

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 2, 1999

PITNEY BOWES INC.

Commission File Number: 1-3579

State of Incorporation
Delaware

IRS Employer Identification No.
06-0495050

World Headquarters
Stamford, Connecticut 06926-0700
Telephone Number: (203) 356-5000

Item 5 - Other Events.

The U.S. Postal Service and Pitney Bowes Inc. (NYSE:PBI) announced today that they had reached agreement resolving a lawsuit filed by Pitney Bowes in 1997. The lawsuit arose out of a dispute over a 1978 Statement of Understanding authorizing Pitney Bowes to offer Postage by PhoneR, its proprietary version of the Computerized Meter Resetting System (CMRS).

CMRS, first offered by Pitney Bowes in 1979, enables customers to reset their postage meters over telephone lines. In 1995, as a part of a review of its cash management practices and postage meter policies, the Postal Service revised its regulations for CMRS and terminated the 1978 Statement of Understanding. The Court upheld the revised regulations but ordered a trial on the merits of Pitney Bowes' claim for money damages.

Under the terms of the agreement, Pitney Bowes will receive \$51.75 million. This payment will represent a portion of the financial benefit that the Postal

Service obtained as a result of the revised regulations.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PITNEY BOWES INC.

August 2, 1999

/s/ M. L. Reichenstein

M. L. Reichenstein
Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ A. F. Henock

A. F. Henock
Vice President - Controller
and Chief Tax Counsel
(Principal Accounting Officer)