



# It's Time to Take Another Look

Choosing the right printer for the job can save money and increase efficiency



It probably comes as no surprise that color laser printers and multifunction devices continue to make great inroads as monochrome replacements in all types of businesses. Yet there appears to be a market for all types of print devices, depending on your needs and budget.

A recent survey, by tech research firm IDC, found that operating costs were the number-one reason — by a large margin over hardware costs, reliability and color speed — that most impacts the transition from black-and-white printing to color.

What's interesting to note, however, is that for many years, printers and their subsequent costs pretty much slid under the radar at many companies. "Hard copy devices are largely unmanaged assets, those costs are really out of control and printers were typically perhaps the least paid attention to in the IT environment," says IDC analyst Keith Kemetz.

"The enterprise has historically ignored the printing area and the costs associated with having all these devices and what's being generated on them." Not any more. As companies need to control costs and make hard assets more efficient, printers are coming under closer scrutiny.

"We are finding that the enterprise is starting to pay more attention to printers and copiers, and wants to put some control around printing, Kemetz says.



# at Printers

It also reflects the shift in the printing model, according to Jennifer Bouteille, product specialist, CDW. Where business communications once involved printing documents and distributing them on paper, now interoffice documents are distributed by e-mail and employees can print them as needed. “It makes the office more productive and efficient,” she says.

That efficiency also addresses concerns about energy costs and maintenance, two areas that directly relate to consolidating several office functions into one machine. Powering up only one machine versus three or four can mean energy cost savings. Companies are realizing the savings in time and aftermarket supplies as well.

“If I have a multifunction machine that has printing, copying and faxing capabilities, I have one set of supplies to purchase for that device,” says IDC’s Kemetz. It also means only one machine to keep track of and maintain.

“Laser MFPs [multifunction printers] are the technology of choice for most business applications due to the fast printing speeds and low cost per page,” says Don Cummins, senior vice president, marketing, for Brother International Corporation. “We continue to see a growing willingness on the part of business users to purchase and deploy MFPs in place where multifunctionality is required.”

However, it’s important for organizations to evaluate the output requirements users need, rather than mandate a one-size-fits-all approach to print needs. “You can perform an analysis that considers what users’ print applications are, and how much the device will cost to operate over time — to make sure they get the right product to meet those requirements,” says Cummins.

## MFPs Lead, Yet There’s Room for All

According to IDC, the popularity of color laser MFPs will continue to grow and the expectation is that the market will nearly triple by 2009. The affordability and efficiency of these machines is not lost on any of the leading printer vendors. The competition mostly comes down to print speeds and page per minute costs.

According to Mark Dunn, partner, program manager and director of channel marketing at Xerox, customers are looking more and more to MFPs. “That’s driven by affordability and the unique attributes of multifunction printers,” he says. With scanning as part of the mix of these all-in-one devices, customers are using that feature as an onramp to get documents into a digital format. For document-centric businesses, such as healthcare, real estate and legal firms, even monochrome MFPs are finding a place.

Another trend he sees is businesses consolidating devices. “MFPs have a smaller footprint, and can help reduce capital costs,” Dunn says. “Convenience for workgroups and asset utilization are driving the shift to MFPs.”

Tom Codd, director of outbound marketing for LaserJet business at Hewlett-Packard agrees. “On the laser side: We’re seeing a couple of things that are driving our business. First, there’s a continuing move from centralized print to a more distributed model. Our MFP strategy is to put more functionality closer to the user, in small workteams,” he says. “In the past, copier-based MFPs have been the model for multifunction devices. They have inherent productivity issues since they usually have a large number of users sharing them and are typically located at the end of an aisle or end of a floor. There is also a possible lack of redundancy when only one or two are deployed in an office. Our approach is to build networked, distributed MFPs to get functionality as close to users as possible.”

The cost of printing — both initial and aftermarket — and understanding the most optimal printing and imaging model for all employees are key to building an efficient system. Many companies are evaluating existing models and finding that they aren’t serving users’ needs, says Azmat Ali, director of marketing for business printing at HP.

“Businesses are also seeing the value of evaluating the move toward MFPs — consolidating devices to get all the functions at a fraction of the cost to purchase and maintain individual devices,” he says.

So if keeping costs down is on the agenda, evaluating print needs versus print use is one surefire way to control spending. “The consumables that an organization needs to purchase and stock to keep individual machines running is only going to keep growing as use grows,” says HP’s Codd.

“If you go into an organization and evaluate the environment and do an assessment and an optimal balance of deployment of devices, you can really cut down on the amount of consumables you have to stock,” he adds. MFPs also take the cost of the support burden out of the equation, says HP’s Ali.

### Laser vs. Inkjet

It’s important to note that the shift toward MFPs and more efficiencies in the office doesn’t spread to all job functions. With relatively low-cost inkjets on the market, it’s possible to expense a purchase that may not be sanctioned by IT, according to IDC’s Kemetz.

“It’s not the initial cost that’s of concern, but over time, I’m going to need supplies and those inkjet cartridges alone are going to cost \$30-plus every time I need one,” he says. “At some point, I’m going to spend more on the aftermarket than

“Laser MFPs are the technology of choice for most business applications, due to the fast page printing and low cost per page.”

— Don Cummins, Senior Vice President, Marketing,  
Brother International Corporation

I do on the device itself. The cost to operate inkjet devices can be more expensive than on laser-based devices.”

Those associated costs make laser devices more attractive, even if the initial outlay is larger. “With the focus on text documents, moderate-to-high print volumes, expanded paper handling and cost-per-page requirements, mid- to large-size companies prefer laser technology,” says Dorinda Hill, product manager, Epson America Inc. “The capital cost of the device coming down is driving that trend,” adds Xerox’s Dunn. “As capital costs decrease in price, some manufacturers are increasing the cost of consumables.”

IDC’s Kemetz agrees. “There are costs associated with using this equipment and it might be less costly for the enterprise to consider transitioning from personal devices to more shared workgroup devices on the network,” he says. “There are people who need to have dedicated devices, whether they produce a lot of volume or there’s privacy/confidentiality issues with the files they print. For those cases the dedicated personal device is a necessity. But getting rid of some of these personal devices and consolidating the number of hard copy machines can make the enterprise more efficient.”

“In general, laser is more popular among desktop and network users for the majority of business office document printing,” says Brother’s Cummins. “This is primarily due to speed, type of printing and concerns about cost per page, particularly when high-print volumes are the norm.”

### Color Capable

As color printing becomes more widespread for all sizes of businesses, it begs the question: Is this the end of monochrome? “Yes, eventually,” says Xerox’s Dunn. “MFPs and color printers will continue to grow at the expense of monochrome printers.”

But not all industry insiders agree. “There are still customers that require single-function monochrome printing, for example in emerging geographies including Brazil, Russia, India and China,” says HP’s Codd.



They require reliable devices for countries where power may be an issue. "In addition, printers in these countries often need to handle varying grades and quality of paper and operate in very humid environments," adds Codd.

"Monochrome laser printers have continued to thrive despite the frequent prediction of their demise," says Brother's Cummins. "Despite the dramatic decrease in the cost of color laser printers over the last few years, many users in the business environment do not have a requirement for anything but monochrome printing to produce office documents."

To get the best of both worlds, many vendors are introducing MFPs and standalone devices that offer color capability. These devices allow companies to determine who will have access to color and how often. "You're going to produce mostly black-and-white output, but on occasion you may want to produce something in color," says IDC's Kemetz.

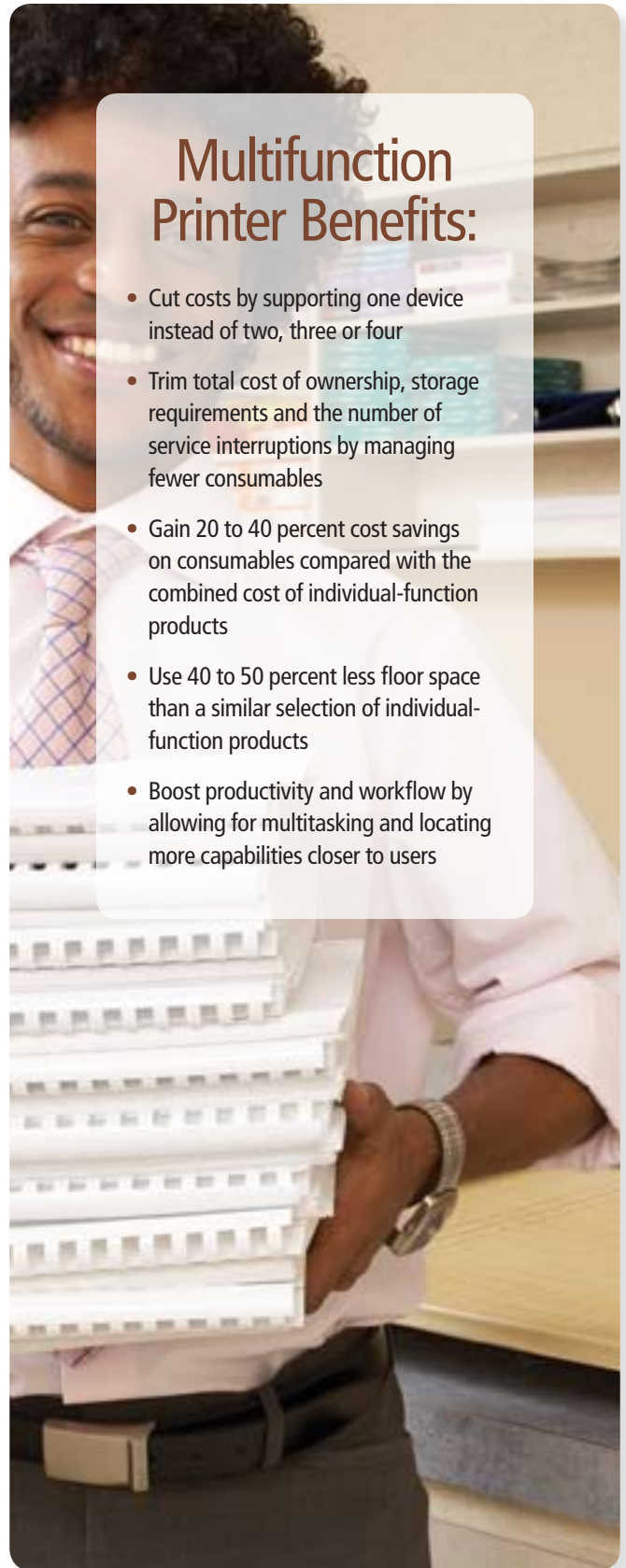
"Why not do that on the same device that you use for your everyday printing needs? The focus here is on costs, and controlling the access to color," he says. "You can imagine that if you have a color device and all users start producing color when they would normally produce black-and-white, that's going to drive up costs."

So who gets access to color and how much access? There are particular departments, such as graphic design and marketing, that may have more need for color output. While some companies have regulating software included with their devices, there are standalone packages that allow you to customize color output.

"You don't want open availability of color throughout the enterprise," Kemetz says. "Larger companies need to make sure that color use is controlled, so printer companies need to provide software tools that limit access and usage of color output by user, department or any other group as defined by the administrator."

Color-capable technology software has built in color access control and lets you determine who gets to print color, when they get to print and what kinds of print jobs are output in color.

"What we're finding is that in larger enterprises people that are responsible for the printer fleet and the associated costs understand there's a need for color, but don't want to open the floodgates and allow everyone to print anything and everything in color or have access to color on the weekends," says HP's Codd. "Our customers are saying they want color but they want to control its usage."



## Multifunction Printer Benefits:

- Cut costs by supporting one device instead of two, three or four
- Trim total cost of ownership, storage requirements and the number of service interruptions by managing fewer consumables
- Gain 20 to 40 percent cost savings on consumables compared with the combined cost of individual-function products
- Use 40 to 50 percent less floor space than a similar selection of individual-function products
- Boost productivity and workflow by allowing for multitasking and locating more capabilities closer to users



Short on time and staff?  
Ask about CDW technology services to bolster your IT effort.