

VC-Backed Co. Pushes Envelope With Postmarked Email Service

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With more people emailing and fewer people sending physical mail in recent years, the U.S. Postal Service is taking steps to move into the digital world – and using a venture-backed company to do so.

[Goodmail Systems Inc.](#) has partnered with [Epostmarks Inc.](#) to launch a product, Postmarked Email, that has the approval and protection of the U.S. Postal Service.

The deal will essentially make emails handled by this service the legal equivalent of physical mail. That's important for businesses that are seeking to cut the costs of physical mail while also improving communication with customers and become more environmentally friendly.

Goodmail, which has raised about \$45 million from Bessemer Venture Partners, DCM, Emergence Capital Partners, Omidyar Network and Softbank Capital Partners, isn't the only venture-backed company working with the postal service. [Earth Class Mail Corp.](#) covers different terrain - it doesn't deal with email, but it provides users with access to their physical mail online. Earth Class Mail has raised more than \$20 million from Ignition Partners, Alliance of Angels and Keiretsu Forum, according to VentureWire archives.

In addition to Goodmail, one other company, [Authentidate Holding Corp.](#), has a license to use the U.S.P.S. brand to authenticate email, but that technology is focused on health-care records.

Goodmail's product could open the door to other start-ups seeking to capitalize on the reduction in physical mail delivery, which has seen the pieces of mail the U.S.P.S. handles drop from 216 billion in 2006 to about 203 billion in 2008.

The Postmarked Email service, which is targeted to businesses, will provide date and time stamps audited by the U.S. Postal Service with the eagle logo of the Postal Service. Epostmarks, which provides this part of the service, has the license to use the U.S.P.S. brand. Goodmail, meanwhile, verifies the authentication of the emails from the companies sending them, and places a token indicating the messages were received with Internet Service Providers and email companies. Goodmail already provides a service to authenticate its messages from companies and marks them with its blue ribbon envelope icon.

The Postmarked Email service means that legal protection and enforcement for "snail mail" will be extended to these new emails and will be subject to enforcement by the Postal Services' approximately 2,000 postal inspectors.

“Until we restore trust, email will always be compromised in its ability to be a primary means of communication,” said Peter Horan, chief executive of Goodmail.

It also means that consumers will be more likely to trust email from banks and other companies without worrying about phishing scams.

“In a recent survey about 50% of consumers said they delete email from banks without opening it,” said Jason Curtis, chief executive of Epostmarks. “Since I can’t trust the message I just delete it without ever knowing what it says.”