

3M

3M Australia moves towards a total document solution with HP Managed Print Services



"The HP Managed Print Services contract has definitely saved us money and has consolidated us on one vendor so if we have any problems, they are quickly fixed."

Ross Murphy, Asia Pacific infrastructure manager, 3M Australia

HP CUSTOMER CASE STUDY:

HP contract reduces power usage and CO2 emissions

INDUSTRY:

Manufacturing

OBJECTIVE:

3M Australia wants to automate its imaging and printing processes with the aim of achieving a total electronic document environment.

APPROACH:

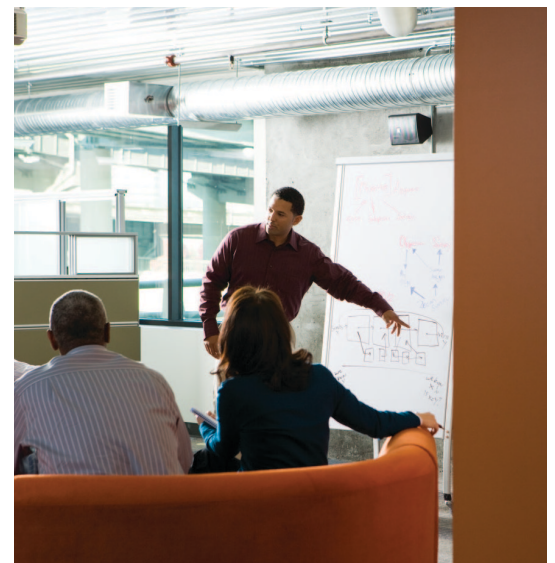
It has renewed the Managed Print Services (MPS) contract which is part of a global MPS agreement between the 3M Group and HP.

IT IMPROVEMENTS:

- The number of devices at 3M Australia has been reduced from 130 to 72, simplifying management and reducing operational costs.
- Availability is increased by using HP Web Jetadmin software to remotely trigger supply ordering and identify performance issues.
- Globally, 3M has reduced energy consumption by over 75 per cent.

BUSINESS BENEFITS:

- Automating document processes saves 3M Australia AUD\$170,000 a year and improves workflow.
- Globally, 3M Group estimated an MPS saving of more than US\$3 million in the first two years of its MPS contract.
- It also achieved a page cost reduction of 90 per cent.



3M is fundamentally a science-based company. It produces thousands of imaginative products such as Post-it notes and is a leader in scores of markets from healthcare and highway safety to office products, abrasives and adhesives. With recent annual global sales of US\$2 billion, it has 75,000 employees and operates in more than 65 countries.

One of those is Australia where 3M is headquartered in Pymble, New South Wales. 3M Australia has 14 sites with more than 700 employees and generated recent annual sales of US\$420 million.

3M Australia had a multi-vendor fleet of 130 devices which was complex and expensive to manage and maintain. At a global level, 3M Group also felt that its print, copy and fax fleets were inefficient and expensive so from the headquarters in St Paul, Minnesota, it negotiated a global Managed Print Services (MPS) contract with HP.

SAVINGS AND EFFICIENCIES

In Australia, this five year MPS contract generated significant savings and efficiencies so with the agreement of the global HQ, it has recently been renewed. Under the agreement, 3M pays a monthly fee consisting of a base rate and a 'click charge' based on actual page volumes. The agreement also covers print cartridges and repair/maintenance services.

The benefits for 3M Australia started with the consolidation of its fleet. HP Multifunction Printers (MFP) and HP LaserJets have replaced fax machines, scanners, photocopiers and standalone printers to reduce the count from 130 devices down to 72. HP and 3M worked together on a design and discovery exercise which established the workflow requirements and resulted in a balanced deployment of machines across the offices. These are remotely managed by HP Web Jetadmin, the web-based remote management solution that increases uptime by flagging potential faults and monitoring ink and toner levels.

"From a service perspective, the printers work well and have been well accepted and the MPS contract with HP has definitely saved money," says Ross Murphy, Asia Pacific infrastructure manager for 3M Australia.

GLOBAL BENEFITS

3M Australia has shared in a number of benefits that the 3M Group has registered at a global level. Across the whole group, 3M has reduced the device count by approximately 47 per cent and reduced printer energy consumption by over 75 per cent. Global page costs were cut by up to 90 per cent and 3M printed an estimated 353 million fewer pages over a three year period. With printers calibrated to go into sleep mode after a certain period of inactivity, reduced energy consumption brought cost savings of more than US\$1.2 million over a three year period and using less paper and power lowered the company's CO2 emissions by an estimated 8,240 metric tons. In the US alone, 3M saved more than US\$3 million in two years and the company recycles every one of its printer cartridges through the HP Plant Partners Recycling programme.

For 3M Australia, the HP MPS contract has been an important step forward in its plans to achieve a total document solution. The first part of the evolution was to optimise its infrastructure by reducing the size of its printer fleet. Secondly, it has improved the management of its print environment by implementing the MPS contract to take control of costs, provide predictability to the business and out-task some management and operation of print to leave staff free to concentrate on the core business.

CUSTOMER SOLUTION AT A GLANCE:

PRIMARY HARDWARE

- Various HP mono and color LaserJet models
- Various HP LaserJet mono and color multifunction printers (MFP)

HP SERVICES

- HP Managed Print Services

PRIMARY SOFTWARE

- HP Web Jetadmin

IMPROVED WORKFLOW

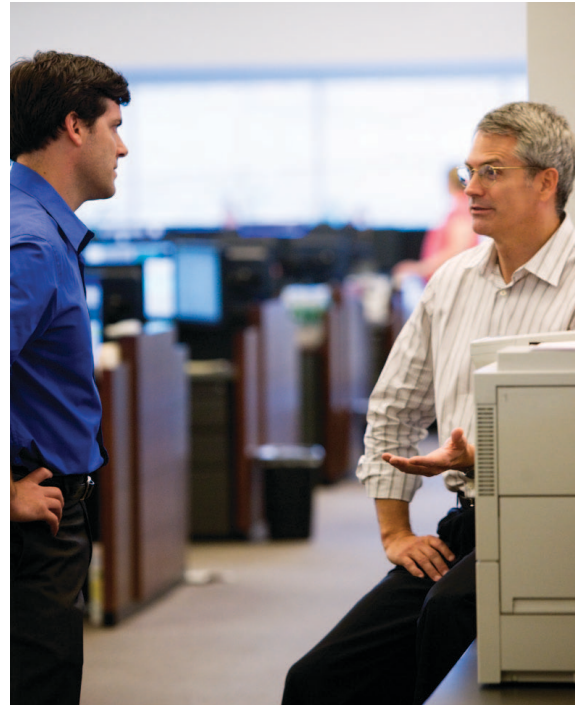
The third step in this evolution is to manage and improve workflow. One way in which 3M Australia is achieving this is to use the scanning capabilities of HP MFPs in conjunction with a Perceptive Software document management application to replace paper records with electronic files.

“We take documents like faxed orders and convert them into TIF files and also use the HP MFPs to scan other paper documents which are then stored as archived e-files rather than in paper form,” says Murphy. “This has brought huge customer service-based savings and also means that we have been able to get rid of approximately 45 filing cabinets full of archived paper orders and invoices. This system has resulted in annual savings of AUD\$170,000.”

Also, 3M Australia has introduced an Adobe forms solution which uses HP printers to create templates to generate invoices and other documentation.

“Preparing shipping documentation used to involve a lot of manual operations,” adds Murphy. “Now, the forms solution takes those documents and puts them together so a delivery note and things like hazardous goods notifications come straight out of the printer together which brings some real efficiencies into the shipping office.

“We currently have a number of companies that we have acquired that do not have this HP MPS solution in place but we intend to roll it out to them as soon as possible.”



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