

# National Furniture Retailer

*National furniture retail chain reduces costs and frees up store personnel with new Lexmark printers and Lexmark Managed Print Services*

## Organization

With nearly 150 stores, several distribution centers and two factories, this well-known major manufacturer and retailer is among the largest furniture retail chains in the United States.

## Challenge

Managing the three printers installed in each of its stores nationwide was a job this furniture retailer had tired of. Like other mid-size retailers operating in challenging economic times, the company wanted its store personnel to concentrate on sales, not IT support. With the conclusion of its current contract for on-site service from a third-party provider within sight, the company decided the time was right for a complete refresh of its printer fleet and a new approach to improve support and reduce costs.

“We had not done any equipment upgrades or end-of-life replacements on our existing printers for quite some time,” said the company’s Manager of End-User Services. “From a business standpoint, our challenge was clear—to update the hardware and get our store personnel out of the business of maintaining printers.”

The company had already been a longtime Lexmark customer. Believing it could cut short-term costs and reduce lifetime total cost of ownership by signing a support contract with an outside vendor, the strategy did not work. “We did save money up front, but at the cost of keeping our equipment up to date,” said the end-user services manager. As both the rate of complaints from its stores about problems with aging printers and maintenance expenditures grew, it became clear this approach was not a sustainable long-term strategy.

This eye-opening experience made the company’s requirements clear: replace every printer while minimizing capital outlay, pay only for pages actually printed, and turn over every aspect of fleet monitoring and maintenance to

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a qualified organization that could provide comprehensive performance analytics and speedy on-site service. A final requirement was critical—total compatibility with print streams generated by its corporate IBM AS/400 minicomputer and transmitted to its stores and distribution centers. Many of those print streams contained merchandise pricing information, and had to be printed on special sheets of die-cut price tags without jamming.



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Manager of End-User Services

## Solution

After researching its options, the company executed a managed print services agreement with Lexmark and replaced more than 300 in-store printers with Lexmark monochrome laser printers under a long-term lease arrangement. Now, every aspect of fleet oversight and maintenance is handled by Lexmark. Using special software tools that continuously monitor the health and activity of each device, technicians at Lexmark’s national fleet operations center immediately respond to alert messages, perform remote diagnostics, generate replacement toner cartridge orders, and dispatch a field engineer when necessary.

“Lexmark handles potential service issues even before a problem becomes evident to our store personnel,” said the manager. “That frees our store salespeople to concentrate on selling.” Through remote fleet management, activity at each printer is captured, assuring that the company pays only for the paper and toner it actually consumes.

Fully compatible with the special requirements of printing AS/400 data streams, Lexmark printers are designed to perform in challenging environments and can handle die-cut card stock or vinyl sheets of price tags with ease. Vinyl, which can quickly cause jams in printers not able to deal with its thickness and stiffness, is a perfect match for the feed mechanism and paper path in Lexmark’s laser printers. Thanks to the ability of Lexmark printers to handle challenging media, they are well-established as a popular choice in retail, factory floor, and hospital environments.

## Results

With new Lexmark printers in place at its 150 stores, this major retailer no longer deals with printer maintenance, freeing its IT and support staffs to concentrate on core business applications. The company pays only for the actual pages it prints, leading to considerable savings. And with continuously updated usage data, the company, for the first time ever, can observe and analyze printer use in real time through a browser interface.

“We can track printer activity along with a store’s sales volume and quickly spot potential abuse. That saves us money,” the end-user services manager said. The help desk is also seeing significant improvements. Printer-related tickets are down from 20 or more tickets per month to six or fewer—a 70 percent decrease.

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Manager of End-User Services

As a provider of total output solutions and not just printer hardware, Lexmark understands that maintaining a close ongoing relationship is not just smart, but essential for ensuring customers’ business continuity. “We have a weekly operations call with Lexmark,” said the manager. “Very few other companies give us a comparable level of attention. Lexmark is proactive in telling us about any potential issues and they work hard to keep the lines of communications open.”

At this furniture retailer, making customers feel snug in a new bed or sofa is a cherished tradition. By switching to a managed print services model delivered by the experts who do it best, the company and Lexmark has found an equally comfortable fit with Lexmark.