

Research reveals Australia's print-on-demand culture is costing the average business over a quarter of a million dollars

Businesses missing out on opportunities to reduce costs by up to 35%

Sydney, Australia – 18th February 2010 – Research commissioned by Kyocera Mita, one of the world's leading document imaging companies, has revealed that the Total Cost of Ownership (TCO) of a printer fleet for a typical Australian mid-market business is between \$151,000 and \$287,000 over a three-year period.

The study, conducted by local industry analyst firm Longhaus, also identified that the typical print fleet for a mid-sized Australian business consists of 32% A4 desktop single function devices, 30% A4 free standing multifunction devices and 22% A4 desktop multifunction devices. The most typical printer brands include HP, Canon, Kyocera Mita, Fuji Xerox and Lexmark.

"The GFC has shed light on the true cost of operation that the print-on-demand culture is costing Australian organisations," said David Finn, Managing Director, Kyocera Mita Australia and New Zealand.

"The reality is that the Australian mid-market spends between 8-9% of its annual ICT budget on the acquisition of print devices, and a further 6% on ongoing operational costs for a typical print fleet. Totalling around 15% of the total ICT budget, this places print devices on par with telecommunications expenses as a single, identifiable expense."

"Disturbingly, most businesses are missing out on opportunities to cut print costs by as much as 35%, simply because they are unaware of their real printing costs and therefore aren't optimising their printer fleets. It's a case of not being able to manage what you can't measure."

The widespread lack of understanding of the true printer TCO is attributed to increased print output volumes, coupled with diminished management visibility and cost controls. When asked whether they could estimate the number of pages their organisation prints in a given period, less than 25% of research respondents answered in the affirmative.

"Although total cost of ownership being far from a new concept and regularly applied to other areas of IT, the results of this research show that printers have become a forgotten device; victims of their own success and quiet utility," noted Sam Higgins, Research Director for Longhaus.

"We were able to identify and demonstrate with Kyocera Mita a number of strategies that can help businesses regain control of disjointed print environments and address escalating print costs."

Through fleet consolidation using printer brands and models with reduced TCOs, like those offered by Kyocera Mita, organisations can reduce their TCO by almost \$70,000, or 25%, over a three-year period. They can also adopt tactics that offer the potential for improvements to overall efficiency and cost savings of up to 10%. Used in just 30% of organisations, these include print quoters, time-based printer availability, printer stocking and valet service, print job routing, device rotating and balancing and PIN-based job collection.

Another management approach gaining popularity in the Australian market is Managed Print Services (MPS), with 39% of mid-market organisations using an external

service provider to manage their printer fleet.

"As the fastest growing sector in the document solutions market, MPS and the use of software utilities enables organisations to build up an accurate and ongoing view of their printer fleet usage.

"It enables them to understand printer profiles and relative usage, and can enable them to optimise printer type and location."

Kyocera Mita is the only vendor to offer a completely Device Agnostic Managed Print Service capability to businesses in Australia and New Zealand. Equipped with a high performing, award winning range of Printers and Multifunction Devices, Kyocera Mita will design the solution that suits your business not our product range.

Being Device Agnostic also allows Kyocera Mita to offer clients significant advantages such as; a single cost per page across the entire organisation, one invoice, consistency of devices, reduced time managing suppliers and a single point of contact for all support and maintenance.

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About the research

Kyocera Mita engaged the services of Longhaus, an Australian industry analyst firm, technology research publisher and advisory company, to prepare an independent assessment of the printer, copier and multi-function device market, including analysis and comparison of total cost of ownership. Longhaus' investigation included a comprehensive survey of 114 Australian mid-market firms, being those organisations employing between 50 and 200 employees or generating annual revenues of between \$15 and \$150 million, in November 2009. This sample is considered statistically significant for the Australian market, offering a minimum 95% confidence level with a margin of error +/-9%. Respondents were senior business and ICT decision makers such as CFOs, CIOs, COOs, CEOs, IT Managers, Purchasing Managers, Office Managers, and Business Owners. Thirty nine percent (39%) of the organisations surveyed were public sector. In addition, Longhaus undertook analysis of various secondary research sources, and interviews with technology executives and providers – including Kyocera Mita itself.

About Kyocera Mita

Kyocera Mita is one of the world's leading document solutions companies and has been dedicated to helping organisations minimise financial and ecological waste for more than 50 years. Delivering a complete range of printers, copiers and other document management solutions, Kyocera is renowned for its unique ECOSYS® durable imaging system. This enables Kyocera to offer cost-saving printer technology with long-life imaging components that provide greater reliability, are friendlier to the environment and present a significantly lower cost per printed page - resulting in a lower Total Cost of Ownership (TCO) over the life of the product. For further information about Kyocera Mita in Australia and New Zealand, visit <http://www.kyoceramita.com.au> or <http://www.kyoceramita.co.nz>