

### Dixons Group plc

## Dixons recovers investment in Lexmark's printing solution within a year

Lexmark printers are Dixons preferred choice. Dixons Group plc, is Europe's largest retailer of consumer electronics, with more than 1,150 stores across the UK, Republic of Ireland, Nordic regions and the Iberian Peninsula. The group specialises in personal computers, domestic appliances, photographic equipment and communication products, as well as financial and after sales services. In the UK, the Dixons Group trades through well-known High Street names including Dixons, Currys, PC World and The Link.

#### Background

The Dixons Group has worked with Lexmark for several years and uses Lexmark printers for all its in-store print requirements including price tickets and credit agreements. The original decision to consider Lexmark was made about three years ago, based on an in-depth evaluation of the printer market, covering cost-effectiveness, quality and total cost of ownership. Since then the two companies have developed a partnership and Dixons has more than 2000 Lexmark printers in use throughout the organisation. Mastercare is the service division of the group. From here engineers are dispatched all over the country to repair and maintain products sold by the whole group. It is essential that the division has reliable printers to produce the documentation used by the engineers and this has been achieved by implementing Lexmark laser printers with forms capability in each of the service locations.

#### The Printing Challenge

Peter Marlborough, Dixons Information Systems Infrastructure Manager, contacted Lexmark when they needed to replace the Mastercare printers. At the time Mastercare was



using impact printers which only produced 3.75 pages per minute, making printing extremely time-consuming. The primary printing requirement was to produce the customer service reports using pre printed, carbon-backed, multi part forms which were used to dispatch engineers to each customer repair job. Other jobs required a combination of six other types of stationery, ranging from labels to listing paper. Just having to use these seven different types of stationery led to issues of efficiency and productivity for Mastercare. Another problem was that the impact printers kept jamming, causing significant time delays for engineers waiting to be dispatched on service calls. As a service focussed organisation, Mastercare needed to resolve this issue quickly. The main requirement was for a reliable, fast printer that could reduce the amount of paper handling and intervention required.

**Lexmark Printing Solution**

Jane Cronin, Industry Sales Manager for Lexmark, says: "It was clear to us that the company had the potential to save money on stationery and consumables. This was not surprising, as at that time, industry analysts had estimated that companies spent between 5% and 20% of their turnover on printing-related costs. Of this, only 5% of the costs were hardware related, while 45% related to running costs such as printer consumables, paper and maintenance. By using Optra Forms on the Lexmark printers, we were able to remove the need for pre-printed stationery and move from using six or seven stationery types to printing on-demand on plain A4 paper." Lexmark recommended the installation of its Optra T614n laser printer, along with Lexmark's OptraForms software. This printer can comfortably handle 100,000 pages per month and at 25 ppm, it is five times faster than the Impact printer. Installation was straightforward, as Lexmark's products are compatible with all networks, including OS 390, the infrastructure in place at Dixons. The OptraForms software has been used to create forms layouts which are then stored on the printers. When data arrives at the printer, the software selects the correct form overlay to print, thereby eliminating the need for pre-printed stationery. Dixons can now make changes to the format of its service reports without having to pre-plan bulk printing of new forms. This solves the problem of documents being printed on the wrong stationery, as the only type of paper required now is white A4, and print quality is now better than ever. Said Marlborough, "It is now straightforward to fine tune forms and make improvements to the format. In fact, in the past six months, we have twice made changes. When we were using pre printed forms, these changes were costly and were slow to take effect."

**The Business Benefits**

As a result of the OptraForms software, Dixons has enjoyed huge benefits. Marlborough continued, "We are extremely satisfied with the solution Lexmark has designed for us. Our investment in this project has been recovered within a year, primarily as a result of the

reduced cost of running the printer network." Dixons has also decided to join Lexmark's Prebate Cartridge scheme. As part of this programme, Dixons receives cartridges at a discounted price from Lexmark which are then returned to be recycled when empty. This, combined with the toner setting feature available on the Optra T printers, has enabled Dixons to significantly reduce cartridge consumption.

**The Future**

Dixons is now in discussions with Lexmark regarding the installation of its printer management software, MarkVision Professional. This software will enable Dixons to undertake resource and asset management, as well as fix printer network related problems remotely. The group is also considering another of Lexmark's software products that will enable the company to print directly from the web without having to use a PC. Marlborough concluded, "It is heartening to find a company that values its clients' input to the extent that it is willing to develop a new product to match different environment. We often talk with Lexmark's labs to express our specific needs. Currently, they are working on two different products for us."

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