

**HP customer case study:** HP clinches three-year worldwide hardware and services contract by partnering with Bayer Business Services, the Bayer Group's international competence center for IT-based services

**Industry:** IT

## Worldwide partnership with HP sees 30 per cent reduction in printing costs for Bayer Business Services



“We have quickly come to appreciate the global presence of HP. The company's reporting systems to us as the customer have already made a very positive impact on our new relationship.” Dr Harald Karl, technical contract management, Bayer Business Services, IT Operations

Bayer Business Services

### Objective:

Bayer Business Services, the Bayer Group's international competence centre for IT-based services, required a preferred supplier contract to provide printer, fax, multifunction print (MFP) devices and copier hardware, toner and maintenance fitting into the ITIL-based IT-services for the worldwide Bayer Group, employing a total of more than 100,000 people. Bayer Business Services targeted page cost savings of 30 per cent.

### Approach:

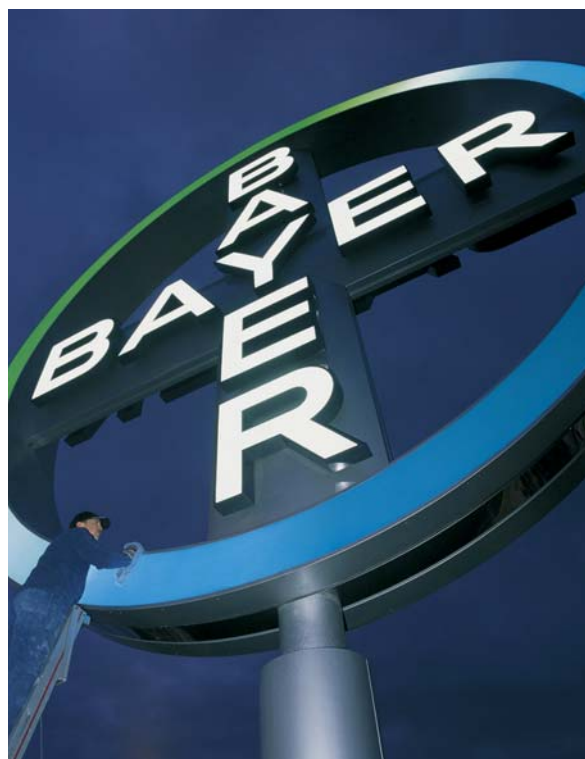
- Bayer Business Services issued requests for proposals to eight companies.
- This number was reduced to two potential suppliers.
- HP was selected on the basis of its global reach, understanding best the client's goals, and ability to guarantee a reliable printing hardware.

### IT improvements:

- Standardised device portfolio.
- Reliable printing infrastructure.
- Embedded in Bayer Business Services' service processes.

### Business benefits:

- Competitive pricing structure.
- Full worldwide cost transparency.



The Bayer Group is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials with focus on innovation and growth. Bayer Business Services is the Bayer Group's international competence centre for IT-based services, focusing on integrated services in the core areas of IT infrastructure and applications, procurement and logistics, human resources and management services, and finance and accounting.

Bayer Business Services provides a range of services from consulting through the development and implementation of system solutions to business process outsourcing and the handling of entire business processes. In 2006 Bayer Business Services employed a worldwide workforce of 4,555 and achieved sales of €848m. The company has its head

office in Leverkusen, Germany, and is certified under ISO 9001:2000. Its chief international offices are located in Berlin, Pittsburgh (USA), Sao Paulo, Buenos Aires, Barcelona, Newbury, Singapore and Hong Kong.

### **Worldwide partner**

As part of a new worldwide office output optimisation (OOO) project for the Bayer Group, Bayer Business Services issued proposals to eight companies to provide hardware, toner and services for printer, fax, copier and multifunction print (MFP) devices across all the group's sites worldwide, to be embedded into its own services. Within this business model the competencies of both companies are combined for success: Bayer Business Services with its ITIL-based service processes fitting to the demands of the Bayer Group and HP as a service-oriented hardware provider.

Bayer Business Services set out to build a standardised shopping basket to subscribe and unsubscribe office printing services on a demand basis from a single supplier under a three-year contract with a multi-million value. It wanted to provide every group business unit with flexible solutions for full-service office printing, in terms of "Printing as a Service".

### **30 per cent cost reduction**

Bayer Business Services set out to achieve a number of goals, including a 30 per cent reduction in page costs across the group. It wanted to minimise the number of devices in use to save on hardware costs and sought a simpler overall service process. Full hardware, service and toner cost transparency was also stressed.

"We have strong core competencies in service delivery ourselves. We wanted a hardware partner who could be integrated in a flexible way into our service processes depending on the preference of the Bayer subgroups," explains Dr Harald Karl, technical contract management for Bayer Business Services, IT Operations. "HP met our requirements and perceptible progress has been made in the first few weeks."

### **Shortlist of three**

After a request for proposal to eight companies worldwide, HP was selected from a final shortlist, resulting in a hardware and maintenance agreement.

HP now delivers the devices, takes care of supplies and maintenance, and is responsible for remote monitoring of devices. This means, for example, that toner replenishment is triggered automatically.

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