

Case Study: Loughborough University

The Current Service

Loughborough University have approximately £1M of print requirement. About half this work (in value) is undertaken by an in-house print service. The rest is outsourced to a panel of twelve printers with whom the University has a framework agreement following a tender process.

The in-house print service undertakes a clearly defined set of services which include:

- Over the counter copying/printing, binding, laminating
- Digital copying using Canon equipment for both monochrome and colour work up to SRA3. Some inline finishing options are incorporated into the machines.
- Documents which use variable data.
- Poster printing using HP equipment.
- Litho printing of corporate stationery.
- Printing on a digital press purchased in 2006.

The service is popular with students with the reception point covering both print and post services.

The focus is on fast-turnaround, short runs and corporate stationery. The use of variable data to personalise output is also used by some customers.

Finishing services are also used in mail preparation which may include documents produced in-house or outsourced.

The service is not funded and has to recover costs, though there are no (as yet) energy or space charges applied by the University.

This in-house service is complemented by managed print buying.

The University has recently tendered for a third time for a list of printers to meet its print requirement. This was undertaken jointly between Media Services (the support service in which the print unit sits) and the Purchasing Office. Each time the tender has been undertaken, the end result has been approximately 10-12 printers with some new and old names on the framework agreement.

Media Services acts as a focus for all print requests and manages the framework agreement. If a job is to be designed and printed it comes into Media Services (which also includes the University's design studio) and all printers on the list who have tendered for that type of work will receive the specification and asked to quote, normally within 24 hours. The quotes will be shown to the customer and while Media Services might recommend the lowest price, the customer has the choice. There is often a significant difference between the prices, reflecting whether the printer wants the work and how efficiently they can undertake it.

The price given to the customer includes a handling fee (a minimum of £30) to cover the management and administration time required within Media Services. There is a sliding scale of charge depending on the cost of the work. Over the year this needs to cover the cost of the print buying administrator.

All work is checked prior to delivery to customers (the delivery is undertaken by the University Mailroom).

There is little "leakage" with other printers gaining work - though there is some. Even when design is outsourced, external designers are expected to work through the print buyer to get print prices. This is not always popular as external designers may have their own links with printers.

The University makes a conservatively estimated 20% saving in cost by managing the print buying.

The Journey to the Current Service

The journey to managed print buying started with the development of the University's current corporate identity. There was a recognition that quality control was crucial and needed to be managed. It also happened at a time when there was an increasing recognition in the University that its purchasing practices needed to be tighter in order to deliver savings. Print was seen as one such area.

Initially it was decided that the in-house print service would tender for jobs if they wished alongside the

external print buyers but would also take work which was directly requested. This situation was in place for the first few years. Following a change of management and a review of administration processes, it was clear that this blind tendering of the in-house print service was a significant overhead and that the print service was not winning much full-colour work on its four-pass litho press or for large volume two-colour work.

It was decided to define, using benchmarked prices, the areas where the in-house print service was competitive, to reduce the service to meet that and strengthen it in those areas. It was also recognised that the benchmarking and the services provided needed to be regularly (annually) reviewed to ensure best value was provided. The split between in-house and outsourced work was then reflected in subsequent calls for printers to be on the framework agreement list.

On an annual basis the Director of Media Services undertakes a benchmarking exercise supplemented by data from the SCHOMS benchmarking survey.

Positive Messages from this Case Study

It is possible to get a balance between outsourced and in-house print to get best value for the University.

The savings are there to be made if the print buying is properly tendered and well administered.

Some Issues

The addition of a handling fee ensures consistency with the University's devolved budget structure – whoever uses the service pays for it. However it may push the price up to a level where it is less competitive for that one job even if the balance across the year and across the University produces significant savings as well as guaranteeing quality.