Case Study

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University of Kentucky

University of Kentucky Saves Big with Massive Document Management Overhaul

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 Associate Director of Purchasing University of Kentucky

ABOUT THE CUSTOMER

The University of Kentucky (UK) is a large public university in Lexington with nearly 30,000 students in a sprawling campus setting that includes a medical campus, multiple hospitals and dozens of clinics and outreach programs. The university nurtures an environment where academic growth and learning takes precedence throughout the entire community. As a result, it continually strives to partner with innovative leaders with advanced technologies such as Ricoh to enhance efficiencies—and enrich lives.

CHALLENGE

The University of Kentucky produces about 130 million print impressions annually. As a result, it spends about \$6.7M annually for direct print costs, comprising hardware purchases, supplies, leases, maintenance, personnel and more. The subsequent toll of such a massive workload adversely affects the environment, too.

A cross-functional team comprising representatives from the university's administrative, academic and medical areas was formed to find output solutions that could reduce print-related operating costs and minimize energy consumption.

"We knew we needed to centralize and standardize our document management," said the University of Kentucky Associate Director of Purchasing. "But, the situation was worse than we thought. We were alarmed when we began to learn more about the existing environment and inefficient processes."

CHALLENGE

- Too many under-utilized devices from multiple vendors
- Decentralized procurement and management processes
- Excess waste, energy consumption
- Inefficient tracking processes

SOLUTION

- Ricoh Managed Document Services
- Clear, concise procurement strategy
- Centralized network control
- Onsite assessments to identify most suitable devices

RESULTS

- Projected to save more than
 \$22M over the next 6 years
- Helped reduce energy consumption
- Standardized equipment and supplies

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The task was daunting. Many areas had more devices than people. In fact, the problems were so extensive that it was impossible to determine the true number of devices or usage patterns. It was estimated that the university had as many as 10,000 print devices—from 33 unique manufacturers—deployed throughout the campus.

Inefficiencies in the procurement process led to unnecessary purchases as well as the wrong type of equipment. As a result, there were 632 types of output devices with more than 1,000 unique supply needs. Some devices were overworked while others remained dormant.

The team worried that the existing situation was too complicated to implement a managed print strategy. It issued an RFP hoping that a vendor was up to the challenge. A group of 12 respondents was narrowed down to four finalists. Ricoh—already a significant presence on campus for more than 20 years—was among them.

SOLUTION

Each of the four RFP finalists were asked to provide an assessment using its standard methodologies for a specific area of the campus. University decision-makers were impressed with Ricoh's analysis as well as its suggestions in its follow-up proposal.

"Ricoh listened to us, which I believe helped them get to the actual source of the problems," said the Associate Director. "Plus, it helped them customize strategies and solutions to acutely address specific areas of concern. It's obvious that they have experience accommodating the unique needs of higher education." Ricoh was chosen to implement its Managed Document Services (MDS) strategy. A 20-person team was deployed to the UK campus to streamline operations, standardize equipment and supplies and simplify processes for staff, faculty and students. The team provides preventive maintenance, repairs, software upgrades as well as installation and training.

Each new device is procured after Ricoh conducts a strategic onsite needs assessment to determine which types of devices can accommodate the unique demands of the area and its users. The devices are networked, so activity can be tracked remotely to expedite maintenance for the entire fleet. Additionally, many devices, including those in student labs and libraries, offer user authentication controls for easier chargeback management and to prevent unauthorized use.

"Each area has an approved list of products to choose from," said the Associate Director. "Standardization makes procurement more manageable. Even if things change, everything from services to consumables to monitoring can be handled much more efficiently."

RESULTS

Each department is on a price per impression plan—with monochrome output priced differently than color output. In return, participants receive a wide range of digital multifunction devices, printers and copiers, guaranteed service level response times, usage activity reports and simplified billing processes. In addition, the plan is with a single vendor with standardized terms to minimize inconsistencies.

An incremental rollout was planned. Word spread quickly and willing participants for the pilot program came from all areas of the campus. An extensive waiting list comprising many departments is eager to implement the new MDS strategies.

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"Early response has been fantastic," said the Associate Director. "As a community, we're committed to improving efficiencies throughout campus. It's clear we're poised to make a significant impact through the Ricoh MDS program."

The Associate Director noted that the program includes several eco-friendly features that complement the university's initiative to promote more sustainable operations. All of the new devices include default duplexing to reduce paper waste. A recycling program has been introduced to minimize landfill waste. Additionally, the university is pushing document distribution through email and paperless faxing to reduce operating costs even more.

"We want to find solutions that are more convenient for users and better for the community," said the Associate Director. "This implementation is the first step, but we will continue to look for other opportunities. For example, we're planning to introduce mobile printing to accommodate a more active, agile user base."

More departments are joining the MDS program and momentum has surged. Projections call for 706 million pages of output over the next six years. In fact, early analysis indicates that the university could save more than \$22 million over the next six years of the contract.

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