Savings of over 40% on direct print costs for the UK's largest publisher

Hachette UK is the largest and one of the most diversified book publishers in Britain. The Group is made up of several publishing companies and imprints, including Headline Publishing Group, Hodder & Stoughton, John Murray and the Orion Publishing Group.

The Challenge

With a separate procurement department for each company within the group, Hachette UK was unable to reap financial and operational economies of scale. And with each procurement department sourcing from different suppliers, inconsistencies inevitably arose.

Hachette UK identified the need for a single supplier across the group-wide print and document infrastructure. They chose a Managed Print Services (MPS) provider with a proven track record in cost savings, strategy and industry expertise – Xenith Document Systems.
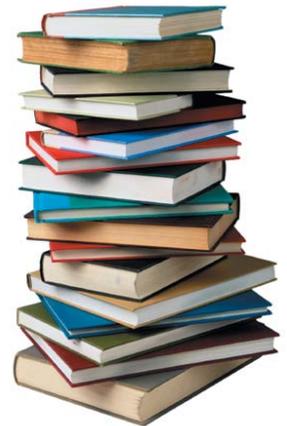
The Solution

To align and optimise print provision across the group, Hachette UK and Xenith together embarked on a programme comprising three phases:

Phase One – Tactical: This phase addressed the need for cost reductions, environmental outcomes and efficiencies – through consolidation, standardisation and optimisation of the printing fleet.

Phase Two - Strategic: This phase aligned further productivity gains with business objectives, and incorporated integrated software solutions, which would simplify workflows and reduce dependence on paper, including automation of manual processes.

Xerox Managed Print Service Partner of the Year 2011, 2012, 2013, 2014

Phase Three – Excellence: This phase focusses on safeguarding best practice and driving ongoing business transformation to anticipate new market and business needs.

Phase One: Tactical

A low cost per page charge on all office and print room volume was a good starting point to reduce the total cost of printing. However, that was just the tip of the iceberg. True cost efficiencies can only be realised by placing the correct machines in the correct place and implementing an intelligent print policy in order to take advantage of the low cost per page charges.

Hachette and Xenith identified the cost savings which were made possible by migrating some of the print volume from the office floor to the print room. This enabled Hachette to take advantage of the cheaper cost-per-page available on high volume production machines.

To achieve this, changes were needed to increase the capacity of the over-stretched print room. During our analysis, Xenith realised that print room operators spent several hours each day on routine activities. These included preparing documents received by email for printing by converting them into specific formats and layouts, and then routing them to the appropriate printer within the print room. The operators carried out these time-consuming and repetitive tasks up to hundred times per day. Xenith identified around ten types of print job executed on a regular basis – including proposals, book drafts, brochures and posters. To resolve this productivity barrier, Xenith automated the workflow completely by using *Xerox FreeFlow Process Manager* – which **effectively doubled the operators' output.**

Xenith also installed a Watkiss PowerSquare in the print room. This fully automated, instant-on device enabled the company to produce high-quality square-back books and booklets of than 200 pages apiece.

Standalone office printers and scanners were consolidated down to a smaller number of strategically-placed 75 series Xerox Multifunctional Devices - capable of printing, copying, scanning, faxing and email.

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Phase One Outcomes

- Savings of over 40% over a 5 year period.
- Improvement in user experience due to training and easy to use equipment
- Improvement of productivity within the print room due to workflow solutions
- Eliminated the hassle of managing the fleet due to Managed Print Services
- Single itemised invoice enabling recharging of business units
- Management Information

With intuitive and full-colour touchscreen interfaces, these robust devices are very easy to use. However, Xenith's professional trainer also put a full training plan in place to educate users on the devices' full functionality.

Uptime on the new devices is extremely high, thanks to the support of Xenith's Managed Print Service, with proactive break/fix and replacement of consumables. The service delivers continuous optimisation. Xenith repositions machines that are under-utilised or over-utilised in specific locations. And because equipment is now consistent across the group, the print fleet is even easier to use and manage.

Xenith presents two bespoke invoices to Hachette UK, covering all print provision – one covering charge per page and the other covering the equipment leases. These are broken up by business unit to enable charge-back. Xenith also supplies bi-monthly management information reports, which include volumes, average response time and fleet uptime.
Key outcomes were:

- Initial cost savings of 40%
- Improved user experience
- 50% increase in print room productivity.

Phase Two: Strategic

In recent years, Hachette UK has grown steadily through acquisition, and has realised substantial benefits from relocating all its subsidiaries on to a single site. Hachette UK asked Xenith to design a solution for the new building, and to manage the transition to a document infrastructure that would support a 40 percent increase in staff numbers.

The objectives of Xenith's partnership with Hachette UK remains the same – to save as much employee time as possible, increase workforce productivity in the workforce and, as always, reduce costs.

Xenith's Business Analyst conducted a further detailed assessment, which included floor-mapping of the new building, using a market-leading software toolkit – Asset DB by Newfield IT.

Phase Two Outcomes

- An additional 20% cost reduction in the next 5 years, despite a 40% increase in staff.
- Uptime across the fleet is above target at 99.62%
- 74% of tickets handled proactively
- Time saved and increased accuracy of scanning with NSi AutoStore
- Ease of reporting with User Analytics
- High quality output with minimal manual intervention in the printroom

Drawing on the data that the assessment generated, Xenith crafted an innovative solution for the new building. This included **follow me printing**, which enables users to release print jobs at any device in the building with their ID cards. This delivers enhanced transparency and security as well as convenience.

The introduction of **Advanced scan routing,** with NSi Autostore, has reduced the steps and time involved in scanning documents, converting them to the right text-searchable format, storing them in the correct location and also naming them correctly to make them easily-searchable.

Xenith also implemented **User Analytics** from Newfield IT. This is additional software we offer to customers who require live reporting on their fleet. Flat data provided by traditional print management software can be time-consuming to collate, interpret and action. With Complete View/User Analytics, Hachette UK can access a live, graphical dashboard view of this information, which can be used for easy reporting or to modify print policy to make more savings. This releases the power of big data to print fleet management and processes, and allows users to drill down to any level of detail required.

In addition to all the efficiencies implemented in Phase One, the print room was optimised with **extra inline finishing equipment** to save time. And with **Catfish** software, any employee can digitally submit print room jobs. Special **Raster Image Processing software** was also sourced for the wide format printers to make the workload quicker and even easier to handle.

All in all, Hachette will benefit from further savings of 20%, an uptime of 99.62%, as well as less tangible benefits such as the time saved by quick and efficient scanning, and other print room efficiencies.

Phase Three: Excellence

The next step in our journey with Hachette is to work on further automation and digitisation of their processes in order to further reduce costs and increase productivity while safeguarding best practise and continually optimising the solutions we have already designed.