

Welcome to the Fall, 2004 edition of Mattern Matters. My name is Rob Mattern and I am the President of Mattern & Associates, LLC.

The times are a changing

As we assist our clients in placing more and more multi-functional equipment, the biggest change we are witnessing is the marriage between Information Services, Facilities, Operations, Purchasing, and the financial arm of the organization. A couple of years ago, in order to place new copiers, all one had to do was to order the piece of equipment, make sure an electrical outlet was in place, and have it installed. If it was a law firm, you had the extra responsibility of making sure the chargeback system was hooked-up and operational.

Now the whole process is much more complex. Information Services should/must be involved prior to the development of the Request For Proposal (RFP). The workflow software (for example, eCopy, Globalscan, Accuroute) must be determined and tested to see how it will interact with the organization's document management system. If it is a law firm, the chargeback philosophy for capturing prints and scans must be analyzed and decided. Network drops must be checked. Every facet of the organization must participate in this process in order for the installation to be successful.

How do you manage it? Internally, that is a good start if the resources are available. What about your outsourcing or equipment vendor? If they have the expertise and resources, and the confidence of your IT department, they may be able to assist you. How about an outside consultant? If they know the print, scan and chargeback world and are willing to learn the culture of your firm, that may be the way to go. Sometimes an outside "change agent" may be the key ingredient in a project's success especially with an organization's move into digital printing and scanning.

On the Road

We will be attending the ALA Regions 3 & 4 Educational Conference in New Orleans on October 29 and the ALA Regions 1 & 2 Educational Conference in Orlando on November 5. Please stop by our booth to learn more about our services.

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Consortiums; Do they work?

Recently Mattern & Associates, LLC completed an Office Supplies Consortium for a number of "Think-Tanks" in the Washington, DC area. All participants were pleased with their current vendors and service but felt that they could increase their purchasing power, thus decreasing their costs, by pooling their spend and sending out a single Request for Proposal (RFP). The goal was to identify and select one (1) vendor to service all participants, however, they did not want to be locked into that decision. They also wanted the ability to leave the consortium at any time for any reason

and not have it affect the pricing for the remaining participants.

After reviewing these parameters and each participant's operation, Mattern structured a Request for Proposal (RFP) that met all of these key decisions criteria. The RFP was sent to all of the current vendors and a number of vendors not currently servicing these organizations. After reviewing the responses, the organizations selected one (1) vendor for a formal presentation and a question and answer session. The single vendor selected would represent a change for three (3) of the participants. The financial picture the participants were presented with was as follows:

Organization	Savings % with their current vendor	Savings % with a single vendor
A	23%	43%
B	34%	28%
C	21%	25%
D	16%	27%
Average	23.5%	30.75%

(continued inside)

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Managing your personal records

Many of us have boxes in the basement or attic that are filled to the brim with loose documents, receipts, credit card bills, utility bills and the like. How long should they be retained? Why should they be retained and are there alternatives to keeping them?

The primary reason to keep records is the need for information. This is a personal decision that everyone must make. Receipts for consumable goods are a good example. Normal day-to-day purchase receipts should not be kept for long periods of time. Cash grocery receipts should be kept only if there is a possibility that something could be returned. Charge card receipts should be retained until you receive and balance your monthly bill. Common sense is the best

guide here. If you think there is a good reason to retain something, keep it as long as you deem necessary. If you believe that there is no future need for it, destroy it.

The secondary reason to keep records are legal regulations. The most common regulator that we all must deal with is the Internal Revenue Service. Records that relate to income, deductions and capital improvements to property should be retained.

Below is a brief listing of some of the most common records that should be retained. Remember, if the IRS loses a document, you are liable to provide it to them. M

Item	Retention in Years
W2's, 1099's and other income reporting documents	5
Receipts for deductible items such as non-reimbursed business travel, meals, expenses while job searching, charitable contributions, and any other item used to lower your income for taxable reasons	5
Capital improvements to your real estate, including renovations, additions, etc.	Permanent
Retirements account records, either corporate, 401k, Keohoe, ESOP or other retirement records	Permanent
Deeds, titles and other forms of documented ownership	Life of property + 10 years
State and local tax bills, receipts, assessments, etc	10
Wills	Permanent
Insurance Policies	While in force + 6 years
Loan documents, auto, mortgage, etc.	Life of loan + 10 years

Retail Office Supplies - The War Is On?

As the retail office supplies market matures with the emergence and dominance of the big three - Staples, Office Depot and OfficeMax. What is in store next for the consumer?

All three plan aggressive expansion into each other's markets. Staples traditional strong hold is the northeast part of the country. Office Depot is planning to move into these markets with 80 new stores this year followed by 100 more next year. Staples, the largest of the three, has not yet entered the major markets of Chicago, Houston, Miami, Denver, and St. Louis. Of the big three, Staples is probably positioned the best in regards to

expansion opportunities with a plan to expand into the South and Western parts of the country, which has traditionally been the strongholds for Office Depot and OfficeMax. OfficeMax, which was recently purchased by Boise Cascade, plans to open 50 more stores this year in selected markets.

What does this mean to consumers? A price war is not expected however the competition will maintain or decrease current pricing levels. Expect to see stores try to differentiate themselves with increased customer service, smaller more customer friendly layouts, and express stores in supermarkets. M

Consortiums *(continued from page 1)*

There were also numerous financial and operational incentives as part of the deal to standardize with a single vendor.

After conferring with their respective organizations, each participant elected to remain with their current vendor even though there was greater savings to be had in selecting a single vendor.

The reasons for this decision:

1. All participants were happy with their current vendor's service.
2. All participants were pleased with the level of savings being offered by their current vendor.

So, does a consortium work? Yes, for the following reasons:

1. It creates a highly competitive environment.
2. As the results show, there is greater savings to be had by pooling the "spend".

Even though this situation did not warrant it, the key to a successful consortium is structuring the RFP and the subsequent contract(s) so that each participant is protected in regards to service levels and pricing in case a participant elects to drop out. M

MATTERN MATTERS is a quarterly publication offering business and support services information. Should you have any questions about your support services, or if you have any comments on this newsletter, please do not hesitate to call us at (302) 475-7004. You can e-mail us at lschneider@matternassoc.com or contact us through our websites at: www.matternassoc.com or www.supportquestions.com © October 2004

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SupportQuestions.com is the only internet web site that offers custom office support consulting on a question-by-question basis. SupportQuestions.com gives even the smallest businesses affordable access to the same knowledgeable experts who help major law firms and larger scale businesses to evaluate options and manage solutions.

Below are recent tips from our website.

Tips for Procuring Copiers

1. Try not to roll any current lease balances into the new deal. When you do this you are in effect paying for 2 pieces of equipment. Many vendors will try to get you to enter into a new lease about half way through your current lease by offering you a lower payment. All they are doing is spreading your balances out for a longer time period.
2. Test out different models and vendors. The market is constantly evolving and what may have been a good choice (or bad one!) a few years ago may be the right one today.
3. If you are procuring a significant number of copiers, try to negotiate some flexibility into your lease. Your organization's needs may change and you do not want to be stuck with under/over utilized equipment.

Tips for Reducing Off-Site Storage Costs

1. To reduce permanent withdrawal or other destruction fees, do not destroy off-site storage boxes. Instead, recall the boxes, destroy the contents, refill the boxes with other files (updating your internal database, of course) and return the boxes as refills.
2. Shop around for boxes. If you are getting storage boxes from your off-site storage vendor, make sure you are getting the best price. Check with organizations like ARMA and ALA for vendors who deal specifically with storage boxes.
3. Try to limit storage boxes to 1.2 sizes. Although some items may require a larger box, using the larger boxes doesn't save any money, and often they are not as sturdy.

Tips for Reducing Office Supply Costs

1. Only keep the most often used supplies in stock. For example, limit pens to medium points only. It doesn't mean not to order other pens that are on your contract, but it will limit the amount of storage space you utilize.
2. Maco versus Avery. In most cases, you can get Maco inkjet/laser labels for 1/2 - 2/3 the price of Avery labels. Same quality. But make sure you test them first!
3. Don't over purchase staples! Be careful not to buy large quantities of staples and then store them on the shelf. After a couple months, the glue that holds the staples together begins to get old and can cause jams.

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