

March 2009

'Smarter printing' can save businesses \$25,000 million annually, finds cebr research

Reduced printing costs to benefit businesses across all sectors - delivering substantial productivity gains, reduced waste and improved environmental performance

Egham, Surrey, UK, March 2009: At a time when businesses of all sizes and across all sectors are under intense pressure to cut operating expenditure, recent developments in technology and improved printing solutions have created the opportunity for public and private sector organisations to make huge savings in their print costs, so improving their competitiveness.

At the same time, these savings in manpower and materials can be achieved without any compromise in the quality of the organisation's printed output. So finds a major survey of 23 countries across the Europe, Middle East and Africa (EMEA) region undertaken by leading independent economics consultancy Centre for Economics and Business Research (cebr) on behalf of OKI Printing Solutions.

Reduced outsourcing, better print management

The study, *Smarter print management – controlling costs and environmental impacts*, found that across those geographies examined, which included the UK, Germany, France, Italy, Spain and many others across mainland Europe and the Middle East, organisations spend almost \$258,800 million each year on printed materials, including \$76,700 million on outsourced printing. "This total equates to more than the entire GDP of Ireland," says Tets Kawamura, CEO OKI Europe. "It is clear that trimming costs in this area could have a huge impact on business efficiency."

Open up your dreams

As well as reducing costs, changes in print management – and particularly the elimination of waste and unnecessary transportation – could lead to a saving in carbon dioxide emissions of as much as 1.5 million tonnes a year. That is the equivalent of taking 400,000 cars off the road, or 750,000 long haul flights.

Identified savings can be made in two specific areas:

- With the latest improvements in printing and copying technology, many tasks previously outsourced to specialist third-party print houses can now be undertaken more cost-effectively in-house, with no loss of print quality. Printing activities which may now be brought in-house in this way include pre-printed stationery, business cards, professional signage, sector-specific labeling (e.g. for retail, manufacturing and healthcare) and other marketing and commercial materials such as newsletters and company magazines.

The report estimates that by bringing currently outsourced printing functions in-house, firms could save \$5,400 million per year. The savings largely come from the elimination of waste by printing only the quantities needed, at the time they are needed and in the location where they are required.

- With the implementation of best practice print management techniques, even greater savings can be made in terms of staff time and printer, paper and printer consumables costs. “By adopting Managed Print Services, for example, this helps to identify, improve and manage opportunities for efficiency improvement,” says Douglas McWilliams, Chief Executive of cebr. “Techniques include accurately identifying usage patterns, ensuring staff have access to the print facilities they need, setting up printers correctly to minimise time and paper wastage, and sending routine jobs to mono and duplex (two-sided) printers.”

The report estimates that by improving internal print management, firms could save up to \$19,600 million per year.

Key findings

Other findings in the cebr report include:

- Across the EMEA region the greatest potential savings annually by business sector were found to be in public administration (\$2,800 million), followed by education (\$2,500 million) and architectural activities and technical consultancy (\$2,300 million).
- There are significant differences in the estimated share of printing expenditure on outsourced and in-house printing by country. In Russia, for example, outsourced printing accounts for only 14% of total printing spend, whereas in Switzerland it accounts for almost a half (45%) of total spend.
- There are similar differences in the share of turnover attributable to in-house printing by country. Slovakian companies on average spend 0.3%, whereas Russian companies by contrast commit over twice the proportion of spend on in-house printing, at around 0.7% of total turnover.
- As well as providing significant benefits for the businesses and administrations themselves, cebr's economic forecasting models predict that in the longer term these changes will result in measurable improvements in GDP, investment and even consumer spending. It suggests that, across the countries surveyed, increased efficiencies will result in an increase in GDP of \$31,900 million by 2018 and an increase in investment of \$9,100 million over the same period. Because more productive firms produce cheaper goods, it is predicted that consumer expenditure could grow by \$9,600 million by 2018, all as a result of reduced printing costs through improved efficiencies.

The digital revolution

In addition, the study highlights two trends which make it easier for firms to print documents in-house efficiently. First, companies are sharing more documents electronically, either from the internet or in emails: as a result, documents delivered in seconds can be printed out immediately. Second, as printing technology improves and becomes cheaper, companies can achieve professional quality materials previously only possible using specialist outsourced services.

“In addition, the latest advances in in-house printer technology enable businesses to print on demand, at the most appropriate time and only the volumes required,” says Douglas McWilliams. “This makes for a faster, more cost-effective and environmentally friendly approach to printing.”

“As the report rightly concludes, printing is an essential function of all businesses and has been changing rapidly,” confirms Kawamura. “In turn, these changes have created a real opportunity for ‘smart printing’ to make a significant contribution to improved productivity and competitive edge. In responding to this, OKI Printing Solutions has both the technology and knowledge to help organisations manage their printing in-house more cost-effectively.”

- ends -

Notes to Editors:

About cebr

The Centre for Economics and Business Research Ltd (cebr) is an independent economic research consultancy established in 1992. It provides advice to City institutions, trade associations, local, national and international government, government agencies and the private sector.

About the cebr study

The cebr study assessed the printing markets in 23 countries, including Russia, Dubai, the UK and 20 countries in mainland Europe. A global version of the report is also available which also evaluates and models the situation in the USA, Canada, Brazil, Mexico and Japan.

About OKI Europe

OKI Printing Solutions is a global business-to-business brand dedicated to creating professional in-house printed communications products, applications and services which are designed to increase the efficiency of today's and tomorrow's businesses. The company's annual turnover across the EMEA region is 102.0 billion yen (FY07), accounting for 54.3% of OKI Printing Solutions' worldwide turnover which represented record year-on-year growth of 10%.

OKI Printing Solutions is well-established as one of EMEA's leading print brands, in terms of value and units shipped. The group's product portfolio comprises six distinct segments: colour and mono printers, multifunctional devices, which combine printing, copying, scanning and faxing functionalities, as well as Serial Dot Matrix printers, faxes and specialty printers for point-of-sales and manufacturing. Established in 1990, the EMEA group now employs 1,200 people in 21 production sites and sales offices and is represented in 60 countries throughout the region.

OKI Printing Solutions is the brand name of OKI Data Corporation, a subsidiary of Tokyo-based Oki Electric Industry Co. Ltd., established in 1881 and Japan's first telecommunications manufacturer.

For further information please contact:

Katy Brooks / Jane Rigg

The Whiteoaks Consultancy

Phone: +44 (0)1252 727313

Email: katyb@whiteoaks.co.uk

Pamela Ghosal

OKI Europe Ltd

Phone: +44 (0)208 219 2190

Email: Pamela.Ghosal@okieurope.com

