



IKON Case Study

Dr Pepper/Seven Up, Inc.

CHALLENGE

- Inconsistent service in mail center with excessive costs
- Poor equipment uptime

SOLUTION

- Document management strategy to improve processes
- Fully-networked new equipment with Web-based print capabilities

RESULTS

- \$1.25 million in overall cost savings
- Improved business processes and service levels
- Tripled performance levels in mail center

In today's business economy, many companies are looking for ways to reduce expenses. Companies have found that they are able to improve their bottom line and become more efficient by assembling a strategy that targets process and cost savings in areas often overlooked such as document management. An effective document strategy combines customer requirements with a supplier's document expertise, best practices, innovative technology and world-class service delivery. IKON has provided that level of service excellence for Dr Pepper/Seven Up, Inc. (DPSU).

CHALLENGE

DPSU, headquartered in Plano, TX, is the largest beverage division of global confectionary and beverage giant, Cadbury Schweppes. The company was facing numerous challenges in its copy and mail centers as well as with its fleet of convenience equipment. It was struggling with very poor uptime on its copiers, excessive overtime and contract labor costs in its mail centers, and poor package delivery performance. Given three months to fix the problems, outsourcing emerged as the best approach. "We needed to fundamentally redesign our operations and do so quickly," said Wade Hogle, Category Manager, Support Services, Cadbury Schweppes.

The company had been handling its mail center with internal staff and had outsourced its copy room to an outside service provider, but was not happy with the service it had been receiving. There were no established processes in place, and service levels were unreliable. As a result, employees often took their shipping and copy jobs to outside providers to meet deadlines.

It was determined that to reduce costs and increase productivity, DPSU needed to partner with an organization dedicated to process improvement and efficiency.

SOLUTION

IKON won the business on the strength of a unified strategy that encompassed both DPSU's copy and mail center needs by leveraging its professional and well-established operational experience. "Anyone could have come in and reduced costs bureaucratically, but accumulating the savings by improving processes was IKON's differentiator," said Hogle.

DPSU is now benefiting from a document strategy that provides them with the professionalism and reliability the company needed. The company almost immediately saw improvements based on the newly established processes — mail is delivered each day by noon and packages are delivered within one hour of receipt, and an IKON service technician comes in every morning and services each machine, not leaving until each piece is checked. Routine processes like these, although not revolutionary, help maintain productivity and reduce expenses.



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Annual overtime costs were cut by nearly 85% and copier uptime has increased to 99.5% since IKON took over the contract.



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IKON has become a trusted partner by proving its dedication to increasing efficiency within DPSU. In its efforts to provide the right solutions to meet DPSU's needs, IKON holds regular breakfast roundtables and sits down with employees to learn from their experiences and improve processes. As a result, some services are replaced while others are put in place to meet specific requirements. One such example is a document layout service that IKON implemented in DPSU's copy center. Employees had inquired about the possibility of making layout services available in the copy center because they often took jobs of this nature to outside copy centers. IKON developed the service, providing a networked color print device to work with the company's Creative Services group. The new service is extremely well received and further demonstrates IKON's responsiveness to its customers' specific needs.

RESULTS

The results of DPSU's new document management processes have been impressive. IKON was able to turn things around to run smoother within 60 days — 30 days under deadline! By implementing process improvements in the DPSU's mailroom, it was able to cut annual overtime costs by nearly 85%. The mail center's reputation has also improved as a result of increased speed and reliability. Package volume through the shipping and receiving department has more than tripled because of the improved performance and reliability that employees can count on.

DPSU is also benefiting from increased reliability with its equipment. Its copier uptime has gone from 50-60% uptime to 99.5% uptime since IKON took over the contract. The entire fleet of convenience copiers is fully networked and utilizes a Web interface to automatically install print drivers for employees who would like to print to different pieces of equipment.

The document strategy, which included document and mailroom process improvements, has generated \$1.25 million dollars in process and cost savings. Most importantly, these efficiencies were not the result of a one-time effort, but IKON's ongoing efforts to apply its best practices and document expertise, utilizing innovative technology and world-class service. Next steps for the partnership include the outsourcing of DPSU's shipping and receiving departments to IKON. The company is looking forward to streamlining these operations for further improvements.

Based on this successful partnership and other IKON managed services sites like it, IKON has packaged its outsourcing service delivery platform entitled IKON Service ExcellenceSM. As IKON developed the service methodology based on experience in over 1,300 management services sites across the country. Through IKON Service Excellence, IKON will continue to help companies become more efficient by leveraging document expertise, best practices, innovative technology and world-class service capabilities.



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