



Specialized Purchasing Consultants

PO Box 190

Gorham, NH 03581

(800) 750-1538

www.spccopypro.com

2015-2016 Annual Report

Year - End Photocopier Analysis

With projected costs for 2016-17

Robert Peabody
Bridgton, Town of
3 Chase Street, Suite 1
Bridgton, ME 04009



Specialized Purchasing Consultants Corp.
Serving Maine & New Hampshire since 1988

September 2016

Skip Tilton
President

Corporate Office:
PO Box 190
Gorham, NH 03581
(800) 750-1538
(866) 281-7596 Fax

Robert Peabody
Bridgton, Town of
3 Chase Street, Suite 1
Bridgton, ME 04009

Dear Robert:

VISIT US ON THE WEB:
www.spccopypro.com

On behalf of all of us at Specialized Purchasing Consultants, thank you for your continued confidence in us. Our relationship is **now 10 years strong**, and we hope that your trust in us and this relationship will continue for many years to come.

The following Annual Report provides an overview of last year's reprographic equipment usage and status. Recommendations are included based on usage and remaining life expectancy to address potential problem areas. This will help to avoid needless down time and improve equipment reliability.

Every year we strive to improve or enhance our services to save our clients time, money, and effort. For the past number of years, numerous new features have been implemented to benefit our clients such as Simplified Billing, FMAudit automated meter reading, STARDoc and IT Asset Management. We hope you have found these services to be beneficial and time-saving. We are very pleased to offer these services at no additional charge.

During our meeting with you to review this report, we would like to take some time to review our current services and discuss how these are being utilized in your district. We also welcome suggestions for improvement to enhance your experience with SPC.

Again, we appreciate the opportunity to continue to provide you with the best possible pricing, service, and equipment. If you have any questions or are in need of more information, please let us know.

Sincerely,

Skip Tilton
President

Table of Contents

The SPC Team...	3
Equipment Health Status	5
Warranty Replaced Machines	6
Annual Black Volume by Building	7
Annual Black Volume Overall	8
Annual Color Volume by Building	9
Annual Color Volume Overall	10
Color to Total Volume Percentage	11
Usage Profile for Service & Supplies	12
SPC Service & Supply Cost Savings	15
Projected Equipment Costs by Building - Black	16
Projected Equipment Costs by Building - Color	17
Service & Supply Usage Profile by Vendor - Black	18
Service & Supply Usage Profile by Vendor - Color	19
Reprographic Equipment Assessment	20
Leased Equipment	21
Service and Supply Contract - Client	22
Warranty	23
STARDoc User Names	24
STARDoc History	25
STARDoc Features	26
Benefits of partnering with SPC	28
SPC Values Our Vendors	29

The SPC Team...

would like to personally thank you for your continued trust and confidence!



Skip Tilton, President

Billie Jo Tilton, Vice President

As co-founders of SPC, Billie Jo and I are very proud of our team of professionals. The concept of group purchasing to save millions has grown since 1988 into providing over 16 different managerial services that increase reliability and extend the life of your equipment. However, none of this would have been possible without the loyalty of over 87 clients (3,800+ machines with 1.6 billion prints over five years). Together, we have realized the lowest prices possible while improving the quality of your service and equipment.



Sue Penney

Administration & Finance Manager

SPC is committed to providing cost-effective and reliable reprographics platforms to our community of clients. My 20+ years of experience in corporate management will be key in strengthening the relationships between SPC's clients and vendors. I will be focused on responding to your inquiries with the goal of solving any issues that may arise in a timely and efficient manner. Providing quality customer service is my top priority.

Alex Webster

Director of Customer Relations

My top priority is ensuring that our clients receive the absolute best customer service possible. Whether you have a question about your SPC STARDoc site, an upcoming upgrade, or your existing equipment, I am here to answer any questions you may have. I am very excited about the new features that we have on STARDoc. We are now able to offer features that normally cost thousands of dollars at no additional charge for our clients.



Robert B. Dutil

Director of Information Technology

I have been working with SPC since February 2000. SPC's honesty, work ethics and loyalty have made my experience with the company a pleasurable journey. SPC is constantly trying to improve their technology to better serve their clients. My goal has been to give our clients and associates the best tools available to allow them to be more productive. By doing this, our clientele has the ability to monitor their assets and keep their costs down. I am excited about what the future holds for SPC and our clients.

Rachel Guay

Accounting Coordinator

I am responsible for the majority of the accounting communications between SPC and its vendors and clients. I will rely upon my years of experience and my strong attention to detail to ensure our clients' needs are well served. It is my goal to work accurately and efficiently and to uphold the high standards of customer satisfaction that SPC has provided to their customers. I look forward to establishing a strong working relationship with each and every one of you.



The SPC Team Continued....



Pamela Weed

Client-Vendor Relations

SPC's clients are my Number One priority. When you have a question, concern, need, or problem related to equipment, service or billing, I am available to assist you in getting it resolved promptly. I am pleased to be able to act as liaison between our

clients and vendors to ensure smooth transitions or quick resolutions.

Joel Heffernan

Field Representative – Client Relations

As Field Representative for SPC, I reach out to the customer to offer help as needed in and during the installation of equipment change over and in assisting in each event.

Also, I bring to this company over forty years in the Copier/Printer industry. It is my goal to assure our clients a pleasant experience in using SPC's services.



Equipment Health Status

Total Number of Machines:	4
Total Black Photocopiers	0
Total Color Photocopiers	3
Total Black Network Printers	0
Total Color Network Printers	1
Total Removed from Service:	2
# of Units OFF Warranty:	0
# of Units Approaching End of Warranty:	0
# of Units Overused:	0
# of Units Underused:	0
Commencement Date:	8/2/2015
# of Annual Payments Left on Lease	4
All Warranties and Service Contracts Expire:	6/30/2021
SPC's FM Audit Print Management Software Loaded	Yes
Printer Contract Signed	No

NOTE: When a machine goes off warranty, it does not mean that the service contract expires. It simply means that if a replacement machine becomes necessary, it may not be at "no charge."

Dear Robert,

I would definitely continue to pay down your principal on your capital lease by making your next payment. Each time you make a payment, you create additional funds for your next upgrade. The goal is to keep your capital cost at the same level or lower with your next upgrade.

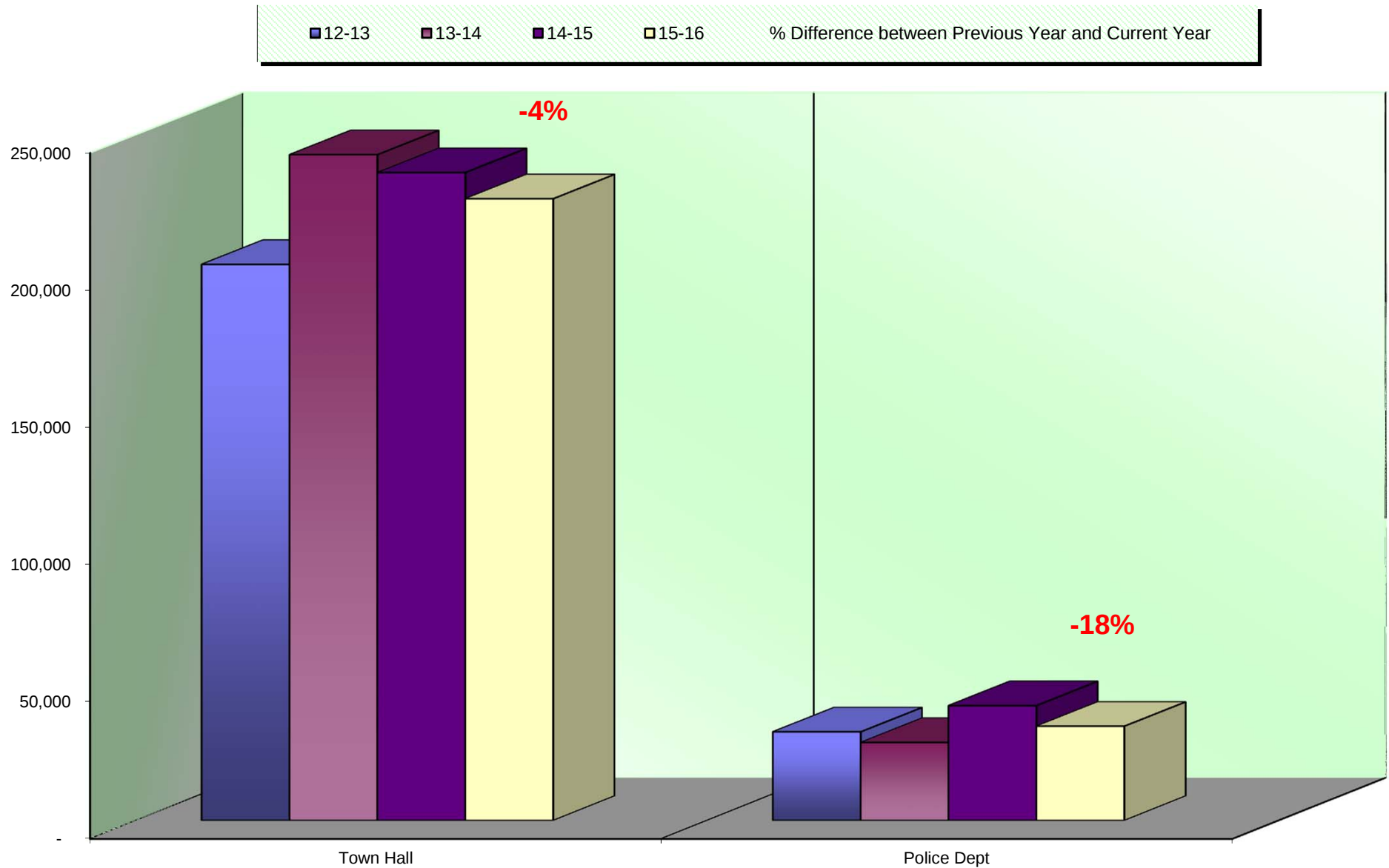
Sincerely,
Skip

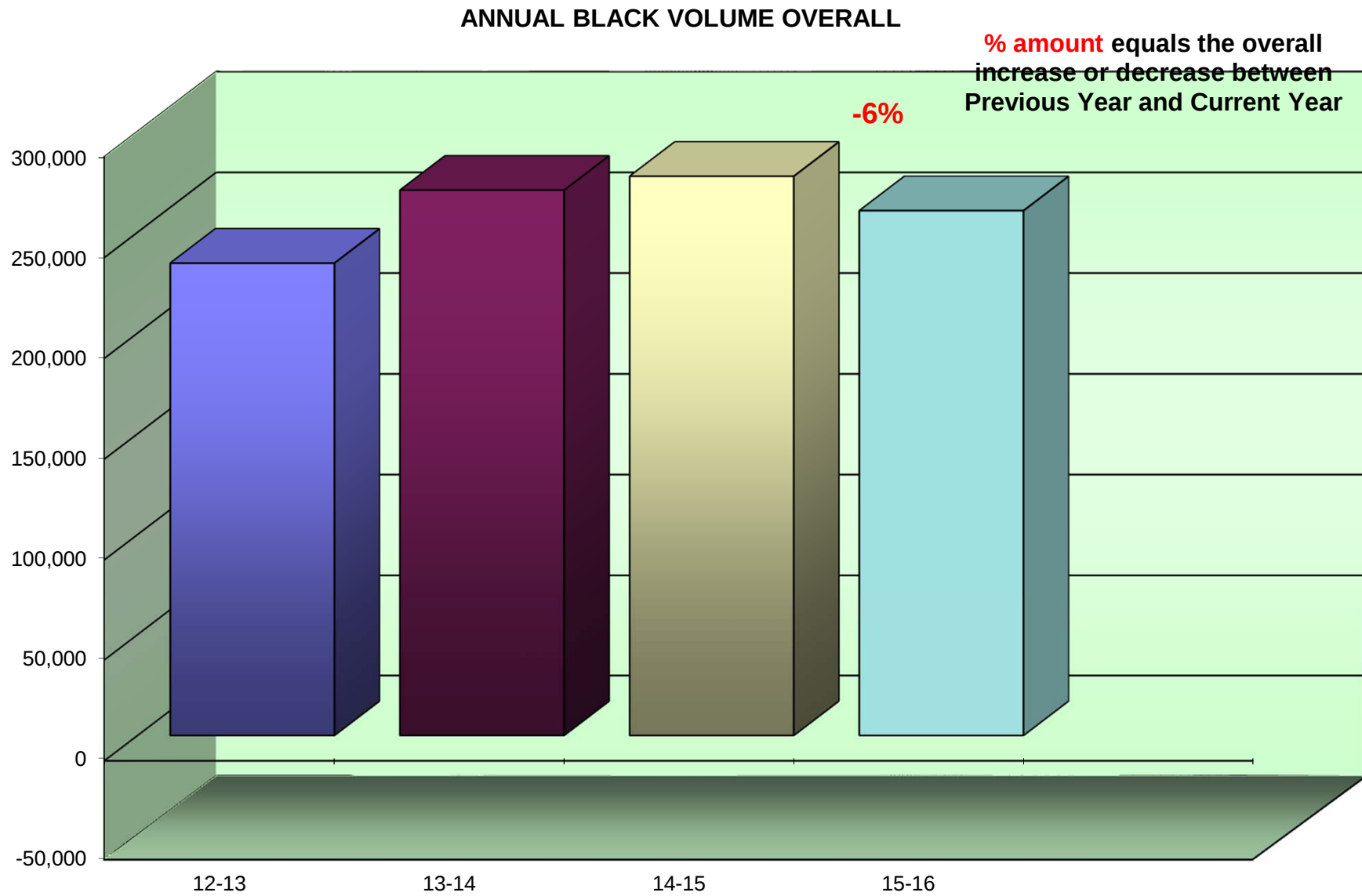
Warranty Replaced Machines

The following copiers or printers have been replaced by the vendor under the service warranty agreement.

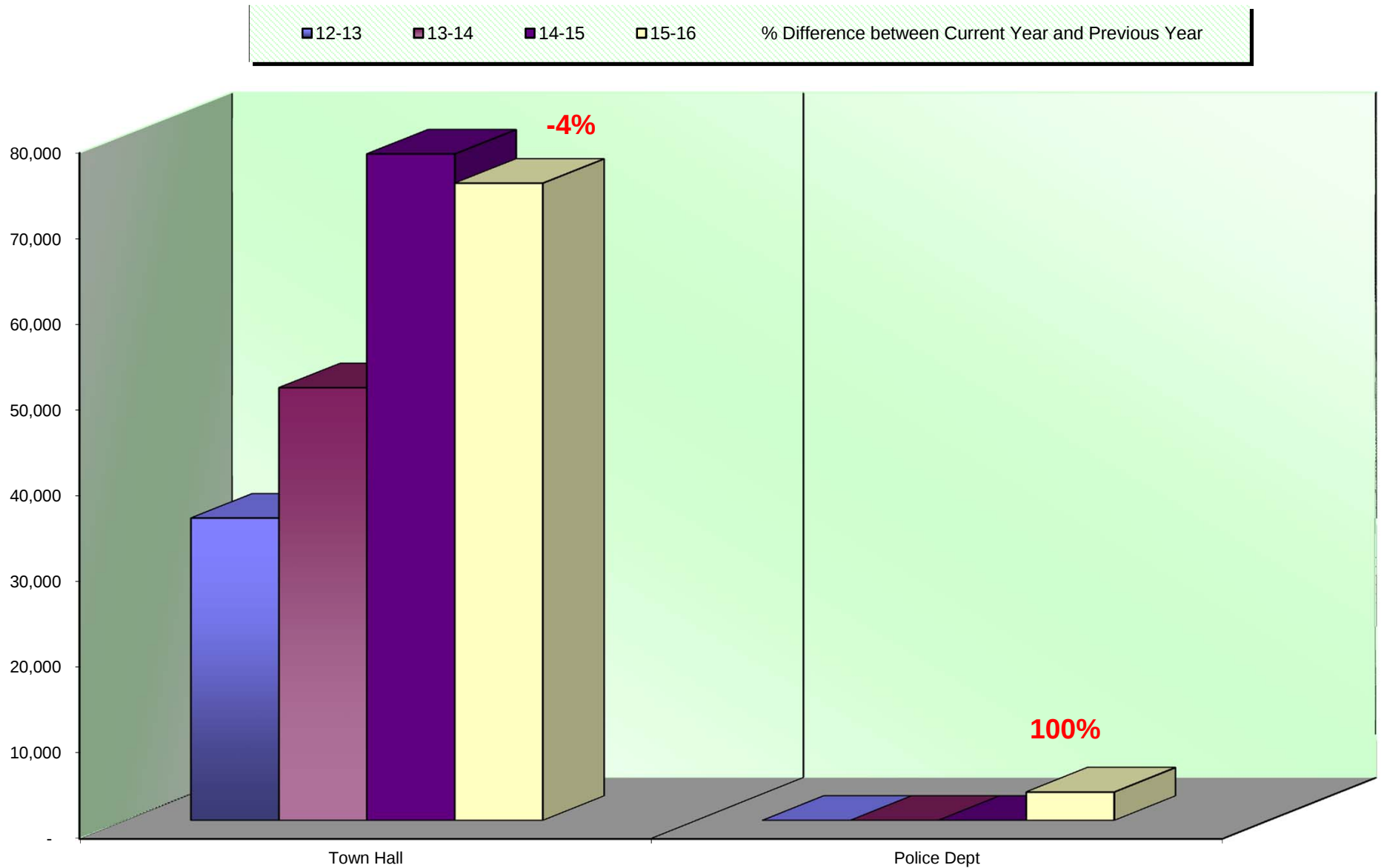
Building	Department / Room	Make Model	Serial #	Vendor Id #	Date of Trade
Bridgton Town Office	Main Office	Xerox ColorQube 8570DN	XFN036051		3/17/2016

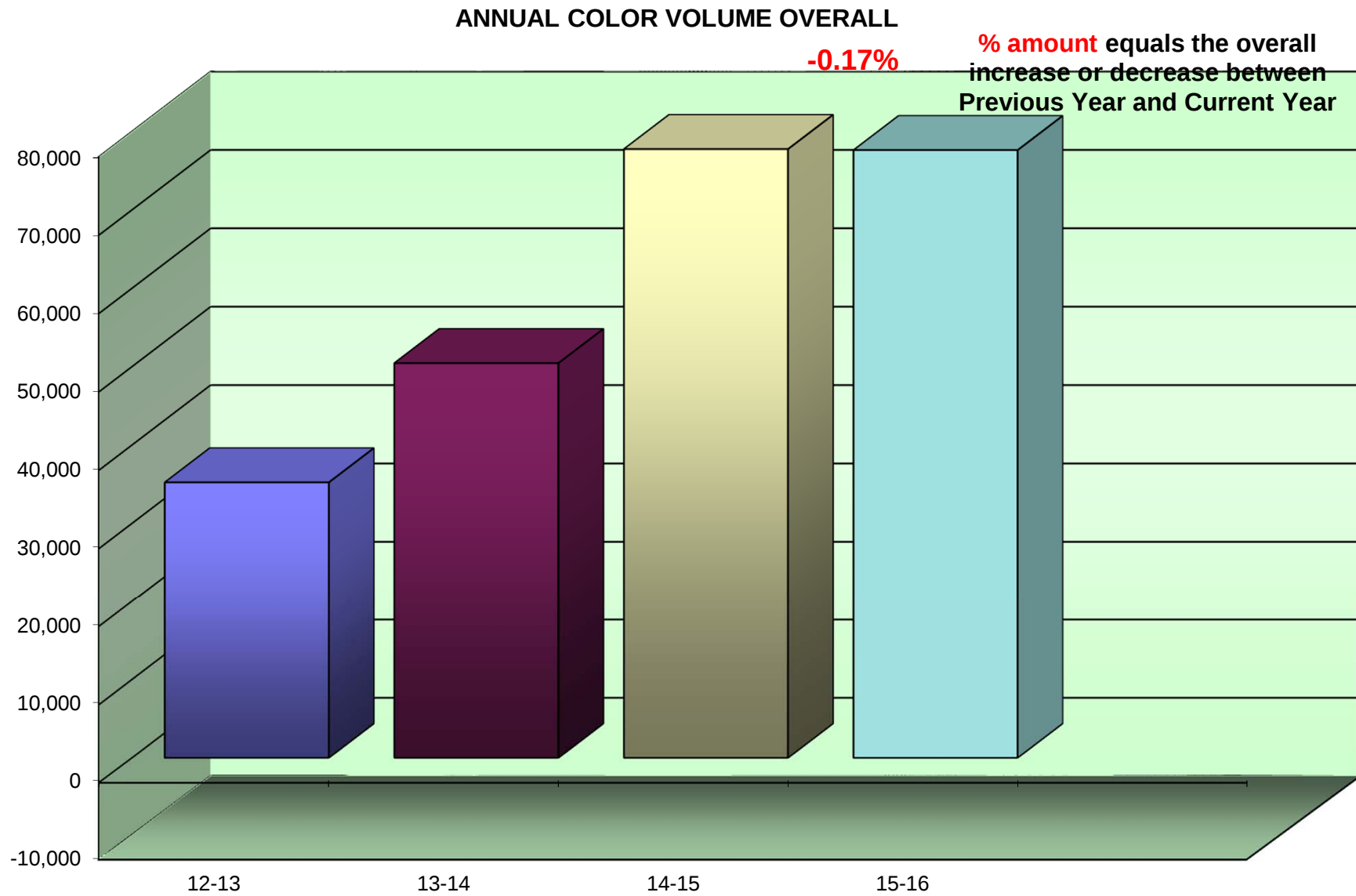
ANNUAL BLACK VOLUME BY DEPARTMENT

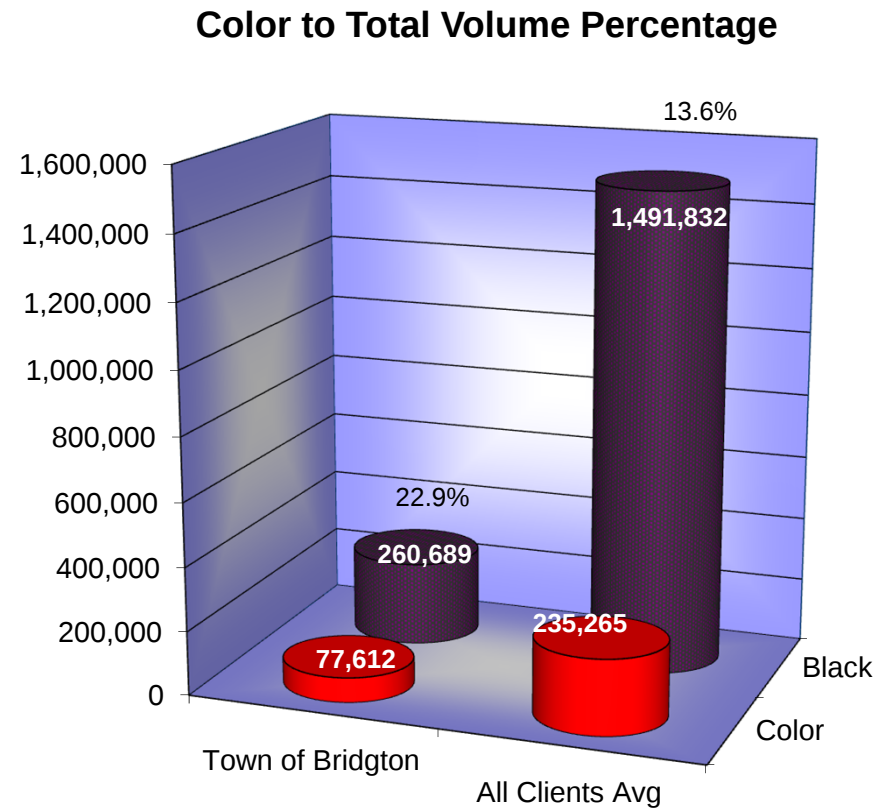




ANNUAL COLOR VOLUME BY DEPARTMENT







Usage Profile for Service & Supplies

The usage analysis shown here provides an overview of the usage of each piece of equipment currently under contract and monitored by SPC. Projected Volume comparison is based on projected volume figured on your most recent Five-Year Equipment Replacement Schedule.

<i>Make-Model / Speed</i>			<i>Date of Last Upgrade: 8/2/2015</i>		
<i>Serial Number / Vendor ID</i>					
<i>Life / Intro Date</i>					
<i>Vendor</i>	<i>7/1/2015 Meter</i>	<i>6/30/2016 Meter</i>	<i>2015-16 Annual Volume</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendations</i>
BRIDGTON POLICE					
Dispatch Office					
Konica Minolta BHC454 / 45 PPM	0	26,280	26,280	\$0.003200	None at this time.
A5C0011025395 /				\$84.10	
1,000,000 / 07/2012	0	3,285	3,285	\$0.04995	
Color Photocopier				\$164.09	
KMBS					
Subtotals Black			26,280	\$84.10	
Subtotals Color			3,285	\$164.09	

<i>Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Vendor</i>				<i>Date of Last Upgrade: 8/2/2015</i>	
	<i>7/1/2015 Meter</i>	<i>6/30/2016 Meter</i>	<i>2015-16 Annual Volume</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendations</i>
BRIDGTON TOWN OFFICE					
Main Office					
Konica Minolta BHC654 / 65 PPM	0	175,565	175,565	\$0.003200	None at this time.
A2X1017012053 / 9360 4086				\$561.81	
3,000,000 / 02/2012	0	54,750	54,750	\$0.04995	
Color Photocopier				\$2,734.76	
KMBS					
Xerox ColorQube 8570DN / 20 PPM	50,724	55,683	4,959	\$0.005160	Traded
XFN036051 /				\$25.59	
1,000,000 / 10/2010	69,121	76,924	7,803	\$0.09241	
Color Network Printer				\$721.08	
SPC					
Xerox ColorQube 8900 / 19 PPM	2,773	3,608	835	\$0.005160	Traded
DA4109839 /				\$4.31	
200,000 / 04/2012	3,519	4,875	1,356	\$0.09241	
Color Photocopier				\$125.31	
SPC					
Subtotals Black			181,359	\$591.71	
Subtotals Color			63,909	\$3,581.15	

<i>District Wide Black Totals</i>	207,639	\$675.80
<i>District Wide Color Totals</i>	67,194	\$3,745.23

SPC Service & Supply Cost Savings

These tables compare your equipment cost per copy for service and supplies (black prints or copies only) before becoming an SPC client on 10/15/2006 with your projected cost per copy for the new fiscal year through SPC. Annual Volume represents actual 2015-16 fiscal year black print usage. The second table represents your annual and five-year cost savings compared to your previous cost per copy rate.

BEFORE SPC

Current Volume	PriorCPC	Average Annual Cost
207,639	\$0.01080	\$2,242.50

CURRENTLY WITH SPC

Current Volume	Current CPC	Current Cost	Cost Savings	5 Year Savings
207,639	\$0.00325	\$674.83	\$1,567.67	\$7,838.37

Today the Cooperative Buying of SPC has netted annual cost savings, on average, of \$1,567.67 x 10 years as a Client

= \$15,676.74 Cost Savings!

Projected Equipment Costs by Building - Black

This table represents projected expenses for BLACK prints or copies by building based on recent activity. Approximate current paper case costs and averaged current annual lease payment are figured in to provide budget information for the upcoming fiscal year.

Building	Projected Black Volume	Projected Black Usage Cost	Approx.Paper Cost	Average Annual Equipment Cost	Total Projected Black Usage Cost
Bridgton Police	26,280	\$84.94	\$130.40	\$574.94	\$790.27
Bridgton Town Office	181,359	\$593.01	\$899.90	\$3,967.64	\$5,460.56
<i>Total</i>	207,639	\$677.95	\$1,030.30	\$4,542.58	\$6,250.84

SPC Equipment Bids:

Presently our Bids are coming in at **14.5%** to 22% of Retail while the current Salesman's Cost is 50% of Retail. Example: Currently our bids for a Ricoh MP 9003 SP RADF Duplex Finisher 3-Hole Punch CIF-Print-Color Scan-Hard Drive for Secure Print 90 Copies per Minute are coming in at **\$7,435** with a Retail Cost of \$51,053....**15% of Retail!**

Projected Equipment Costs by Building - Color

This table represents projected expenses for COLOR prints or copies by building based on recent activity. Current paper case costs and current annual lease payment are NOT figured in to this table, as they are covered in the Black prints report.

Building	Projected Color Volume	Service & Supply Cost
Bridgton Police	3,285	\$165.73
Bridgton Town Office	63,909	\$3,483.19
<i>Total</i>	67,194	\$3,648.91

Service & Supply Usage Profile by Vendor - Black

This table represents actual expenses for BLACK prints or copies by vendor for the current year along with projected service & supply expenses for the upcoming fiscal year. Under SPC's new Simplified Billing Program, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. **Current year's increase is 1.1%.**

Vendor	Equipment Type	Annual Volume	2015 - 2016 Cost / Copy	Total Cost	2016 - 2017 Cost / Copy	Projected Cost
Konica-Minolta Business Solutions	Color Photocopier	201,845	\$0.00320	\$645.90	\$0.00323	\$652.36
SPC Supported	Color Network Printer	4,959	\$0.00516	\$25.59	\$0.00516	\$25.59
SPC Supported	Color Photocopier	835	\$0.00516	\$4.31	\$0.00000	\$0.00
Total		207,639	\$0.00325	\$675.80	\$0.00327	\$677.95

Service & Supply Usage Profile by Vendor - Color

This table represents actual and projected expenses for COLOR prints or copies by vendor for the current and next fiscal year. Under SPC's new Simplified Billing Program, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. **Current year's increase is 1.1%.**

Vendor	Equipment Type	Annual Volume	2015 - 2016 Cost / Copy	Total Cost	2016 - 2017 Cost / Copy	Projected Cost
Konica-Minolta Business Solutions	Color Photocopier	58,035	\$0.04995	\$2,898.85	\$0.05045	\$2,927.84
SPC Supported	Color Network Printer	7,803	\$0.09241	\$721.08	\$0.09241	\$721.08
SPC Supported	Color Photocopier	1,356	\$0.09241	\$125.31	\$0.00000	\$0.00
Total		67,194	\$0.05574	\$3,745.23	\$0.05430	\$3,648.91

Reprographic Equipment Assessment

This chart provides the status of your equipment and details of your current lease, if any. *

Total Number of Units	2
Total Number of Units on Lease	2
Total Number of Units Owned	0
Lease Company	Norway Savings Bank
Lease Start Date	8/2/2015
Lease End Date	8/1/2020
Term	5 Annual
Annual Payment usually due on 8/1	\$4,542.58
Remaining Payments	4

**The determination on the lease has no bearing on Service & Supply and Warranty Contracts.*

Leased Equipment

Building	Make/Model	Serial Number
Bridgton Police	Konica Minolta BHC454	A5C0011025395
Bridgton Town Office	Konica Minolta BHC654	A2X1017012053



Service and Supply Contract - Client

Specialized Purchasing Consultants ("SPC") hereby contracts with _____ ("Client") to provide comprehensive services, supplies, and maintenance to equipment described on Schedule A ("Equipment") using the Contracted Vendor shown below at a cost per print shown on said Schedule A, commencing on _____ and terminating on June 30, _____. This Service and Supply Contract ("Contract") shall exclude only the cost of paper, transparencies, and staples. Refer to Schedule A for Additional Provisions, if any.

SPC assumes responsibility for all billing and vendor payment. SPC shall invoice Client one-half of the annual projected number of pages multiplied by the cost per print listed on Schedule A. This semi-annual billing will take place July 1 and January 1. Actual meter reads will be collected by SPC either electronically or from Client staff during the month of June. A final Reconciliation spreadsheet and invoice will then be completed and sent to client. Upon payment of each billing invoice during the year, SPC will reimburse Contracted Vendor appropriately. Client is responsible for making payment in full within 30 days of said invoicing to avoid suspension of supplies by Contracted Vendor.

On July 1 of each calendar year during the afore-mentioned term, SPC shall credit Client any unused prepaid pages to Client if fewer copies were made by Client during the Contract period ending on or before June 30 annually than were originally estimated under this Contract for such period. If more pages were consumed than billed in the combined semi-annual billing, an overage invoice will be generated. Following semi-annual billing will be based on previous year volume.

On July 1 of each calendar year during the term of this Contract, SPC, at its option, may increase such costs per print under this Service and Supply Contract by 5% or by a percentage equal to the increase during the immediately preceding 12-month period of "The Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84 = 100," whichever is less.

Client may terminate Contract at any time with a 30-day written notice. Client will be required to provide final meter reads on all Equipment listed on Schedule A, including those added during the Contract term. Any credits owed to Client after reconciling actual usage versus projected will be paid to Client. Client must return any unused consumables to Contracted Vendor.

**AGREED AND ACCEPTED BY:
Specialized Purchasing Consultants**

By: Skip Tilton

Title: President/Owner

Date: _____

Signature: _____

**AGREED AND ACCEPTED BY:
Client**

By: _____

Title: _____

Date: _____

Signature: _____

Named Contracted Vendor: Vendor

Warranty

Vendor ("Contracted Vendor") hereby warrants to _____ ("Client") that, if any such Equipment described on Schedule B attached hereto malfunctions through no fault of Client during the term commencing on _____ and terminating on June 30, _____, and such Equipment cannot be repaired promptly, Contracted Vendor, *through Specialized Purchasing Consultants*, will replace such Equipment with equipment which is equal to or superior in quality and capabilities to the Equipment being replaced, at no cost to Client. Refer to Schedule B for Additional Provisions to this Warranty.

The only exclusions to this Warranty are as follows:

1. This Warranty will expire for an item of Equipment when the Warranty Life of such item of Equipment in number of copies, as shown on Schedule B attached hereto, is exceeded;
2. This Warranty will expire for an item of Equipment at the date which is ten years after such Equipment was first offered for sale or lease by the manufacturer as shown on Schedule B attached hereto.

**AGREED AND ACCEPTED BY:
Vendor**

By: John Cox

Title: Market Vice President

Date:

Signature: _____

**AGREED AND ACCEPTED BY:
Client**

By:

Title:

Date:

Signature: _____

StarDoc User Names

Name	User Name
Chris Sanborn	chris@modemwavs.com
Linda Nilsen	finofficer@bridgtonmaine.org
Robert Peabody	townmgr@bridgtonmaine.org

*If you need to verify your password or if you need to add users, please contact Alex Webster at awebster@spccopypro.com



2012

STARDOC created

- Live Floor Plans - Allows IT administrators to move devices around on their own floor plans.

2013

Daily Tracking

- Meters gathered daily to track usage
- Daily adjusts projected annual volumes for fiscal year

2014

Monthly Audits

- Allows user to see monthly snapshot of current usage and estimated projections

2015

New Mapping Options & Asset Management

- Allows mapping of other IT devices (Wireless Access Points, IP Camera, Projectors, VOIP phones)
- IT Asset Management tracks all IT purchases, warranty expirations, etc.



- **Cost Projection by Department or Building** - Who Benefits? Accounts Payable, Business Manager and Superintendent
 - Allows you to formulate next year's budgets as early as December
 - Allows you to see the projected usage bill in advance
 - Tabulate total budgets and total costs district wide
 - Volume or cost pages allow you to pinpoint specific machines on the floor plans
 - Timeline - allowing you to go back to see how your budget compares to previous years
- **Map your devices on Floorplans** - Who Benefits? Business Manager, IT
 - Identifies detailed information (IP address, serial number, vendor ID, CPC, consumed volume, toner and service alerts)
 - Device information tab will allow you to easily access the web interface of the printer/copier
 - Non-Reporting device listing for devices that haven't reported for more than 2 weeks
 - Asset Management (Servers, Wireless Access Points, IP Cameras, Projectors, Apple TV's)
- **Floor Plans Admin** - Who Benefits? Business Manager and IT
 - Allows IT and Business Manager to move devices around on Floor Plan
 - Paper trail of device locations after summer break
 - Will show Previous Devices, Present Equipment and Proposed Equipment

- **Contacts Page** - Who Benefits? Business Manager and IT
 - Control Access and Permissions to Star Doc
 - Toggle Email all (Toner, Service Monthly Audits)
- **Device Listing Page** - Who Benefits? Business Manager and IT
 - Centralized location for detailed information of District's assets
 - Exportable device listing to Excel or PDF
 - Tracks additional non-contract devices
 - IP Addresses and MAC addresses automatically imported
 - Strikethrough on machines that have been removed
- **Monthly Audits** - Who Benefits? Business Manager and Superintendent
 - Monthly Cost Snapshot
 - Shows amount of devices not reporting to help improve accuracy of projections
- **Timeline:** Who Benefits? Business Manager
 - Track historical volume and cost per building
- **"Last Sync Date"** Who Benefits? IT Manager
 - Shows the last time that FMAudit synced for that client



Benefits of partnering with SPC

Top Benefits to **our CLIENTS:**

1. Cooperative Buying

By definition, is a model that allows a group of buyers with a common interest to pool their buying power in order to negotiate more favorable pricing and better service. SPC's model allows you to pick your preferred vendor!

- SPC's pricing is so strong ***we pay for our own fee*** by acquiring prices lower than what you can do on your own.
- We will ***save you money*** benefiting from the combined purchasing power of more than 84 clients with over 5,000 devices doing more than 306 million copies and prints per year. In 2015 we purchased approximately 1,070 printing devices, with over 83 million prints out to bid.
- We will ***save you time*** by preparing your bid, negotiating with vendors/manufacturers, presenting a total bid analysis and managing the implementation.
- We will ***save you frustration***. We manage your contracts for up to five years from the date of installation.

2. Exclusive STAR Doc Software

- Maps all devices and sets up "Interactive Live Floor Plans" of all printing devices, showing you a Before and After Upgrade look; provides a visual for all decision makers over the next five years.
- STAR Doc studies your printing habits and is able to predict your year-end cost months in advance, before you receive your year-end reconciliation invoice.
- Sets up your next year's budget at the click of a mouse.

3. Simplified Billing Program

- Removes the confusion out of billing.
- Eliminates variety of invoices from multiple vendors that come annually and/or quarterly.
- With SPC's Simplified Billing Program, TWO invoices are sent each year from ONE billing source.
- Reconciles all of your devices at the end of the year: You pay only for what you use; no minimums.

4. Five-Year Equipment Replacement Schedule

- SPC's staff surveys key locations that determine life of existing equipment.
- Specs out new equipment needed: Does not allow vendors to undersize during the bidding process.
- Manages the entire bid process down to the install.

5. Annual Report

- A crucial document that extends the life of your equipment, often getting 8 to 10 years of guaranteed performance! Flags copying trends within your organization such as over usage
- You get an overview of your current equipment situation, reports associated with copying and printing costs and, if needed, recommendations for addressing situations posing a problem

6. Vendor Neutral

- SPC does not recommend just one brand; we suggest what's best for you with serviceability in mind.
- We present you with the bid results and offer recommendations, yet the decision is yours to make.

SPC has been serving their clients since 1988, saving millions of dollars along the way. Based on current actual volumes and CPCs, SPC has generated **Annual Savings of almost \$3.5 million for all of our clients. That translates into **Savings of more than \$17.4 million over five years!****



SPC Values Our Vendors

Overall Benefits to our VENDORS

- Opportunities brought to you – Hundreds of machines each year: In 2015 there were over a thousand.
- SPC is well respected in the industry
- SPC values our vendors and speaks highly of them to our clients.
- National Contracts that are all negotiated with the manufacturers at your disposal

Vendor Benefits Pre-Bid & During the Bid Process

- Sharing of previous bid results that help you to negotiate with your manufacturers.
- On-Site Survey of client requirements including mapping all devices.
- Writing of the *Five-Year Equipment Replacement Schedule* (Bid Specs).
- Controls the Bid Specs (Not allowing any vendor to underbid or offer discontinued equipment).
- A chance to sell your 'Value Add' directly to our clients after the bids are in. Customer has the right to pay more than low bid.

Vendor Benefits Before & During Installation

- Digital Needs Analysis: Matching up the machine to installation site.
- Schedule and coordinate Vendor meeting with Client.
- Cover the cost of ESP surge protectors, electrical wiring, computer interface and any unexpected cost!
- Manage installation.
- Audit installation.
- Capture final meter reads for old contracts.
- Close books on old devices & contracts.

Vendor Ongoing Support

- Yearly meter reads.
- Simplified Billing: SPC collects service funds for the Vendor.
- Collection of all meter reads annually and reconciling them with the Client and Vendor.
- STAR Doc: **S**ystem for **T**racking **A**nd **R**eporting **D**ocuments...Manages the budget.
- Annual Reports that flag machines that are being overused and underused thus improving reliability.
- Mediating warranty issues in sensitive locations.

Why do some vendors hesitate to bid?

- Vendors worry that bidding will reduce their margins.
- If word gets out on pricing, they feel that their other customers will call and ask for similar prices.
- Lose control of their account as winning bidder may beat their pricing.
- SPC bids are designed to keep specs equal for all, no chance of providing a lesser piece of equipment.

SPC manages over 5,000 pieces of equipment;
Our relationship with our vendors has never been stronger!