

Embarq Corporation

HP multifunction devices help telecom rein in print costs, management



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—Michelle Hall, Manager of Strategic Output Solutions, Embarq Corporation

HP customer case study: Embarq Corporation cuts output costs nearly 50 percent below industry average with HP Managed Print Services, printers and MFPs

Industry:
Telecommunications

Objective:

Manage output capabilities to reduce cost and improve efficiency

Approach:

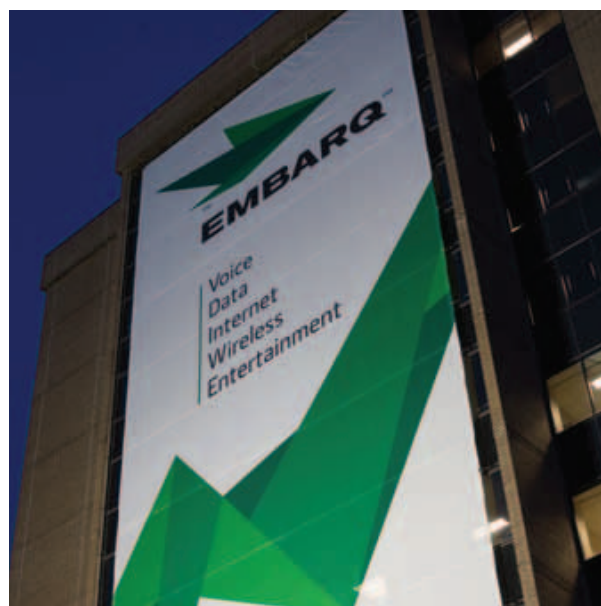
Embarq Corporation has standardized on HP printers and MFPs, and employs HP Managed Print Services to deploy and manage many of its new acquisitions

IT improvements:

- Less time spent managing output devices
- HP Web Jetadmin software automates cartridge re-orders, provides usage reports, facilitates service
- HP Managed Services reduces service burden for non-headquarters sites

Business benefits:

- Lower cost: Hard cost averaging \$248 per employee, about half the industry average
- Space savings through consolidation of printing, copying, scanning, faxing on a single platform
- Improved capabilities for users (faster print speeds, improved print quality, addition of new services such as scan-to-email)
- Three-year lease cycle provides better reliability, facilitates technology refresh



At Embarq Corporation, the ratio of employees to printers is somewhere near 12:1. But nobody complains about not having a personal printer on their desktop, because Embarq’s Strategic Output Solutions team makes sure employees have the output tools they need. Increasingly, that means HP multifunction devices (MFPs), many of them deployed and managed through HP Managed Print Services.

“HP has been a valuable partner in helping us bring down the cost of printing and copying, while equipping our employees with the capabilities they need,” says Michelle Hall, Manager of Strategic Output Solutions at Embarq Corporation.

“With shorter leases and standardizing on HP printers and MFPs, we have very high reliability built into our system. You can hardly go wrong when you give employees reliable equipment that meets all their needs.”

Michelle Hall, Manager of Strategic Output Solutions, Embarq Corporation



There's a very real bottom-line benefit to consolidation and better output management, she adds. According to ALL Associates, a consulting company specializing in document management, the annual benchmark cost per associate for output in the telecom industry is \$4,626, of which approximately 10 percent (\$463) are hard costs. At Embarq, the hard cost was just under \$300 per employee in 2007; and in 2008, it stands at \$248—roughly half the industry average.

A culture of efficiency

Embarq, formerly a part of Sprint Nextel Corporation, was spun off as a separate company when Sprint and Nextel merged. Today, Embarq provides local and long-distance home phone service, high-speed Internet, wireless and satellite TV.

The culture underlying the company's Strategic Output Solutions team began under Sprint. With high-level executive backing, the output team there reduced the number of output devices from 18,000 (a 4:1 ratio) to about 6,000.

Hall's team continued the progress when Embarq was spun off, bringing the ratio to its current 12:1. Among the strategies: Continue replacing existing copiers and printers with MFP devices, and reducing the number of vendors to just two. Within the past year, the team has moved to deploying just one type of output device: HP.

“The whole process of working with HP works for us,” Hall says. “Everything is on schedule. You know what you're getting, and when it's going to arrive. That's a lot different from the way copier companies used to do

business with us. They take an order, it goes into a black hole, and if you're lucky, some weeks later, the equipment shows up.”

Embarq has hundreds of locations in 18 states. The company uses a wide range of HP printers and MFPs, among them the HP LaserJet 9050mfp, 4345mfp, 5035mfp, 3035mfp, M2727nf MFP, Color LaserJet CM4730mfp, and HP CM8060 Color MFP with Edgeline Technology.

“It would be great if we only needed three or four different models to meet everyone's needs,” says Hall. “But because of the way we're scattered around in different markets with different sized offices, we do a lot of capacity planning to make sure we put the right device in each office space.

There are other reasons to right-size when it comes to output. “Our energy manager estimated that if we replaced 250 of our older copiers and printers and consolidated those capabilities with HP MFPs, we could save well over \$60,000 in energy,” Hall notes. “That factored into our decision to go forward with replacing equipment with newer HP products.”

One of the locations where employees are happiest with their output capabilities and the machines use the least energy, notes Program Manager Nancy Barlett, is one where there are fewer devices per employee—with a ratio of 23 employees per machine. The secret ingredient: the HP CM8060 Color MFP, which uses innovative HP Edgeline technology to enable print speeds averaging 60 pages per minute in black (50

ppm in color). It also has a 10-inch color touch screen control panel featuring live-action video and step-by-step instructions to lead users toward a resolution of jams and other simple self maintenance issues. "We have a four-hour service-level agreement on repairs there," Barlett explains "If we do have an issue, the equipment is up and running quickly, so it allows us to maintain the high ratio of users to machines."

Embarq leases all its output devices, and Hall's team has standardized on three-year leases. "Five-year leases are typical with copier companies. But the technology changes and prices typically go down," she notes. "With a longer lease, you don't save anything in the monthly cost, but you lose the ability to upgrade your fleet to take advantage of increased productivity and lower prices."

"With shorter leases and standardizing on HP printers and MFPs, we have very high reliability built into our system," Hall says. "You can hardly go wrong when you give employees reliable equipment that meets all their needs."

Embarq uses HP Financial Services to lease their devices and the results have been positive. Hall adds that Embarq's account manager is "extremely professional and provides excellent service."

Embarq also takes advantage of the online ordering options of HP Direct. HP Direct allows Embarq to see MFP orders online and get the serial number and asset tag numbers prior to receiving the device. This speeds up the installation process because the asset can already be in their system. "HP Direct is extremely convenient and easy to use," Hall says. "No other MFP

supplier that we have used in the past has been able to provide timely, accurate ordering and shipping information to us the way HP does."

Managed Print Services

In and around its Kansas City headquarters, the company turns to Mid-America Peripherals, an HP partner, for maintenance and repair support. In many other locations, the company uses HP Managed Print Services to acquire and support MFPs, and to keep them supplied.

MPS simplifies management of output devices by consolidating all the costs—lease, supplies and support—into a single monthly payment.

Included in the service is automated cartridge re-ordering. An alert is issued by a software program whenever a machine gets down to a print cartridge level of 20 percent. That generates an automatic re-order. The order includes a "ship to" address of the machine itself with the address, floor, and location on the floor. "So when a MFP is ready for a replacement cartridge, users don't have to send a ticket to the help desk. The new cartridge is there waiting for them. And people are used to installing HP cartridges anyway, so someone there is always willing to install it."

An added bonus: The department avoids the \$21 internal charge for the IT staff to handle a help desk call and trouble ticket.

In addition, Mid-America Peripherals uses HP Web Jetadmin to send toner alerts for the HP printers and those MFPs not on MPS. Web Jetadmin software provides the output management team with monthly reports on output volumes and other usage; and allows

Customer solution at a glance

Primary applications

Printing, copying, scanning, faxing

Primary hardware

- HP LaserJet 9050mfp
- HP LaserJet 4345mfp
- HP LaserJet 5035mfp, 3035mfp
- HP LaserJet M2727nf MFP
- HP Color LaserJet CM4730mfp
- HP CM8060 Color MFP with Edgeline Technology

Primary software

- HP Web Jetadmin software

HP Services

- HP Managed Print Services
- HP Financial Services
- HP Direct



remote management and diagnosis of many service issues. "Web Jetadmin is a very valuable tool, and I think we have yet to unleash its potential in helping us manage everything more effectively," notes Barlett.

Focus on productivity

Hall says her team always balances deployment of MFPs and single-function printers in a given office area. "We make sure we have enough MFP devices to handle copying, scanning and faxing needs, but if the primary need is straight printing, we'll add LaserJet printers," she says.

All told, the company has just under 1,100 MFPs and 600 to 700 printers. People copy less and fax less today, she notes, but they're making use of the technology in other ways. The most popular addition in recent years: scan to email. "Whenever we deploy scanning capability, we always make sure there's scan-to-email," she notes.

The move to MFPs has allowed dramatic consolidation of devices and reduced the technology footprint in recent years. But looking forward, Hall's team will focus less on consolidation and more on how individual users work.

"We really want to look for areas where we can increase productivity and enable process improvement for our users," she notes, "whether it's through scanning, or a networked fax solution, or something entirely different. We've actually implemented outbound faxing from the desktop for all employees, but many of them don't yet know how to use it."

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