BSD Products with cloud fax – Frequently Asked Questions

Product Changes & Pricing

Q: When will the new models be announced and available for shipment?

A: Products will be announced in early February. Availability will vary by model and country. Work directly with your local operations team to understand availability.

Q: If the new products no longer include analog fax, are we changing the price?

A: Model pricing will remain unchanged. Analog fax only carries value to customers utilizing the feature, with many resellers transitioning to cloud fax solutions. We have seen the BSD competitive market move away from standard analog fax, with most treating it as a dealer installed option. Lexmark has invested in expanding cloud fax solution capabilities and enabling the widest possible range of vendors. These capabilities will be of equal or greater value to most customers.

Q: Are analog fax cards available to dealers?

A: Yes, analog fax card kits will be available as a dealer-installed option for most models.

Q: Who can install a fax card and how does installation take?

- A: As Lexmark Authorized Service Providers, all BSD resellers in Europe and North America can install the analog fax card. We anticipate fax installation to take 12-15 minutes, depending on the model.
- Q: Will the new digital fax models use a different firmware load than the current models? My customer has standardized/certified on a certain level of firmware.
- A: The new cloud fax models will use the same firmware as the analog fax models.

Q: What does this mean to the "hero" strategy?

A: Lexmark continues to support the Hero - Customized/Build-to-Order strategy. Cloud fax models have been added to the Hero line cards for your reference. Models with analog fax have been updated to reflect their customized status.

Cloud Fax Solutions & Offerings

Q: Is Lexmark leading the industry with product transitions from analog to cloud fax?

A: In today's market, cloud fax solutions are widely available and broadly utilized. Dealers within the BSD channel prefer to custom configure devices and upsell features based on customer needs. Offering analog fax as a dealer-installed option is a typical base model strategy for most manufacturers.

Lexmark has been moving towards a base model strategy for the BSD product line, to better align Lexmark to the preferred dealer sales strategy. In addition, Lexmark supports a wide range of cloud fax solutions, allowing dealers the most flexibility to meet specific customer needs.

Q: What cloud fax capabilities exist in my BSD MFPs?

A: Lexmark supports many 3rd party cloud fax solutions, including etherFAX, Rightfax, Biscom, Retarus and others. Lexmark also offers proprietary cloud fax solutions like Lexmark Fax over IP (FoIP).

Q: Can Lexmark integrate with my customer's preferred network/cloud fax solution?

A: Lexmark MFPs can integrate into practically any fax server solution. (FaxCore, xMedius, GoldFax, etc.) Lexmark also offers more direct integrations for RightFax and Biscom providing additional security – a requirement in environments like Finance and Healthcare. Professional services can help guide integration decisions.

Q: How do I get better trained on the different cloud fax offerings?

A: Lexmark resells and provides guidance to our customers on a variety of cloud fax solutions. You can find more on the <u>Cloud Fax landing page</u> on Elevate.

Q: Which industries have transitioned to cloud fax solutions?

A: The retail industry has largely transitioned to cloud fax solutions. Cloud fax meets both infrastructure and ongoing cost reduction needs. Industries where analog fax usage remains strong include healthcare and banking.

Q: Do we have success stories for key customers who have transitioned from analog fax to cloud fax solutions?

A: Yes; we will publish individual account success stories to help communicate identified transition drivers and activities. Look for those in the coming weeks.

Q: Do the BSD cloud fax (i) models include the same etherFAX offers as the GO Line?

A: Any Lexmark MFP will work with etherFAX[®]. However only the GO Line models have the etherFAX[®] license pre-installed with the free trial.

Component Shortages

Q: Which components are not available or in short supply?

A: There are a number of electronic components that have faced supply challenges, including analog fax card components. We remain committed to actively working sourcing and supply chain alternatives to ensure Lexmark BSD resellers are unaffected by these challenges.

Q: Will an adequate supply of analog fax cards be available to dealers?

A: Yes, Lexmark expects to meet dealer fax card demand.

Q: Are competitors facing similar component shortages, and, if so, which competitors?

A: The entire electronics industry is facing challenges with electronics component supply entering 2021. Many competitors have referred to ongoing supply challenges in Q1 but have not necessarily shared commentary on specifics. Vendors do not use the same exact components and we do not have direct insight into the challenges others are facing. We do expect competitors are working through mitigation plans.

Q: How long do we expect these shortages to continue?

A: While we do not know for certain, Lexmark expects some component availability challenges to continue well into Q2.

Q: How do we plan to allocate any shortages between Lexmark branded and OEM demand?

- A: We have a standard prioritization and allocation process that not only covers Lexmark brand and OEM, but also looks at allocation between regions, products and specific customer orders. We will continue to utilize the existing process to look at all demand opportunities and appropriately allocate supply in the case of any shortages. Please continue to work closely with your geo operations teams to understand your supply.
- Q: Will we return to shipping BSD models with standard analog fax models when component shortages are alleviated?
- A: Electronics components shortages created an opportunity to move more quickly towards the industry accepted base model strategy and is unlikely to return to 4-1 strategy on most BSD devices.