

MERCK

Optimizing print efficiency, environmental citizenship with HP MPS



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—Drew Pawlak, director, Global Client Services Delivery, Merck

HP CUSTOMER CASE STUDY:

Successful managed print solution spreads worldwide

INDUSTRY:

Healthcare, manufacturing (Pharma/BioTech)

OBJECTIVE:

Assess infrastructure; make it more manageable, reduce print costs, and achieve environmental benefits in the process

APPROACH:

Global HP Managed Print Services

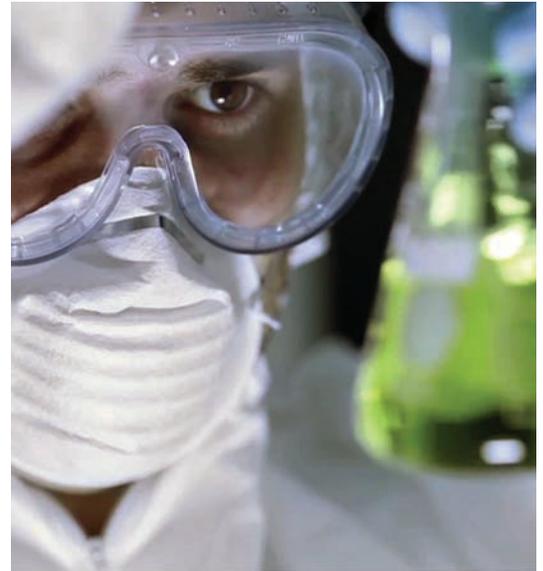
- Optimized and managed printer and multifunction printer (MFP) portfolio
- Cost savings and environmental benefits
 - Reduce footprint through consolidation, 80% device reduction
 - Reduce power consumption through consolidation and integration of ENERGY STAR® printer models
 - Leverage duplex printing to reduce print output approximately 30%
 - Recycle 100% of print cartridge through MPS program

IT IMPROVEMENTS:

- HP multifunction printers give employees efficient printing combined with additional copying, scanning and faxing capabilities
- HP Web Jetadmin software enables remote monitoring, effective fleet management, usage tracking and reporting of all HP printers and MFPs, advanced security tools and network managed upgrades
- Improved security portfolio enables printer security features

BUSINESS BENEFITS:

- Significant cost savings from printer consolidation of previous 1:1 employee-to-printer ratio to approximately 12:1
- HP Education Services training instructors helped clients use and adopt new print features and functionality
- Integrated new capabilities within SAP deployment leveraging HP Output Server
- Executive sponsorship from the top of management chain for positive change management
- HP technology enables immediate and continued workflow improvements such as scan-to-email, electronic expense management



Merck is an innovative, global healthcare leader that is committed to improving health and well-being around the world. Through its prescription medicines, vaccines, biologic therapies, and consumer care and animal health products, it delivers health solutions in more than 140 countries. In 2009, Merck merged with Schering-Plough to create the world's second-largest pharmaceutical company.

As a global company with approximately 94,000 employees, Merck strives to be efficient in every detail of its operations around the world, while serving as a good corporate citizen.

Several years ago, the company targeted printing as an area where it could improve—on both counts. "We knew that enhanced print management, combined with use of more effective printing



CUSTOMER SOLUTION AT A GLANCE

PRIMARY APPLICATIONS

Printing, copying, scanning, faxing

PRIMARY HARDWARE

- HP printers
- HP multifunction printers

PRIMARY SOFTWARE

- HP Web Jetadmin
- HP Output Server

HP SERVICES

- HP Managed Print Services
- HP Planet Partners
- HP Education Services

technology, would result in substantial cost savings," recalls Tim Tingo, vice president, Technical Services for Merck. "What we soon realized is there are many other significant benefits."

After taking steps to improve print management on its own, Merck leveraged its relationship with HP to develop an overall HP Managed Print Service (MPS) solution. HP collaborated with Merck to optimize its printing infrastructure by transforming its fleet of personal printers into a small but managed set of shared devices. In addition to the consolidation of the fleet, business workflow solutions soon became possible due to the managed print solutions in place. Merck and HP work together to optimize, manage, and improve their printing environment.

Today, Merck is a global leader in printing efficiency and environmental citizenship related to printing. "HP gets it," says Drew Pawlak, director, Global Client Services Delivery. "They understand what clients are looking for, and they bring relevant products and services that help us solve business problems. They're an extension of our team—truly a working partner."

MPS: A NEW APPROACH TO PRINTING

Not that long ago, about five years back, Pawlak says most Merck employees had a personal printer on their desk and a monolithic, heavy-duty copier nearby. Fax machines were scattered throughout offices. The cost of all that technology was high: it was expensive to acquire, use, and dispose of, and it was wasteful.

Not long after, Merck surveyed the landscape and realized a new approach—leveraging multifunction printers and embracing a shared services model—would make a big difference. "If we could implement MPS successfully, we would reduce the footprint of printing, cut costs, and reduce the impact on the environment," says Pawlak.

Merck chose to work with HP as an established leader in printing with a growing portfolio of innovative printing and imaging products. HP's experience in designing and implementing managed print services and solutions was valued. In addition, HP's global reach, both from a product availability and support perspective, matched Merck's global needs.

MERCK STANDARDIZES, OPTIMIZES FLEET

Merck began working with HP to assess its printing needs at locations throughout the United States. An analysis of Merck's printing environment showed managed print could reduce the company's print costs substantially. To simplify the program and make it easier to

maintain and support a new fleet, Merck chose to standardize on 10 HP printer and multifunction printer (MFP) models. With support from Merck's top executives—who were among the first to give up their personal printers—the Merck team began deploying the new technology.

Many employees were reluctant to give up their personal printers. "The convenience of having a local device was something employees valued," Pawlak notes. "The benefits of the program—faster printing, larger formats, faxing, scanning, copying, color, and more—were obscured by a very emotional attachment to those personal printers."

Over time, however, employees started recognizing the benefits and, through the example set by executive sponsors, eased into the program. "It's hard for people to justify keeping their personal printer when the CEO and CIO both gave up their own devices," recalls Pawlak.

To help manage the printer fleet more effectively, Merck began using HP Web Jetadmin software. It enables the company to monitor the status of devices for rapid troubleshooting, deploy driver updates, and get automated toner alerts. It also precisely tracks print volumes on every device, giving Merck and HP the data they need to optimize printer deployment based on usage.

Merck also established a lab that includes every HP device Merck has deployed. There, the company can test new capabilities and updates, and perhaps most important, reproduce and quickly troubleshoot any printer problem at any Merck location worldwide.

As the managed print program became more widely accepted, HP offered Merck innovative solutions for other print challenges. For example, workflow solutions were needed in support of key business drivers. With the managed print solution in place, Merck was able to adapt to those requirements quickly.

For the company's far-reaching launch of SAP, Merck chose to deploy HP's Output Server solution to improve workflow. Output Server consolidates and manages over 1,400 SAP print queues today, which will continue to grow as the SAP implementation continues its global expansion. It also enables users to print huge reports to a shared drive, and then select the pages they actually need for printing or electronic sharing. "Output Server gives us the flexibility and speed we need to react to changing business needs. It also gives us paperless ways to accomplish what we need to do with SAP," Pawlak says.



MEETING ENVIRONMENTAL EXPECTATIONS

Being a good corporate citizen has many dimensions. One of those, growing in importance to employees and Merck communities worldwide, is environmental impact. "Printing consumes more resources than people realize. With a managed solution we have been able to reduce print output and that means we are literally saving trees. The greenest resource is the one you never consume. We take this very seriously," says Pawlak.

The HP Managed Print Services solution has reduced the number of devices at Merck by more than 80%. There is now, on average, one HP output device for every 12 employees, and all are ENERGY STAR-certified. As a result of that change alone, the company has dramatically reduced the energy consumption of output devices.

"We also leverage HP embedded technologies, such as Web Jetadmin software to automatically put printers into sleep mode during off hours. HP Instant-on technology in HP's newest printers eliminates warm-up time for printers in the power save mode," notes Rob Dollberg, manager, Merck Output Services.

In a recent and dramatic case, Merck reduced the number of devices in one facility from 2,733 to 280. The energy savings alone amounted to more than \$40,000 a year. While not a typical case, this exemplifies the dramatic savings that can be achieved by leveraging a managed print solution.

"In addition to these obvious improvements there was one unforeseen benefit: an overall 40% reduction in output. Employees began asking themselves, 'Do I really need to print this?' and therefore, were more conscious about what they printed," Pawlak says. "More documents were reviewed or edited on screen rather than on paper."

Lastly, utilizing the scan-to-email function reduces copying and physical mailing of documents, while increasing the speed of transaction processing and decision making. "Ultimately, we're reducing consumption of resources while increasing the speed of information sharing."

More improvements followed after Merck set all devices to duplex printing by default. Nearly 30% of Merck's printing today is duplexed, reducing the company's paper usage by several million pages monthly.

Merck also participates in the HP Planet Partners return and recycling program. Every used HP toner cartridge is returned to HP for recycling. Cartridges are broken down in a multi-phase recycling process that reduces them to raw materials used in the manufacture of new HP cartridges.

The program is designed to make recycling as easy as possible. HP provides containers for collecting toner cartridges at Merck facilities, and assumes the cost of return shipping.

"It's simple and streamlined," notes Pawlak. "In the past, recycling wasn't managed at all—it was left to individuals to handle toner replacement. Now we recycle everywhere, and with very little effort. We don't have to find vendors or manage a separate contract. It's just baked into our process with HP."

FOCUS ON EMPLOYEE PRODUCTIVITY

One of Merck's primary goals was to enable productive work habits. "Personal printers required no learning curve. So in replacing those printers, the managed print solution needed to be as simple as possible for employees to use," Pawlak explains. That's why the company chose a common fleet of devices with consistent interfaces that people could use easily. "With a mobile workforce and international travel, we needed to make the environment consistent globally. Ease of use was paramount."

Training was delivered during the transition into the program by HP Education Services. "The ability to print, copy, fax and scan from a single device was relatively unknown at the time. Having an HP training instructor on-site to help employees learn what they could do, and how to do it, was an important step in our success," Pawlak says.

The company launched a new internal website to help mobile employees easily find and connect to printers when they were traveling.

HOW TO BE SUCCESSFUL WITH MPS:

- Clear sponsorship and budget
- Focus on change management
- Strong partner with the technology and solutions to meet your business needs

In order to make printing even easier, Merck realized the problems inherent with shared devices: How will employees find them? How will they connect to them? What about drivers and support? "First, we leveraged HP's Universal Print Driver technology and included it in the core image on all client PCs," Pawlak explains.

Merck came up with a novel approach to locating and connecting to printers. It created a new internal website that displayed floor plans and overlaid the location of the printers on it. From this website an employee could quickly locate the printer closest to them with the right capabilities, click on an icon and be connected to the printer. No need to search for or write down print queue names and then try to figure out how to install the printer or print driver.

"Using our MPS solution is as simple as visiting a website and clicking on an icon," Pawlak says. "This one innovation, while small, was a huge success factor and continues to pay dividends during the integration of Merck and Schering-Plough. Employees from the new company use this service to print easily."

Advanced capabilities and security were key concerns raised by employees. To address these needs, HP had solutions in the form of training and guides. Merck leveraged these in training sessions with HP instructors to address the concerns raised. One major concern Merck faced was the need for employees to print sensitive materials securely. HP had secure print enabled in the solution. Once the employees were shown how to use this feature, this hurdle to adoption quickly fell.

"It's difficult to overstate the importance of focusing on clients and how they will utilize the technology. Printing needs to be intuitive and productive," Pawlak notes. "HP knows that, and it shows in the products they offer and the services they provide."

BUILDING ON SUCCESS

HP Managed Print Services was first implemented regionally in the Northeast, then to the entire United States. Ultimately, the program expanded internationally. Since the completion of the merger in 2009, the MPS program continues to grow in support of global print management.

Merck keeps its focus on the principles that make MPS successful. Standardization continues; the printer and MFP fleet now includes 12 models that are used globally.

There's also increased focus at Merck on improving business processes through MPS. "Early on, the focus of managed print was on reducing what you spend," says Pawlak. "Later, we learned to leverage new capabilities. That's when workflow improvements begin to take hold, and you change employee thinking and behavior. In the long run, that's where the biggest benefits lie."

As Merck plans for the workplace of the future, it is evaluating HP ePrint capabilities to support mobile devices and secure "pull" printing with HP Access Control. These technologies will further expand the capabilities of the print solution at Merck and continue to drive down costs by eliminating output that is never picked up.

HP continues to dedicate several full-time employees to managing Merck's printing needs. HP and Merck representatives in each region meet on a monthly basis to review the status of the program and discuss detailed usage reports provided by HP. "Reviewing factual data helps us continually move forward in managing the print environment," Dollberg says.

"Communication is vitally important to the relationship we have with HP," he continues. "HP helps us understand best practices. They help us understand our environment better. And through this partnership our needs and expectations are incorporated into new products and services that will come to market in the future."

Pawlak says both Merck and HP focus on working together for mutual benefit. "HP understands the meaning of the word partnership. They understand our challenges and bring relevant solutions to bear. While we maintain a small, focused team of employees, HP acts as a seamless extension of that team enabling Merck and HP to be successful over the longer term.

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4AA3-3610ENW, March 2011

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