How to be a good consumer of copier services and contracts

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Process - things to look for

- First, if you haven't compared your current copier vendor to others in a while, now might be the time. Unfortunately, if a vendor has been in place for a long time they can become comfortable and take advantage of that. I have seen instances when the current vendor was faced with a competitive situation that they suddenly found a way to drop their price by huge amounts. I am not saying you should buy from someone because they are cheaper. You can always find someone that can do things for less. It never hurts to keep them honest though.

- On the other hand, in order to provide good service companies need to be profitable. If someone is much less than everyone else, that is probably not a good sign either.

- There is more to add to this section and I will work on this some more this weekend

Leasing vs. Purchase

- Leasing becoming more popular due to changing technologies

- More expensive than purchase but MAY offer some tax advantages

- Bank financing is usually less expensive than leasing if you wish to own the equipment

- When comparing leasing contracts, be sure the terms are comparable. For example, a 3-year lease is going to look more expensive than a 5 year lease, but it may not actually be. The person analyzing the deal should understand finance and understand how to calculate the time value of money.

Things to look for on Leasing

- Fair Market Value lease vs. $1.00 out lease (What is FMV lease?) Look for buy out and/or give back provisions.
  On leasing situations where you must ship the machine back, realize that it is often $400 - $500 of the customer's expense to ship the unit back to the leasing company, wherever they may be. And they may be in Los Angeles.

- Non-profits still pay personal property tax on FMV lease.

- Beware of some lease companies; they can be very difficult to deal with at end of term (What should you look for to spot these difficult companies?)
  READ the terms and conditions clauses. Check for terms about returning the unit to the leasing company at your own expense.

- May have to ship equipment back at end of term

- End of term notifications and auto-renewals
  (What does a typical honest contract look like as far as terms?)

You must send notice to the lease company to tell them you do not wish to renew. You have a window of time do send this notification and it must be sent to the lease company, not your service contract vendor.

- Find out who is the lease company and what are the terms.

- Don't renew early just to save a little money because in the long run it will cost you money. Vendors are upgrading customers a year early or even more by showing a savings, usually a small one, by upgrading to new equipment. Sounds great, right? Get newer and sometimes better equipment for less than you are paying now? In actuality, this is almost never a good decision for the customer. The remaining payments you have left don't go away; they get rolled into your new lease. So you end up paying for it anyway even though you don't have the equipment anymore. The reason they are able to show a savings is because equipment costs have come down and/or they charged you too much last time. If you wait until the lease is over you will find that you will be able to save much more then. At the very least, get competitive quotes to be sure you are getting a good value.

Maintenance

- Toner is usually included in service contracts, but more and more the amount of toner that is included is limited. (What to look for as far as contract traps and provisions?)
  There are nearly always monthly minimums, which is perfectly fine. Just make sure that you are using MORE than the monthly minimum. Else you are paying for more than you use. Is there any restriction? The toner usage is usually based on manufacturer's yields.

- Beware of monthly copy count minimums and if you have them, you always want to pay an overage because otherwise you paid for copies you didn't make. If volume goes down, vendors will seldom if ever call and say you are paying them too much.

- What happens if you cancel the maintenance contract? Will the current vendor want you to pay them back for unused life of parts/supplies recently installed?

- What difficulties can come from having similar models of copiers at your facility under maintenance contract from different vendors?

- What notice is needed to cancel a contract?

- Are parts available locally or do they need to be ordered or shipped from a central warehouse?

- How long until a service technician arrives at your location?

- Is scanning and faxing usage of the copier where no impressions were made a chargeable operation?

Equipment – how to decide what to get

- First, determine what your overall needs are. Not just copying, but printing, scanning, faxing etc. In addition, what will be your needs in the future.

- Can any outsourcing be brought back in house with the proper equipment?

- Many systems can connect to software now, can that help you?
- Look at the equipment, don't just assume they are all the same.
- Get your IT staff involved to evaluate the technologies BEFORE you decide to shop vendors. The IT staff must determine whether a particular copier brand will integrate into the environment better than others. This decision must be made before shopping vendors.

Evaluating copier technologies

What and how to evaluate copier technologies

- The IT department should evaluate a Sharp, Ricoh, Panasonic, Xerox and whatever other brands you want to evaluate.
- They should compare a variety of features and functions on all the brands.

Evaluate the following

➢ Does the copier support scan and fax destinations direct to SMB share on Windows servers or is some software required?
Good methods involve direct authentication from a user-only account with change permissions on the destination share.

➢ What configuration is required to setup fax and scan to a server share destination?

➢ Are the drivers for the copier print functions WHQL certified?

➢ What method must be used in order to install the drivers?
Can they be scripted or are they only available in EXE manual install?
Only acceptable method is script-based, not EXE, and must be WHQL certified.

➢ What effort is required to add fax destinations in the address book?

➢ Can users add their own fax destinations via the web interface for the copier without admin access?
Good copiers have this feature.

➢ How easy is it to back up the entire address book? Can you export it directly from the web interface or do you have to have special software to back up the address book?
Look for copiers that allow all functions WITHOUT special software.

➢ Evaluate the user and admin manuals for the equipment. Very poorly written manuals, especially those that are engineered towards console configuration procedures should be avoided. The best equipment has a single website interface that is very intuitive to use and the manuals for the equipment primarily refer to web interface configuration procedures.

➢ What methods exist for account code lockdown?
Can you create groups such as a group that can only bring B&W and another that is also allowed to print/copy color?

➢ Can the account codes be embedded into the driver for a particular workstation's printing usage?

➢ Can the copier prevent any print jobs unless a valid account code is supplied?

➢ Can the drive be configured to require an account code be input each time a print job is attempted?

➢ What is the login timeout on the main console panel? (Should be 60 seconds or less)

➢ Is there a logout button on the console so that users that are done can easily press the button and have their account code logged out? Beware that some copiers have a non-functional logout button. Ricohs are like this.

- What is the method that must be used to retrieve monthly usage of equipment per account code? Can this information be obtained easily by accounts payable staff or must the IT staff retrieve this information for them using special software? Sharps can extract the data directly through the copier web interface. With Ricohs, special software must be used.
- Is it possible to export the address book of the copier for backup purposes through the web interface without special software?
  Copiers that require special software should be avoided.
- Can the copier be configured to email you the monthly impression and usage statistics? The best copiers can be configured with multiple email recipients so that not only the copy contract holder receives the usage statistics, but so does your accounts payable staff. (Sharps have this.)
  Some copiers only allow a phone home technology whereby you have no ability to know if you are being billed for the correct usage statistics. These copiers with phone home to the manufacturer technology should be avoided.
- How does the driver behave? Some copiers use print drivers that do a live query to the copier every time you open Properties on the print queue. These drivers should be avoided as they create unnecessary load on the network and are also slower performing.
- Does the copier have a back door into admin level security through the web interface? Many of them allow for supervisor override where you input the serial number or a portion of the serial number. However, all of this is allowed through the web interface rather than having to directly be on the console. This is a huge security risk.
  Look for copiers that have no back doors via web interface.
- Note that some copiers that require use of special software are security problems. For instance, SNMP traffic is often not allowed to route between networks. So if you have a modicum of security on your network (as you should), then the software will not work!
  You cannot be using software that requires you to disable security features on your organization's networks. Ricoh copier management software is like this. It uses SNMP and cannot find copiers via IP across a routed network.
- BUY THE ENCRYPTION KIT
  Look for two functions: encrypting all storage, RAM, hard drive, fax memory and then make sure it does an overwrite too that is Dept of Defense compliant standards.
- How tightly can you lock down the NIC?
  IP filtering, MAC filtering, port filtering

Reasons to use direct IP printing instead of printing through a server

This is not a comprehensive list, but should be sufficient to give you an idea of why direct IP printing is superior.

- Printing through a server is a giant single point of failure.

- It puts load on the server that is completely and totally unnecessary.

- The copier has a giant hard drive and it is designed to spool large amounts of jobs on its own. It does not need any device sitting in front of it.

- You CANNOT install a print queue via network logon script on a PC as a user account UNLESS an admin has ALREADY installed the print drivers. A user has no rights to install drivers.

- You cannot do account code logging without having print queues installed direct on the PCs. The account code is often embedded into the local print queue with the code for that user.

- Many times there are needs for a department or individuals to have different print queue config than other people. For instance, some may want to default print out of tray 3 because it has pink paper or they may want to duplex by default.
  In order to have this ability, you MUST have the print queue installed locally.

- Having print queue connections hooked up via logon script means that a person may not be able to print if their logon script does not run for whatever reason.

- Having print queue connections hooked up via logon script means that you will end up with impossible to inventory or clean up connections to abandoned print queues as you delete or change print queues on the server.
  Comparatively, it is very easy to run a delete script on all machines to delete the old versions of locally-installed print queues.

- In many cases, you must install software on your server to make the printing work. You must at least install the print drivers. These drivers may cause problems with the operating system.