



Special Edition by



Issue CIO May 2005

BMW OUTPUT-MANAGEMENT

LOWER PRINTING *costs up to 30 percent*

More than one hundred different printers have been used in all subsidiaries of the Bavarian motor-car builder BMW. That is supposed to be changed now. CIO Jürgen Maidl will lower printing costs up to 30 percent through central responsibilities.

However, departmental photocopiers and network printers are pretty good melting pots. The machines whistling their tune and throwing out one paper after the other, the colleagues are having a nice chat. But the way to the far-distant printers is apparently too long: a large number of different laser and ink jet printers are deposited on and under the desks, on window-sills or other boards in the offices for occasional quick, confident or colour printing.

Throughout the years, a badly arranged printing landscape has arisen in the companies. According to market researcher Gartner, printing and copying costs correspond to one to three percent of the turnover. The exact costs of this bewilderment are often not known. It is almost certain that it hides a huge potential to spare money. Up to 30 percent of the printing costs could be saved by reaching the optimum of the printing fleet, Gartner says. In times of lean



Jürgen Maidl, CIO with BMW

“We want to incorporate printing management in our on-demand-strategy and offer better printing functions to our staff”.

cost management output management is more often in the focus of IT-responsible and controllers.

“In order to save printing costs we have to centralise responsibilities and focus all tasks regarding output management in one person or group”, says Malcolm Hancock, Gartner analyst with Digital Documents and Imaging Group Europe. The output responsible should first of all assess all output devices such as printers, photocopiers and fax machines. Furthermore, the number, distribution and equipment of the necessary machines are to be determined.

BMW puts a stop to printer bewilderment

Quite a small number of enterprises know exactly how many machines are used at which places. As the initial costs of each single printer are quite low, they are financed by the departments themselves out of local budgets. But ink jet printers, in particular, are to be considered as an expensive investment: The lower initial price faces high material costs that increases the page price of a central network printer up to the tenth. Moreover, problems arise with the installation and maintenance due to the wide range of printing types attended by the helpdesk.

The car builder BMW based in Munich has put a stop to this bewilderment and, in a first step, has ordered 1400 uniform multifunctional machines. These tools can scan, copy, print and stitch. “First of all, we have exchanged

existing copying tools against multifunctional machines in all German subsidiaries”, says Dennis Hocke, BMW project leader output management. Standardisation is important in order to manage costs.

Not only purchase or leasing costs of a large number of tools do matter. Actually, they reflect only 30 percent of the overall printing costs according to calculations of the Gartner group. Higher economies may be achieved with the service life of the hardware through simplified maintenance and support, administration of the printers, accessory parts and material as well as through training and helpdesk.

The staffs' expectations on printing and copying functions in the offices has risen: it is almost in all offices demanding for document scanning. “We want to incorporate printing management in our on-demand-strategy and offer better printing functions to our staff”, says BMW CIO Jürgen Maidl. In autumn 2003, the project has been planned. BMW wanted to tidy up its 17 000 printers and photocopiers. More than one hundred different models were used by the car builder's staff. The first phase is now almost finished. After tendering and internet auction Kyocera awarded the contract.

“A smaller, updated printing fleet responding to the needs of the users give better printing functions and lowers costs”, says Gartner analyst Hancock. “The challenge is to know exactly the users' need and then to compose the tools”. Hancock calls it right-sizing. The BMW CIO already puts the motto into action: “Such a project can only be realised through centralisation. A basis is needed to reach all subsidiaries in order to make a productivity profit”.

Project leader Hocke says: “From the first day on, we reached important savings”. He is projecting economies of 60 percent for installation, administration and service of the tools. He wants to lower the overall TCO up to 30 percent. Gartner analysts suggest this figure to be the upper limit. They prognose cost lowering between 10 and 30 percent for large enterprises.

BMW also has been able to simplify user support and training. “The intranet offers service instructions: simple copying functions for the normal user, functions such as double-faced printing and stitching up to a complete manual for power users. We arranged our offer for the needs of different user groups”, says Hocke. Furthermore, regular training is offered.

The tender also comprehended important security functions such as ‘secure printing’. Hocke explains: “All machines are provided with

PRINTING MANAGEMENT WITHIN THE CAR BUILDER BMW | The most important findings

- centralisation and administrative support in order to lower printing costs
- no purchase of a printer without the allowance of the printing responsible
- analysis of the existing printing landscape and the need precede the planning of a new printing fleet
- offering of tools for special demand, installed after allowance of the printing responsible
- information and training of the staff
- transition phase is to overcome with a successive implementation through parallel operation of old and new printing solutions

chip card scanners. Thus, special documents may only be printed by entitled staff". The 'follow-me-function' does allow such a proceeding. "Wherever we are, we can put a document into the printer queue and print at any multifunctional tool in Germany – also with secure-printing".

The exchange of existing photocopiers against new tools is only the first step to be done. "We want the staff to approach to the machines and to familiarize themselves with the new tools", Hocke says. The users all showed positive reactions. In a next step, he will analyse each desk in order to create a homogeneous printing landscape. After new tenders have been submitted, uniform desk printers will be ordered.

Printers' order only on behalf of the IT

From now on, the staff may no longer buy printers with the help of the purchase system of the Intranet – and without the allowance of the IT-department.

"That does not mean anyone who is in need of a new printer will not get it. There are in fact many reasons to buy a good desk printer. But we do then analyse the exact demands of the staff and order a convenient printer", Hocke explains. BMW offers to its staff all machines Kyocera proposes in its programme.

Dennis Hocke, BMW project leader output management, BMW

"First of all, we exchanged existing copying tools against multifunctional machines in all German subsidiaries"



Output management will become more and more important within the companies. As one can see in the United States. Gartner analysts suggest 60 percent of all US enterprises bother about it. At the end of the year, as a result, ten percent of the output devices such as fax machines, photocopiers and multifunctional tools will be taken out of the offices.

Reaching the optimum of the printing landscape will enforce light conversation at the multi-

functional tools on the corridor – and will thus not only strengthen important reductions of printing costs but also cherish communications.

*Holger Eriksdotter
[redaktion@cio.de]*

OUTPUT-MANAGEMENT | possible economies

Between ten and 30 percent of the printing costs may be saved – according to presumptions made by the consulting company Gartner.

printing expenses (million Euro)	size of firm (million Euro)	economies (million Euro)
5 - 15	500	0.5 - 4.5
20 - 60	2 000	2 - 18
50 - 150	5 000	5 - 45
100 - 300	10 000	10 - 90
200 - 600	20 000	20 - 180
500 - 1 500	50 000	50 - 450

Quelle: Gartner, 2005

For further information, please contact:

**Kyocera Mita Europe B.V., European Sales & Marketing Center,
Ms. Evelyne Kadel, evelyne.kadel@kyoceramita-europe.de,
Phone: ++49-(0)2159-928 554, facsimile: +49 (0)2159-928559**