

CASE STUDY: TNT EXPRESS



BACKGROUND

TNT Express was founded in Australia in 1946 and was originally named K W Transport after its founder, Ken Thomas. In 1958, the company was renamed Thomas Nationwide Transport, or TNT for short, and today TNT Express is one of the world's leading business-to-business express delivery service providers.

With a fleet of over 2,000 vehicles and a network of 60 depots and over 250 agencies across Australia, New Zealand and the Pacific

Islands, TNT offer their customers a complete range of express transport solutions on a national, regional and global scale.

Globally, TNT Express is listed and traded on Euronext Amsterdam by NYSE Euronext (ticker "TNT"). Worldwide the company delivers to over 150 countries and employs around 80,000 individuals.



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THE CHALLENGE

In 2009, TNT decided to evaluate the market for new head office multifunction devices (MFD) as their current MFD fleet was almost seven years old. The objective was to reduce the number of devices and improve productivity, meet TNT's future technical requirements and reduce the total cost of ownership (TCO) of the equipment. TNT wanted to review best practice technologies, in particular secure print release and Equitrac 'Follow You' printing and to choose technology that could meet their needs for the next six to seven years. They were also looking for a provider who would provide cost and service reporting as well as help streamline their electronic archiving requirements via the scanning of docket and documents.

An understanding and knowledge of TNT's long standing procurement philosophy was of high importance, in which there had to be significant value add or cost benefit for them to change vendor. As such, the onus was on each supplier to demonstrate strong and compelling reasons to choose their technology.

Initially TNT invited six vendors to participate, from which a shortlist of four took part in an on-site trial by the TNT IT department who evaluated each device utilising Equitrac software.

THE SOLUTION

Although TNT knew how many devices they had and the annual volumes of print output by device, they did not have an accurate account of the quantity of wasted paper or copy costs from mistaken or unnecessary printing.

TNT conducted a site audit at their head office in Mascot and shared this information with Kyocera and the other vendors. From the audit Kyocera was able to suggest devices that could most efficiently cope with the workload. It was quickly recognised that TNT could substantially reduce the number of devices within head office. Kyocera was selected as the vendor of choice by TNT due to the significant TCO savings that could be provided by their document solution and pro-active account management and support team.

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Reducing the fleet from 64 to 26 devices, during a time when TNT head office added a new department of 120 people, Kyocera supplied a mix of colour and monochrome multifunctional devices (MFD) and monochrome printers for the Mascot head office. Based on the success of the rollout, this was later extended to cover all Sydney based depots.

During the implementation, Kyocera provided extensive training and support to users to ensure their comfort and familiarity with the new technology; in particular the Equitrac software which enabled secure release of documents and 'Follow You' printing. The new solution was a change in culture for the organisation as they had become accustomed to using individual or small workgroup devices, and were now required to share devices, even for confidential documents. The new solution provided approximately four machines per floor including one colour machine per floor while previously many users had had a printer for their exclusive use or that of their department.

"The time and care Kyocera took to ensure our people were comfortable with the new technology was second to none. Their customer service has been excellent and nothing is a problem for them. Not only did they spend a great deal of time with our users, walking them through the new devices and ensuring their comfort in using them, they also provided extensive training to our IT department and help desk to enable them to provide first level support if the need arises in the future. Everyone has been so happy with the solution from Kyocera," reflects Stephen Price, National Purchasing Manager, TNT Express.

Kyocera's managed print solution (MPS) for TNT provides a single cost per copy plan that will stay constant over the life of the contract. The copy cost plan is consistent throughout the Kyocera range which means, whether a TNT user is printing on their workgroup MFD or in some instances standalone printers for dedicated print tasks, the cost per copy remains the same.

Kyocera's service agreement ensures TNT has an accurate view of the fleet at any time. TNT receives a detailed monthly service report covering all service jobs performed on any device at a given time. Kyocera's KM-Net meter reading software automatically emails TNT with the monthly meter reading, alleviating this burden for TNT staff. A consolidated

and itemised invoice for the cost per copy charge is sent to TNT each month enabling them to clearly see any changes in usage and simplify their accounting.

THE RESULTS

Kyocera's MPS solution and the resulting rationalisation of TNT's fleet has delivered significant running cost savings to the organisation particularly in colour printing. As Price notes, *"our use of colour printing has grown enormously but due to the sophistication of the Kyocera equipment we have been able to bring a portion of the previously external print work in-house. With the Kyocera MPS solution our colour print costs are significantly lower than they were making it more attractive to do as much in-house as we can."*

"The Kyocera MPS solution has delivered us running cost savings of around 38 per cent," says Price. *"A large proportion of these savings have been achieved through the secure release software – it has reduced wasted copies as people can delete the document before it prints and the need to reprint a document because they can't find it has been eliminated. We're using more advanced technology and we're using it smarter."*

"KYOCERA PROVIDE US WITH ONE CONSOLIDATED REPORT FOR THE WHOLE BUILDING. IT'S A UNIFORM COST PER COPY CHARGE ACROSS THE BOARD AND IT REALLY COULDN'T BE EASIER."

The implementation of KM-Net software has resulted in another saving for TNT, significantly reducing the administrative resources previously taken up with manual meter reading and reporting. This is all run automatically with Kyocera's KM-Net software delivering TNT with a monthly itemised statement to the accounts department clearly showing costs and usage. *"Kyocera provides us with one consolidated report for the whole building,"* enthuses Price. *"It's a uniform cost per copy charge across the board and it really couldn't be easier."*



CASE STUDY SNAPSHOT

THE CHALLENGE

- > To reduce the Total Cost of ownership of document equipment
- > To improve productivity
- > To implement a solution that delivered leading document management software and would have a life of six to seven years
- > To reduce the annual volume of print.

THE SOLUTION

- > MPS solution with single CPC across entire fleet that was highly competitive and reduced TCO significantly
- > The solution involved a cultural shift in the way things were done in the organisation – devices became a shared resource
- > An audit to identify the usage and needs of the organisation
- > Greatly simplified fleet with fewer models
- > Equitrac software managed by Kyocera for better document management and reduced print wastage
- > KM-Net Document Solutions software streamlining meter reading
- > Training of all employees to ensure comfort with the new solution
- > Training of the IT department and help desk for future troubleshooting and management.

THE RESULTS

- > Significantly lower colour print costs
- > Reduction of 38 per cent on their total monthly print output costs
- > Colour printing previously outsourced is now in-house due to capability of new devices
- > Reduced service calls and costs due to long life drum technology
- > Less waste and environmental cost due to ECOSYS and long component life technology
- > An MPS solution delivering one simple monthly bill
- > A fleet that is easy to operate by all employees
- > Automatic meter reading with no user intervention required.

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