

Forming business bonds

Greg Welchans, President of Supplies Network, talks to **OPI** about his company's new CARBON SiX end-to-end print management programme



SuppliesNetwork®

training and marketing support. Greg Welchans, President of Supplies Network explains how it works.

OPI: Before we get into your CARBON SiX venture, why don't you update us on Supplies Network? How are sales going? Do you see any macro business changes out there?

GW: Sales are going well for us. In fact, our sales have doubled over the past five years – without any acquisitions. In the short-term, we are seeing some effects of the economy, but are optimistic that the US will not enter a recession and that the next cycle will be strong. In regard to macro business changes, companies continue to turn over every stone to reduce costs. Drilling down one level, we see that most businesses do not really understand what they are paying for printing costs. When these costs are uncovered, businesses are anxious to take steps to lower them. Of course, that's an opportunity for print management solutions!

OPI: Okay, let's get going. What exactly is the CARBON SiX programme?

GW: First and foremost, CARBON SiX is the most turnkey print management programme available. The concept is to allow dealers to avoid costly up-front software or incremental capital expenses and let them provide clear direction and control their customers need to more effectively manage the cost of printing.

OPI: How did you come up with the CARBON SiX name?

GW: CARBON SiX (C6 for short) is the term for carbon black, the key ingredient in toner.

Supplies Network is the largest privately owned wholesaler of IT consumables and printers in the US. The company focuses on the independent dealer, encouraging their competitiveness against the larger contract stationers and retailers. A specialist in IT consumables, it offers printer, copier, fax and data storage supplies and printers from 70 manufacturers.

Recently the company launched Carbon SiX, an innovative turnkey print management solution with no up-front costs. Components include: software, hardware, service, OEM and compatibles supplies,

Additionally, carbon is a bonding element found in all organic material known to man. Carbon is the glue that holds everything together, and that is the role we see Supplies Network providing the dealer in the managed print services space.

OPI: Let's talk about the six key ingredients of the programme.

GW: I'd be glad to. We have bundled six key ingredients that our dealers need to be successful. Let's discuss them one at a time.

Printing supplies: The Carbon SiX programme includes the best of the best when it comes to the OEM brands available. HP, Lexmark and Xerox are among the many brands we offer. The reality of our business is that OEM's own at least 70 percent of the consumables market, so for a dealer to compete we must be able to offer an OEM cartridge. Ultimately though, the consumer has to make the decision on the brand they want to put into their machine. Carbon SiX promotes OEM as the best choice when making that decision but we do offer a compatible element to our programme as our OEM manufacturers no longer offer product on older, legacy printers. Carbon SiX brand of print cartridges are manufactured to the highest specifications and are thoroughly tested. They come with a 100 percent replacement policy and are design to deliver outstanding print quality while saving money. To win a managed print programme, a dealer has to have the ability to give as complete an offering as possible because every printing environment is different, and few have the same brand of printers.

CARBON SiX software: To effectively manage an end user print environment, the dealer must have visibility to that environment. The dealer must know the printer brands, location, toner levels, age, non-toner supply item status, number of prints and error frequency. CARBON SiX software, powered by PrintFleet has custom code that provides functionality and features that dealers will find nowhere else. And, there are no up-front costs for the software package. With our program in place, the customer and the dealer will finally have a transparent view of the environment allowing them to determine the true costs of printing and be able to identify ways to optimize their printing environment.

National printer service: With the CARBON SiX print management programme, customers are given the technical support needed to keep their printer fleets up and running. The participating dealer has the option of providing printer service, or to use our national service network. The software proactively sends out

technician alerts when devices have printing failures. Technicians can frequently solve these issues over the phone. When that is not possible, technicians are dispatched to make the necessary repairs on-site to bring printers back online. This process has one goal – to keep businesses up and running.

Inventory management: Running out of toner or having thousands of dollars in costly back-up stock is a concern of any print management programme. This is one of the biggest headaches of business. We have seen it time and time again – businesses have obsolete toner they cannot use, and they do not have the toner for their current printers to complete the job in process. Our solution solves this problem. Using the data collected by the software, we know the current toner levels of all printers, the average number of prints, and the amount of toner coverage per page. We know what the demands are, and we recommend toner orders so the dealers can ensure customers have the products they need.

Training: This is where many dealers struggle when they attempt to offer print management services. Many print management training programmes only teach one or two elements of a complete programme. The sales process for a successful print management programme is radically different than the techniques used in transactional selling. Dealers do not realize how to effectively structure their organisations and train their people to sell the programme. Our 8-16 week programme starts with the basics and takes the dealers' sales teams through the entire process. This helps to complete deals with customers and ensures success.

Consulting: Once the dealers are trained, we do not leave them hanging. We are there to help them along the way. Additional support comes in the form of customisable presentations, conducting webinars, software installation assistance and the creation of marketing tools. In short, we provide all of the tools, templates, and methodologies for every step of the sales

CARBON SiX
Print Management





funnel. We are committed to making our dealers successful providers of print management.

OPI: So, what is the real benefit for both your dealers and their customers?

GW: Simply, we help our dealers profitably compete in the print management space while offering their customers reduced overall printing costs. Our dealers can offer services that their competitors cannot, make up to a 35-50 percent margin, without any up-front costs. Their customers really win as well by gaining control of their last large unmanaged expense. End-users get a good understanding of their total printing costs, and our dealers

will help reduce these costs while producing better, on-time printed deliverables.

OPI: The bottom line is pricing, so what does it cost?

GW: To our dealer, there is a \$1,500 charge to participate in a comprehensive 8-16 week training programme that includes a two-day hands-on sales training session at Supplies Network's Headquarters in St Louis. The registration fee can be recouped by the dealer through a first-year CARBON SiX rebate programme. The end-user's cost varies. The dealer is trained to conduct an assessment of the end-user's environment, during which the dealer uncovers many of the costs and frustrations the end-user is experiencing. Discovery includes identifying the features the customer needs: print cartridges, service requirements, inventory management, any equipment changes, and more. After the dealer's assessment, a pricing model is developed on what the customer will pay for each cartridge, or a price per printed page rate is established. Our sales training programme also includes comprehensive training on full, managed print services, which includes hardware and leasing.

OPI: So, what is the start-up process for a customer?

GW: It is really simple. The customer meets with the dealer; and after a short presentation and software demonstration, agrees to have an assessment conducted, which includes installing the data collection agent (DCA). The DCA collects printer status information and sends the data to the CARBON SiX server so the dealer and the end-user can

have complete visibility of the environment. Generally, within 30-60 days, the dealer meets with the customer to review usage and establish a price for each cartridge or price per page.

OPI: Why is this the right time to kick off the CARBON SiX programme?

GW: Well, we have been working for years on a complete print management service for our dealers to provide for their customers. We actually started the CARBON SiX test version almost a year ago, giving us real-world experience. One of our dealers, Ben Harris, Harris Technologies, has been in the programme for about six months and said it best: "The CARBON SiX Programme is the only real turnkey print management programme I have seen in the market. In a 90-day period, I was trained and landing new business."

During this test period, we not only created successes for our dealers, but refined the programme to make it easier to get started. Also, new services have been added to give dealers more flexibility and choices as they feel comfortable. CARBON SiX blends easily with new and existing business models, so dealers have a lot of latitude.

OPI: What is the real difference between your programme and your competitors' programmes?

GW: We would not be as excited about this programme if we did not have three competitive advantages. First, we have bundled all of the components into one programme. The dealers' need to piecemeal together a print management programme has been eliminated. Secondly, the training we provide launches dealers into the programme immediately and guides them through a 12-step process where we are available to help along the way. Thirdly, our programme offers the highest chance of financial success because it is based on a simple business model, has high margins (35-50 percent) and incremental profits that start with the first cartridge sale.

OPI: How do your dealers get started in the programme?

GW: There are several ways. Dealers may contact our team at Supplies Network at any time. Also, dealers may choose from a number of webinars and seminars – including an overview session at the World Expo Show in August – which explains the CARBON SiX print management programme and provides opportunities for dialogue. Schedules and locations are provided at www.suppliesnetwork.com/carbonsix or call our CARBON SiX programme advisor at 877-826-5111. ■