

# FRANKING MACHINE BUYERS GUIDE

Do not purchase a machine until you have read this document

## March 2008 Update

### The 5 Key Buying Criteria To Consider Before Purchasing A Franking Machine



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## Overview

At Twofold we appreciate the difficulty customers have in choosing a company to supply their Franking Machine. This guide has been put together to help you navigate through the many competing offers you will receive. A Franking Machine will provide many years of faithful service, but being a machine it can go wrong, and this is where it is vital to ensure you have purchased from the right supplier.

### 1 The Machine

Many of the features found in franking machines are similar. The key is to ensure your machine will cope with current and future demands. Buying the wrong machine is a false economy as you may have to buy a new machine later. It goes without saying that you should ensure your chosen machine is new and not re-conditioned unless you are happy to accept a second hand machine at a discount. It is also worth checking if the machine is from a current product range. Ensure you consider all the cost options associated with a machine, as many suppliers will try to lure you with seemingly low monthly lease costs, but hide many essential extras. It is essential that your machine be installed properly by a trained engineer, who will set it up correctly and train you on proper usage. Finally always ensure you get at least a 6kg scale as anything less will quickly be exposed the first time you want to send a parcel.

#### Key Considerations

- Engineer installed
- Future volumes
- Ensure 6kg Scale
- Current model

### 2 The Company

This is the single most important decision to make when selecting a franking machine. First of all, ensure your chosen supplier is Royal Mail approved. Secondly, ensure they are financially sound and hence likely to be around in a few years time should you need assistance. It is worth checking at this stage if they are nationally based or a small company running a franchise. Check they have their own engineers and are in the business of supporting your investment. Reject suppliers who just sell equipment and lease agreements but don't have their own engineers on the payroll. We also consider it key that you choose a national concern who service and support thousands of customers as this is a good guide that they have been around for a long time and are trusted by many existing users. On this subject check out who their users are ensure they service the largest UK firms who will demand the highest service levels and have the legal muscle to enforce it. Finally, take time to talk to their representative and see how long they have been in the business and get a feel for their level of expertise and professionalism.

#### Key Considerations

- Royal Mail approved
- Financially sound
- Own national engineering team
- Number of users
- Level of knowledge

### 3 The Service & Support

It may take an hour or so to choose a supplier, but your machine will last for years so you need to ensure their support and maintenance is up to your standards. Firstly you must ensure all service is on site, reject any supplier who asks you to return machines to base for repair as this will leave you exposed when the machine goes wrong. We recommend a company who has engineers local to your business, so if anything does go wrong they can be on site as quickly as possible. We mentioned this before but ensure the service is provided by the same company and not by a third party. It is also worth checking out how many engineers the company has, to ensure they meet their response times and can cope with holiday and sickness cover. If you have the time, we recommend that you speak to an existing user who will tell you what the service is really like.

#### Key Considerations

- On site support
- Own engineering force
- Local engineers
- Adequate number of engineers
- Happy customers

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## 4 The Lease Agreement

If you can afford it purchase the machine up front. But if cash-flow is a consideration or you want to spread the cost against the taxable write down then leasing can be very effective. First of all ignore the monthly figure and always ask for the APR. Just as with any loan the lower the better. Check what is included in the monthly figure to ensure there aren't any nasty surprises. Finally we consider it essential that the company that sells you the machine should also provide the finance. The reason is very simple if you become unhappy with the service or support a third party leasing company will not care and demand payment and take legal proceedings to recover any debt. If the company who provides you the machine and service is also providing the lease it is in their interest that you are happy. Remember, if any of the offers seem too good to be true, they always are. For most suppliers the majority of their profit is in signing you up to a high interest lease agreement, so you need to bare this in mind when dealing with their sales people. Try saying you want to purchase outright to test if they just want to sell you a lease instead. If you want a lease then this is fine, but you may not need it.

### Key Considerations

- Do you need to lease
- Check the APR
- Ensure lease is from the same company

## 5 The Consumables

Franking machines are simple to use and run and you will get many years of usage if you choose the right machine from the right supplier. Once you have the machine you will need to charge it up with postal credit. It is essential that you select a service that will allow you to top up the machine at any time of night and day. Reject 9-5 Monday to Friday only top ups, as you may not know in advance when you need to add credit. Also ensure there are no administration charges when topping up on postal credit or 're-setting' your machine (whilst a few top ups may be offered free you will soon use these and find the administration charge expensive). Some suppliers offer a premium rate postal recharge service, ensure this is the only fee - and how long calls last. Postal rates will change and ink will run out, find out how your chosen supplier will provide for you in these situations.

### Key Considerations

- Ensure 24/7 top up of postal credit
- Reject admin charges to top up
- Find out how rate increases are handled

This concludes our guide to buying a franking machine, to find out about other ways to manage your incoming and outgoing documents, checkout our website at [www.twofold.co.uk](http://www.twofold.co.uk).

# TWOFOLD

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