



Hot Off the Presses

Businesses of all shapes and sizes are finding cost savings and efficiencies with multifunction printers.



For its first 20 years of business, Woodforest National Bank didn't really have a system for opening new branches. The technology personnel had a lot of freedom to choose solutions that they thought would fit the needs of a specific branch. "Somehow, it got done," explains support analyst Rick Kersten.

That was then, this is now. With fast-growing Wal-Mart as a partner, the Woodlands, a Texas-based bank, has expanded from a few dozen in-state branches in 2002 to 261 throughout Texas, N.C., Va. and Ohio. "We've blown past 200, and should probably double within 12 to 18 months," Kersten adds.

As a result, the company needed to stop operating less like a mom-and-pop shop and more like the corporate entity it had become. That meant standardizing on processes and equipment to gain efficiencies and cost savings.

IT leaders have a lot on their plates. Their days are filled with thoughts of security solutions, wireless connectivity, PC maintenance and upgrade issues. It's easy for printers to fall to the bottom of the priority list.

But as IT pros like Kersten have learned, switching to a better-suited printing solution can transform the way businesses operate. Multifunction printer (MFP) devices, which consolidate printers, faxes, scanners and copiers into one machine, are helping businesses of all shapes and sizes save costs and improve workflow.

At Woodforest, each branch had a copier, fax and printer. And as the number of branches inside stores (such as Wal-Mart) grew, the space they took up became a problem, Kersten says. "With the limited amount of space we had, that wasn't really working."

Kersten replaced the devices with Hewlett-Packard laser multifunction printers throughout the bank's branches. The printers took up less space than the three stand-alone devices. What's more, rather than deal with various devices and consumables from different vendors, Kersten's team only had one device to manage.

HP's Web Jetadmin remote management software let Woodforest's IT team manage the printers centrally, pushing out updates and diagnosing problems without having to drive to branch locations.

The MFPs also offer new functionality, such as the ability to scan documents and e-mail them. The scanner also allows Woodforest to easily save digital files. The bank needs to store copies of customers' driver's licenses, social security cards and signature cards. Rather than tying up extra space by storing paper copies, the bank can store those identification copies electronically. "That's a big change," Kersten says.

Space Savers

At Ahern Rentals, a Las Vegas-based construction equipment rental company, the accounts payable process was transformed when the company installed more than 100 multifunction devices in its locations and offices.

The company uses a document management solution that routes documents through the proper channels from the time they're scanned in, to completion. ▶

So instead of submitting hard-copy invoices, which can get lost, invoices are now scanned in, saved and routed through an approval process to the accounts payable department.

“Now, once it’s in the system, we know exactly what queue it’s in,” says CIO Evan Ahern.

The document-management software that works in tandem with the MFPs has predefined workflows based on Ahern’s business processes. Now documents are saved by file types and stored for easy retrieval.

In addition to invoices, human resources documents and other important paperwork are scanned and stored in the system.

Electronically scanning and storing those documents has cut down on courier costs, saved physical storage space and helped make the accounts payable process more efficient, Ahern says.

The integrated fax, copier and printer functions are also used at Ahern Rentals locations, and the scanning feature allows employees to scan and e-mail documents that are converted to PDF files throughout the company. “That’s real handy,” Ahern adds.

The Replacements

A few years back, it was essentially a “monochrome world,” explains Mark Drum, director of channel marketing for Xerox North American Resellers. “As monochromes get old and moldy,” though, businesses are replacing them in increasing amounts with color devices and MFPs.

Cost savings drive many businesses’ decisions to go with MFPs, Drum adds. Not only is it less expensive to buy one machine instead of four, but the cost of the consumables, such as printer cartridges, goes down with one machine, and maintaining a single machine is simplified. The space gained by consolidating equipment is another big draw.

In terms of performance, higher-end MFPs from HP can print 50 pages per minute, which is on par with stand-alone printers. “Speedwise, it’s equal,” says Tom Codd, director of marketing for HP’s laser business. “So you’re really not giving up anything on

print performance.”

The scanning capability also attracts many customers to MFPs. Scanning has, in recent years, become critical for many businesses. To be able to scan in documents and put them in a retrievable form is becoming very important, Drum says.

Color printers — MFPs especially — are also growing in use, but “monochrome’s not going to go away overnight,” Drum advises. In fact, there’s still significant growth in the number of monochrome MFPs that are sold. Monochrome MFPs are particularly attractive to smaller businesses such as insurance firms and health care companies that are “really steeped in black and white.”

Monochrome devices tend to print faster and at a lower cost. While color printers are increasing in speed and their prices are going down, a monochrome page can cost 1.5 to 2 cents, while a color page may cost 9 cents, Drum says.

There are color MFPs that print as fast as monochromes, but they come at a higher price, says Dorinda Hall, product manager for Epson’s Acculaser. Traditional laser printers take four passes to apply color to paper. Tandem technology, however, applies everything in one pass. The disadvantage of tandem technology is the higher cost.

Printers and printer-based MFPs are largely used in a networked environment, says HP’s Codd. That way, instead of having a couple of multifunction copiers located centrally, businesses can distribute printing and MFP devices closer to smaller user groups.

That “balanced deployment” helps ensure business continuity, Codd says. If there are only two centralized printers and one machine goes down, the business loses half of its printing ability. When the printer or MFP is one of several on a network, users can simply select other machines.

“MFP functionality is getting to be pretty attractive,” Xerox’s Drum says. 🖨️

Shopping List

Factors to consider when shopping around for new printers:

- Can it do concurrent jobs? Multitasking is becoming very important in business, so machines should be able to print and send a fax at the same time.
- Does it have a print-around feature? If one person is printing but the proper paper isn’t in the machine, it will handle other jobs until the paper is loaded properly.
- Can it scan documents onto the network, the desktop or directly into e-mail?
- What is it being used for? The more features a device offers, the higher the price. So if you don’t need color, go with monochrome. If your office does more scanning than printing, make sure scanning speed is a top consideration.
- Does the printer offer a centralized management tool?
- What paper handling features does it offer? These may include stapling, stacking, duplexing (printing on both sides of the paper), etc.

The MFP Payoff: Ease of Use, Better Print Quality and Lower Costs

On good days, the antiquated dot-matrix tractor-fed printer that Atlas Travel International employees used to print travel itineraries would behave. But more often than not, the old machine acted up and printed off kilter. Only two people in the office knew how to properly feed the paper.

“It almost takes a PhD in tractor-fed printing to feed this paper properly,” says Rock Blanco, chief technical officer at the Milford, Mass.-based travel agency. “But now we can actually join the revolution and print out something that you can read on an 8.5 x 11-inch piece of paper.”

The two tractor-fed printer pros have lots more time on their hands since Blanco replaced the old dot-matrix with a Lexmark laser multifunction printer. Even the newest employees can figure out how to use the paper tray on the new machine.

And the quality is better than ever. The MFP even has stored icons, so employees can easily print Atlas’ logo on documents.

“If you can make things look better and have them cost less, that’s what helps you keep your job” Blanco says.

Growing Up

Having doubled in size to about 100 employees in the last few years, Blanco decided it was time to rethink Atlas’ paper-handling devices. “Lots of growth translates into lots of paper,” he says.

Blanco knew he was spending more on printing than he should have been. In fact, just the cost of printing the two-ply invoice and itinerary forms totaled close to \$10,000 a year. Only 10 percent of travel tickets today are printed (most are electronic). But Atlas’ printing costs were only cut by about one-third from the days when everything was paper based, Blanco says.

“You don’t realize how much you’re spending or how inefficient you are until you have a chance to look under the hood,” Blanco explains. “I think so many people miss that because we have so many other important things to worry about. The top item on my agenda is not worrying whether I should order new printer cartridges.

“No one was paying attention to the fact that in the course of a year, we were spending thousands of dollars in consumables for one printer,” he adds. “It was almost getting to the point where it would be cheaper to buy a new printer every three months.”

There were other factors driving the switch to MFPs. Atlas Travel had an arsenal of printers, copiers and fax machines from a variety of different manufacturers. Employees didn’t know which printer was best for their needs, and from a consumables and management standpoint, “it was a nightmare for us because 15 different printers means 15 types of cartridges, 15 different contracts,” Blanco explains.

Standardizing on printers created the consistency and efficiencies that Blanco was hoping for. The machines are user-friendly enough that employees can follow instructions on the LCD panel without having to ask for IT’s help.

“I wanted to improve efficiency, improve the product and cut costs, and I was able to do that with this printer,” he says of the laser MFPs.

Changing Needs

Based on Atlas employees’ needs, Blanco replaced the 18-year-old printers in the company’s two locations with six new ones: a combination of monochrome laser printers for everyday jobs and color laser stand-alone printers for sales proposals and high-end printing.

He chose monochrome because while most employees don’t need color, they often used it if it was available. “I don’t need people printing the Wendy’s menu in color,” Blanco says. “It was costing us a ton of money. You wouldn’t believe what we were spending in consumables on that printer.”

The price of the consumables — drum life, toner cartridges, etc. — can be significant. The new MFPs Atlas bought cost about \$400 more than its old printers, but the company wound up spending about three times less for annual consumables, Blanco says.

Look for ease of use, better print quality and lower costs. Any of those factors could have convinced Blanco to switch printers, but he also realized other benefits that made it an even easier decision to make.

The device is network-centric, so it can pull e-mail addresses and fax numbers. It has a USB port, which is very important for Atlas’ sales people who work from home. They can come into the office, plug in their thumb drives and print their documents without having to connect a computer to the printer.

The space savings was another benefit. The old color printer, Blanco adds, “would make a wonderful boat anchor. That thing was gigantic. It weighed a ton.”

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