

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under § 240.14a-12

PITNEY BOWES INC.

(Name of Registrant as Specified In Its Charter)

HESTIA CAPITAL PARTNERS LP
HELIOS I, LP
HESTIA CAPITAL PARTNERS GP, LLC
HESTIA CAPITAL MANAGEMENT, LLC
KURTIS J. WOLF
MILENA ALBERTI-PEREZ
TODD A. EVERETT
KATIE A. MAY
LANCE E. ROSENZWEIG

(Name of Persons(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check all boxes that apply):

- No fee required
 - Fee paid previously with preliminary materials
 - Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11
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Hestia Capital Partners, LP (“Hestia Capital”), together with the other participants named herein (collectively, “Hestia”), has filed a definitive proxy statement and accompanying WHITE universal proxy card with the Securities and Exchange Commission (“SEC”) to be used to solicit votes for the election of its slate of highly-qualified director nominees at the 2023 annual meeting of stockholders (the “Annual Meeting”) of Pitney Bowes Inc., a Delaware corporation (the “Company”).

Item 1: On April 4, 2023, Hestia issued the following press release and open letter to stockholders of the Company. A copy of the letter was also delivered to stockholders of the company in the form attached hereto as Exhibit 1, which is incorporated herein by reference.

Hestia Capital Issues Letter to Pitney Bowes Stockholders from Lance Rosenzweig, its Proposed Interim CEO and a Proven Turnaround Expert

Highlights Mr. Rosenzweig’s Strong Track Record as a Public Company CEO, Including Recently Overseeing Total Stockholder Returns of 630% at Support.com, Inc.

Provides Overview of Full Slate’s Turnaround Plan and Strategy, Which Targets a \$15+ Stock Price in the Coming Years and Longer-Term Value Creation for all Stakeholders

Visit www.TransformPBI.com to Obtain Important Information and Voting Resources

PITTSBURGH--([BUSINESS WIRE](#))--Hestia Capital Management, LLC (collectively with its affiliates, “Hestia” or “we”), which is the third largest stockholder of Pitney Bowes, Inc. (NYSE: PBI) (“Pitney Bowes” or the “Company”) and has a beneficial ownership position of 8.4% of the Company’s outstanding common stock, today issued a letter to fellow stockholders from Lance Rosenzweig, who is the firm’s proposed interim Chief Executive Officer and a proven turnaround expert in the ecommerce and technology service industries.

Hestia is seeking to elect five highly qualified and independent candidates to Pitney Bowes’ nine-member Board of Directors (the “Board”) at the 2023 Annual Meeting of Stockholders (the “Annual Meeting”). To maximize the likelihood of a turnaround at Pitney Bowes, we urge you to vote for Hestia’s full slate on the **WHITE** proxy card or **WHITE** voting instruction form. Visit www.TransformPBI.com to download a copy of today’s letter and sign up for future updates.

A Letter from Hestia’s Interim CEO Candidate, Lance Rosenzweig

April 4, 2023

Dear Pitney Bowes Stockholder,

I am writing to introduce myself and underscore the importance of this year’s Annual Meeting, where you can vote to elect five Hestia-nominated director candidates that have spent months diagnosing Pitney Bowes’ challenges and developing a turnaround strategy that targets a \$15+ stock price in the coming years. The Hestia slate believes that immediate changes in leadership and strategy are needed at Pitney Bowes in light of the following:

- × An 80% decline in stockholder value over the past eight years;
- × Unsustainable losses within the Company's Global Ecommerce ("GEC") segment;
- × No articulated plan to address the \$1.7 billion in debt maturing over the next six years;
- × A "junk" credit rating following six downgrades by ratings agencies;
- × A 90% decline in annual cash flow under current management to \$51 million in 2022; and
- × The prospect of the Company having to cut its dividend, which would punish all stockholders, unless our slate's proposed strategic changes are made.

While Pitney Bowes appears to be in critical condition today, I am excited by the prospect of becoming interim Chief Executive Officer and drawing on my turnaround experience to stabilize the organization and set it on a path to long-term value creation. The Company has attractive assets, cash-generating segments, dedicated and talented employees, and a storied brand that can once again be the envy of the mailing and shipping worlds. These will be the pillars of the turnaround strategy (described in more detail below) which I intend to help a reconstituted Board implement.

My Background as a CEO and Introduction to Hestia

I have spent the past three decades holding executive leadership roles and director positions at public and private companies, including ecommerce and technology businesses needing transformation. I was most recently the Chief Executive Officer of Support.com, Inc. (formerly NASDAQ: SPRT), which delivered total stockholder returns of more than 630% during my tenure. I also served as the Chief Executive Officer of Startek Inc. (NYSE: SRT), where I stabilized a struggling organization with more than 40,000 employees and dramatically improved earnings, and PeopleSupport, Inc. (formerly NASDAQ: PSPT), which I co-founded, built into one of the fastest growing public companies in the U.S. and helped achieve attractive stockholder returns. I also led successful turnarounds as Chief Executive Officer of two private equity-owned companies.

I was introduced to Hestia last fall as someone who could provide insight on turning around Pitney Bowes. I independently assessed the firm's investment thesis throughout the winter before ultimately drawing the same conclusions as Hestia about the need for significant change. I likewise appreciated Hestia's principles, which focus on maximizing stockholder returns by creating lasting value for customers, employees and all other stakeholders. I concluded that if Hestia felt compelled to seek a change in control of the Board at this year's Annual Meeting, my background and experience would be well aligned with Pitney Bowes' most pressing needs.

The Path to Averting Financial Distress and Reaching \$15+ Per Share

There is an urgent need for a new, turnaround-centric strategy at Pitney Bowes in light of the \$1.7 billion in debt maturing in the next six years and long-term decline in share price. While the current Board is expressing unanimous support for existing management and its cash-burning, "stay the course" strategy, our slate intends to "course correct" by placing the Company on a path to profitable growth. This begins with electing all five members of our slate to the Company's nine-member Board. Absent a change-in-control of the Board, stockholders, employees and other stakeholders will be relying on the same leadership team and strategy that has pushed the Company into significant financial distress, putting both the dividend and upcoming debt obligations at risk.

I have worked with Hestia to help assemble an exceptional slate of director candidates with the right expertise and experience to fix Pitney Bowes' most glaring issues and lay a foundation for long-term success. I have worked closely with our slate and leading experts from the mailing and shipping industries to set the strategic priorities below. The Hestia slate intends to begin executing on these priorities immediately following the Annual Meeting:

- ii **Optimize Corporate Cost Structure** – Pitney Bowes’ unallocated corporate expenses, which cover administrative functions, exceeded \$200 million in fiscal year 2022. This is an excessive sum given that this \$675 million market cap Company’s business segments incur most of their own selling, general and administrative expenses, totaling more than \$900 million last year alone. Based on our slate’s analysis, there is a significant opportunity to consolidate, re-engineer and/or streamline non-essential functions. There is also runway to reduce marketing and other unnecessary spending once the Company is no longer chasing unprofitable growth. I intend to work with the reconstituted Board and the Company’s segment leaders to target at least \$50 million in annualized corporate expense reductions during my first 100 days. **While all of our candidates will bring expertise related to this area, my background and experience are well suited for this important task.**
 - ii **Restore GEC to Profitability & Explore Alternatives** – GEC had negative EBIT of \$100 million for fiscal year 2022, yet again validating that the Board and management’s strategy is not working. I intend to work with Company leaders and the reconstituted Board to dramatically reduce GEC’s cash burn by implementing alternative pricing strategies for unprofitable clients, optimizing the GEC logistics network, narrowing the scope of marketing and focusing on profitable revenues (with a new sales compensation plan aligned with this goal). These steps, among others, can enable GEC to successfully execute a niche strategy that focuses on profitability over sales. Our slate also intends to run a process to explore strategic alternatives that can deliver significant value to the Company in an expedited, yet prudent, manner. A properly reconstituted Board that is not biased by prior leadership’s \$1+ billion in GEC-related investments will be best positioned to work with truly independent advisors to review alternatives. **Todd Everett, who was the Chief Executive Officer of Newgistics, Inc. when it was profitably growing and acquired by Pitney Bowes, will lead this initiative at the Board level.**
 - ii **Drive Profitable Growth in SendTech** – SendTech generated \$1.36 billion in revenue and more than \$400 million in EBIT last year. The segment includes a legacy postage meter business, a newer and subscale shipping label software business, and the Pitney Bowes Bank. Our slate sees opportunities to drive enhanced value in all three businesses. The postage meter business, which has 600,000 clients and serves most of the Fortune 500, can benefit from a renewed commitment to outside sales. The shipping business can benefit from stronger organic growth and strategic capability-enhancing acquisitions like improved UI/workflow and multi-carrier shipping software. Lastly, our slate plans to explore opportunities to unlock restricted cash at Pitney Bowes Bank through internal balance sheet optimization or strategic alternatives. These initiatives would unlock sustainable value and return the segment to profitable growth. **Katie May, who was Chief Executive Officer of ShippingEasy.com and a director of Stamps.com, brings great industry expertise and her involvement will be critical to developing a plan to accelerate growth in this segment.**
 - ii **Maximize Presort EBIT** – Presort, which has a leading position in the mail sortation category, generated \$602 million in revenue and \$82 million in EBIT (a 13% margin) last year. While there may not be a certain path back to the 22% average EBIT levels this segment enjoyed between 2011 and 2017, our slate believes it can significantly improve EBIT margins and return on investment through several initiatives. Alternative pricing models can likely drive several hundred basis points of margin expansion. In addition, tuck-in acquisitions and selective efficiency-enhancing investments can augment the segment’s economies of scale and drive higher earnings. These are the types of steps Pitney Bowes can take if it is not concentrating the vast majority of its resources and capital on GEC. **I have extensive experience overseeing these types of margin-enhancement initiatives from previous successful turnarounds, and look forward to driving this initiative forward.**
 - ii **Address Significant Capital Structure Issues** – It is unacceptable that Pitney Bowes, which is a historic brand with strong core segments, has seen its credit rating fall six times over the past decade into deep “junk” status. It is clear at this point that the Company’s capital structure cannot support its cash-burning strategy. Fortunately, our slate’s focus on halting GEC’s losses and prioritizing Pitney Bowes’ cash-generating segments can lift the Company out of distress. We will quickly chart a path back toward “investment” grade credit status through thoughtful debt reduction, which can, and should, be done in partnership with our creditors. **Milena Alberti-Perez has extensive experience as the Chief Financial Officer of companies facing capital structure issues, and she has already begun identifying opportunities to deleverage the Company, improve its credit rating, and ensure that the dividend can be maintained and potentially increased over the long-term.**
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- ii **Ensure the Board Protects and Prioritizes Stockholders** – The current Board has a track record of increasing Board interlocks, resisting strategic change and stockholder feedback, and presiding over many years of value destruction. We will take proactive steps to instill a stockholder-first, rather than management-first, philosophy in the boardroom. Our slate plans to significantly improve corporate governance by taking steps that include empowering stockholders to call special meetings and act by written consent, reducing director interlocks and requiring transparent disclosure of any potential conflicts of interest. Additionally, our slate is committed to maintaining a value-additive corporate social responsibility program that keeps Pitney Bowes strong in areas like human capital management and sustainability. **Kurt Wolf, who is the beneficial owner of 8.4% of Pitney Bowes and has successfully advocated for stockholders in other boardrooms, will position a reconstituted Board to refocus on stockholders' long-term interests.**

I am excited to share this high-level overview of our slate's vision, which will be laid out in much greater detail this month. I believe that focusing on these priorities, among others, will result in reduced debt, increased cash flows and earnings, and a significantly higher valuation. We will also focus on healing the organization and rebuilding trust with non-stockholder constituencies, including employees, customers, creditors and ratings agencies. Our initiatives will create stability and make the Company an attractive destination for a permanent Chief Executive Officer, which the reconstituted Board will recruit to take over once pressing issues are triaged.

Thank you in advance for your consideration, and I hope to have the opportunity to engage with you once our slate issues its detailed transition and strategy presentation next week. Please vote to elect all five of the Hestia slate of highly qualified, independent director candidates to the Company's nine-member Board at the 2023 Annual Meeting of Stockholders.

Sincerely,
Lance Rosenzweig

About Hestia Capital

Hestia Capital is a long-term focused, deep value investment firm that typically makes investments in a narrow selection of companies facing company-specific, and/or industry, disruptions. Hestia seeks to leverage its General Partner's expertise in competitive strategy, operations and capital markets to identify attractive situations within this universe of disrupted companies. These companies are often misunderstood by the general investing community or suffer from mismanagement, which we reasonably expect to be corrected, and provide the 'price dislocations' which allows Hestia to identify, and invest in, highly attractive risk/reward investment opportunities.

Contacts

Saratoga Proxy Consulting LLC
John Ferguson / Joe Mills, 212-257-1311
info@saratogaproxy.com

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Item 2: On April 4, 2023, Hestia posted the following materials, including certain materials previously filed with the SEC, to www.TransformPitneyBowes.com:

transform pitney bowes  [VOTE WHITE](#)

[About Hestia](#) [Case For Change](#) [Investor Support](#) [Our Nominees](#) [Our Plan](#) [Resources](#) [Contact](#)

About Hestia

Hestia is the third largest stockholder of Pitney Bowes – holding 8.4% of the Company's outstanding common stock



- ✓ Hestia is a value-oriented investment firm that manages a long-term capital base anchored by its founder's personal net worth.
- ✓ Hestia is led by Chief Investment Officer Kurt Wolf, who has decades of experience investing in the public markets and advocating for improved corporate governance and management.
- ✓ Hestia is not an "activist investor" and has focused on private engagement – in its 15 years since inception, Hestia has only had to make its concerns public twice (GameStop and Pitney Bowes).

Hestia has a track record of driving positive outcomes for stockholders at the companies it is invested in.

To learn more about Hestia, visit:
<https://hestiacapital.com/>

WE HAVE ONE GOAL AT PITNEY BOWES
TRANSFORM THE COMPANY TO GENERATE LONG-TERM, SUSTAINABLE VALUE FOR ALL STOCKHOLDERS.

transform pitney bowes 

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The Case For Boardroom Change

Despite the tremendous quality of Pitney Bowes' businesses, the Company's share price is down more than 50% and its credit rating has been downgraded six times during CEO Marc Lauterbach's more than 10-year tenure.

We believe this long-term value destruction is attributable to leadership's misguided strategy and poor execution, which the entire Board continues to fully support.



Source: For data on performance, see the chart. For data on the S&P 500, see the chart. For data on the S&P 500, see the chart. For data on the S&P 500, see the chart.

\$100 invested in Pitney Bowes at the start of Mr. Lautenbach's tenure as CEO is worth -\$50, while \$100 invested in the S&P 500 is worth +\$261.

\$100 invested in Pitney Bowes at the start of Robert Durkin's nearly five-year tenure on the Board is worth -\$43, while \$100 invested in the S&P 500 is worth +\$261.

We find it very concerning that the Board has opted to retain Mr. Lautenbach and install Mr. Durkin - a former CEO nominee who appears to have close ties to Mr. Lautenbach - as Chair.

The Board continues to support Mr. Lautenbach's strategic strategy, growing Pitney Bowes' total return to shareholders at all costs.

CEO's strategy

Mr. Lautenbach's strategy is to grow Pitney Bowes' total return to shareholders by increasing revenue and margin, while reducing capital expenditures and debt.

CEO's strategy

Mr. Lautenbach's strategy is to grow Pitney Bowes' total return to shareholders by increasing revenue and margin, while reducing capital expenditures and debt.

Board's strategy

The Board's strategy is to support Mr. Lautenbach's strategy, growing Pitney Bowes' total return to shareholders at all costs.

The results of management's attempts to grow EBITDA to "total" stock for shareholders since investing heavily in EBITDA, Pitney Bowes has performed:

- ❌ Declining earnings
- ❌ Declining operating margin
- ❌ An audit of the company
- ❌ EBITDA is down in the last year
- ❌ Significant debt reduction
- ❌ Continued decline in operating margin

The Board has pursued year-over-year retention decisions.

Shareholder opportunities in ongoing year year:

- ❌ The Board has not acted on shareholder proposals to remove Mr. Lautenbach as CEO.
- ❌ The Board has not acted on shareholder proposals to remove Mr. Durkin as Chair.
- ❌ The Board has not acted on shareholder proposals to remove Mr. Durkin as Chair.

The Board has paid Mr. Lautenbach increasingly rich compensation despite poor performance.

- ❌ The Board has paid Mr. Lautenbach more than \$50 million in compensation, and his performance targets have consistently been missed.
- ❌ These increasingly "rich" pay packages are being paid to Mr. Lautenbach as CEO of the company.
- ❌ The Board has not acted on shareholder proposals to remove Mr. Lautenbach as CEO.

The Board oversaw a botched refresh, which insulates Mr. Lautenbach.

- ❌ The Board's refresh process was flawed, and the Board is not satisfied with the results.
- ❌ Mr. Lautenbach and Mr. Durkin have a long history of working together, and Mr. Lautenbach recommended and introduced Mr. Durkin as a director in 2016, at the Company's 2016 Annual Meeting.
- ❌ Mr. Durkin is a member of the Board's Compensation Committee, which has been making key decisions regarding Mr. Lautenbach's compensation.
- ❌ Mr. Durkin is also a member of the Board's Nominations and Governance Committee, which has been making key decisions regarding Mr. Lautenbach's compensation.

Item	Details
Executive Director Tenure	The Board's executive director tenure is currently 10 years.
Shareholder Engagement	The Board has not acted on shareholder proposals to remove Mr. Lautenbach as CEO.
Shareholder Engagement	The Board has not acted on shareholder proposals to remove Mr. Durkin as Chair.
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The Board has a plan that targets a \$10+ stock price in the coming years and longer-term value creation for all stakeholders.

Investor Support

A half-dozen stockholders have made Pitney Bowes aware – publicly – that more change is urgently needed at the Company and that they intend to vote for Hestia's slate on the WHITE Proxy Card at this year's Annual Meeting.



According to a recent article in Reuters, "[i]n September BWM AG wrote a letter to the board highlighting poor execution in the ecommerce segment, excessive debt, overly high corporate costs and the chief executive officer's multi-million dollar pay."



Late last year, Domo Capital's founder said "[t]he poor management of global ecommerce is on Marc Lautenbach and the poor allocation of capital is on Michael Roth as the chairman of the board."

The Park Circle Company

"Pitney Bowes is really messed up," said Jeff Legum, CEO of Park Circle Investments. "The CEO needs to go because he is a hindrance to moving ahead."

The Family Office Of Bradley Radoff

Former Third Point exec Bradley Radoff said, "The incumbents have blamed everyone and everything other than themselves and have offered no plan or path to value creation. I believe enough is enough and significant change is warranted."

Anqa Management

There is "unrealized value here, not just in the underperforming Global E-commerce segment but also in the original SendTech business where opportunities have been underexploited for some time," said Jamie Zimmerman, who runs Anqa Management's Litespeed Master Fund.

Meet Our Nominees

Riisley believes that its well-rounded slate of director candidates has the necessary qualifications to implement a sustainable, value-enhancing strategy.



Milena Alberti-Perez
Milena Alberti-Perez is an experienced chief leader, public company director and former financial executive at technology and publishing companies.

After her service on the board of directors of Digital One, (NASDAQ: DGRX) where she is a fully Executive Chair, Milena was most recently the Chief Financial Officer of Carly Group Holdings, Inc. (NYSE: CELY) from January 2016 to July 2017. Previously, she was the Chief Financial Officer of technology company Medallia, Inc. and the general Chair America Office of technology and publisher Progress Software LLC, where she also served on the company's Board of Directors.

Milena earned her M.B.A. in an investment banking program at Morgan Stanley and worked for UBS, both the Investment Banking Group and the M & A Department from The University of Pennsylvania.

- CFO experience
- Board governance experience
- Audit, risk and control structure experience



Todd Everett
Todd Everett is currently a strategic advisor to technology and real estate companies that include Double Panel Services (United), Workday, Inc. and First Mortgage, Inc.

After his leading advisory roles, Todd held positions of Executive Vice President at Renaissance, Inc. (NASDAQ: RENN) from 2009 until 2018, where he served as Chief Executive Officer and led Renaissance to significant growth and profitability, prior to its sale to First Street.

Todd is a Transformation and Customer Manager at Intel Corporation (NASDAQ: INTC) and Intel Management. He received a B.S. in Transportation and Logistics from Iowa State University.

- CFO experience
- Board governance experience
- Pricing, strategy and program experience
- Mergers and Acquisitions



Katie May
Katie May was previously the Chief Executive Officer of consumer food company Biscuits, Inc. ("Biscuits.com"), prior to selling the business to Biscuits.com, Inc. ("Biscuits.com"). She was a Director of Biscuits.com and involved in its later fundraising sale to Thrive Market.

After her success with Biscuits.com, Katie founded Kismet Bakery where she led the company from start-up (2014) until her sale to Thrive Market (NASDAQ: THRM) where she has an extensive background in marketing, operations, technology and strategic planning.

Katie earned her M.B.A. from The University of Texas at Austin where she is a member of the University of Texas at Austin.

- CFO experience
- Board governance experience
- Pricing, strategy and program experience



Lance Rosenzweig
Lance Rosenzweig is an experienced public company CEO and director. He has led multiple successful turnarounds of public and private companies.

Lance has been the Chief Executive Officer of three public companies: Spectrum, Inc. (NASDAQ: SPECT), which went on to be the first performing stock in its sector; under his leadership, Spectrum rose from 2010 IPO, achieving growth to over 4000 employees and profitable by consistent earnings with HedgeFunds, Inc. (NASDAQ: HEDG), which has delivered high growth, and the company's return to one of the highest growing public companies in the US. He has also served as a Board Candidate with public companies such as Bunge Limited, Inc. (NASDAQ: BUNGE), where he was Chairman of the Board of Directors, Biscuits.com, Inc. (NASDAQ: BISC), and other public and private companies.

Lance earned his M.B.A. from Northwestern University and his B.S. in Industrial Engineering from Northwestern University.

- CFO and financial experience
- Board governance experience
- Technology and operations experience



Kurt Wolf
Kurt Wolf is the Managing Member and Chief Investment Officer of Riisley Capital Management LLC, which is a private stockholder of Riisley Biotech.

Previously, Kurt worked at Oracle, creating and leading sales, marketing and a sales strategy at Oracle's Oracle.com and Oracle.com, and at Oracle's Oracle.com, a leading provider of software services and solutions. Kurt was also fundraising partner at leading health care biotech companies in the consumer health space that was acquired by combination of public and private equity. He has also worked in the health care industry as a consultant at Oracle and The Boston Consulting Group.

Kurt earned his M.B.A. from the Executive Leadership Program at Business Administration, M.B.A. in Economics and Management from Columbia College.

- Top management
- Board governance experience
- Strategy, planning and capital structure experience

If elected, our nominees will operate with ethics, integrity and transparency in the boardroom - all in the interest of delivering the best outcome for Riisley Biotech stockholders.

[READ OUR IDEAS FOR VALUE CREATION](#)

Our Turnaround Strategy For Pitney Bowes

The Health Care has spent months diagnosing Pitney Bowes' challenges and developing a turnaround strategy that targets a \$5+ stock price in the coming years.

Priority #1: Optimize Corporate Cost Structure

Based on our entry analysis, there is a significant opportunity to consolidate re-engineer and/or streamline non-core functions. There is also runway to reduce marketing and other discretionary spending since the Company is no longer chasing unprofitable growth. Our interim CEO candidate, Lance Rosenzweig, intends to work with the reconstituted Board and the Company's segment leaders to target at least \$50 million in annualized corporate expense reductions during our first 300 days.

While all of our candidates will bring expertise related to this area, Lance Rosenzweig's background and experience are well suited for this important task.

Priority #2: Restore CEC to Profitability & Explore Alternatives

Our interim CEO candidate, Lance Rosenzweig, intends to work with Company leaders and the reconstituted Board to dramatically reduce CEC's cash burn by implementing alternative pricing strategies for unprofitable clients, addressing the CEC's negative network, narrowing the scope of marketing and focusing on profitable revenues (with a key sales compensation plan aligned with this goal). These steps, among others, can enable CEC to successfully execute a niche strategy that focuses on profitability over sales.

Our state also intends to run a process to explore strategic alternatives that can deliver significant value to the Company in an expedient and prudent manner. It is strongly recommended Board that a not named to our leadership's 300+ other in CEC-related investments will be best positioned to work with truly independent advisors to review alternatives.

Todd Everett, who was the Chief Executive Officer of Neophis, Inc, when it was profitably growing and acquired by Pitney Bowes, will lead this initiative at the Board level.

Priority #3: Drive Profitable Growth in SendTech

SendTech generated \$1.36 billion in revenue and more than \$400 million in EBIT last year. The segment includes a legacy postage meter business, a service and software shipping meter software business, and the Pitney Bowes Bank. Our state will support efforts to drive enhanced value in all three businesses.

- The postage meter business, which has 100,000 clients and serves most of the Fortune 500, can benefit from a renewed commitment to outside sales.
- The shipping business can benefit from stronger regional growth and strategic capability-enhancing acquisitions like PaperDirect to drive flow and multi-carrier shipping software.
- Lastly, our state plans to explore opportunities to unlock restricted cash at Pitney Bowes Bank through internal balance sheet optimization or strategic alternatives.

These initiatives would unlock sustainable value and return the segment to profitable growth.

Katie May, who was Chief Executive Officer of ShippingEasy.com and a director of Stamp.com, brings great industry expertise and her involvement will be critical for developing a plan to accelerate growth in this segment.

Priority #4: Maximize Pre-sort EBIT

Pre-sort, which has a leading position in the mail sortation category, generated \$200 million in revenue and \$80 million in EBIT in 12x margin last year. While there may not be a certain path back to the 22% average EBIT ratio the segment enjoyed between 2017 and 2019, our state believes it can significantly improve EBIT margins and return investment through several initiatives. Alternative pricing models can help drive several hundred basis points of margin expansion.

In addition, fixed-investments and targeted efficiency-enhancing investments can augment the segment's economies of scale and drive higher earnings. These are the types of steps Pitney Bowes can take if it is not concentrating the vast majority of its resources and talent on CEC.

Our interim CEO candidate, Lance Rosenzweig, has extensive experience overseeing these types of margin-enhancement initiatives from previous successful turnarounds, and looks forward to driving this initiative forward.

Priority #5: Address Significant Capital Structure Issues

It is clear at this point that Pitney Bowes' capital structure cannot sustain its path-forward strategy. Fortunately, our state's focus on taking CEC's losses and prioritizing Pitney Bowes' cash-generating segments can do the Company out of debt. We will quickly chart a path back toward "investment" grade credit status through thoughtful debt reduction, which can and should be done in partnership with our creditors.

Milena Alberti-Perez has extensive experience as the Chief Financial Officer of companies facing capital structure issues, and she has already begun identifying opportunities to deleverage the Company, improve its credit rating, and ensure that the dividend can be maintained and potentially increased over the long-term.

Priority #6: Ensure the Board Protects and Prioritizes Stockholders

Our state will take proactive steps to meet a stockholder first, rather than management first, philosophy in the boardroom. We plan to significantly improve corporate governance by taking steps that include empowering stockholders to call special meetings and act by written consent, reducing director entrenchment and requiring transparent disclosure of any potential conflicts of interest.

Additionally, our state is committed to maintaining a robust and diverse corporate social responsibility program that leverages Pitney Bowes' strong track record in human capital management and sustainability.

Kurt Wolf, who is the beneficial owner of 8.4% of Pitney Bowes and has successfully advocated for stockholders in other turnarounds, will position a reconstituted Board to refocus on stockholders' long-term interests.

Resources

 **Recent News Coverage**

-  **Several Pitney Bowes investors to vote for Hestia slate in proxy battle**
MAR 30, 2023
Reuters
-  **Pitney Bowes 'the most compelling investment opportunity' since CameStop in 2020: Strategist**
FEB 24, 2023
Yahoo Finance
-  **Pitney Bowes investor Hestia seeking to replace board, CEO**
JAN 24, 2023
New York Business Journal
-  **More top Pitney Bowes shareholders criticize management amid activist pressure**
DEC 13, 2022
Reuters
-  **Pitney Bowes Investor Calls for Board Takeover, New CEO**
DEC 10, 2022
Motley Fool
-  **Hestia seeks to take control of Pitney Bowes board, oust CEO**
DEC 10, 2022
Reuters

 **Important Materials**

-  **A Letter from Our Interim CEO Candidate, Lance Rosenzweig**
APR 4, 2023
-  **Hestia Capital Issues Letter to Pitney Bowes Stockholders from Lance Rosenzweig, its Proposed Interim CEO and a Proven Turnaround Expert**
APR 4, 2023
BusinessWire
-  **Hestia Capital's Definitive Proxy Statement**
MAR 16, 2023
SEC
-  **Hestia Capital Files Definitive Proxy Statement and Sends Letter to Pitney Bowes Stockholders**
MAR 16, 2023
BusinessWire
-  **Hestia Capital is Filing a Preliminary Proxy Statement in Connection with Pitney Bowes' 2023 Annual Meeting of Stockholders**
MAR 6, 2023
BusinessWire
-  **Hestia Capital Nominates Seven Highly Qualified, Independent Candidates for Election to Pitney Bowes' Long-Tenured, Underperforming Board of Directors**
JAN 23, 2023
BusinessWire
-  **Pitney Bowes' Fallings During the Both-Lautenbach Era**
JAN 23, 2023
Hestia Capital
-  **Hestia Capital Announces Intent to Overhaul Pitney Bowes' Board of Directors Following 10+ Years of Significant Value Destruction Under Chair Michael Both and CEO Mary Lautenbach**
DEC 10, 2022
BusinessWire

Contact Us

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Fill out your name and email address to stay updated.

SUBMIT

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Additional Information

Hestia Capital Partners, LP ("Hestia Capital"), together with the other Participants, has filed a definitive proxy statement and accompanying SEC filing (which proxy statement with the Securities and Exchange Commission ("SEC") is the only filing made in connection with the 2023 annual meeting of shareholders of the Company) Hestia Capital, directly or indirectly of the Company, to keep the proxy statement and any other documents related to the distribution of information of the Company or otherwise with the annual meeting because they contain material information, including information relating to the Participants. These materials and other materials filed by Hestia Capital with the SEC, in connection with the distribution of proxies are available or no charge on the SEC's website at www.sec.gov. The SEC filing proxy statement and other related documents filed by Hestia Capital with the SEC are this website, without charge, by clicking a request to Hestia Capital's proxy website, www.transform-pitney.com, or by toll free number (866) 966-0076 or e-mail at info@transform-pitney.com.

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Effective Date: 3/1/2023

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Item 3: On April 4, 2023, Hestia sent the following email to subscribers of www.TransformPitneyBowes.com:

**The Path to Averting Financial Distress and Reaching
\$15+ Per Share.**

Fellow Stockholder,

Thank you for your support in our campaign to improve governance and enhance stockholder value at Pitney Bowes Inc. (NYSE: PBI).

Today, we issued a letter from Lance Rosenzweig, who is Hestia's proposed interim Chief Executive Officer and a proven turnaround expert in the ecommerce and technology service industries. We also introduced our full slate's turnaround plan and strategy, which targets a \$15+ stock price in the coming years and longer-term value creation for all stakeholders.

[READ LANCE'S LETTER](#)

We encourage you to visit TransformPBI.com to meet our nominees, review investor materials and learn how to vote the **WHITE proxy card.**

[HOW TO VOTE](#)

We look forward to continuing to engage with you over the next several weeks and sharing more details about our slate's vision for Pitney Bowes.

Thank you again for your interest and support.

Sincerely,
The Hestia Slate

Item 4: On April 4, 2023, Hestia posted the following material to LinkedIn:

 **Hestia Capital Management, LLC** + Follow ...
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5m • 

Meet our interim CEO candidate for Pitney Bowes, Lance Rosenzweig, a proven turnaround expert in the ecommerce and technology service industries. In today's letter to stockholders, Lance introduces our full slate's turnaround plan and strategy, which targets a \$15+ stock price in the coming years and longer-term value creation for all stakeholders. You can read Lance's letter, review investor materials and learn how to vote the WHITE proxy card at TransformPBI.com <http://bit.ly/40Y9Jdc>

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