POG CONSULTING
PRINT INFRASTRUCTURE OPTIMIZATION

Background…

Founded in 1911 and located in Regina, Saskatchewan, the University of Regina serves more than 12,000 full-time students with a faculty and staff of 1,500. For the 2009 – 2010 academic year the University had an operating budget of $142 million.

Request: An RFP to address the print environment and provide these deliverables:

- Provide a strategy to improve end user satisfaction / productivity.
- Identify & quantify cost reduction opportunities.
- Develop a campus-wide print strategy.
- Review current asset management support.
- Assess environmental "green" program.
- Document current security process.
- Benchmark. Identify best practices.
- Identify "not print" automation opportunities.
- Generate a modeled target state.

CASE STUDY

University of Regina – Print Optimization Project

Project Summary/History - *Ray Konecsni, Manager Printing Services*

In 2007, the University of Regina was at a cross roads. Customer complaints about photocopier and printer reliability, print quality, and cost were continuing to spiral out of control. In addition, the responsibility for photocopiers fell under Printing Services, which was financially responsible to Ancillary Services, and printers were each individually owned by the faculties and departments. End users were confused as to whom they contact for repairs, paper, and supplies for their devices. In addition, the old card based system used to administer and manage the copier fleet was well past its life cycle (it was purchased used from the University of Chicago in 1989!) and also in need of replacement as most of the hardware and even the software were now obsolete. Finally, to conclude the perfect storm, the lease on our fleet of 95 copiers was up for renewal.

Facing these challenges, I approached the University Leadership to seek approval on striking a project to look at the broader picture (printers and copiers) as I suspected we had a very large number of devices on campus. Sceptical that a problem existed, I was granted a budget to move forward to first prove that there was an opportunity to improve the way the University viewed our print environment. An RFP was developed to find a manufacturer agnostic consultant to assess our print environment.

Solution and Results

Print Operations Group (POG Consulting), a Calgary Canada based firm was chosen to conduct the assessment in the 4th quarter of 2008, and presented their findings to us in February 2009:

- There is no Print strategy, governance or policy around printing and copying devices.
- There is no / limited output fleet support program.
- Lack of technology standards. (173 unique devices)
- Ratio of staff to output device (printer) is 1.2 to 1, or about 1200-1300 devices!)
- Distributed price is over double the industry average.
- "Green" sustainment / metrics program is missing.
- External security is OK. Risk is from the inside.
- U of R is not a "one size fits all" organization.

In the report, POG indicated that there was the potential to reduce expenditures related to print, but also to reduce electrical consumption, paper consumption, CO2 output and landfill waste through the optimization of our print environment.

The implementation of the project, at the time of this writing, is scheduled to be concluded by December 31, and we have so far assessed 44 out of 47 areas. The results thus far have been outstanding:

- We have recommended the reduction of the number of devices in these areas from 1157 to 305, an improvement from the initial ratio of 1.2 people per device to 4.5 people per device (our target was 3.3, POG Post Secondary average was 2.4).
- Our annual environmental impact is equally amazing; reduce electrical consumption by 38,000 kwH, reduce C02 emissions by 113,000 kgs, and significantly reduce paper consumption (default duplex print setting) and landfill contributions (a popup tells users the cost of their print job, before it is printed).

In conclusion, the Print Optimization Project has delivered far superior print quality, one call gets it all service, vastly improved and expanded functionality, significant cost savings projected at over $2.3 million over 5 years (POG's projected annual savings was $119,000 based on the original participants of 616 staff, extrapolated that number is approx $265,000 per year (or $1.325 million for 5 years) for the full campus), reduced electrical consumption, reduced CO2 emissions and improved customer satisfaction.

POG Consulting

POG Consulting (POG) has 17 years of experience at identifying, capturing and measuring significant print related cost reductions, while improving end user productivity. Print consulting is our only business. We do not work in any other area. We have learned that in order to do something exceptionally well, you have to specialize in it. By focusing all our energies on Print Optimization Processes and Methodology, we have developed a "Best in the Industry" reputation, acknowledged by our Gartner Group awards and numerous clients.

Print Metrics …

The Impact of Knowing Your KSI's

You cannot manage what you do not measure. POG can provide the necessary Key Sustainment Indicators (KSI's) to help you formulate, measure and apply the most appropriate *Sustainable Print Practices Portfolio* for your organization.

Example… Subset of a Canadian University. For confidentiality purposes, the following numbers are <u>not</u> those of the University of Regina.

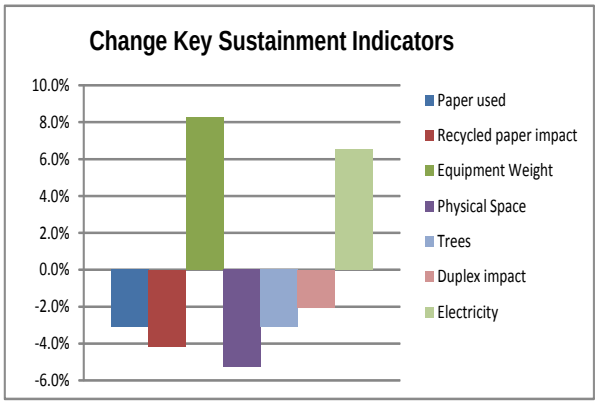
Economic Impact

Prior to applying the positive impact of KSI's cost reductions were 23%. The ROI on the assessment was 8 days.

Social and Environmental Impact

- 676 trees are required to produce the annual volume of 13.5 million sheets of paper for the subset of 4 departments.
- Converting 676 trees into paper consumes 135,220 lbs of coal and generates the CO2 equivalent of operating 150 cars for a month.
- Applying duplex to 20% of this volume would eliminate the need for 68 trees and 13,500 lbs of CO2.
- Recycled paper would save 406 trees, reduce CO2 by 36,500 lbs, avoid using 63.5 million BTU's of energy, eliminate the consumption of 162,000 gallons of water, and keep 20,000 lbs out of our landfills.

Key Sustainment Indicators (KSIs)



Key Performance Indicators (KPIs)

Distributed Print KPIs	Metric	Industry Average
Average cost per impression	$0.080	$0.039
Cost of color % of total	28.2%	19%
# of staff per device	1.3	3.0
# of devices per floor	44.5	12 to 18
Avg. monthly imp per device	698	4,200
Color printer units % of total	19.8%	18%
All desktop printers % of total	35.4%	45%
Color print volume % of total	6.3%	6% to 8%
Central Repro cost per impression	$0.181	$0.050

Note … *All* desktop printers = desktop + color inkjet

For More Information about POG Consulting please contact:
Dorota Ulkowska, Global Director Business Development 403.714.6559
250, 404 Riverfront Ave. SW, Calgary, AB T2P 5K4
www.PrintOpsGroup.com