

Print Rightsizing

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Abstract

Office equipment (i.e., printer, copier, fax, and scanner) output is increasing as technology makes these devices more affordable and available to a larger number of workers. Related supplies and maintenance costs of these items are also increasing as manufacturers realize greater returns from ongoing services, supplies and support than the actual product. These two factors are resulting in substantial increases in office output costs.

The CFO Organization at The University of Texas at Austin conducted a “rightsizing” analysis to determine if savings could be obtained. Rightsizing means putting the right functions on the right sized multi-function device to meet the business requirements of the people that are using the equipment. Instead of having several printers, a copier, a fax machine and a scanner to support an office group, one multi-function device that handles print, copy, scan and fax would be used. This device would be based on the required output. Rightsizing consolidates several pieces of equipment into one networked device that can be accessed to multiple users to handle multiple functions. This approach ensures that users are not over-purchasing equipment that was designed for higher utilization.

The rightsizing pilot project involved five different vendors and lasted approximately four months. The outcome of this effort was the selection of a single vendor who provided a solution to consolidate 100+ pieces of office equipment down to 24 multi-function devices for the CFO Organization. This consolidation resulted in a 40% reduction in print output costs in terms of equipment purchases, leases, maintenance and supplies. Additional soft costs were realized in terms of reduced support by technical personnel of the equipment fleet.

The CFO Organization structured an agreement with a single vendor that allows all departments on campus to participate and to pool volume on an annual basis. This will reduce costs because many of the University’s copier agreements are based on a set amount of monthly copy minimums, even if actual usage is significantly less. Additionally, any month in which the minimum volume is exceeded results in monthly overage charges. By participating in the rightsizing program, all volume is pooled on an annual basis. If a department is over its volume target at the end of the year and another department is under, then volume can be pooled to offset one another, resulting in no overage charges.

This agreement also includes annual rebates for increased program participation. As more departments join the program and total volume increases, annual rebates will be returned to departmental program participants. This ensures that everyone benefits from leveraging the University’s collective buying power, which provides incentives that cannot be duplicated by the individual contracts purchased under state negotiated pricing.

Due to the large size of this file, it is not presented in it's entirety. Contact the University of Texas at Austin or e-mail Dianne Parkerson, parkerso@fau.edu for a copy.