

Waste Management and Recycling Company



Waste management and recycling company overhauls output infrastructure with Lexmark multifunction products (MFPs) and managed print services (MPS).

Challenge

As companies grow more complex, so too do their printing needs. Printing spans a vast spectrum, including landfill engineering CAD drawings, manifests, point-of-sale transactions, customer invoices, and dozens of others. Just one document type, daily route sheets for the company's 15,000 drivers, generates more than 62 million pages annually, the equivalent of 124,000 500-sheet reams.

With page counts increasing and output-related expenses mounting, this company's IT director believed the time was right to look for ways to cut costs and work smarter, in part by printing less. "To do that we first needed to dig in and collect data about what we print, what it costs, and even why we print it," said the IT Director. "Once we interpreted that information, we could take a deeper look to see what actions we could take, including leasing hardware and managed print services."

Already familiar with Lexmark, the IT Director engaged his consulting team to undertake a preliminary assessment in two of the company's markets. The goal was to assess current output operations by tallying all installed output-related equipment, quantifying paper and toner use, and recording usage details. With this information in hand, the team could build an overall output strategy to optimize output equipment and identify work flow opportunities to reduce paper consumption and cut costs.

The results of the initial assessment were eye-opening. "We found significant opportunities for improvement," said the IT Director. "Cost per page, the number of devices installed, and device-to-employee ratios were just the beginning. We found dozens of USB-connected printers that weren't on the network and therefore couldn't be managed."

Meet Waste Management & Recycling Company

This waste management and recycling company provides reliable environmental services and solutions for commercial, industrial, municipal and residential customers. The company's 30,000 employees process more than 4 million tons of recycled materials annually in 39 states, throughout nearly 700 individual locations.

Products in use:

- ▶ Managed Print Services
- ▶ Proactive Consumables Management
- ▶ Extended Warranty
- ▶ Lexmark multifunction products

The output fleet at this waste management and recycling company contained 222 unique device models from 22 separate manufacturers. In total, Lexmark estimated that the company printed about 172 million pages per year—96% monochrome pages, 4% color pages. In terms of its device to employee ratio, there were 1.2 output devices for each employee.

Before presenting the assessment results and financial opportunity to company executives, the IT Director took the extra step of validating the assessment—in three distinct ways. First, volume-based reports were prepared for all network-connected printers companywide. Second, an independent evaluation was undertaken to corroborate the initial assessment results. Third, the company re-examined its daily output of driver route sheets to make sure that page counts reported in the assessment matched what was really being printed in the field.

Based upon the initial assessment and these three additional data points, the IT Director and his team researched several providers of enterprise managed print services (MPS) solutions. The company quickly eliminated those companies that were slow to respond and others whose concept of MPS did not mesh with the company's vision. A formal request for proposal was sent to just three companies. Each vendor was invited to visit a different facility, perform an onsite assessment, and offer specific recommendations.

Lexmark's detailed assessment examined the print volumes of every device, cost per page, infrastructure and maintenance costs, and annualized output—all used to project savings. "The others did not capture current-state costs, so how could they project savings?" the IT Director said.

Solution

At the conclusion of the vendor selection process, the company chose to purchase output hardware from Lexmark and enter a nationwide, multiyear managed print services agreement for the management and maintenance of its entire output infrastructure.

The headquarters rollout, especially the cultural shift brought on by the removal of hundreds of non-networked personal use printers, went smoothly, thanks in part to the commitment demonstrated by the company's CEO. "Our CEO removed his own personal printer first and set the example for our employees to follow," said the IT Director.

The company started with its headquarters location. The Lexmark team arrived on site when the equipment arrived to validate that everything was in place in a staging area and ready. The next business day, the joint team implemented the solution within the IT department first and then continued the deployment through additional floors at the corporate office over the following two business days.

"Lexmark came to us with a specific quantity of printer reductions, a specific dollar amount of savings, and a specific plan for implementation. The others did not capture current-state costs, so how could they project savings?"

IT Director
Waste Management and Recycling Company



All of the existing output equipment was removed, inventoried and prepared for recycling. New Lexmark MFPs were selected and deployed based on specific user requirements by department. Previously, the company had one larger device at the center of the building, making it more difficult and time consuming to take advantage of specific features. Now with the Lexmark MFPs, users walk no more than 50 feet for black and white printing, no more than 150 feet for color, and no more than 200 feet to copy, scan or fax.

Following a successful deployment at corporate headquarters, Lexmark moved forward to optimize the output environments at 638 locations. "We knew if we could do it at our corporate offices, we could do it at all of our locations," said IT Director.

The company is also benefitting from proactive consumables management services. Instead of pre-ordering and stockpiling toner cartridges in storage closets for all of its makes and models, the new Lexmark MFPs trigger an alert when toner gets low, so that an order for a new toner cartridge is automatically placed and shipped to the locations of that specific MFP. Staff are no longer tasked with ordering and keeping track of toner supplies, and closet space has been reclaimed for other business needs. The new approach is also freeing up expense that was previously spent on toner earlier than necessary.

The company now has the Lexmark MFP infrastructure in place to take aim at automating paper-based processes by scanning documents directly into its workflow processes. "We're excited to have the Lexmark devices as our standard and as a platform for workflows in the future," said the IT Director. "The two most obvious workflow solutions for us to tackle are probably HR and time and expense. In our specific industry, we have other processes such as special waste approval, which is a very large, onerous process that requires many forms."

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Results

The company reduced its overall output costs by 33 percent. Specifically, its overall printer fleet size has been reduced by 58 percent; from 5,800 devices to 2,400. All of the devices are now from a single manufacturer, Lexmark, and span just five models. Total printed pages were reduced by 10%, from 172 million to 155 million.

Printer-to-employee ratios improved from 1.2 : 1 to 5.5 : 1. Hundreds of personal printers were retired. Departmental MFPs that offer faster print speeds and print-job security have been welcomed by home-office and field employees. Two-sided duplex printing for driver route sheets has positioned the company to reduce paper consumption for that one report alone by more than 30 million pages annually.

"There's not just one, single business benefit; there are multiple," said the IT Director. "In this economy, it's savings. Secondly for us, we see future business processes that can be automated using the MFPs we now have in place. Third, from a support perspective, we now have one standardized device that's much simpler to support. And fourth, I don't actually have to support it. It's actually managed by Lexmark for us."



Under the managed print services arrangement, the company no longer manages hardware or deals with maintenance issues, freeing up valuable IT and operations personnel for other core business tasks. Lexmark continuously monitors the entire output infrastructure, automatically replenishing toner cartridges as needed, performs remote diagnostics in response to alert messages, and provides nationwide onsite service when needed. Lexmark consultants also analyze usage patterns on an ongoing basis so that the environment can be finetuned over time.

“It’s not just the physical devices from Lexmark. It’s the management team behind it. It’s the solutions team. It’s the software team as well,” said the IT Director. “Our partnership is based upon a relationship. If you don’t have that base to start with, you can’t build off of it. It’s the firm foundation.”

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