## TECHNOLOGY CUTS COSTS, STREAMLINES EFFICIENCY FOR SCHNEIDER Electric

Keeping up with print technology is another part of the puzzle for any in-plant looking to justify their operation to their parent organization. The right technology will let you do your job, as Brian Dollard says in Chapter Three, "better, cheaper, faster."

That better, cheaper, faster philosophy was a big reason Schneider Electric formed their in-plant department. Schneider is a global leader in energy management, with more than 100,000 employees in 100 countries and more than 18,000 employees just in the United States.

In 2006, the company analyzed how their operations and maintenance manuals and packages were being produced. Project managers in the field had to put manuals together by hand to go with the custom-built gear their customers were purchasing. Because of the size of these manuals, this was no simple task. According to Jason Plum, Print Production Supervisor for Schneider's Solutions Support Group, the average maintenance manual runs from 1,000 to 1,500 pages. Some documents are up to 6,000 pages long, and every manual is tabbed.

Before the 2006 study, project managers had to print drawings on a separate machine from the cut-sheet materials in the field offices, then marry them back up to place in binders. This process resulted in a lot of errors, causing frustration for both Schneider employees *and* their customers. It was also very inefficient, taking hours to get just one document finished and out the door. And with each location printing on its own equipment, manuals seldom looked the same from one location to the next.

So Schneider decided to bring their printing in-house. With a central clearinghouse for printing, the company could develop a standard and make sure every manual looked the same. Still, the newly formed in-plant kept looking for ways to improve their efficiency. Jason says, "When Canon announced their varioPRINT, it wasn't much to decide on – we just said, how fast can we get it here?"

Thanks to their adoption of new technology, Schneider's in-plant now takes half the time to send a job to the printer. Operators can simply tell the varioPRINT what

parts of the project are duplex and which are simplex, and the job comes off the machine ready to go in the binder. Jason notes that his department has to pay far less overtime now, and they've reduced their turnaround times by weeks.

He says, "This streamlined service has allowed us to grow instead of sitting back and saying, 'Paper's dying! Paper's dying!' Paper's *not* dying – it's here to stay."

The improved efficiency has been felt across the company. Between 2010 and 2014, Jason says, the Schneider in-plant pushed more digital files and managed to reduce their printing numbers from 24 million to 4 million pieces. That left their six printers free much of the time, so his department started offering print-on-demand for all of Schneider's North America locations. They could print for other departments and charge only cost plus shipping. When they started, the in-plant produced around \$130,000 in at-cost printing; in 2014, they were up to \$1.2 million. Over the past four years, Jason estimates that his in-plant has saved the company around \$2.6 million over the past four years (vs. outsourced printing), and \$1.2 million just last year.

He says his department isn't just relying on cost savings to stay viable; they also provide value-added services that make them an important partner for their customers. "As we go digital in this industry," he says, "it's important to provide a solution to go along with the printing, as well as digital media." Jason's in-plant prints thousands of CDs in full-color inkjet (at \$1 each vs. the \$12 per CD they'd pay if they outsourced). They also offer USB duplication and other services beyond just print and mailing.

So, what advice does Jason have for other in-plants considering a transition from legacy services? "Look for better ways to save money and prove those savings to your parent company." He also stresses the importance of having the right equipment for the work you do. "If you've got an offset press sitting there and you're paying thousands of dollars a month for it, you're going to have to charge costs to keep it there." On the other hand, if you don't really need all that power and can get away with a scaled-down solution, you can end up improving your costs and efficiency.

For example, Jason notes the Canon imagePRESS C800 delivers high print quality with a small footprint and a really affordable click rate. He says, "You have to make the decision: Do we really need to have offset printing? Or can we get by with a

machine that doesn't quite give us offset quality, but is still really clear and crisp, for far less cost?"

## **GEEK NOTE:**

This case study originally appeared in the book *Business Transformation: A Path to Profit for In-Plant Facilities* by John Foley, Jr. I rewrote this book for a new market Mr. Foley's company, InterlinkONE, wanted to engage with; all case studies in this book were new pieces I wrote.