

Cost benefits at a glance: Ecology's Managed Print Services Contract

Overview

Several years ago, the Washington Department of Ecology (Ecology) began working on a strategy to save money on its printing costs. And as a leader in environmental and economic sustainability, Ecology also wanted to change how its employees view printing and copying – a key support activity – especially providing staff the tools to do their jobs while using less paper.

Single print-management and service contract

In 2002, Ecology adopted a business model – recognized as a best practice in state government – that is cost-effective for taxpayers and helps the agency track, manage and control its copying and printing costs.

Ecology entered into a single print-management cost accounting and service contract awarded through the state Department of Printing. Under the contract, Ecology does not buy or lease its multifunction copying and printing equipment. Rather, Ecology purchases printing services from a private vendor, selected through the state's competitive bidding process. The contract requires the vendor to own the equipment, provide services, and keep the printers and copiers functioning at all times.

Major savings in equipment and costs

In 2001, Ecology had 340 printers and copiers. As a result of the single print-management contract, we have been able to eliminate 150 machines in our offices across the state, down to 158 today. Ecology also removed approximately 30 scanning and fax machines, because the service we purchase provides these functions on the devices installed.

- We have reduced our print / copy costs from \$60,000 per month in 2001, to an average of \$55,800 per month in 2009, to an average of \$46,900 per month from September 2010 through February 2011.
- In June 2011, Ecology and the state Department of General Administration awarded a new contract in an open competitive bidding process. Under the new contract, Ecology expects to reduce desktop printing and copying and related costs to under \$35,000 per month.
- A recent state [Print Services Performance Audit](#) encourages more managed print contracting by state agencies.

Ecology reduces its paper use, re-negotiates contract

Meanwhile, in the past two years, Ecology also successfully set up a paper reduction strategy as part of our sustainability plan. The strategy recognizes Ecology's customers more and more expect information to be delivered electronically rather than in hard print. The results have been dramatic. Ecology has gone from close to one million pages of print per month down to about 680,000 pages per month – a significant 32 percent decrease.

By reducing paper use, we've also downsized our copying and printing costs below the base amount we paid for under the terms of the original 2005 contract. So as soon as it was possible in August 2010, Ecology re-negotiated its single print-management service contract so the new base amount of copying and printing also reflected our reduced paper use. In June 2011, Ricoh Americas Corp. was selected as the best bid from four companies submitting bids for Ecology's Managed Print Services Contract.

Under the terms of the NEW contract awarded in June 2011, Ecology pays only for pages printed or copied. The price per black and white copy will vary depending on the total number of copies made per month, from a minimum of 3.8 to a maximum of 7.2 cents. For color copies, Ecology will pay a flat rate of 6.5 cents per page. Ecology anticipates that monthly desktop printing and copying and associated costs will be less than in the past.

Benefits of Ecology's print management and cost control system

The current print-management cost accounting and service contract gives Ecology the ability to systematically manage all our printing and copying resources. We know how much we spend every month. Supplies and maintenance are included. We have up-to-date data about each multifunction device we use at all times – providing transparency and accountability.

Ecology no longer has to devote a **full time position** to respond to printer / copier problems. The risk is on the vendor instead of taxpayers. When equipment fails, the vendor is on the hook, and the vendor has an incentive to put in fewer devices. Ecology also avoids equipment downtime, since the vendor has an incentive to meet performance standards. Ecology's contract requires the vendor to provide machines that have low emissions and use recycled paper – which supports our mission of sustainable use of resources.

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