

## BERTL iTchat: Managed Print Services - a cooperative approach to controlling the print environment

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With the ever-present focus on cost savings, many organisations are under pressure to optimise their IT infrastructure to reduce cost. Whilst IT managers have focused primarily on consolidating desktops, servers, storage, applications and networks, many are now starting to recognise the potential to dramatically reduce the costs associated with an unmanaged print environment.

Ownership and management of printers, copiers and scanners is usually fragmented across business departments, workgroups and locations. Many organisations have too many devices, from multiple vendors, which are often underutilised. Many of the devices are old and expensive to run due to maintenance and supply costs. On top of all this, few organisations have document tracking systems that accurately measure the true usage for print, scan, fax and copy output.

### Phased MPS engagements

Due to the complexity of controlling what is often a heterogeneous print environment, many organisations are looking to specialist managed print service (MPS) providers. The MPS market has evolved from the basic services of maintenance, supplies and fleet management to encompass solutions for assessing, optimising and managing an enterprise-wide printing infrastructure.

MPS engagements typically begin with a print audit or assessment which provides total cost of ownership (TCO) information such as initial and ongoing costs including supplies, maintenance and support. The output of an assessment is a recommended implementation policy which provides details of an optimised printer fleet which aims to ensure long-term cost reductions and a return on investment.

The implementation phase covers ongoing procurement, fleet optimisation and installation and the management phase covers maintenance and support and ongoing monitoring to ensure continuous improvement and adherence to service levels. These phases are often complemented by project management and change management which ensure a smooth transition to new printing processes and technology as they become available.

### Vendor landscape

The MPS market is characterised by services offered both by printer manufacturers through their services

organisations, channel partners and increasingly IT outsourcing services providers.

The major printer/copier vendors, as would be expected, have developed a robust set of services with most offering support for multivendor environments. Globally, Canon, HP and Lexmark adopt a flexible cooperative approach to delivering MPS.

Xerox's extended capabilities in offering document outsourcing and business process services currently position it as the vendor with one of the strongest global offerings in the MPS space. This has been helped by its global partnership with EDS, although the recent HP acquisition of EDS will, no doubt, impact Xerox's partnership whilst enabling HP to gain a new channel for pushing its MPS offerings.

Xerox Global Services has won some significant deals (for example the Department of Work and Pensions in the UK, a £400m, seven-year contract); boosted by its strategic partnership with EDS. Xerox is actively enhancing its global alliance partnerships, with CSC announcing in June 2008 that Xerox is now a global alliance partner, building on their existing relationship, where Xerox provides CSC with document management services.

Meanwhile, HP is aggressively moving up the value chain, seeking to increase its footprint in the corporate printing market. It has developed a strong set of services and recently added document workflow capabilities to its range of modular services. Its recent acquisition of EDS will add to its potential strength and will help it gain more traction for its managed print services amongst the large enterprises.

Building on the success of local MPS engagements, Canon has developed a pan-European MPS strategy backed by a cohesive range of services which can also be delivered globally. Its primary route to market is through its direct channel although it is also looking to expand its alliance partner network for MPS delivery.

Lexmark is also an established global MPS player with active MPS installations in over 27 countries, providing proactive support services to approximately 75% of its accounts. Its contract with Dell in April 1996 to deliver managed print services to Boeing involves the management of almost 30,000 printers over a 5 year period.



## **Standardisation – printer vendor or independent provider?**

As most organisations operate with a heterogeneous print environment, at the initial stages of an MPS engagement it is vital that a MPS provider that can support and manage a multivendor environment. This requires the use of print management such as HP Web Jet Admin, Xerox CentreWare or third party independent tools to monitor and report on various brands of devices.

However in the long term, standardisation is the key to successful long-term MPS engagements. Although printer manufacturers such as Canon, HP, Lexmark and Xerox often support a multivendor environment their aim is often to eventually standardise on their own equipment where possible. Such standardisation offers the benefits of simplified IT support and training and easier purchasing and procurement.

However, vendor neutral MPS providers such as IT outsourcing provider Fujitsu Siemens Computers or Pitney Bowes have purchasing agreements with a range of printer vendors and organisations. This enables them to offer vendor independent guidance along with best of breed print management tools.

## **Sustainability – printing in green**

As organisations are increasingly conscious of their environmental credentials, understanding the environmental impact of any new technology investment is a given. MPS offers the opportunity to deliver clear environmental benefits through reducing paper use and energy consumption as well as potentially switching to more environmentally friendly print technology (such as solid ink versus laser). As such sustainability is likely to become as a key driver for MPS engagements.

In Europe, several IT outsourcing service providers such as Accenture, CSC and Atos Origin are positioning MPS as part of their overall green IT services strategy. Meanwhile printer and copier manufacturers are promoting the use of print management tools and universal drivers to take basic measures to set printers to duplex as default, or set to sleep mode in the evenings or weekends.

Sustainability tools are an emerging trend to assess the carbon footprint of the printing infrastructure and are beginning to be used in the assessment phases on MPS engagements. For instance, HP's recently announced Carbon Footprint Calculator for US users, a web tool to assess and compare the carbon footprint of their current printer to new optimised fleets. HP also provides an Eco Printing Assessment service for enterprise customers to similarly determine the environmental impact of the current printing infrastructure.

In March 2008, Xerox Office Services (XOS) released a sustainability calculator which measures the waste and greenhouse gas emissions associated with powering printers, copiers, fax machines, and multifunction devices. It compares the environmental impact of printing single-sided documents instead of double-sided, or using different types of ink. This tool is used on a global basis, currently being rolled out in Europe – both for use in the assessment phase of an MPS engagement, and as an online tool.

## **Future Outlook**

As organisations are looking to derive more value from their technology investments, and at the same time reduce costs and efficiencies, MPS offers a real opportunity to take control of what is commonly a complex and expensive environment. Despite their different heritage, today Xerox and HP lead the pack in the maturity of their services and their global delivery capabilities. Whilst Xerox may be able to leverage its document outsourcing and business process service capabilities, HP benefits from its foothold as an IT technology provider giving it access to those organisations looking to manage their PCs and printers together. However other printer and copier vendors are actively developing their MPS portfolios and ultimately it is alliances with IT outsourcing service providers could hold the key to success in this marketplace.

Quocirca's report on the European MPS landscape can be downloaded at:  
<http://www.quocirca.com/pages/analysis/reports/view/store250/item21352/>



## About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

Quocirca works with global and local providers of ITC products and services to help them deliver on the promise that ITC holds for business. Quocirca's clients include Oracle, Microsoft, IBM, Dell, T-Mobile, Vodafone, EMC, Symantec and Cisco, along with other large and medium sized vendors, service providers and more specialist firms.

Details of Quocirca's work and the services it offers can be found at <http://www.quocirca.com>