



Equalis Group Print Management Program Program Development & Procurement Process

Why did Equalis Group Develop the Print Management Program?

Several Equalis Group members expressed their frustration with the process of procuring copiers and managing their cost of in-house printing and duplication to our team. We began researching the space to learn whether there was an opportunity to develop a program that would provide meaningful value to our members and address the challenges that had been raised. What we learned convinced us that we should develop a first-in-the-nation, already-procured contract. For example:

- ☉ The cost of printing to a laser or inkjet printer can be 2 to 6 times as expensive as printing to a multi-functional (copy, print, scan, and fax) device.
- ☉ Most Equalis Group members established leases with service contracts for their multi-functional devices (**MFD's**) with third-party suppliers, but very few of those suppliers also managed the member's printers. Printers were managed in-house or by another third-party provider. Because the management of MFD's and printers were not integrated, most members were installing and paying for far more printing and copying capacity than they actually required.
- ☉ MFD contracts with suppliers typically included clauses that enabled suppliers to unilaterally increase their charges each year and apply a wide range of additional charges.
- ☉ Existing consortia or state term contracts primarily focused on securing the lowest possible price for MFD equipment, but largely ignored ongoing service, overage charges, and other terms and conditions that are critical to contain the total costs billed to our members.

We set out to develop a first-of-its-kind in the public sector approach that integrates all costs associated with in-house copying and printing (including hardware, software, installation, management, maintenance, service, and toner) to establish a total cost of ownership model that enables our members to migrate to a single contract for each of these elements with a proven supplier, access defined service level agreements, establish a single bill each month, and be charged a single price per copy/print over the term of the contract with no upfront capital expenditures. This variable pricing model eliminates capital expenditures and has the added value of ensuring that our members only pay for what they use.

The Procurement Process

We hired a subject matter expert to serve as our consultant in developing the request for proposal (**RFP**) specifications, interviewing suppliers, reviewing proposals, and selecting the final supplier. This individual had been a CEO for more than 25 years and most recently spent a number of years in the copier industry leading numerous acquisitions and integrations across the country. We selected him because he is fully versed in the multi-functional device and printer industry, is intimately familiar with the major manufacturers and services providers as well as their respective capabilities, and fully understands the business and revenue model that drives the copier industry. He was invaluable in this process.

We developed draft specifications with the input from our subject matter expert and a number of public sector entities, including Bowling Green State University, Lorain County Community College, and Cuyahoga Community College. We also researched the supplier marketplace and identified numerous potential suppliers that could meet the stringent criteria that we were developing. We proactively reached out to more than 10 suppliers from across the country and invited them to participate in the process. We reviewed our program objectives with each supplier and provided them with an opportunity to review the draft specifications and provide their feedback before finalizing the specifications and publishing the RFP.

After literally months of development, the Equalis Group team completed the program specifications and assembled the final RFP. In accordance with Ohio Revised Code, Equalis Group published notice of the RFP

opportunity on our website as well as in a newspaper of general circulation for three consecutive weeks. We proactively forwarded the RFP information to each supplier we had identified and interviewed during our advance research. We wanted to secure as much supplier interest and as many legitimate proposals as possible to establish the most competitive program for our members.

To identify the lowest responsive and responsible bidder, our proposal review team opened the proposals in a public forum, scored them on both a qualitative and quantitative basis, and interviewed the senior leadership of the finalists.

Why did Equalis Group Select Lewan/Global as our Supplier Partner?

We selected the family of companies owned by Global Imaging Systems, Inc., a Xerox company, including Lewan & Associates, as the lowest responsive and responsible bidder for a number of reasons:

- ⓪ Lewan/Global is the industry leader in managed print services and was one of the first companies to recognize that the deployment of copiers and printers should be integrated to provide the best, most economical solution for each member.
- ⓪ Global and its subsidiaries offer managed print services from coast-to-coast, providing Equalis Group with the ability to deliver this program to public sector entities nationwide.
- ⓪ Through Xerox, Lewan/Global provides the best, highest quality depth and breadth of equipment available in the marketplace.
- ⓪ Lewan/Global clearly understood the solution Equalis Group was developing for the public sector and the need to provide a comprehensive solution through a single contract vehicle that could be tailored to meet the needs of individual members.
- ⓪ Lewan/Global has a proven track record of conducting the up-front audits necessary to develop optimized solutions for each individual member.

We created a contract that is oriented towards lowering members' total in-house printing and duplication costs. The first step in this process is to conduct a no cost assessment to: a) establish the total current costs, b) identify and catalogue all existing printing, scanning, fax, and copying equipment on-site, and c) determine the total volume and type of print/copy jobs conducted organization-wide. With this information in hand, Lewan/Global is then in a position to design an optimized solution with the appropriate deployment of devices and technology that cost-effectively meets the needs of each member.

The contract is flexible in that all the elements of print management and managed print services (including hardware, software, installation, management, maintenance, service, and toner) are already procured. A customized solution for each entity can be developed out of the existing contract elements with no requirement that the public sector member conduct its own bid or RFP process to establish the supplier relationship necessary to implement the optimized plan.

Appendix

Who were the Suppliers that Participated in the Equalis Group RFP Process?

- ☉ Blue Technologies and Konica Minolta
- ☉ ComDoc, Xerox, Global Imaging
- ☉ Konica Minolta
- ☉ Lake Business Products and Canon
- ☉ MCPC
- ☉ Office Depot
- ☉ Ricoh
- ☉ RT Industrial
- ☉ Sharp
- ☉ Toshiba Business Solutions

Who are the Companies within the Global/Xerox family?

- ☉ Amcom Office Systems (PA)
- ☉ Arizona Office Technologies (AZ)
- ☉ Berney Office Solutions (AL, FL, GA, MS, TN)
- ☉ Better Quality Business Systems (KY)
- ☉ Blackstone Valley Office Systems (RI)
- ☉ Boise Office Equipment (ID)
- ☉ Business Equipment Technologies (ME)
- ☉ Cameron Office Products (MA)
- ☉ Capitol Office Solutions (DC, MD, VA)
- ☉ Carolina Office Systems (NC, SC)
- ☉ Carr Business Systems (NY)
- ☉ Chicago Office Technology (IL)
- ☉ ComDoc, Inc. (NY, OH, PA, WV)
- ☉ Connecticut Business Systems (CT, MA, NY)
- ☉ Conway Office Products (MA, NH)
- ☉ CopyCo (IN)
- ☉ Copytronix (OR)
- ☉ Dahill (TX)
- ☉ Daniel Communications (MS)
- ☉ Denitech (TX)
- ☉ Eastern Copy Products (NY)
- ☉ ESI (DC, VA)
- ☉ Georgia Duplicating Products (GA)
- ☉ Image Tech (MA, RI)
- ☉ imageQUEST (KS)
- ☉ Imaging Concepts of New Mexico (NM)
- ☉ Inland Business Systems (CA)
- ☉ Kelley Office Systems (VT)
- ☉ Lewan & Associates (CO, WY)
- ☉ Lucas Business (CA)
- ☉ Martin Whalen Office Solutions (IL)
- ☉ Michigan Office Solutions (MI, OH)
- ☉ Minnesota Office Technology Group (MN)
- ☉ Modern Business Machines (WI)
- ☉ Mr. Copy/MRC Smart Technology (CA)
- ☉ Northeast Copier Systems (MA)
- ☉ OneSOURCE Managed Services (OK)
- ☉ Premier Office Equipment (IA)
- ☉ Quality Business Systems (WA)
- ☉ RK Dixon (IL, IA)
- ☉ Saxon Business Systems (FL)
- ☉ Sierra Office Solutions (NV)
- ☉ SoCal Office Technologies (CA)
- ☉ Stewart Business Systems (NJ, PA)
- ☉ Stewart of Alabama (AL)
- ☉ TML Enterprises (VA)
- ☉ Transco Business Technologies (ME)
- ☉ Xerographic Solutions (NY)
- ☉ Xerox Audio Visual (AL, FL, GA, PA, TN)
- ☉ Zeno Office Solutions (FL)
- ☉ Zoom Imaging Solutions (CA)