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# First National Bank of Hughes Springs, Texas

## *Local Bank Gains Greater Control over Postage Costs*

### **Business Profile**

- Founded 1903
- Headquartered in Hughes Springs, Texas
- \$160 million in assets
- Five branches
- Mail volumes: 8,000-10,000 pieces per month

### **Benefits**

- Improved mailing productivity
- Greater control over mailing costs
- Local FP dealer provides same day service
- Easier programming
- Direct postage downloading
- Smoother, quieter equipment operation

*“With the new technology, we lowered our lease costs and we also save costs for supplies. We now have a high-speed digital mailing system that gives us room to grow and that enables us to upgrade easily.”*

-Robert Ellison, Loan Analyst, First National Bank of Hughes Springs

### **Background**

When Texas-based First National Bank of Hughes Springs opened for business in September 1903, a high-speed mailing solution consisted of a clerk hand-addressing and stamping individual envelopes.

Fast forward a hundred years and First National, now headquarters for five local area branches with combined assets of \$160 million, was processing 8,000-10,000 pieces of mail a month in Hughes Springs for all its banks through its automated business postal meter system. The five-year old equipment, was once considered state-of-the-art but had become outmoded technology. Productivity had decreased while noise volumes had risen—especially troublesome during peak periods when it handled monthly customer statements. Service had also become an issue as the equipment maker had no local dealer and took a day or more to respond to service calls.

In 2002, it fell to Robert Ellison, the bank’s loan analyst, to find a solution to present to the bank’s CEO. While he admits mailing system solutions may not be in the portfolio of most bank loan analysts, Ellison was charged with coordinating all leases for First National and its branches. The mailing system’s lease was one of his first orders of business. What began as a project to replace one mailing system led Ellison to recommend—and implement—new postage meter solutions for First National and its five branch banks.

### **Solution**

While each branch bank had its own equipment, purchased years earlier, First National handled customer statement processing for all of its banks. Ellison realized he needed a mailing system that would provide high speed and productivity, greater control over costs and was secured through a local dealer who would consistently monitor the bank’s mailing systems needs to provide more functionality and adaptability to emerging mailing innovations. First National chose a solution offered by FP Mailing Solutions dealer, United Postal Solutions of Texarkana, Texas that is located within an hour from First National.

“After seeing a presentation on FP’s digital system, the JetMail Concorde, and seeing it in operation at one of United Postal’s local customers, we were really impressed,” Ellison says. “We also realized that we could see some immediate productivity gains.”

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Because the JetMail Concorde vertically feeds 7000 pieces of mail an hour, Ellison calculated the bank would see immediate productivity gains over its old equipment. The equipment also offered greater flexibility. FP's JetMail Concorde would be able to accommodate mail up to one-inch thick and any height and run multiple types of mail at the same time as #10 size envelopes. Something the bank's older equipment could not handle.

The new technology also provided convenience and timesaving features, which appealed to First National. The mailing system was able to perform postage resets directly and securely through the postage meter via modem just by pressing a few buttons.

For Ellison, the systems quiet operation was another factor in the final decision. "Because our postage meter equipment is located near our bookkeeping department," Ellison explains, "the noise from the old equipment was interfering with staff work, especially every time we ran customer statements."

Soon after implementing the solution for First National, Ellison saw a further opportunity for the bank to gain greater control over postage costs and consolidate its various business postage meter leases throughout its branches. While the branches had their own business postage meters for direct marketing and other needs, the existing equipment was larger than the branches required, had a lot of unused capacity and consequently lease charges were higher than Ellison thought they should be. The equipment wasn't offering the type of control they needed. The branches had no postal scales integrated into their meters, so postage was often overestimated.

United Postal Solutions helped Ellison create a solution for the branches that would provide them more efficiency with more appropriately sized equipment and greater postage cost control. Over the next two months, each branch bank swapped out their older equipment for more appropriately scaled FP Mailing Solutions T1000 small business postage meters with an integrated five-pound scale.

"With the old equipment, we didn't have an accurate way to assess what our postage costs were at each branch," Ellison remarks. "Now we feel we're controlling our postage costs more effectively and know that watched expenses tend to go down. With postal scales in each branch, we know we're eliminating any postage guesswork."

To Ellison's credit, the business mailing solution he devised with United Postal Solutions has been well received. "From the beginning, United Postal worked with us all the way," he says. "With the system they recommended, we lowered our lease costs and we also save costs for supplies. We now have a high-speed digital mailing system that gives us room to grow and that enables us to upgrade easily."

While the demonstration of the FP JetMail Concorde's capabilities and customer feedback helped Ellison make the switch, he credits United Postal's service orientation as well. "Because they are a local dealer, they're very responsive to our service needs," Ellison says. "When we call them, we talk with a human being, rather than a call handling program." Service is important to First National, especially during monthly statement time.

"They're a local company with a local service center so we feel we get more attention," Ellison adds. "They're based in Texarkana, very close to us. If something should happen I know they'll be here right away."

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