Cummins Inc.

Lexmark global managed print services saves Cummins $2 million
and slashes printing by 36 million pages annually

Challenge

Cummins is a company with 55,400 employees and global operations throughout
190 countries and territories. With such a vast distribution of locations comes the
challenge of selecting, deploying, managing and maintaining technology—even
output devices. Whether at its U.S. or remote operating sites worldwide, Cummins
employees need to print, copy, fax and scan critical business documents reliably.

"Whether it is Russia or places like Zambia and Zimbabwe in Africa, there are
significant challenges to providing IT service and that is a critical business
requirement for us regardless of the physical location," said the Director for
Computing Services.

Its existing fleet of output devices had aged and became prone to breakdowns
that were increasing maintenance costs and negatively impacting device reliability
and employee productivity. At the same time, Cummins wanted to further trim
output costs and reduce paper consumption in support of its sustainability
initiatives. These business goals and challenges became the genesis of a
corporatewide initiative Cummins inaugurated called Print Smart.

Cummins began an aggressive project to optimize, standardize and refresh its
entire printer fleet globally and implement industry best practices to reduce costs
and cut paper consumption, while improving output capabilities and service in all
of its locations around the globe.

Cummins is an active practitioner of the Six Sigma® Business Management Strategy
with 18,000 projects that have saved the company $3 billion. For Print Smart,
Cummins leveraged its Six Sigma expertise to impose structure on the process
of gathering requirements. Key needs revealed during the process included the
tracking of consumables—paper and toner, a desire to eliminate abandoned print
jobs, implementation of a consistent user interface for printers worldwide, insight
into employees' usage habits and standardized global service. The outcome of its
research into end-user needs and operational requirements was a comprehensive
request for proposal (RFP) seeking a global managed print services partner.

The requirements of the RFP, particularly the ability to provide a consistent service
model around the globe, was too much for some suppliers. "Some opted out right
away. There was one supplier in particular that everybody thought would be a
frontrunner that just didn't match up well," said the Director. "They wouldn't offer
us a consistent service offering around the world. That was not a compromise we
were willing to make."

Lexmark's response and approach stood out from the pack. "I will be first to admit,
I did not expect Lexmark to win the way that they did," said the Director.

Meet Cummins Inc.

Cummins is the world's largest independent
manufacturer of diesel engines and related
products. The company reported 2016 revenue
of $17.5 billion and serves its customers through
600 company-owned and independent
distributor facilities and more than 7,400 dealer
locations in 190 countries and territories.

Lexmark's response was carefully designed to address each specific geographical and technical requirement. Cummins later singled out Lexmark's solutions-oriented proposal as more detailed and insightful than the hardware-centric ones submitted by other suppliers.

As Cummins' procurement team moved toward selection of a managed print services provider by narrowing the field, Lexmark took the additional step of providing Cummins with a solution summary that detailed all deliverables, including number of devices, resources and solutions and service levels in every geography. In addition, Lexmark installed several products in Cummins' IT test labs. To ensure that no detail was overlooked, an executive-level customer-facing team that included Lexmark's director of operations for Europe, Middle East and Africa met face-to-face with key Cummins officials. Lexmark also provided global customer references that stressed its lengthy track record of providing managed print services worldwide—even in active military theaters of operation.

Solution

Following its analysis of products, services and customer support around the globe, Cummins chose Lexmark as its global managed print services provider. Under a comprehensive equipment leasing and asset management agreement, Lexmark is providing implementation, asset lifecycle, proactive consumables management, break/fix and global help desk management, training and maintenance services around the world.

Lexmark installed a combination of monochrome departmental printers and high-volume monochrome and color multifunction products (MFPs). Installation of more than 2,000 devices was completed in approximately six months, no easy task considering the large number of geographies and differing regulations involved. A universal driver was created for Cummins so that new devices could be added to the network without having to install each one on every PC. This saved Cummins IT hundreds of hours that now could be spent on more strategic IT projects.

"The easy part is taking the old printer out and putting the new one in; The challenge is the coordination, logistics and planning that comes before that," said the Director. Lexmark executed dozens of unique Local Country Agreements to ensure compliance with a wide array of legalities and standards. "It took a lot of coordination and planning between Cummins and Lexmark, to make sure everybody was on the same schedule and fully prepared. Lexmark did a very good job, even in countries where we expected difficulties."

With a standardized and optimized Lexmark output environment around the world, employees experience the same user interface on every device in every location worldwide. This approach reduces the need for training and increases employee productivity. Presenting a consistent interface was essential for a smooth deployment, said the Director. "It doesn't matter which printer an employee goes to, a monochrome device or a bigger high-volume color unit. The user interface is exactly the same in all of our locations. It's simple and intuitive," the Director said.

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> Director, Computing Services
> Cummins Inc.

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To address its document paper consumption concerns, Cummins implemented a solution that releases print jobs only when job owners enter an identification code at Lexmark devices connected to the network. Waste is eliminated. "With Lexmark, we were able to reduce our print volume by three million pages a month," said the Director. "The print rooms are so much neater now because they don't have all this excess paper all over the place."

This approach enhances security by guaranteeing that confidential jobs print only when the document owner is physically present. That physical presence also eliminates the time gap between printing and pickup, eliminating forgotten print jobs from piling up and avoiding paper and toner waste. Jobs not printed within a specified timeframe can be deleted from the queue automatically.

All of the output devices on the Cummins network are proactively monitored by Lexmark. The devices themselves actively report back their health to a staff of engineers who can often take care of device issues before employees even notice. Lexmark engineers also integrated the entire device fleet with Cummins' BMC® Remedy® Service Desk system for incident management and help-desk support. Now, printer issues are logged with Cummins IT and calls are dispatched as necessary.

"Lexmark saw some of the density that we have in certain locations and we actually have people who are on site just as part of the standard service offering. They're here every day and they've just become part of the print team," said the Director.

Cummins IT bills internal departments for print consumption. With a complete view of its entire network of devices, Lexmark prepares monthly reports on usage by device and by location so that the information can be fed directly into Cummins' internal billing system.

With proactive consumables management, the Lexmark devices also send alerts when toner gets low. These alerts trigger a replacement genuine Lexmark toner cartridge for that model to be shipped to its precise location. Onsite Lexmark technicians receive the toner and replace the cartridge before a toner outage impacts employee productivity.

> *"There was a clear gap between first and second. The others just couldn't reach the pedals and Lexmark did. Lexmark was building that partnership before the contracts were ever even signed."*
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> Director, Computing Services
> Cummins Inc.

Results

By selecting Lexmark as a trusted advisor and partner, Cummins has seen extraordinary returns on its investment in Lexmark output technology, solutions and services. Through this partnership and its own Print Smart initiatives, Cummins is on track to cut printing by an astonishing 36 million pages in just one year, generating a projected annual savings of $2 million. In overall costs, Cummins has seen its expenses drop by 62% on a monthly basis.

The reduction in annual paper consumption saves the equivalent of 4,000 trees, along with a projected greenhouse gas avoidance of 605 metric tons. By managing its use of color, Cummins reined in color printing from 600,000 pages per month to just 225,000, saving an additional $1.5 million annually. The 2,500 printers Cummins previously operated has been reduced by about 16%, simplifying maintenance and lowering overall operating costs.

Without a doubt, Cummins' Print Smart project to optimize and standardize its output infrastructure worldwide and reduce printing overall presented profound technical and logistical challenges. Some of the best-known names in the printer business withdrew due to their inability or unwillingness to face and surmount these obstacles. Only Lexmark, with its decades of international experience and customer commitment was able to prevail. "When I'm asked about supplier relationships, I hold up Lexmark as an example of the best in how a proactive relationship can work," said the Director. "I've had some really, really bad supplier relationships. This is a really, really good one."

Now with a fleet-wide view of all of its output devices, Cummins has powerful information upon which it can make business decisions. With that complete view, Cummins knows how many devices it operates, where they are located, what those devices are printing and whether each of those devices is over- or under-utilized. Its entire fleet is linked directly to its IT service desk to remedy printer issues before they impact users or to dispatch onsite Lexmark resources. Toner and other consumables are shipped, arrive and are replaced automatically, freeing employees from ordering, storage and replacement, and freeing up closet space and capital dollars for more needed projects.

With reports from Lexmark, Cummins can bill departments internally for print usage. And, with a solution from Lexmark, Cummins is printing less in support of its corporate cost savings and environmental goals.

Though it comes as no surprise to Lexmark's thousands of employees, Lexmark's excellence has exceeded Cummins' expectations. "I think it goes back to 'transparency builds trust'," said the Director. "Lexmark was very transparent with us and had a real focus on our business needs, even as those were changing."

And those business requirements at Cummins will continue to evolve. In fact, according to the Director, Cummins is looking at expanding into new countries. "That's my challenge and, in turn, that will become Lexmark's challenge," said the Director.

For the world's largest manufacturer of diesel engines, its global operations can never be allowed to stall. Through its close partnership with Lexmark, Cummins' output infrastructure runs lean and on all cylinders.

Read and watch more stories of success from our global customers at www.lexmark.com/success

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