Success story for manufacturing

Sleep and relaxation products manufacturer

Manufacturer drives efficiencies and captures savings with move to Lexmark Managed Print Services

Challenge

Renowned for its innovative mattresses and pillows, this manufacturer strives to achieve maximum efficiency in every area of its business—and that includes its output and printing operations. That’s why the company recently took a close look at its office printing operations, exploring ways it could reduce waste and save money while boosting employee productivity. Through a comprehensive assessment conducted by Lexmark, this company identified several opportunities for improvement.

For example, while the company did a lot of printing at its headquarters—more than 105,000 pages per month—a good portion of that volume was going to waste. Too often, users forgot to pick up their print jobs, leaving them to pile up at the printer. “We had a huge waste paper problem because employees would print things and leave them on the printer and we would end up throwing them away,” said the manager, global service delivery. In addition, most employees printed only on one side of the page, so the office used more paper than necessary. Security was also a concern in an environment where abandoned print jobs could be picked up at the printer by anyone.

The team also discovered that there were more output devices scattered around its headquarters than the company actually needed to handle its volume. In total, the company operated 124 devices comprising 10 different makes and 57 models of printers, fax machines and multifunction printers (MFPs). The proliferation of machines—including dozens of “personal” printers serving individual employees—raised operating costs. Connecting all of the devices to a single network would have helped, but only 40% of the printers were networked.

Furthermore, the mix of device types was far from optimal, with more printers outfitted for oversized paper printing than the company’s volume justified. And with an average age of nearly six years, the devices needed more maintenance than a younger fleet, raising total costs and negatively impacting service to employees. Overall, the company needed better management oversight of its print environment. “We didn’t know how much we were spending on printers because no one kept track of it,” he said. “We knew there were areas that we could make a positive impact and we set out to do just that.”
Solution

Determined to better manage its printing operations, the manufacturer called on Lexmark to evaluate its environment and propose an affordable solution. “We concluded that a managed print services from Lexmark was the way to go because it offered clear solutions to our problems,” he said.

Based on its evaluation, the company reconfigured its output fleet, standardizing on a smaller number of device models from Lexmark and connecting all of them to the network, vastly simplifying management. The leaner Lexmark fleet shifted more volume to space-saving MFPs and modernized the printing environment with features, such as print release, available only on the newer generation of output devices.

With managed print services, Lexmark proactively monitors the entire fleet of devices, tracking device alerts and conditions. Lexmark technicians perform remote diagnostics and dispatch field engineers when necessary. Lexmark printers automatically trigger new toner cartridges to be ordered and shipped directly to that device’s precise location, ensuring that no printer runs out of toner and avoiding the stockpiling of costly cartridge inventories. Lexmark also collects valuable information about the fleet of devices, providing the company with data that can be used to make fact-based business decisions about printing volumes or other device conditions.

Results

The company reduced its total number of devices by 86%, from 124 to just 17 and reduced the number of models by 90%, from 57 to 5. By deploying a standardized, smaller and more efficiently structured fleet of devices, the company is saving 60% per year on hardware costs and spending two-thirds less on energy. It increased its user-to-device ratio to industry-standard levels (from 2.6 : 1 to 19.1 : 1) and decreased the average age of its printers to about one year (vs. about six years old). Employees are printing less as well, helping the company cut consumption of toner and ink—its largest cost category—by 45% and shrink paper costs by 69%.

The move to network-based printing contributed to these reductions, as did the shift to more double-sided printing.

<table>
<thead>
<tr>
<th>Category</th>
<th>Original state</th>
<th>Deployed</th>
<th>% change</th>
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<tr>
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<tr>
<td># models</td>
<td>57</td>
<td>5</td>
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<tr>
<td>% networked</td>
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<td>100%</td>
<td>144%</td>
</tr>
<tr>
<td>User to device ratio</td>
<td>2.6</td>
<td>19.1</td>
<td>635%</td>
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“All of the Lexmark devices are equipped with print release, which eliminates waste, enhances security and prevents documents from getting into the wrong hands,” he said.

Gone are the days when a printer malfunction could divert a staff member for an extended period of time. After turning device monitoring and maintenance responsibilities over to Lexmark, IT has found they have more time to focus on core business priorities. “We’ve moved from being printer technicians to simply managing the printer relationship with Lexmark. It’s just a better situation overall,” he said.

Managers also welcomed the new visibility they’ve gained into the company’s print operations. Through its managed print services agreement with Lexmark, the company receives monthly reports that track a range of performance measures, everything from print volume and consumables usage to cost trends and help desk tickets. “We trust Lexmark to manage the whole output environment and it has worked out quite well for us,” he said.

Users easily adapted to the networked, proactively managed Lexmark printing environment. “The printers are always available and we have access to advanced capabilities, including scan-to-email,” he said.

Looking ahead, the company plans to offer mobile printing capabilities to let on-the-go employees send print jobs directly to company printers and MFPs right from their smartphones and tablets. The company also wants to expand the managed print services strategy to include its retail stores and other locations that may be added as the company continues to grow. “With a standardized platform and strategy with Lexmark, bringing new locations onboard will be a consistent process that will keep us integrated and continuing to drive cost savings throughout the company,” he said.

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