

Success Story:

HP Pay per use service optimises imaging and printing environment to generate cost savings, technology upgrades and staff productivity for Vodafone Australia

The HP logo is displayed in white lowercase letters on a dark brown background. The letters are bold and sans-serif.

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– Victor Lewandowski,
Supply Chain Manager - Commercial
Vodafone Australia



Challenges

- Optimise and simplify imaging and printing environment, which comprised a large, diverse and ageing fleet.
- Reduce costs
- Provide latest technology & functionality to the business
- Generate technology upgrades

Solution

- HP Pay Per Use Service for an outsourced imaging and printing environment
- Balanced deployment of a right-sized imaging and printing fleet
- Management of the imaging and printing environment using HP's Web Jetadmin tools and HP Jetdirect connectivity solutions
- The new fleet comprised of total of 113 devices made up of 23 units of HP LaserJet 9000mfps, 21 units of HP LaserJet 4100mfps, 10 units of HP LaserJet 3330mfps, 7 units of HP LaserJet 9000dn, 7 units of HP Color LaserJet 5500dn, 13 units of HP Color LaserJet 4600dn, 18 units of HP LaserJet 4200n, 8 units of HP LaserJet 2300dn and 6 units of HP Business Inkjet 2600dn.

Results

- Greater consolidation and more optimised imaging and printing fleet
- Central control and management of fleet at many locations around the country
- Estimated 40 per cent reduction in annual imaging and printing costs
- Estimated 40 per cent reduction in annual paper costs
- Improved staff productivity

Vodafone is a leading global mobile telecommunications operator. In Australia, it operates a GSM digital mobile network serving 2.3 million customers, distributing product through over 35,000 retail points of presence. In 2003, Vodafone Australia was named the Australian Telecom Magazine Awards Mobile Operator of the Year.

Inefficient Print Environment

Since its inception in Australia in 1993, Vodafone Australia had never established a central policy or administrative process for the acquisition of imaging and printing devices. As a consequence, Vodafone had a significant problem with respect to managing and controlling a large and ageing fleet of imaging and printing devices in many diverse brands and models.

Many of these devices were acquired by individual departments, as there had not, until recently, been any central administration and accountability for printing & imaging devices. The problem naturally led to increasing costs and a very poor level of asset

utilisation. Further, very few printers were ever retired from service and, as number of devices grew and aged, costs escalated further, due to the more frequent repairs and maintenance required. Because these costs had historically been spread over many different business units and cost centres, no one had ever studied the problem from a holistic, corporate point of view.

It was then that Vodafone Australia turned to HP to conduct a survey of the situation, which subsequently led to the appointment of HP as an outsourced business partner in imaging and printing.

Value-Adding Partnership

"It was an easy choice to go with HP," explained Victor Lewandowski, Vodafone Australia's Supply Chain Manager - Commercial. "HP was already a major technology partner to Vodafone, both globally & in Australia, so we had confidence in their reliability to provide us with the service and delivery which the business would demand."

From the results of HP's survey, and using its internal financial data, Vodafone Australia realised that the company was spending in excess of A\$1 million a year on imaging and printing devices. Also, the ratio of imaging devices to staff was approximately 1:6, which compared poorly to the world's best practice of around 1:25.

HP's challenge was to improve this ratio with the aim of generating cost savings, technology upgrades and improved staff productivity. Studying the floor plans, staff numbers and workflow requirements, HP did a complete redesign of the printing and imaging environment, including the types of devices needed in each location.

Moving towards a more optimised printing and imaging environment, HP explained that several printers could be replaced by one bigger and more powerful unit serving a workgroup. Key to this was matching the right-sized printer for usage requirements. The old fleet was then replaced with a more powerful and technologically advanced fleet of imaging and printing devices, all of which were capable of excellent performance and high-quality colour printing. The new fleet comprised of a

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Benefit-Oriented Solution

When it came to managing costs, outsourcing through HP's Pay per use service was the most attractive and transparent solution for Vodafone Australia. Under the agreement, Vodafone would incur a standing monthly charge along with a "click" charge for each page produced.

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The fleet size was consolidated from 306 to 112 devices. This allowed the company to reduce its annual imaging and printing costs by an estimated A\$400,000 or approximately 40 per cent. Higher consolidation further brought about the benefits of a more streamlined, fully utilised and standardised fleet.



The entire exercise had also built up a firm central policy on device management at Vodafone Australia covering all its locations in Sydney, Canberra, Hobart, Perth, Adelaide, Melbourne, Brisbane and other regional centres. Monthly reporting and billing provides valuable data on usage patterns by floor, building or machine, supporting the company's efforts to understand which departments and users were the highest consumers of imaging resources.

Apart from these benefits, Vodafone Australia has realised improvements in staff productivity by having the latest imaging and printing technologies. Advanced new features found in a single device included flat-bed scanning, scan-to-email, copying and printing. The new devices were faster and capable of sorting, stapling & other finishing options, thus reducing the amount of staff effort.

Vodafone chose to set the default printer setting to double-sided printing. The aim was to reduce the amount of paper used, in line with Vodafone's pursuit of its corporate environmental responsibility goals & obligations. As a result, the company expects to reduce its annual paper consumption (and costs) by around 40 per cent.

Further, by the first quarter of 2004, additional networked fax functionality (using an application known as 'RightFax') will be introduced allowing Vodafone to use its new fleet of printers as fax machines, thus further improving the savings realised.

At a Glance

Company: Vodafone Australia

Location: Sydney, Australia

Founded: 1993

Employees: 1,500

Telephone: +612 9415 7999

URL: www.vodafone.com.au

Primary business: Provision of digital mobile communications network services