Creighton UNIVERSITY

Purchasing Department

Fleet Overview

The Xerox Managed Print Services (MPS) project had two primary objectives: 1.) To significantly reduce the number of office printers while adding enhanced printing capabilities and features; and 2.) To reduce the costs associated with university office/department printing. The scope of the project extended to every school and division, as well as Creighton Medical Associates and off campus clinical locations. This analysis will review the number of printer devices, the service levels achieved, and the cost savings tracked through this initiative. The MPS project began in October 2010 and was fully implemented by the end of August 2011.

The table below provides a summary of the fleet devices before and after implementation of the MPS program.

Description	Original Printer Count	Proposed Solution	Current Xerox	Current HP/Other	Current Savin Devices	Current Total
Black & White Laser Printers	889	465	132	104	0	236
Color Laser Printer	152	13	21	15	0	36
Inkjet Printers (B&W/Color)	391	0	0	38	0	38
Black & White Multifunctional	170	268	260	8	20	288
Color Multifunctional	5	78	90	0	0	90
Total Devices	**1607**	**824**	**503**	**165**	**20**	**688**

The reduction of devices during implementation exceeded targets. The proposed solution called for 824 supported devices. The actual result is 688. The overall printer count was reduced by 57%. Prior to implementation the ratio of employees to printers was 1.74. After implementation the ratio increased to 4.06 employees per supported device. Approximately 250 printing devices (mostly printers directly connected to personal computers) were retained by faculty. These devices are not supported by the Xerox contract and all costs for consumables are the responsibility of the individual retaining the device for their use.

Device and Service Performance

The Xerox Service Level Agreement (SLA) measures three service components as follows: 1.) **Device Uptime** – 95% of supported devices are operational during normal working hours; 2.) **Break Fix Response** – 95% of reported incidents receive same day response during normal business days; and 3.) **Break Fix Resolution** – 95% of reported incidents are resolved in the next business day during normal working hours. The process for a service incident begins with an end user’s call to the Help Desk or the device itself electronically reporting a service message to Xerox personnel of a problem. Following notification of an incident, a Docu Care Associate contacts or visits the department the same business day. Xerox’s goal is to have a response to the customer within two hours after notification. If the Docu Care Associate determines the issue requires a service technician, a call is dispatched to the Xerox Service Center. Resolution in this case should occur by the end of the following business day.

The table below reflects a full year’s SLA results for the MPS program for September 2011 – August 2012.

Time Period	Device Uptime	Response Time	Avg. Response Time	Break Fix Resolution Time	Avg. Break/Fix Resolution Time
09/2011 – 08/2012	**99.7%**	**97.55%**	**.65 Hours**	**91.96%**	**10.06 Hours**

Location: 701 North 20th Street Mail: 2500 California Plaza Omaha, Nebraska 68178
http://www.creighton.edu/Purchasing phone: 402.280.2712 fax: 402.280.2398

Creighton UNIVERSITY

Purchasing Department

Savings

A factor in the decision to engage Xerox to manage the University's fleet of office printers was the anticipated savings through the life of the contract. The current savings analysis is based on actual usage data beginning in September 2011 through August 2012.

Print Cost Savings – Prior to the implementation of the MPS initiative the University was printing and estimated 32.4 million print images per year. The average total cost per image was determined to be 4.20 cents per image. Using the Xerox MPS program the campus wide cost has decreased to 3.58 cents per image. Based on the volume of images printed this produces a $195,322 savings per year or 14.5% reduction of benchmarked costs in the former environment.

Cost Avoidance – The Xerox contract includes maintenance and supplies, but excludes the cost of paper. The rates for overages, device click charges and maintenance are set for the duration of the contract. As a result of this arrangement the University has avoided costs that were escalating year-to-year (annual maintenance adjustments, cost of consumables). The annual cost avoidance is estimated to be $25,012 commencing in FY 2012.

Fleet Replacement – The printing assessment determined that the University's fleet of office printers was aged and in need of replacement. Many department multifunction devices were outside of lease and only maintenance was contracted. Of the 216 Savin devices operating on campus 50% would have been more than five years old. Machine obsolescence occurs between the fourth and fifth year of a device and the replacement of this portion of the aged fleet is estimated to add another $500 per month per machine in costs over the maintenance only device. Avoiding the additional cost for new leases on half the Savin fleet is estimated to be $157,978 over the next four years.

The table below breaks down anticipated cost savings and cost avoidance over the remaining length of the contract based on the number of installed devices as of August 2012.

Year	Yearly Savings	Cost Avoidance Consumables, Repairs, Other	Printer Refresh	Total
2012	$195,322	$25,012	$66,703	$287,037
2013	$195,322	$25,714	$77,921	$298,957
2014	$195,322	$26,437	$12,766	$234,525
2015	$195,322	$27,181	$588	$223,091
2016	$195,322	$27,946	$0	$223,268
Total	**$976,610**	**$132,290**	**$157,978**	**$1,266,878**

Other Savings - A paper savings associated with implementing duplex copying and printing is estimated to be $15,395. Estimated energy efficiencies on the newer installed devices has not been calculated, but were anticipated to achieve a 20% reduction in energy use.

Location: 701 North 20th Street Mail: 2500 California Plaza Omaha, Nebraska 68178
http://www.creighton.edu/Purchasing phone: 402.280.2712 fax: 402.280.2398