

# Retail: Harveys Finds Managed Print Service Solution too Good to Refuse

“Identifying Cost Savings and Driving Operational Efficiencies”. Wholly owned by South Africa’s Steinhoff International Holdings, Harveys, the UK’s largest furniture specialist, is achieving major operational efficiencies and cost savings across its operations by migrating to an innovative managed print services model, and standardising on printing solutions from leading vendor OKI, working in partnership with Printware, the UK’s leading printer reseller. The sheer size of Harveys’ UK operations - it has more than 160 stores across the country, selling a comprehensive range of living and dining furniture – means that it has a continuous requirement for high-quality printing resource. The scale of this need makes it vital that its printers are reliable and robust and that its chosen printing model drives cost savings and operational efficiencies across the business while at the same time helping to reduce environmental impact and achieve savings in productivity. These benefits can be achieved by developing a comprehensive and well-coordinated print strategy, which leading print vendors like OKI Printing Solutions can help to provide.

## Scoping the Challenge

Harveys’ relationship with OKI stretches back several years. Throughout this period, it has been using colour and mono devices from the vendor across its estate. These have proved to be reliable, robust and high-quality. However, Harveys has also had machines from other vendors installed at its various sites. Over time, this approach has become increasingly difficult to maintain both from a logistical and administrative perspective, especially with the company growing rapidly and regularly opening new stores. Keeping control of the different types of consumables purchased has been problematical. From the administrative perspective, Harveys had a raft of service agreements and warranties in place and only limited insight into printing quantities and costs. Even managing the printers themselves was starting to become increasingly complex. Harveys had two individual devices installed in each store. If one failed or reached end-of-life, it was forced to either bring in a like-for-like device or replace both machines. These considerations were all key drivers behind Harveys’ decision to standardise on solutions from OKI and to establish a central service contract with OKI reseller partner, Printware as part of a managed print service (MPS) offering. This contract was fully bespoke and specifically tailored to suit Harveys’ requirements. Cameron Mitchell, Printware managing director, said “OKI, Printware & Harveys worked together to design the solution. By working as a team, we understood Harveys’ objectives and supported these with the right products, backed by Printware’s innovative managed print solution.” OKI helped Harveys to identify this need through a detailed assessment of the furniture specialist’s existing printer fleet and typical print workflows. Once this assessment was complete, OKI then moved to implement suitable printers across the Harveys estate. Going forward, it will conduct ongoing performance reviews of the whole MPS solution. As part of this solution, OKI has now installed one ES2632 A4 colour printer and one ES5460 multifunction product (MFP) in each of Harveys’ 160 UK shops (320 units in total), along with four of OKI’s high- volume ES3640 A3 printers at its headquarters site. It has also implemented printers across a range of associate companies - all also part of the Steinhoff Group. These include Bensons For Beds, which now has a single ES2632 solution installed across all of its 200 UK stores; Bed Sheds, which has implemented the printer at its 40 UK outlets and Reid Furniture, which has 35 devices installed. Each one of the printers has a heavy workload, which is why the reliability and durability of the OKI machines is important. These devices are used intensively for printing sales orders. Each customer purchase can generate up to seven pages of printing, plus a further nine if the buyer takes out a related finance agreement. Harveys also makes use of the printers’ colour capability to design and produce eye-catching point-of-sale and marketing documentation, often at short notice, to complement in-store promotions. The printers themselves are, however, just one, albeit critical, element of the overall MPS solution offering, which also includes a range of services including planning, management, ongoing maintenance and support and device monitoring. The service provision includes a 4-hour onsite response with a guaranteed fix within two working days, but problems are often preempted by intelligent fleet management software which monitors the estate and can often identify potential issues to allow for preventative actions. The software also enables Printware to manage supplies usage and ensure zero downtime through advance replenishment.

## A Myriad Of Benefits

Harveys is delighted with its new MPS contract. Under its terms, the retailer has committed to a set volume of both colour and mono printing per quarter, which translates into a fixed cost for that period. If Harveys increases its volumes, it receives an additional fixed cost per page on both mono and colour output. As part of the contract, the company also qualifies for a 3½-year service package, which covers parts, labour and service. Harveys expects to achieve a significant reduction in costs over the period of the contract. Mark Spicer, Head of IT at Harveys, outlines the benefits of the new approach. “We were confident that despite the current economic downturn, our print volumes would rise over time,” he said. “We were also aware that consumables costs are increasing rapidly at the moment. It is therefore a huge advantage to be able to effectively cap our costs over the contract period as part of carefully planned MPS approach and to plan our budget more effectively, safe in the knowledge that there will be no unpleasant surprises.” In fact, Printware provides Harveys with even greater control by providing detailed budget

reports every three months, based on the actual print volumes associated with each device. This helps Harveys to extend the lifetime of its printer fleet. If one device is receiving particularly intensive use, while another is being under-utilised then locations can be swapped to 'even out' the wear and tear on individual printers. This is very much an 'ongoing improvement' feature, whereby the upfront savings realised are further improved upon throughout the term of the contract "Coupled with this, we have the added benefit of receiving brand new high-quality, robust and reliable printing solutions fully maintained and supported from a single supplier," Spicer added. "A four-hour response time is built into the contract, so we have the peace of mind of knowing that any problems will be quickly resolved." The combination of MFP and independent printer at each Harveys' site adds further reassurance. "Having two solutions means that we can still be up and running even if one device fails," continued Spicer. "Having an OKI MFP at each site also means that any hard copy documentation that comes into the store can be scanned into the system and captured electronically for subsequent emailing to head office. We no longer have to rely on faxing documents over." OKI now has a comprehensive MPS solution installed across the estates of Harveys and associated businesses.

## **Looking to the Future**

In the current economic environment, many organisations are looking for ways to understand and reduce costs while increasing their productivity. Having a predictable monthly expense with access and insight into usage can simplify the budgeting process related to printing, and enable users to obtain the optimum value from their print solutions. Despite the economic downturn, analyst firm IDC projects the managed print services market to be a \$7.2 billion European opportunity by 2011. For a successful, fast-growing business like Harveys which has a continuous and intensive requirement for printed documentation, coupled with a need to drive operational efficiencies, the benefits of fixed and predictable pricing, visibility into costs and overall savings on print budgets can be crucial. With its new managed print contract, the company can look to the future with confidence that its inhouse printing capability is helping to drive operational efficiency and competitive advantage.