

# A Good Strategy Is The Foundation For Managed Print Success

Managed print services (MPS) offers a new realm of opportunity in the printer market, but to succeed, you'll need a plan for the back end components that automate your processes.

BY GENNIFER BIGGS

**W**hile Liberty Business Systems has been offering some form of MPS for years, it wasn't until about two years ago that the solutions provider fully invested in the back end automation tools and sales expertise needed to support a complete MPS offering to a mounting number of customers. That meant an investment in a customer relationship management (CRM) tool, as well as printer-specific software to help monitor its customers' fleets on a proactive basis. Then, Liberty discovered it needed to think a tad differently about how it sold MPS. Sheldon Emil, director of business development at Liberty, shares his tips for making the transition to managed print without making many common mistakes.

## Automate Back End Processes To Support MPS Sales

When Liberty decided to tackle MPS with renewed enthusiasm, it knew that automation was required for success. At the time, its staff was using a mishmash of spreadsheets, Goldmine, and handwritten notes to track customers, sales strategies, and the myriad of other elements in a sales cycle. With MPS gaining momentum, Liberty understood the level of data juggled by its staff would explode as customers' printer fleet information came flowing in. So, after exploring a number of CRM packages, it chose Compass, which automates data necessary for sales — customer information, pricing, contracts, labor rates, etc. — but also handles printer fleet analysis. “We needed a simple way to do the analysis we were doing by hand at the time,” explains Emil, who handled that effort on spreadsheets. “We found Compass intriguing because of its TCO [total cost of ownership] capabilities, which pulled data out of the CRM tool and automated that process.” The tool could be used with industry standard-based default settings or could be customized with unique information as the company needed. Once Liberty had settled on that product, it rolled the CRM side of the tool out to its staff, which now uses it for pricing, proposal generation, and all sales paperwork. With training sessions provided by Compass, Emil says that process — from rollout to a reasonable level of comfort with the program — took a couple of months.

In the meantime, Emil and an associate were working on configuring and testing the TCO portion of the tool. “We rolled out the TCO capabilities about eight months after we started with Compass because we gave the sales rep-

### LIBERTY BUSINESS SYSTEMS

2010 SALES REVENUE: \$6.5 MILLION

2010 SALES GROWTH RATE: 23%

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representatives time to learn the system while we validated through testing that the TCO tool worked correctly," says Emil. To accomplish that, Emil loaded existing analysis data into the tool and ran the numbers, then compared them to the hand-calculated version. Once that phase was complete, and the sales team grew accustomed to using the CRM, Liberty saw clear reductions in labor spent on data collection and TCO calculations. "The time to collect data, enter it into a spreadsheet, find printer prices and yields, and compile a proposal was reduced from weeks to a day or two, and professional proposals were generated with a touch of a key," explains Emil. "The tool also allows us to easily build an asset strategy for replacement of existing equipment in a customer's fleet and provides an easy transition for pricing both new equipment and managing existing fleets," says Emil. He cautions that automation is a paradigm shift for many sales teams used to owning their own data at their desks. To offset that anxiety, provide plenty of training and transition time so that even the most resistant staff members can gain confidence on the tool.

An additional reason that Liberty chose Compass was its hosted delivery model. The vendor provides tech support along with training, and the off-site availability for sales team members is a time saver. "All our presentations are loaded into that hosted system, so with a click of a button, our team has access wherever they are," says Emil.

#### Invest In Data Capture Tool Tailored For MPS

The next step for Liberty was to select a robust data capture solution built to monitor and manage data pulled from customer printer fleets. (It had been using basic technology — a USB.) The solutions provider selected PrintFleet, a print management software integrated with many managed print offerings in the market. Emil explained Liberty wanted a solution that was easy to use, worked with Compass, and had a proven track record. The solutions provider sourced multiple manufacturers and eventually partnered with PrintFleet through AXESS (AXESS is a division of West Point Products, Liberty's main supplier of toner).

PrintFleet's data collection agents are deployed at the customer's site to monitor printer and copier fleets (including networked faxes) and feed data, such as pages printed, toner levels, status of device, and more, back to the services provider. With that data, Liberty can not only monitor the status, but also proactively manage the equipment and, over time, create a strategy



SHELDON EMIL, DIRECTOR  
OF BUSINESS DEVELOPMENT,  
LIBERTY BUSINESS SYSTEMS

for more efficient use and long-term resizing and refresh plans. "PrintFleet gives us flexibility by simplifying the collection of data and also in setting up alerts for service and supplies, which helps us more efficiently service our customers with the replenishment of supplies and faster response times for service," says Emil. He notes that PrintFleet integrates with Liberty's CRM tool and easily imports data into the system, allowing for extremely fast TCO calculations. Supported by

## Geographic Opportunity With Vendor Leads To Profitable Partnership

It might seem like an odd way to start a vendor partnership, but for Liberty Business Systems, the location of its headquarters in Fargo, ND, has led to a profitable relationship with OKI Printing Solutions. Sheldon Emil, director of business development, explains that OKI first approached Liberty in 2009 about carrying the OKI printer line because of Liberty's location in North Dakota. "OKI didn't have any partners in the region, so we were a good fit in their eyes," says Emil. While Liberty already had multiple printer vendor relationships, it was intrigued by some unique OKI offerings. "We were interested, but we had a pretty strong portfolio already," admits Emil. What changed the solutions provider's mind were two products in particular — the OKI tabletop color printers (the C610 and B431 series)



OKI TOTAL MANAGEMENT PRINT AND ITS COLOR PRODUCT LINE HAVE ENABLED LIBERTY BUSINESS SYSTEMS TO EXPAND ITS FOOTPRINT IN NORTH DAKOTA.

and its midrange copier, which handles multiple paper weights (including the CX2731 and CX2633 multifunction peripherals). "We started with just three OKI products, but quickly found those products to be reliable, easily serviced if needed, and frankly, their color is unbeatable," says Emil. After several months of partnership, Liberty found OKI responsive and supportive and therefore extended the product line it carried. Emil notes that nearly any problem gets immediate

attention from the vendor's service department and a quick resolution as a matter of fact. "Our rep even answers my calls when he's on vacation," jokes Emil. A favorite of

Liberty, the CX2731 MFP, which handles print, copy, scan, and fax, added new features in November 2010. It now offers print and copy speeds of up to 27 pages per minute (ppm) color and 31 ppm mono, standard duplex printing, multiple "scan to" locations (PC, network, FTP, email or USB), banner printing up to 52-inch lengths, and power-saving modes such as the deep-sleep mode for extended periods of nonusage.

When OKI rolled out its managed print services solution, Liberty extended its relationship to include that new offering. The OKI MPS solution — Total Managed Print — works in heterogeneous environments, which eliminates the need to sweep products from other vendors out of a customer's site. Total Managed Print also integrates seamlessly with PrintFleet, the data collection agent Liberty has in place for monitoring and managing its customers' printer fleets remotely. Total Managed Print includes service delivery, remote printer monitoring, leasing options, and consumables delivery options that support automation of the MPS process in order to increase partner profitability. OKI also created an MPS-ready line of products, which Liberty sells.

Lastly, Emil says because Liberty is limited in its distribution territory by its other major vendor partner, nearly all its deployments outside of Fargo are OKI products, as well as every single color solution it sells. "Partnering with OKI opened a new geographic territory for us and let us grow in a way we couldn't with another vendor partner," says Emil. "And you can't beat OKI color. It is fantastic and definitely their strongest product line."

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these technology assets, Liberty's MPS program has grown, so much so that the company has promoted an employee to manage that flow of customer information full time. The only hiccup, says Emil, remains the nonnetworked printers. "In terms of the network devices, the solution is incredibly robust and pulls tons of metrics," he says. "The only challenge is with local printers. While PrintFleet has a local agent that can be pushed out over the network to monitor local devices, you sometimes find those devices do not monitor properly." Ongoing integration between PrintFleet and print manufacturers is remediating those issues at a rapid pace.

### Separate Device Sales From MPS Pitch

An element of Liberty's efforts to create a stable, automated system to support its managed print offering was its strategic choice to separate MPS from its core business, which is multifunction peripheral (MFP) sales. While the back end automation supports customer service across both divisions, there was one last hurdle on the MPS side: hiring the right sales rep to handle MPS. Approaching that challenge was eased through the guidance of a business training company, Strategy Development, which Liberty found through its membership in the Business Technology Association ([www.bta.org](http://www.bta.org)). Both Emil and Liberty owner Ron Fuhman completed Strategy Development's MPS training, which offered guidance around business processes, consultative MPS sales tactics, creating and implementing account plans, and strategic planning. Strategy Development stresses avoiding a common MPS sales mistake — right-sizing the customer's print fleet at the start of the relationship. (Right-sizing means reallocating existing hardware and then pushing immediately to replace some units with new equipment.) "Rather, the goal is to create an MPS relationship where we manage our customer's printer fleet as is, which eliminates initial resistance," explains Emil. "That approach fulfills a business need for the customer, and then we slowly address the right-sizing process as the relationship advances." Taking that approach often means finding a new sales rep rather than trying to train an existing hardware sales person to tackle MPS. "It is best to start fresh with someone who understands consultative sales and who has a sales personality with analytical capabilities," explains Emil. Once Liberty found its perfect fit, the next step was setting up separate contracts and compensation packages for the new MPS rep and the traditional hardware sales team. "Making sure you compensate each person appropriately for handling their part of the sale is key to eliminating competition and getting the divisions to work as a team," advises Emil.

Today, Liberty's process starts with a customer site walk-through that includes creating a replica floor plan of the location of all output devices and completing an initial data capture from the existing printer fleet. "Then we gather data for 30 days," says Emil, who explains that data helps Liberty evaluate consolidation opportunities, identify problematic printers, and have an understanding of the site and its unique usage. "We export the data directly into Compass, which gives us the

ability to quickly compile TCO analysis. Lastly, the system generates a comprehensive proposal for our potential customer." Liberty focuses on first managing the existing fleet of printers in a customer's site without making wholesale changes and then developing, through quarterly strategy sessions with that customer, strategic adjustments that increase productivity and efficiency while ultimately reducing TCO. Emil adds that automating the process has saved Liberty unbelievable amounts of time and allowed its sales force to focus on selling.

#### MPS Future Of Printer, Copier Sales

Liberty based its MPS infrastructure investment on its belief that MPS will become a core competency for Liberty in the next few years because it resolves issues faced by nearly all customers — TCO, produc-

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tivity, efficiency, and management. In the meantime, Liberty has noticed an interesting trend as it rolls out MPS — it has more traction with new customers than its existing base. In fact, 100% of Liberty's MPS customers are new. "Our initial focus was to market to existing customers who had our products and services in place, but the interesting part is that the contacts were different, and it was like starting over with that account," explains Emil. Whereas Liberty reps had dealt with business managers before, it was now approaching IT decision makers. "We always presumed that our loyal user base would be our first win, but as we went out and made presentations, we found new business was most receptive." In particular, MPS seems to resonate with insurance agencies, school districts, and hospitals. One major win for Liberty was a successful MPS solution for a school district with about 65 devices. "That superintendent was so pleased that he emailed other superintendents and wrote us a testimonial, and that led to our first vertical market with four more successful implementations," says Emil. After several months prospecting new clients, Liberty is now ready to readdress its existing customer base, using its proofs from those other clients to show value around the MPS offering.

Liberty expects to add an additional MPS rep this year and another at the beginning of 2012. Plus, it is evaluating

software that allows reps to use a bar code reader to pull printer information and then transfer that digitally to a notebook for floor planning, providing those reps with the ability to easily show before-and-after recommendations. Emil also expects MPS to continue fueling Liberty's growth in terms of market share and revenue. Last year, MPS added 4% to the company's total revenue; in 2011, Emil projects 10% of total revenue will flow in due to MPS sales. ●

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