

A consolidated print infrastructure from HP and Verity Group improves user capabilities and decreases costs for Siemens Dematic

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– Tony Bradley, Internal Customer Support Manager, Organizations and Information Siemens Dematic Postal Automation L.P.



Solutions for the adaptive enterprise.



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Siemens Dematic Postal Automation L.P. develops world-class automation solutions for the postal and distribution industries. The company designs, deploys and supports everything from single machines to fully functional processing centers, and customizes equipment to meet its customers' needs.

According to Heribert Stumpf, President and CEO, the company motto is "a history of innovation is the basis for the future," and Siemens Dematic lives up to this by constantly looking for ways to leverage its inventive heritage. It recently undertook a company restructure aimed at focusing and consolidating resources around core competencies and, with renewed energy, it built a new facility to house its 550 Arlington, Texas-based employees.

New premises drive infrastructure streamlining

Siemens Dematic's IT support operations were charged with implementing a state-of-the-art, operationally efficient and cost-effective infrastructure. Tony Bradley, Internal Customer Support Manager for Siemens Dematic's Organizations and Information Group, elaborated on his involvement with the new print infrastructure, "During the company restructure there was a transition of responsibility for the copy environment to my group. This gave us the opportunity to evaluate our use of all output devices – printers, faxes, photocopiers and scanners – and consider multi-function devices as replacements."

Over the previous five years, Siemens Dematic had built up a fleet of 250 HP LaserJet and HP Deskjet, Okidata and Lexmark printers, the majority of which were older technologies. There were 25 Ricoh fax machines, and a slew of different vendor's scanners. In addition, it had a leased fleet of 65 floor-standing copiers from Ricoh. This entire output infrastructure had been costing the company close to \$20,000 per month to support.

Bradley explained, "We had several goals for the new infrastructure. First, physical space was a consideration in

the new building – we wanted to reduce the total space occupied by equipment and transition from personal printing to more centralized workgroup-level printing. Secondly, we needed to reduce the monthly cost of support. Finally, we desired a solution that would enable simple scanning and digital capture of a variety of information. For example, we wanted our outsourced travel department to be able to transfer ticket and booking information over our e-mail network instead of mailing and faxing hardcopies."

He added, "We studied how the legacy devices were being used and found that we had an enormous print capacity that was severely under-utilized and some printers were producing output in the wrong format! We wanted to consolidate the infrastructure to fewer, newer and better utilized devices."

Partnering for print infrastructure success

Via a member of his staff, Bradley was connected with Verity Group – a company specializing in the management of document output environments – and was impressed by its experience and desire to work with Siemens Dematic to deliver a comprehensive and cost-efficient solution. Verity Group performed a comprehensive analysis of Siemens Dematic's output needs. The findings were used to design and deliver recommendations for a new infrastructure tailored to fulfill the print environment objectives.

"We were really pushing the envelope of what could be accomplished in a short space of time with a very tight budget," recalled Bradley. "We asked for proposals in September, 2003 and within a very short time Verity Group made the recommendation for us to standardize on three models of HP printers – comprising 15 LaserJet 9000Lmfp and 14 LaserJet 4101mfp multi-function devices, and nine color 5500dtn printers. My counterparts in our Germany-based sister company expressed good experience with the HP LaserJet 9000Lmfp and we were

familiar and happy with the core engine of the HP LaserJet 4101 mfp. The German operations had already standardized on HP, so it made sense for us to do so too, as we are running on the same instance of enterprise resource planning software from SAP.”

Siemens Dematic did not place the purchase orders until the first week of December, at which time the equipment was needed very quickly because the employees were due to arrive in the building on December 19. Bradley

“We are experiencing a saving of \$10,000 per month with this new efficient and well utilized infrastructure.” – Tony Bradley, Internal Customer Support Manager

reflected, “Verity Group was outstanding. We received the devices within ten days. We started training the users with immediate print needs at their old locations prior to them arriving at the new facility. Verity Group completed the install of all devices during the week prior to the move. I was impressed with the way they undertook several cycles of planning and surveying the site prior to the installation, and coordinated every step with the construction crew. During such a stressful time it was a pleasure to work with the company.”

Leveraging more HP solutions

Siemens Dematic has leased the new HP LaserJet printers from HP Financial Services for a three-year period, leveraging an existing contract covering the company’s current server equipment. With regard to ongoing printer support Bradley commented, “We have agreed upon a cost-per-page rate contract with Verity Group, broken into three segments: black and white printing only, color output, and black and white printed on a color device. Verity Group allowed us to add in support for some existing bar-code printers from our legacy environment, which we kept to service some unique needs of our accounting department, and for the HP LaserJet 4050 and HP LaserJet 8000 printers used for heavy volume proposals in our contracts department.”

Since settling into the new facility Bradley’s team has made some minor adjustments to the location of a few printers to equalize utilization levels and accommodate employees with special needs, such as privacy.

To simplify and centralize management of the devices in the new infrastructure, Verity Group’s proposal included the installation of HP Web Jetadmin software and one HP PSA 4250 print server appliance. Bradley observed, “We’ve tried to locate the printers close to the workers and with Web Jetadmin we can remotely manage them all. The data from Web Jetadmin and the print server

appliance enables us to start tracking and potentially charging back each workgroup for their actual device utilization.

The implementation of HP AutoStore software is still underway. HP AutoStore provides the ability to automatically route scanned data to a central storage location and to any corporate applications. Bradley noted, “We want to drive the scanning functionality out to the workgroups, but only once we can be sure that the information can be held confidentially. We believe the HP AutoStore software will meet our needs and help streamline workflows, and Verity Group is helping us implement it appropriately.”

Reaping business benefits

The goal of reducing the total space occupied by equipment and moving to centralized workgroup printing was easily accomplished with the deployment of 33 HP LaserJet multi-function printers in place of over 250 specialized, and sometimes personal, devices. Bradley said, “It’s been a big success. The new machines print faster than our legacy ones and the users are excited about being able to scan to e-mail and fax locally.”

The desire to reduce the monthly cost of support was successfully met by Verity Group’s support contract and HP Financial Services leasing. “We are experiencing a saving of \$10,000 per month with this new efficient and well utilized infrastructure,” enthused Bradley.

The ability to provide simple scanning and digital capture of a variety of information to all users has been delivered via the use of the multi-function devices. Bradley commented, “We have a much more scaled deployment of technology, and we’ve opened up new capabilities, such as scanning, to all employees. Over time, we’ll be transitioning to a greater use of scanning and e-mailing in place of printing, which will help further reduce operational costs.”

HP Web Jetadmin’s simplification of printer management tasks has been further supplemented by Verity Group’s support services. Bradley noted, “Verity Group truly manages everything on a day-to-day basis and I only have one staff member spending 15 percent of his time managing print related issues – it’s a huge reduction in our operational effort and it frees us up to focus on other business-critical IT support needs.”

He concluded, “Verity Group is an excellent partner, and together with the multi-function devices, leasing and print-management solutions from HP, have amply met Siemens Dematic’s goals for its consolidated print infrastructure. The new environment fits with our motto – ‘a history of innovation is the basis for the future’ – we enjoyed our legacy HP printers, and we are already realizing huge business benefits from the innovative multi-function devices.”

At a glance

- **Company:** Siemens Dematic Postal Automation L.P., a member of the Germany-based Siemens AG family
- **U.S. headquarters:** Arlington, Texas
- **Founded:** 1950
- **Size:** 1,650 worldwide, 550 in the U. S.
- **Telephone:** 817 436 7000
- **URL:** www.pa.siemens-dematic.com
- **Primary business:** Supplier of leading-edge postal automation and distribution solutions to customers worldwide.

At a glance

- **Partner:** Verity Group is a division of Laser Works, Inc.
- **Location:** Plano, Texas
- **Founded:** 1989
- **Telephone:** 972 422 2228
- **URL:** www.verity-group.com
- **Primary services:** Management of document output environments, encompassing complete analysis of an output environment with respect to efficiency, cost and ROI, and a recommendation for a balanced deployment of hardware. Services include implementation of software solutions such as HP AutoStore and HP Digital Sending Software.

Challenges

- Reducing the total number of devices and associated space consumed.
- Lowering operational costs.
- Increasing device utilization.
- Enabling scanning and digital capture of a variety of information.
- Simplifying support requirements.

Solution

- Partnered with Verity Group for infrastructure assessment, design, deployment and support services.
- Standardization on three models of HP LaserJet printers – 15 9000Lmfp and 14 4101mfp multi-function printers, and 9 5500dtn color devices.
- Installed Web Jetadmin with one HP PSA 4250 print server appliance for remote management.
- Implementing HP AutoStore software for automated workflow with, and storage of, scanned data.

Results

- Reduced total operational costs by \$10,000 per month.
- Dramatically reduced total number of devices and floor-space taken for scanning, printing and copying functions.
- Increased device utilization and balance of usage across workgroups.
- Enabled scanning to e-mail for all users.
- Reduced in-house support operational overhead.

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