



Presentation for Greater Lafayette Information Technology Society

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Managed Print Services
Outside the Box





Some history...

- ❖ 1st there were Copiers
 - Analog Copiers went Digital, became printers
 - Copier/Printers became MFPs (multi-functional, copy-print-fax-scan)
 - Copiers/Printers/MFPs became commodities
- ❖ Copier dealers had to set themselves apart in **SERVICE** and **SOLUTIONS**



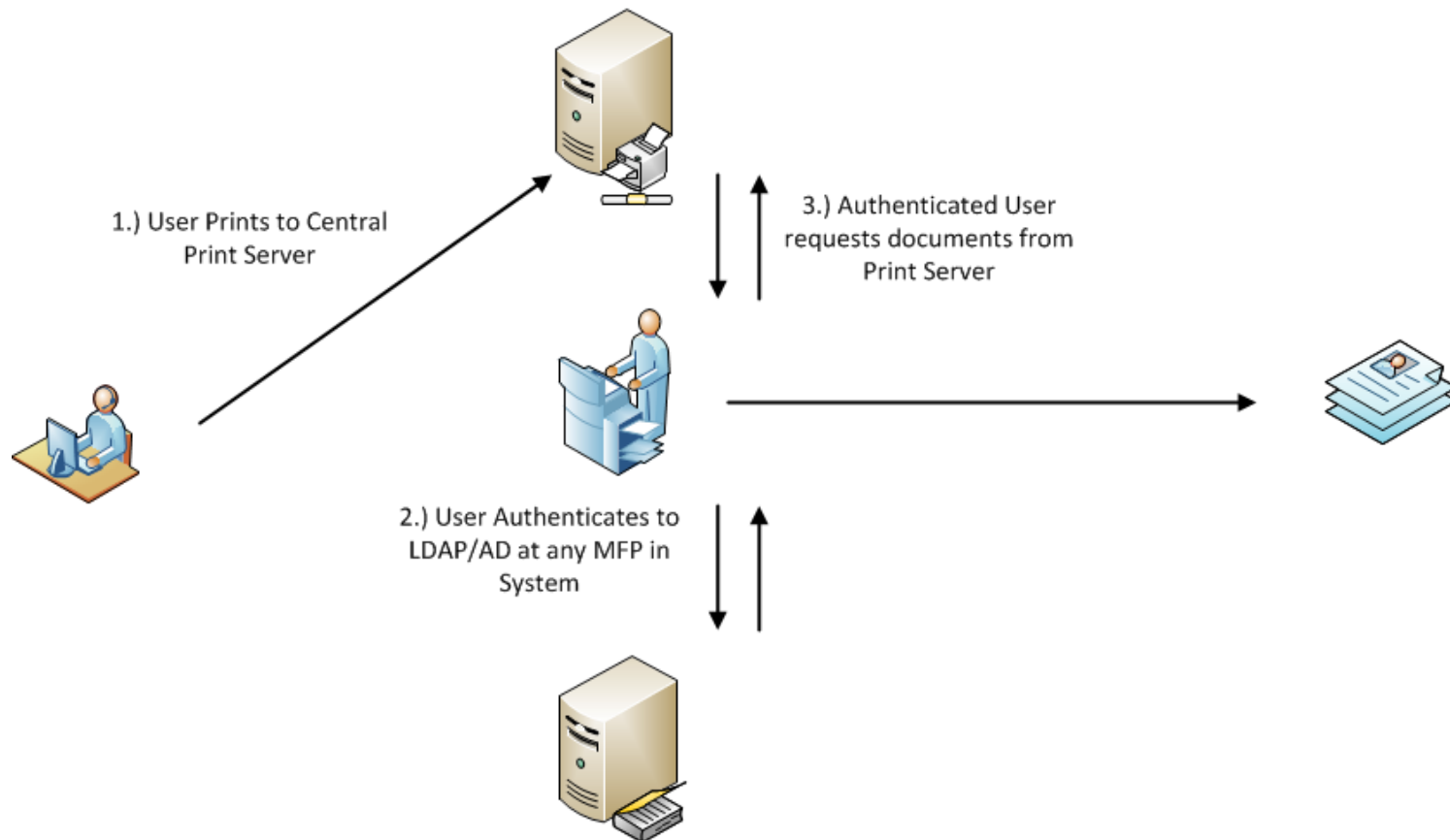


Solutions

- ❖ Scanning Solutions (Xerox Paperport and ScanFlowStore, Canon's Ecopy, Lanier & Ricoh PPDM) are all Nuance products
- ❖ Document Storage, Scan to Folder, Scan to Middleware, Scan to Email w/ LDAP Lookups
- ❖ Xerox's EIP, Canon's MEAP, Ricoh's ESA, Sharp's OSA, Lanier's ESA (Ricoh rebranded)
 - Web Apps at the MFP can now interact with network, file directories, print servers, and "cloud" services (Scan to Dropbox, DMS?)



Follow-You Printing





Rules-Based Printing

- ❖ Starts with Accounting
 - Queue Based / Computer Level
 - Pin Code, AD, or Secure ID Card
 - Single Sign-on, MFP is customized to user
- ❖ Rules are assigned to re-direct prints to more efficient devices
 - Prints over specified number of pages go to MFP
- ❖ Recovery tools for bill-back to client/customer





If an organization doesn't know what their currently spending on the fleet, they may not realize there's the need for a SOLUTION

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MFP/Copier Contracts

- ❖ Lease or Buy Purchase of the equipment and/or software
 - Leasing can now be less expensive than cash purchase

Cost per Copy

- Includes all Consumables (Except Staples and paper)
- Includes all Break/Fix Service
- Sometimes includes a Base
- Typically paid monthly or quarterly
- ~\$0.01 per copy times number of copies

Basic Service

- Only Includes Break/Fix Service
- Typically flat rate paid yearly
- Consumable items are purchased separately as needed

Because of the nature of CPP, organizations know exactly how much their copiers/MFPs cost to a 1/100th of a cent.





Can you easily answer how
much your printers cost?

Per Page?

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Total Cost of Ownership of a Printer Fleet

- ❖ Cost of device divided by the number of months owned.
 - Have to make assumptions on average printer life
- ❖ Cost of consumables and service per page times the number of pages per month
 - Assumption is made on page coverage and cartridge yield
- ❖ Could also include any power, IT costs, paper costs, etc.





TCO For HP LaserJet 4250N

Purchased for \$1250, average life of 7 years, OEM Supplies
Average Monthly Volume – 1000 Prints

Supply	Cost	Yield	Cost per Print
Toner	\$224	10,000	\$0.0224
Maintenance Kit	\$399	225,000	\$0.002

Machine Cost	\$1250 / 84 Months	\$14.88 per Month
Cost Per Page	\$0.0244 * 1000	\$24.40 per Month
	TCO	\$39.28 per Month*

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TCO for Inkjets

 Good luck with that.

- Average life of printer?
- Page Coverage?
- Does it even track the usage?





SNMP MIB Data for Networked Devices

- ❖ Database of Management Variables stored on network connected devices
- ❖ Imaging devices store
 - Consumable levels
 - Meters
 - Device Status
- ❖ MIB Data can be collected and centralized
- ❖ Industry will move to eliminate Private MIB
 - RFC1213 MIB-II
 - RFC2790 Host Resources MIB
 - RFC3805 Printer MIB v2





Why Is This Important?

- ❏ 1-3% of annual revenue
- ❏ Growing 11% per year
- ❏ No management controls in place
- ❏ Unmanaged Supplies
- ❏ Costly distraction to IT





Managed Print Services

“MPS is the active **MANAGEMENT** and **OPTIMIZATION** of document output devices and related business processes” – Managed Print Services Association

- ❖ By 2014, MPS is expected to grow 18% per year to \$68B. WHY?
 - Average Hardcopy Fleet is \$700,000 per year for a firm with 750 employees, 3,700 hours of IT support, and will use 33,000 kWh of electricity.
 - Average firm has 2.2 employees for every device.
 - In some instances, we've found 2 or more devices per employee

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If we can measure it, we can **manage** it.

If we can quantify it, we can **predict** it.

If we can predict it, we can **control** it.

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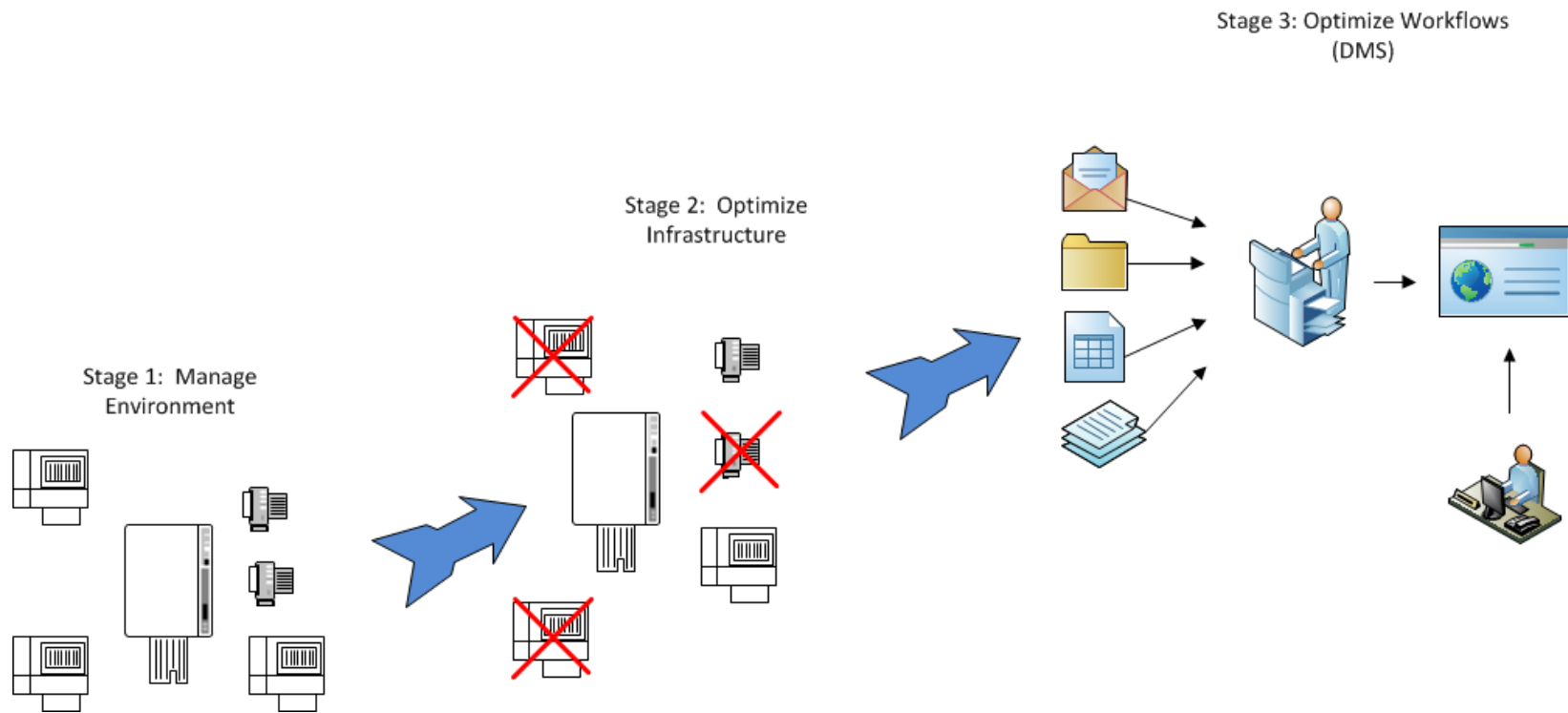
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Stages of MPS



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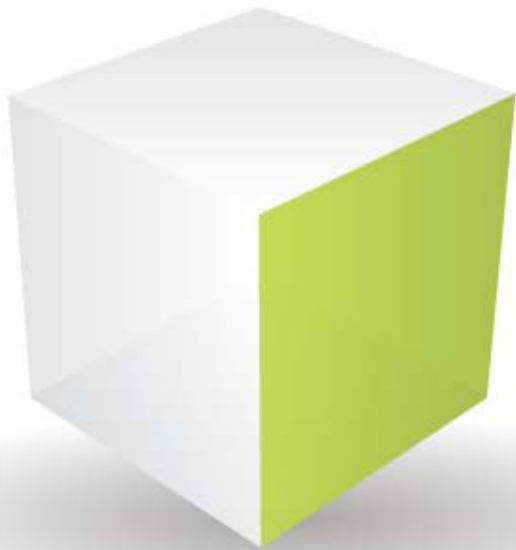
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What is printCUBE?



- ❏ Stage 1 MPS
 - ❏ Nationwide Service
 - ❏ Helpdesk Support
 - ❏ Real Time Reporting
 - ❏ Proactive Supply Restocking
- ❏ Stage 2 MPS
 - ❏ Ongoing Optimization

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How Organizations Benefit

Stage 1-

Annual Revenue	\$2.5 million	\$20 million
Average Office Print Spend	\$50,000	\$400,000
7% Savings	\$3,500	\$28,000
15% Savings	\$7,500	\$60,000

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Managed Output Strategy

Cost Savings in Stage 1 -



- ❏ Supply Management
- ❏ Network Device Management
- ❏ IT Distraction
- ❏ Vendor Management
- ❏ Power Savings
- ❏ Paper Savings

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How WE Implement

1. Determine Current Costs

- Install Data Collection Service (DCS)
- Walk Through
- Interview Stakeholders
- Gather Direct Costs
- Build Comprehensive Cost Model

2. Cost Consensus Meeting

3. Present Recommendations





How WE Implement Stage 1

- ❖ Monitor all printers with SNMP collection software
- ❖ Put all printers on CPP contracts
- ❖ Auto supply shipment to devices as needed
- ❖ One number to call for any printer/MFP related problem
- ❖ Accurate fleet reporting on entire cost and usage to 1/100th of a cent





How WE Implement Stage 2 -

- ❏ Reporting on Fleet
- ❏ Meetings with Stakeholders
- ❏ IT Policies
- ❏ Directives from Decision Makers





What's Next?

- ❖ Commoditization of Managed Print
 - Back to **SERVICE** and **SOLUTIONS**
- ❖ MPS Stage 4 - Convergence
 - Example – Netwise, Ricoh TeknoForce, Xerox ACS, HP EDS
- ❖ Paperless? Doubt it. But...
 - Schools implementing “No Print” Policies
 - Mobile/Cloud taking hold
 - Under Managed Print, real cost to print is known – back to BPO and **SOLUTIONS**





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