Lexmark Managed Print Services Assessment Proposal

Objective
To establish a baseline understanding of your enterprise print environment in order to identify opportunities for using Lexmark Managed Print Services to develop an optimized print environment.

Deliverables
Lexmark will prepare a report that summarizes top-line findings and recommendations and present a findings presentation at the conclusion of the data-gathering visit at your site. This report will provide detailed findings, a recommendation to address the content of each detailed finding, evaluations and implications of benchmarks and key metrics, recommendations for improvement, and potential cost-saving opportunities. Benchmarks with key metrics for the following are:

- User-to-device ratio
- Unique number of manufacturers and models in environment
- Technology
- Device age
- Connectivity ratio

- Volume by technology
- Utilization by technology
- Average volume/device
- Average volume/user by technology
- Average cost per user
- Average cost per device

Strategy for conducting assessment
From experience we have learned that the assessment and diagnosis of the client's current output environment is the first and most critical step in the process of continuous improvement. To begin to uncover the potential savings available, we recommend an on-site assessment of a representative location. The total opportunity for the enterprise is extrapolated by combining the sample data and industry averages, including best-in-class implementations.

Assessment staffing
A Lexmark Consultant will conduct the assessment on-site and prepare the report.

Location of assessment and project timing
The on-site portion of the assessment will be performed at the sample site during a mutually agreed-upon time. Your Consultant will work with you to define the areas of the business representing the enterprise's document output and imaging environment in totality or problematic high-volume areas that warrant further investigation. These sample areas should be limited to a scope in which data can be collected in one business day by the Lexmark assessment team.

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Preparing for Lexmark Visit

This checklist helps you prepare for the assessment and represents the information that, when provided, will greatly influence a successful assessment:

- ☑ **Project Coordinator/Facilitator:** Please appoint a project leader to facilitate access to the study areas, provide knowledge about the organization and business operations, and introduce the study team to key functional leaders in order to assess the output needs of the organization.

- ☑ **Study Team Access:** The project leader provides access to the study areas (and escort if required) during regular business hours.

- ☑ **Facility Layouts:** Floor plans should adequately depict the facilities, office spaces and common areas in the scope of this study. Please provide these in soft- or hard-copy formats. Please provide an employee headcount in the sample area(s).

- ☑ **Business Goals and Objectives:** The sponsor or project leader should be prepared to identify and help arrange an interview(s) with the person(s) most familiar with the general goals and objectives of the business. Included in this discussion would be estimates of the project growth, anticipated document-related improvements, cost reductions, efficiencies and any projected business changes that might affect the organization's document output and imaging requirements.

- ☑ **Asset Management Process:** The sponsor or project leader should be prepared to identify and help arrange an interview(s) with the person(s) most familiar with the print technology management processes; i.e., how the organization procures, installs and manages assets, consumables and asset services.

Lexmark consultants rely on the Client's project team to obtain and provide certain information and data to prepare the current state assessment. In order to meet the objectives of this assessment, Lexmark requests the following information from the client:

Site elements
- Floor plans of all buildings/facilities to be visited in the predetermined scope
- Employee headcount by department/location
- Inventory of output devices by site, including printers, multifunction devices, faxes, copiers and scanners

Cost elements
- Consumables and supplies cost for toner and ink
- Break/fix expense for devices covered by contracts and not covered by contracts
- Number of fax lines and telecom rates (local/toll/long distance)
- Media type, size and volumes used with supporting purchase records, specifically:
    - A4 – 8½ X 11, 8½ X 14, other media (including 3-hole)
    - A3 – 11 X 17 media
- Vendor reports showing usage volume, cost-per-page rates and rental/lease charges

Management practices
- Acquisition process (include installation procedures)
- Procedures for moves and arrangements
- Details on help desk (total call volume, print-related call volume, costs)
- An asset inventory listing describing asset location, model/type, serial number, connectivity method (e.g., PC or network attached), lifetime page count, purchase/installation data and remaining book value (if any)

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If actual or reliable data is not readily available, various estimation methods might be used to derive the needed information to complete the assessment. In the event this data is unavailable, Lexmark's ability to establish detailed financial benchmarks may be impeded.

Assessment fees
Lexmark estimates this to be a 100-hour work effort to complete the scope outlined above, which would typically cost $15,500, including travel and living expenses. In consideration of the Client, Lexmark agrees to waive all fees associated with this assessment effort.

Next Steps
To make the onsite assessment as productive as possible, we recommend that you finalize any outstanding questions, concerns or documents before signing the Agreement to Proceed. These questions can be addressed in a 45- to 90-minute telephone planning meeting that occurs prior to the site visit.

If you have any questions regarding the Lexmark Discovery Program, please contact your Account Manager. Lexmark estimates that the assessment, data analysis and report development will take approximately 4 to 5 calendar weeks to complete, schedules permitting, as detailed below.

PHASES	BUSINESS DAYS	ACTIVITIES	DELIVERABLES
Planning Meeting	1	Confirm and prioritize objectives. Determine success criteria. Scope the locations and deliverables relative to assessment, project time frames, team members and communication requirements.	Final scope of work, schedule for on-site analysis
On-Site Data Collection	1	Work with you to understand your output environment at the in-scope facility. This facility should be a single location with 200 or fewer output devices.	
Data Analysis	8	Analyze current state micro-level data collected from the on-site visits relative to devices and data provided by the Client.	
Validation Meeting	1	Present preliminary findings. Determine accuracy of approach, alignment with objectives.	Presentation of initial findings via Web conference
Report Preparation	3	Prepare report based on inputs and mutual agreements as communicated during project time frame.	
Findings Meeting	1	Present findings with explanation of metrics and comparisons with peers and best practices.	Delivery via Web conference of a PowerPoint presentation detailing client benchmarks, findings and recommendations

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