The Louis Berger Group Takes Control with Managed Print Services

Executive Summary

The Louis Berger Group (LBG), an international engineering and construction consulting company, conducted an in-depth company-wide expense report and discovered many critical inefficiencies in its print environment. The report uncovered, in its domestic offices alone, more than 120 different copier leases, approximately 250 monthly invoices for print-related supplies and maintenance, and a host of other areas for improvement. LBG decided it needed to take better control of its printing.

After contracting for MPS with ARC Document Solutions, LBG now has one account for printing leases, one monthly invoice for all print costs, and one account representative to meet with.

The Louis Berger Group: 6000 Employees in More Than 50 Countries

Since 1953, LBG has worked with the United States government at all levels — federal, state, and local — as a consulting firm operating within the Architecture, Engineering, and Construction arena. It has also worked with foreign governments, multilateral institutions, and commercial industry.

LBG's portfolio has grown impressively since its first big project designing a major section of the New Jersey turnpike, the first turnpike in the United States. Fast forward to the present, and projects include development of the Second Bangkok International Airport and metro systems in Istanbul and Budapest. Closer to home, LBG consultants worked with the Port Authority of New York and New Jersey to redevelop Newark International Airport, one of the busiest airports in the United States.

"What makes us successful in the global market is our cultural adaptability," says Luke McKinnon, CFO of Berger Group Holdings and its subsidiary, The Louis Berger Group. "We've been able to go into well over 100 countries and work with the local talent to accomplish our projects, whether it's building a road or a fishing port or anything else."

Helping People to Live Healthier, Better Lives

In addition to construction, LBG provides program management, environmental planning, and economic development services. Since 2000, LBG has built schools and medical clinics and repaired irrigation systems in Afghanistan, as well as rebuilt hospitals, schools, courts and police stations in Iraq.

"While our core business is consulting and engineering, we also have a very unique business service where we provide economic development," says McKinnon. "In terms of projects for the United States government or multilateral banks, we have, for example, built a farm in Iraq through a contract with USAID."

With 6,000 employees and affiliate employees in more than 50 countries, LBG has the technical resources and rapid response capabilities of a leading global organization.

The Louis Berger Group Pre-MPS:

- More than 120 printer and copier leases
- Approximately 250 invoices a month for print-related supplies and maintenance
- No definitive equipment list
- No idea of the total dollar amount spent on print
- Multiple account representatives to deal with

After implementing MPS:

- One account for all printer and copier leases
- One monthly invoice for all print costs
- A definitive equipment list
- A total dollar amount spent on print
- One account representative manages everything for LBG

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An Entrepreneurial Spirit

When McKinnon joined LBG in 2009, he instigated an in-depth expense study for the entire company. "What we found was that whether it was shipping, office supplies, copier leases, rental cars, or hotels, everything was very decentralized," he says.

LBG's decentralized methods had evolved over the years as a result of an entrepreneurial spirit. "When we would open an office in Kansas City or anywhere, we would sign up with UPS or FedEx, start buying office supplies at Staples or the local office supply store, and the same would apply to printers and copiers," says McKinnon. "The team would simply open the phone book and look for a copier company to sell or lease them a copier. We weren't buying like we were a billion dollar company; we were buying like we were the local $10-million-a-year company."

● **The Louis Berger Group**   ● **Berger Group Holdings**

A Universal Business Challenge: The Hidden Cost of Print

In the process of performing the expense study, McKinnon realized the company had over 120 copier leases. "So you know they were often getting processed late and accumulating late fees," says McKinnon. "Then we saw that we had office supplies and maintenance bills coming in, probably well over 250 invoices a month. All this was just to deal with printing services. We said, 'There's got to be a better way.'"

LBG's expertise in engineering and economic development is evident in the company's sixty years of success. However, as McKinnon readily admits, "We are not experts at managing printing."

What was happening at LBG is not unique. The cost of print is often an overlooked yet significant expense. After the expense study, LBG concluded that it was not spending like one large company, but rather like it was 40 different smaller companies.

"I don't believe that out of 40 office managers a single one was actually managing the print," says McKinnon. The status quo at LBG at that time was to place copiers and leave them there, even when usage changed.

As McKinnon says of their pre-MPS state, "We had no idea how many sheets of paper we were printing at the beginning, and we really had no ability to figure it out ourselves. We had so many desktop printers that weren't tied into print servers. When we first contracted with ARC we only had an estimate."

McKinnon put together a team charged with exploring all options to manage printing costs. The search for "a better way" led them to Managed Print Services (MPS), a strategy for reducing print costs that has been gaining in popularity over the past several years.

Implementing ARC's MPS Strategy

Today, LBG meets with its ARC representative once a quarter to review exactly what and how much they are printing. Together they determine if there are enough or too many printers and copiers, and if the equipment is in the right places.

"We can see that some have almost no volume, whereas others have tremendous volume. We are actually able to manage it now," according to McKinnon.

Transparency and Understanding the Process

McKinnon, acting as the executive sponsor, worked with his purchasing manager and IT director to select a Managed Print Services vendor. "We chose ARC," he says, "because it was clear exactly what the process is that they employ. We understood how ARC would work with us as a partner to make sure we managed the costs in total."

Setting Goals

Once the decision to partner with ARC was made, goals were created. The most important initial goal was to figure out precisely how much LBG was printing.

Discovering LBG's true print volume entailed creating a map of the existing printer fleet. "We didn't know what the equipment list was. Also, we were buying toner and paper from everybody around the United States. There was not one point where you could put your finger down and say this is what our volume of print is and this is what it's costing us," McKinnon says.

Many of LBG's copiers and printers were connected to print servers, making it possible to get a count from the network. However, finding out how many local desktop machines were distributed around the company was more challenging. Additionally, the desktop machines were of a variety of kinds and brands, with no plan or strategy involved in their purchase or lease. The variety of machines also necessitated the purchase of different toners, creating a situation where the company could not buy in volume.

ARC initiated an extensive assessment of the print fleet for the entire organization. Once the data was collected, the next goals were to reduce the print volume and the total cost of printing, and finally, to continue managing print efficiently. Says McKinnon, "We continue to make sure that we reduce as much print as possible. We're now looking at other companies we own, because we believe we understand our printing now and we understand how to manage it. Currently, our MPS program is in our domestic offices, but we are looking at implementing it in some of our overseas offices too."

"If You Can Measure It, You Can Manage It"

Now McKinnon receives quarterly reports from ARC. After two or three quarters, his staff saw that they were spending less and that there was a way to manage how much they were spending.

Additionally, the ARC team went to those offices where print volumes were higher per head count than the average office, or the color to black and white ratio was higher, to develop efficiencies.

Being an engineering firm, LBG appreciates efficiencies. "If you can measure it, you can manage it," says McKinnon.

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Responsive to Change

McKinnon determined from the outset that the MPS vendor he chose must be responsive to the company's needs. "It's about continuously meeting our operational needs, no matter if we're opening or closing an office, or if an office grew, and the plotter they have no longer fits their needs and, therefore, we need a second plotter."

ARC's MPS program schedules regular meetings with partners to review such changes. "I meet with our ARC rep once a quarter so she understands the way the business is moving," says McKinnon. "She understands if the business is growing, if we're opening offices, or making acquisitions. She's got time to plan to meet our needs and continue to help us meet our goals of managing the process and managing the cost."

The Result

Accurately quantifying the money spent on printing costs has been important to LBG. McKinnon estimates the total pre-MPS spend was easily over two million dollars a year. In the two years that the Louis Berger Group has been using ARC for MPS, they have reduced the print count by a double-digit percentage. LBG has reinvested the savings back into the company, into marketing, proposal development, and operational improvements.

McKinnon also gained efficiencies in billing and vendors. "Now I receive one bill a month," he says. "It's electronically posted into our accounting system. And I have just one rep, rather than several, to deal with."

The Louis Berger Group saw that it could manage its print better. It partnered with ARC in an MPS program and has been meeting its print goals ever since.

About ARC's Managed Print Services Program

ARC is unique in that it offers comprehensive MPS on-site, off-site, and virtually. The combination of output on-site at the client's location matched with 150+ off-site ARC print centers places ARC in a category of its own. By leveraging partnerships with more than 300 global print centers, ARC can print and manage documents just about anywhere in the world.

ARC assumes the true Total Cost of Ownership, managing the entire document workflow, regardless of origination or print run length. ARC sees all opportunities available to clients for cost reduction and greater efficiency, and this is rarely done by placing more machines in service. ARC's MPS philosophy is vendor/manufacturer neutral and therefore takes an unbiased approach to equipment placements.

For more than 100 years, ARC has provided document services to the Architecture, Engineering, and Construction (AEC) industry in which the proper, timely, and efficient management of project documents is exceptionally important. By combining its global footprint, the ability to develop software for document management, and its buying power as of one of the largest consumers and resellers of print hardware and media, ARC is able to customize a portfolio of powerful document solutions for its MPS clients.

About ARC Document Solutions

ARC Document Solutions is a full-service document-solutions company headquartered in California with service centers in the United States, Canada, the United Kingdom, India, China, and Australia.

Although ARC is an international company, we offer local, personalized service. By leveraging our size and work volume, we're able to provide our customers with the highest levels of quality and service in the industry at the most competitive rates.

Through a one-on-one approach, we tailor our services to meet the needs of each client and guide them towards the solution that provides for their particular needs.

Our mission is to deliver our customers' time-critical information whenever they want it, wherever they want it, in whatever form they want it.