

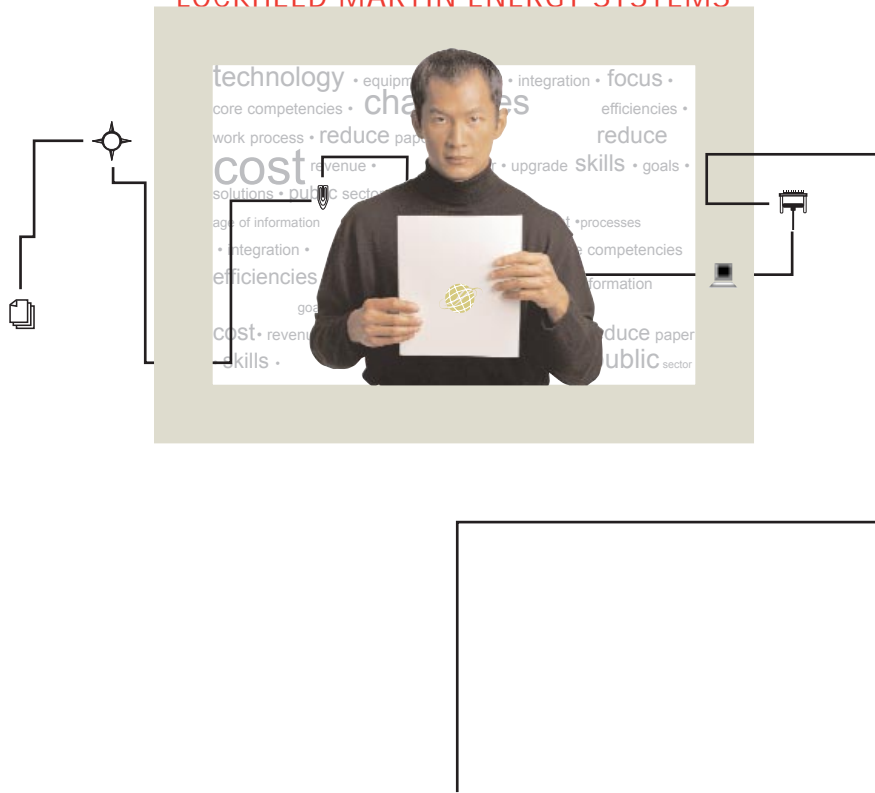


PUBLIC SECTOR | from Xerox

THE DOCUMENT SOURCE



### LOCKHEED MARTIN ENERGY SYSTEMS



CLIENT PROFILE

THE DOCUMENT COMPANY

XEROX

*Consolidations and Cutbacks Don't Deter*

# LOCKHEED & XEROX

*From Delivering Exceptional Technology and Service*

Consolidate. Reduce waste. And increase capabilities. Those were the challenges facing the printing operation at Lockheed Martin Energy Systems. The operation met each challenge successfully by aligning with Xerox—and, incredibly, lowered its rates by 11 percent.

Lockheed Martin Energy Systems (LMES) is contracted by the Department of Energy (DOE) to operate its Oak Ridge complex in Tennessee. A component of that contract is the management of print production services for the Oak Ridge complex, which includes the Y-12 Plant, Oak Ridge National Laboratory, and Bechtel Jacobs LLC. Recently, LMES was faced with the task of reducing its printing operations staff by half while consolidating and relocating facilities. At that time, LMES maintained contracts with three copier vendors. When faced with the need to provide better service at lower cost, the company determined that a single contract could best meet its needs.

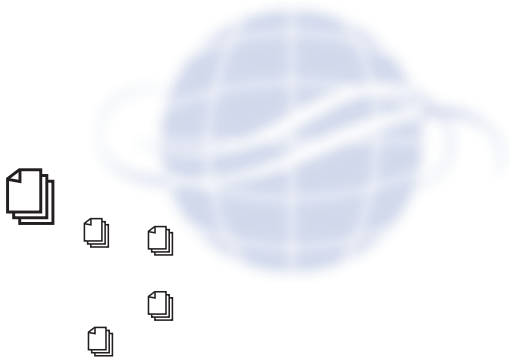
"There were too many problems and resources required to manage our copier fleet," recalled Ronnie Hooks, Manager of Printing and Facilities Management at LMES. "We needed a vendor who could supply us with more than products and services. We needed a vendor with a core competency in document management."

## XEROX IS VENDOR OF CHOICE

Following a competitive bid, LMES selected Xerox Corporation as their vendor of choice. Xerox outfitted the LMES printing facilities and operations with the resources and equipment necessary to meet all of their output demands. A range of services including on-site service, relocations, supply replenishment, and invoice reconciliation were provided by Xerox Business Services (XBS) personnel to ensure that LMES no longer had to focus on the day-to-day aspects of the area.

In addition, Hooks estimates he is saving an average of \$265,000 to \$300,000 per year by providing total copier requirements through a single contract with Xerox. The support provided by XBS personnel is the equivalent of four to five full-time employees whom LMES relies upon—without concerns about staffing during times of consolidation. As a result of this arrangement, plus the implementation of other consolidation and cost-cutting efforts, Hooks was able to lower rates by 11 percent.

Today, Hooks oversees several printing and duplicating operations, an engineering drawing reproduction center, and 900 on-site copiers. "We provide the Oak Ridge facilities with on-demand service 24 hours a day, seven days a week," said Hooks. "And we rely on Xerox to give us the support we need to do that. Xerox hasn't let us down. With all the changes and the downsizing here, we are still the provider of choice for printing, copying, and Government Printing Office procurement."



public sector  
integration • revenue • reduce paper • skills  
age of information  
goals • solutions  
revenue  
paper • upgrade skills  
technology



public sector  
age of information technology  
work process



## DIGITAL TECHNOLOGY

*Provides Quality Output at Less Cost*

Another challenge LMES faced was how to provide improved services with limited investment dollars. Xerox met Hooks' requirement by adding digital technology to provide better service and reliability today while building capability for the future. Realizing that customers value fast turnaround, Hooks concentrates on jobs that can be printed on-demand in-plant. About 85 percent of the projects completed in-plant, including classified materials, reports, budgets, technical manuals, and similar pieces, need to be completed within three days. As a result, the production center produces three million copies a month on its four Xerox DocuTechs and Xerox 5090s. It also does a brisk business in color copies, outputting 65,000 copies a month on three Xerox DocuColor 40s. All of the in-plant's digital printing equipment is networked. All other work, including most four-color jobs, is sent to printers that specialize in the service.

"We need to continue to move our processes from light lens to digital because of the tremendous savings available. But this requires a culture change among customers—and that requires education." Xerox helps Hooks in his education efforts by meeting with customers, training them on the benefits of networked digital technology, and helping them to electronically transmit their documents for printing. An example of this transition is Lockheed Martin's recent move to digital large-format documents using the Xerox 8855/8830 Digital Document Systems and Intranet Docs. This change has allowed the Oak Ridge facilities to significantly improve its productivity in this area and allows users

to store and retrieve engineering documents over the Internet. Xerox managers also meet with Hooks and his supervisors periodically to discuss emerging technology and share best practices. "They save me the time of keeping up with the industry," said Hooks.

### THE "ULTIMATE" IN FLEXIBILITY AND SUPPORT

The services and the pricing from Xerox are flexible—an essential factor in an industry faced with downsizing and relocation initiatives.

"Xerox has been very flexible and supportive," said Hooks. "If a department is downsized, or if volume goes down or up, they can replace the copier with no additional cost to the user. They've also handled all the relocation of machines when we had to move facilities."

A single monthly invoice delivered to purchasing, in time to meet billing cutoffs, has also dramatically improved productivity and satisfaction. "Working with Xerox people is easy," said Cheryl Kear, Purchasing Agent at LMES. "They change their internal processes to match ours. They're really flexible."

"Xerox has been able to fill a gap that I can't without hiring someone full time. They provide us with services when we need them," explained Hooks.

The alliance between LMES and Xerox is serving customers well. On average, customers of the Oak Ridge facilities rate the in-plant service 4.9 out of 5.0 on satisfaction surveys. And Hooks recently was selected as the 1998 Manager of the Year by *In-Plant Graphics* magazine.

"Xerox has been very supportive and is always teaming with us. It's a relationship that has served us well."

skills goals

solutions

age of information equipment

integration efficiencies



The D O C **u** M E N T<sup>®</sup>  
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Document Management Services are the productivity initiative for 2000 and beyond. When customers turn to Xerox Business Services (XBS) for business solutions, we provide The Document Source. It puts the power of the world leader in document services and technology to work within a customer's enterprise, offering access to the industry's most comprehensive range of document solutions. Beginning with a powerful Document Strategy, The Document Source works to enhance our clients' information strategies. The XBS combination of document experts, business process management, and advanced technology gives our customers a critical competitive advantage. And it creates a unique and enduring partnership that empowers customers to manage vital business operations more effectively.

For more information on XBS government solutions, please call 1-800-ASK-XEROX extension 1930.

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