

Understanding the Total Cost of Ownership of an Inkjet Press



Your guide to uncovering hidden fees lurking beneath the surface

Begin at the Beginning

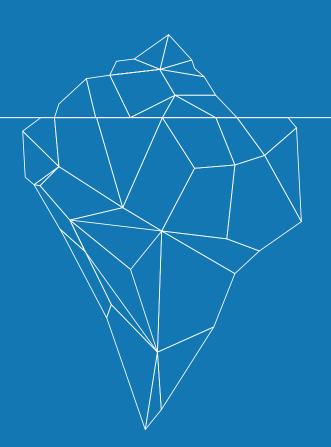


Looking to purchase an inkjet digital press, but not sure where to begin? Our informative step-by-step guide will arm you with everything you need to know about purchasing an inkjet press for your business. Plus, our **printable cheat-sheet** will give you the exact questions you'll want to ask vendors before you buy.

With any large purchase, researching the equipment online and asking your sales representatives the right questions is the first step to gaining the knowledge you need to make an informed decision.

Whether you've decided to purchase an inkjet press from Xerox or another brand, our handbook will help you understand the advantages and disadvantages of each inkjet press option, as well as the Total Cost of Ownership for your set of applications.

There are many costs associated with owning and operating an inkjet press, and manufacturers don't always include the hidden costs associated with the purchase. This guide will help you decode their proposals, ask the proper questions and avoid being misled with dishonest pricing and hidden fees.

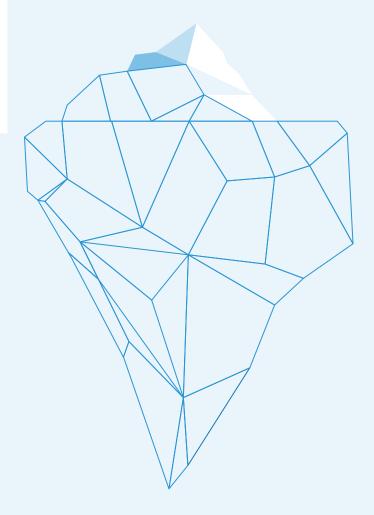


Capital Equipment Costs

As you know, once you've decided to buy or lease your inkjet press, monthly owner and operation costs are inevitable. For example, additional hardware, software, memory or special features could cost extra. Additionally, hidden costs can be lurking in lease terms, annual price escalations and potential tax implications.

WHAT TO ASK?

Is there additional memory, features or hardware options required to run my jobs at the speeds promised?



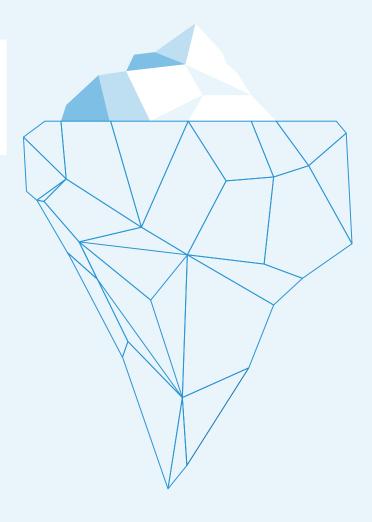
Service Contracts

What is the basic agreement? What is the base charge? Is there an additional per-page fee? What is the criteria for when printheads are replaced? What happens if the equipment breaks down?

Service contracts can be confusing. If you don't fully understand them and ask the right questions, extra costs may pop up after the contract is signed. Matters such as installation and training, the use of approved vs non-approved paper, print heads, and additional charges for third party software are just some of the places hidden fees can lurk.

WHAT TO ASK?

What are the implications of using paper not on the vendor-approved list?



Variable Charges

Do you know how your billing meters are calculated? Various systems and manufacturers measure these differently. From overall sheet size, to wasted sheets, to single vs double-sided printing to color vs mono, these concerns can catapult the cost of owning and operating an inkjet press. It's important to have that conversation in order to choose the right press for your business.

WHAT TO ASK?

Are charges for waste sheets accounted for and included in the estimate?



Consumables

Not all printing presses are created equal. Most differences are found in the consumables required to run and maintain the system, like ink. How much ink is consumed when printing your jobs? The total number of supplies can greatly increase your cost, whether they're included in the service charge or purchased separately.

Ask your vendor for a sample book of inkjet output at varying Image Quality (IQ) levels, ink drop sizes and resolutions. This will help you understand the cost to maintain the image quality required for your business and your customers.

WHAT TO ASK?

Are consumables (ink) included in the proposal and at what unit of measure are they calculated?



Substrates

In other words, **paper**. Often referred to as the 5th color in the world of digital ink jet presses, the type of paper matters when it comes to printing the final product. Factors such as pre-treated or specialized paper and how it affects ink production and consumption are all necessary to understand before you purchase your inkjet. Test as many samples as the vendor will allow. Also, consider if there are additional charges for wasted sheets, or if that is accounted for in the estimate.

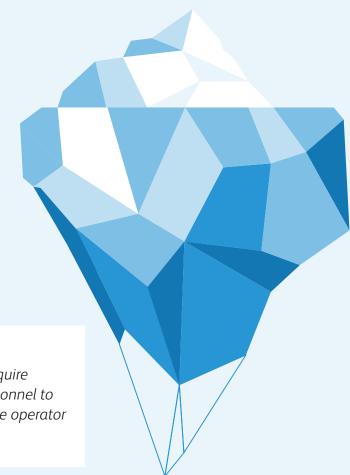
WHAT TO ASK?

What's the cost of the paper necessary to get the IQ/color quality desired?



Operator Costs

Like a new car, once you've purchased your inkjet press, it's important to clean and maintain it in order to keep it running smoothly for as long as possible. Decide if a member or members of your staff will be trained on this task, or if a maintenance operator is required. Either option results in additional fees.



WHAT TO ASK?

Will the proposed inkjet press require specially-trained and skilled personnel to run, or can my organization share operator resources across technologies?

Facility and Site Preparation Costs

Now that you've seen sample prints on the stocks you like, and eliminated several vendors based on Total Cost of Ownership, it's time to make your final decision.

Consider the electrical and power consumption of your press and whether or not installing your digital inkjet press will require changes to your building's infrastructure. For example, venting, compressed air and water lines may all be required in order for your press to function.



Production Considerations

Once the Total Cost of Ownership has been calculated, consider various caveats that could impact productivity and overall cost. For example, print speed, production time, maintenance schedules and energy costs are all factors that can cost you time and money.



WHAT TO ASK?

How much time is required to maintenance the machine, and how regularly is it required?

Ready to Start Your Inkjet Press Search?

You have the basic information and key considerations that come with purchasing an inkjet press. It's a lot to digest, so we've put together a convenient checklist of important questions to ask your vendors. Think of it as your press purchasing cheat sheet. Now you're armed with the right information to help you choose the right inkjet press for your business.

Download our checklist now.



Contact Us



Inkjet Press: Total Cost of Ownership Checklist

These questions will guide your search for the right inkjet press for your business.

CAPITAL EQUIPMENT COSTS

- What hardware does the estimate include?
- What are the available lease terms?
- What are the buyout options at the end of the term?
- Are there annual price escalations, or is the price fixed for the term of the lease?
- Is there additional controller, hardware, memory or features required to run my jobs at the speeds promised?
- Will the system run all of my data streams natively, or will a transform need to be installed to make it work?
- Are additional hardware modules, like priming stations and dryer assemblies, required to run my jobs or papers?

SERVICE CONTRACTS

- How much will I pay per page?
- Is there a monthly base charge if so, what does that cover; if not, how much do I pay per page?
- Is installation and training included if so, how many hours of training is quoted?
- What are the implications of using paper not on the vendor-approved list?
- Will I be held liable if a non-approved substrate causes issues?
- What will be the expected service response time?
- What if the local service person cannot fix the issue what is the escalation process for additional help and where do those people reside?
- Are the service technicians all factory trained?
- Can we do any self-service if so, how much training is required to do so?
- Are there additional charges for extended coverage and for third party software/hardware?
- Are print heads included in the service contract?
- What is the life of the print head?

Inkjet Press: Total Cost of Ownership Checklist (continued)

VARIABLE CHARGES

- How is the billing meter defined is there a minimum monthly volume that needs to be maintained, or will I only pay for what I print?
- What trips the 'oversized' meter?
- How are the meters calculated?
- Does the inkjet press being quoted offer a pure K-only mode for mono jobs, or are small droplets of CMY always jetted? (That can drive up ink consumption and cost.)
- Are charges for waste sheets accounted for and included in the estimate?
- Does the press print waste / diagnostic sheets if so, are they counted in the billing meters?
- How long can your inkjet press sit idle before the heads are capped?
- How does the inkjet press handle missing jet detection?

CONSUMABLES

- Are consumables (ink) included in the proposal?
- In what unit of measurement is the ink priced (i.e. liters or kilograms)?
- What type of ink is used (pigmented, dye, agueous)?
- Are customer-replaceable units (parts) included in the cost or are they charged separately?
- What are the maintenance costs associated with ink usage (i.e. purge, background and jet cleaning)?
- What are the maintenance procedures associated with each supply item and who performs those actives?
- What is the shelf-life of the ink?
- Is there a tool to calculate ink usage for jobs?

SUBSTRATES

- Is a pre-treatment required on select papers if so, how much treatment will be needed per sheet and what is that cost implication?
- Does the inkjet press require special papers if so, what are the costs of those papers?
- What impact will the types of ink and paper used by your press have on overall ink consumption?
- How much waste paper is provided at startup?

APPLICATION COSTS

- How is ink consumption estimated through a generic AP Fill algorithm or by actual ink usage?
- What resolution, IQ level and drop size was scoped in the proposal?
- Will the level of quality specifications quoted adequately satisfy my customers?
- Do you offer an accurate ink estimation tool to asses estimated ink consumption on a job-by-job basis, in advance of the job being printed? (Consider the potential cost-implications and profit losses from pricing a job too low based on unreliable ink estimation.)
- How many microliters are estimated in the proposal?
- How much ink will be consumed during purging and/or analytics?
- If a change is required to modify a destination profile for a
 particular job, can the operator make that change on the
 press or does it need to go back to the press vendor if
 so how much does that cost?

Inkjet Press: Total Cost of Ownership Checklist (continued)

FACILITY/SITE PREPARATION COSTS

- How much will delivery and installation cost?
- Does the inkjet press require venting, compressed air, water lines or drainage, and are they included in the proposal?
- What are the electrical requirements and power consumption of the press?
- How much floor space will the press occupy? (Space requirements may deter you from having other valuable equipment in your facility.)
- What is the required floor load of the press? (Can your facility handle it?)
- Does the proposed inkjet press use rolls of paper?*

*If so, consider the costs associated with storing and transporting the rolls around your facility. Also confirm the associated costs for positioning rolls in the proper configuration for printing? Most mills ships rolls upright. Reorienting the roll for printing will require either having a roll flipper in-house or paying an upcharge to have the mill ship the roll in the correct orientation.

OPERATOR COSTS

- Will the proposed inkjet press require specially-trained and skilled personnel to run, or can my organization share operator resources across technologies?
- What is the cost to get an operator trained and competent on the machine?
- How many staff personnel is required to run and service the machine?
- How much operator maintenance is required daily, weekly, monthly?
- What is the productivity of the press how much volume can it produce on a daily, weekly, monthly basis?

PRODUCTION CONSIDERATIONS

- What is the print speed (pages or feet per minute) of the press when printing critical applications?
- If multiple stocks are involved, will the press slow down when printing different papers within the same job?
- What is the expected uptime or utilization rate of the press?
- How much time is required to get the proposed inkjet press into production? (Being in production and getting to production are two different things.)
- How much time is required to maintenance the machine, and how regularly is it required?
- Does the proposed inkjet press offer automated processes to calibrate color, registration and image quality? (If not, these manual processes can be timely, labor-intensive and costly, often resulting in guesswork, decreased levels of productivity, error and waste.)
- How much energy does the press require to produce my expected volume?
- Are there any 'dead cycles' where the press will clutch or slow down to accommodate unique jobs?

About Xerox

Xerox is an \$11 billion technology leader that innovates the way the world communicates, connects and works. Our expertise is more important than ever as customers of all sizes look to improve productivity, maximize profitability and increase satisfaction. We do this for small and mid-size businesses, large enterprises, governments, graphic communications providers, and for our partners who serve them.

We understand what's at the heart of work — and all of the forms it can take. We embrace the increasingly complex world of paper and digital. Office and mobile. Personal and social. Every day across the globe — in more than 160 countries — our technology, software and people successfully navigate those intersections. We automate, personalize, package, analyze and secure information to keep our customers moving at an accelerated pace.

For more information visit www.xerox.com.

