5.1 Low Volume equipment

- Low Volume Mailing Machines – 7-10 Business Days
- Low Volume Letter Openers – 10-15 Business Days
- Low Volume Folders - 5-10 Business Days
- Low Volume Inserters - 10-15 Business Days
- Low Volume Address Printers - 10-15 Business Days
- Low Volume Tabbers - 15-20 Business Days

6.5.2 Medium Volume equipment

- Medium Volume Mailing Machines – 7-10 Business Days
- Medium Volume Letter Openers – 20-25 Business Days
- Medium Volume Folders - 5-10 Business Days
- Medium Volume Inserters - 15-20 Business Days
- Medium Volume Address Printers - 10-15 Business Days
- Medium Volume Tabbers - 15-20 Business Days

6.5.3 Production

- Production Volume Mailing Machines – 7-10 Business Days
- Production Volume Letter Openers – 20-25 Business Days
- Production Volume Folders - 5-10 Business Days
- Production Volume Inserters - 35-45 Business Days
- Production Volume Address Printer- 15-20 Business Days
- Production Volume Tabbers - 15-20 Business Days

6.5.4 Accessories

- Low Volume Mailing Machines Accessories – 7-10 Business Days
- Low Volume Letter Openers Accessories – 10-15 Business Days
- Low Volume Folders Accessories- 5-10 Business Days
- Low Volume Inserters Accessories- 10-15 Business Days
- Low Volume Address Printers Accessories - 10-15 Business Days
- Low Volume Tabbers Accessories - 15-20 Business Days
- Medium Volume Mailing Machines Accessories – 7-10 Business Days
- Medium Volume Letter Openers Accessories – 20-25 Business Days
- Medium Volume Folders Accessories - 5-10 Business Days
- Medium Volume Inserters Accessories - 15-20 Business Days
- Medium Volume Address Printers Accessories - 10-15 Business Days
- Medium Volume Tabbers Accessories - 15-20 Business Days
- Production Volume Mailing Machines Accessories – 7-10 Business Days
- Production Volume Letter Openers Accessories – 20-25 Business Days
- Production Volume Folders Accessories - 5-10 Business Days
- Production Volume Inserters Accessories - 35-45 Business Days
- Production Volume Address Printer Accessories - 15-20 Business Days
- Production Volume Tabbers Accessories - 15-20 Business Days



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6.5.5 Furniture

- Furniture – 30 Business Days

6.5.6 Supplies

- Supplies – 1-2 Business Days

6.6 Describe in detail the escalation plan between the Authorized Dealer and Manufacturer.

Neopost USA Inc. National & Government Account Division's escalation process for all Neopost USA Direct, Company Owned Dealers and Independent Dealers (Neopost USA Inc. Channel Partners) is as follows:

The Local Neopost USA Inc. Channel Partner location is the first point of contact for a local NASPO/WSCA participating state entity. We empower our distribution channel partners to proactively resolve local customer issues.

- **If one of our channel partners cannot resolve a customer issue locally, they have a direct connection to a member of the National & Government Account Divisions "Strategic Relationship Group" (SRG). The single point of contact SRG coordinator will take on the open issue and see it through to satisfactory resolution. The SRG team is located within Neopost USA Inc's corporate headquarters in Milford, CT.**
 - **Case management documentation and reporting is used throughout the process to effectively document, track, report and close out all open issues to the highest customer satisfaction levels.**
 - **SRG coordinators are empowered to make decisions and resolve customer issues acting as a project leader and single point of contact "White Glove" customer service. SRG coordinators are evaluated upon very specific problem resolution and customer service SLA's and handle exclusively Neopost USA Inc's largest and most complex National & Government Account customers.**
- **If the SRG Coordinator cannot resolve the open issue in a timely manner because of extraordinary circumstances there is an executive leadership escalation and priority process including the Manager of the SRG team, The National Director of Government Sales, the VP of National & Government Accounts and the VP of Operations & Customer Service.**
 - **Together these items are prioritized and afforded the highest visibility for immediate resolution and customer communication.**

6.7 Legal and Regulatory Actions

6.7.1 Contractors shall fully disclose their involvement in any legal proceedings, lawsuits or governmental regulatory actions and any contractual demands for assurance regarding their provision of similar services, pending or occurring in the last five (5) years. We are only looking for information that can be legally obtained.

Neopost USA is a party to lawsuits and other commercial disputes in the normal course of our business. There have been no judgments or regulatory actions over the relevant time period that have resulted in a material adverse impact on our business, financial position, or results of operations.

7 Environmental

7.1 While some participating states may have environmental initiatives, others do not, as such, States with environmental concerns and initiatives will address these issues through the Participating Addendum process.

7.2 Has your firm made a public commitment to environmental sustainability? If so, provide details for the following



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Yes, Neopost USA has made a public commitment to environmental sustainability. We have a Sustainable Business Development team that meets on a regular basis to look at current environmental processes in place as well as possible future opportunities. In addition Neopost incorporated an eco-friendly innovative design process that reduces our environmental footprint during a product's development, its manufacture, shipping, usage and, ultimately recycling at the end of its life.

In addition, Neopost USA has programs in place corporately to ensure our commitment to the environment. For example, in 2010, we recycled over 21,000 pounds of paper. Our offices have installed energy efficient lighting to reduce electricity usage and instituted a toner/printer recycling program. We also offer a toner/printer recycling program to our customers to return their old cartridges to use for recycling.

For an high-level overview please see our environmental brochure attached.

7.2.1 Description of the measurements that are employed and how they are reported.

A description of the measurements we have taken to improve our environmental sustainability are as follows:

- Component structure – weight and volume reduced by 44%
- Production process – materials usage cut by 10%
- Recyclable cardboard – reduced packaging by 29%
- Power usage – electrical consumption cut by 50%
- Recyclability rate – reusable material increased by 58%
- Clean transportation network – reduces air pollution

Even with our consumption reduction, our machines last longer, run cooler and use less energy. In addition, our machines conform to the most stringent and respected environmental standards in the world, including Energy Star, RoHS, DEEE, EuP, and REACH. Each of these certifications requires reporting which is handled by our operations in France.

7.2.2 Name(s) and title(s) of staff that are specifically dedicated to the firms' public commitment to sustainability.

Roy Samonte – Quality Systems Manager
Philippe Boulanger, Chief Technical Officer

7.2.3 List all environmental third party certification programs that your firm has achieved and the level of compliance.

ISO 14001 – See attached Certificate

7.3 Has your firm had any breaches of environmental, health, or safety standards within the past 12 months? This includes fires, explosions, industrial accidents, hazardous releases, or other health and safety incidents at any of the firm's facilities. If so, provide details (including but not limited to date of event, quantitative extent of damage, environmental effects, and corrective action plan and success rate) of all breaches.

No. Neopost USA has not had any breaches of environmental health or safety standards within the past 12 months.

7.4 Confirm your acceptance to maintain for the term of this Agreement, and all renewals/extension thereof, programs as described in the response to the RFP.

Neopost USA confirms and will maintain for the term of this agreement, and all renewal/extension thereof, programs as described in the response to this RFP.

7.5 Buyback/Trade in – Contractor shall describe the buyback/recycling program offered by your firm. Please detail the formula used to determine the value of the used equipment and all other facets of the program.



Capacity of Offeror Response Form

STATE OF ARIZONA

Agency: Arizona Department of Administration
State Procurement Office

Customer: NASPO - WSCA participating states;
AZ Statewide (state agencies & cooperative partners)

Description: Mailing Equipment, Supplies and Maintenance

Neopost USA will take back equipment in the course of day to day business from their customers. Upon request at end of lease or use (in the case of purchased items), the local servicing location will:

- Schedule a meeting with the end user regarding the disposal or trade in of equipment. Neopost USA accepts lease equipment buy-outs. The remainder of the lease payments is added up through the end of the term and the total dollar value is rolled into a new lease payment for the end user.

In the event that it is the end of the lease and the customer is not renewing or upgrading, the local servicing location will:

- Schedule the pick up of the equipment from the end users
- A representative from either a trucking company or a representative from a local dealer will pick equipment up at the end users location
- If equipment is picked up by the dealer, equipment will be packaged accordingly and shipped back to Neopost USA , Inc.'s Memphis Distribution Center

- Our products are then sent to the following:

- Metal recycling Facility
SIMS Metal Management
540 Weakley Ave.
Memphis, TN 38107
Contact: Sam Levine, 901-270-0839

And

- Computer products are sent to a separate recycler.
5R Processors
3328 Winbrook Dr.
Memphis, TN 38118
Contact: Ashley Bolling, 865-457-1621
- Cardboard and paper products are recycled.
Sonoco Recycling
704 South Dudley St.
Memphis, TN 38104
Contact: Carlene Drew, 901-233-4390

There is a \$0 value assigned to these products once returned at the end of a lease or if the customer wants to dispose of purchased equipment that is no longer required.

8 State of California Environmental Language

8.1 Toxics in Packaging

All packages offered during the life of the contract shall be in full compliance with all requirements of the Toxics in Packaging Prevention Act. See <http://www.dtsc.ca.gov/ToxicsInPackaging/index.cfm> for detail. Upon request by the State, the awarded supplier shall provide a Certificate of Compliance.

Neopost is in full compliance with the section. Please see attached Certificate of Compliance

8.2 Packaging Materials

Contractors utilize biodegradable shall comply with ASTM 6400-00 Standard and/or compostable packaging materials shall meet ASTM Standard Specifications for Compostable Plastics D 6400-04.

Contractors utilize paper products for labeling, packaging, or catalogs etc., are to be processed chlorine free (PCF). And or Contractors offer paper and wood products (i.e. labeling, packaging, catalogs or wood pallets) are to be produced from a



Capacity of Offeror Response Form

STATE OF ARIZONA

Agency: **Arizona Department of Administration
State Procurement Office**

Customer: **NASPO - WSCA participating states;
AZ Statewide (state agencies & cooperative
partners)**

Description: **Mailing Equipment, Supplies and Maintenance**

company participating in a forest stewardship program where the forest is managed to conserve biological diversity, natural resources and maintain a thriving ecosystem.

Packaging materials are to contain post consumer recycle content (PCRC) when feasible to meet State Agency Buy Recycled Campaign (SABRC). See <http://www.calrecycle.ca.gov/BuyRecycled/StateAgency/Requires.htm> for detail.

Neopost USA meets the European Union (EU) regulations aimed at controlling packaging, so we are confident that Neopost USA meets this requirement.

Our products use cardboard packaging with cardboard pulp molded inside (IS-3xx & IS-4xx). This meets the requirement

8.3 End-of-Life Management

Contractor shall offer a "Take-Back" program. The Take-Back Program shall be for office equipment purchased under this contract and any other state-owned office equipment that have reached the end of their useful life during this contract period.

Take-Back Program minimum requirements:

The take-back program shall be offered at no cost to the State and include all costs for transportation, labor for pickup etc.

Office equipment collection shall be within 30 calendar days of an agency's written notification.

A report listing the number of office equipment recycled/refurbished per month by each individual agency shall be sent semi-annually to the State Contract Administrator.

Contractors shall submit a detailed written Take-Back Program plan, addressing the following items at a minimum:

Neopost USA offers a take-back program for only the products in which are sold by Neopost USA. This program will be offered at no charge to the end user. Neopost USA will collect the equipment either by trucking company or authorized dealer within 30 calendar days of an agency's written notification. Neopost does not have a formal process in place that can track and report equipment "take-backs".

Neopost USA will take back equipment in the course of day to day business from their customers. Upon request at end of lease or use (in the case of purchased items), the local servicing location will:

- **Schedule the pick up of the equipment from the end users**
- **A representative will pick equipment up at the end users location**
- **Equipment will be packaged accordingly and shipped back to Neopost USA , Inc.'s Memphis Distribution Center**

- **Our products are then sent to the following:**

- **Metal recycling Facility
SIMS Metal Management
540 Weakley Ave.
Memphis, TN 38107
Contact: Sam Levine, 901-270-0839**

And

- **Computer products are sent to a separate recycler.
5R Processors
3328 Winbrook Dr.
Memphis, TN 38118
Contact: Ashley Bolling, 865-457-1621**
- **Cardboard and paper products are recycled.
Sonoco Recycling
704 South Dudley St.
Memphis, TN 38104**



Capacity of Offeror Response Form

STATE OF ARIZONA

Agency: Arizona Department of Administration
State Procurement Office

Customer: NASPO - WSCA participating states;
AZ Statewide (state agencies & cooperative partners)

Description: Mailing Equipment, Supplies and Maintenance

Contact: Carlene Drew, 901-233-4390

There is a \$0 value assigned to these products once returned at the end of a lease or if the customer wants to dispose of purchased equipment that is no longer required.

8.3.1 Collection – How the contractor will collect the office equipment.

The Mailing Machines will be collected either by a trucking service that is dispatched and utilized by Neopost or if in an authorized dealer territory, it will be collected by an authorized Neopost or Hasler branded dealer.

8.3.2 Packaging and Shipping Instruction – shall include Packaging and shipping instructions and but not limit to the following:
a. Contractor shall provide packaging material.

If the equipment is being shipped back to Neopost USA via a trucking company. Neopost USA does not provide packaging materials for equipment being returned. In the event that a local dealer is to pick up the equipment, packaging materials are not necessary. The carriers that we use for the return are FedEx and Seko Worldwide Freight Company. All pickups are scheduled on line.

b. Shipping papers, address and return labels etc.

If equipment is being shipped back to Neopost USA via a trucking company, Neopost USA will provide return labels and shipping information. In the event that a local dealer is to pick up the equipment, Shipping papers and return labels are not necessary.

c. Procedures to notify contractor of pickup.

Agency is to call the Customer Service Support telephone line identified in the “Key Contacts Document” Once Neopost is notified and the shipping documentation and labels are received by the agency, All pickups are scheduled on line for Fed Ex pick ups (Equipment under 50 lbs). Please see Answer to 8.3.3 below. For equipment over 50 lbs. Seko Logistic Trucking Service is utilized. The Agency will call the Customer Service Support telephone line identified in the “Key Contacts Document”. Once Neopost is notified, Neopost will make the request and schedule the pick up.

8.3.3 Authorized Person(s) and/or Company – Identify the person(s) and/or company authorized to pickup, transport and accept office equipment. Contact information phone number and address should also be provided.

Fed Ex and Seko Logistics Shipping are the authorized pick up and transportation avenues. In addition, the local servicing entity (See Authorized Dealer Response Form) are authorized to pick up equipment and return to Neopost.

There is a link, for Fed Ex after Neopost sends the labels via email the customer/agency can logon and schedule the pickup. There is a logon link below for Seko that the customer can use to track the shipping once it is picked up but Neopost would need to make the online request. Please see below:

To schedule the pick-up of your returned items:

For FedEx (packages under 50 lbs):

On-Line - click on the link below to schedule a FedEx pickup:

<http://fedex.com/us/services/us>

Click on the Ship tab and select Schedule a Pickup.

From the menu on the left select Schedule a Ground Return Pickup

Follow the directions displayed on the page.

By telephone - Schedule a pickup by calling 1-800-Go-FedEx.



Capacity of Offeror Response Form

STATE OF ARIZONA

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Description: **Mailing Equipment, Supplies and Maintenance**

<http://www.sekologistics.com/home/track.aspx>

8.3.4 Waste Management – Describe waste management plan including end-of-life disposal method(s). If employing recycling/refurbishing options, contractors shall include the name, address contact name and phone number of the recycling/refurbishing facility.

- **The Neopost distribution center in Memphis, TN does have refurbishment activities for certain products.
Neopost International Supply Limited
4650 Hickory Hill Road
Memphis, TN 38141
Contact: Kevin Guthrie, 901-433-4019**
- **Some products are sent to a metal reclamation company.
SIMS Metal Management
540 Weakley Ave.
Memphis, TN 38107
Contact: Sam Levine, 901-270-0839**

8.3.5 Recycle Facility and/or Business Name and Address – Identify name, address, contact name and phone number of the facility performing destruction services.

- **Computer products are sent to a separate recycler.
5R Processors
3328 Winbrook Dr.
Memphis, TN 38118
Contact: Ashley Bolling, 865-457-1621**
- **Cardboard and paper products are recycled.
Sonoco Recycling
704 South Dudley St.
Memphis, TN 38104
Contact: Carlene Drew, 901-233-4390**

Note: the State of California reserves the right to choose whether the contractor's proposed solution to this requirement will be utilized by the State of California.