



## ***Specialized Purchasing Consultants***

**1491 East Side River Road**

**Dummer, NH 03588**

**(800)750-1538**

# **FY20 Annual Report**

## **Year - End Photocopier Analysis**

**With projected costs for FY21**

**James Steele  
North Country Council  
161 Main Street  
Littleton, NH 03561**



**Specialized Purchasing Consultants Inc.**  
**Serving Maine, New Hampshire & Vermont since 1988**

December 2020

James Steele  
North Country Council  
161 Main Street  
Littleton, NH 03561

Skip Tilton  
President

Corporate Office:  
1491 East Side River Road  
Dummer, NH 03588  
(800) 750-1538

VISIT US ON THE WEB:  
[www.spccopypro.com](http://www.spccopypro.com)

Dear James:

We at Specialized Purchasing consultants wish to thank you for your continued confidence in us for the **past year.** We hope we can continue this relationship for many years to come.

This year's Annual Report provides an overview of last year's reprographic equipment usage and status. We recognize that this was an unusual year and that accurate usage may not be fully reflected. However, it is still good to compare and review to see just how the pandemic has impacted usage. Recommendations have still been made to address any potential problem areas and 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. Hopefully you have been able to benefit from these services, and we hope to continue to offer new services. In fact, one new service is the Client Warranty and Relief Fund. A description of this valuable service is provided in this year's report. We are pleased to continue offering all of our services to you at no additional charge.

We appreciate the opportunity to provide you with the best possible pricing, service, and equipment. We look forward to our meeting. Feel free to share your thoughts and feelings concerning your overall experience with SPC.

Sincerely,

Skip Tilton  
President

"Protecting Your Copier Interests"

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## Meet Your Team



***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 our clients, many of whom we have assisted for more than 20 years! Together, we have realized the lowest prices possible while improving the quality of your service and equipment. We have also been able to find ways to increase your equipment reliability, monitor and track usage variations throughout the year, and keep your costs under control.



***Jessica Paradis***  
***Accounting Coordinator***

Jessica oversees billing, resolving any questions or issues as needed. She is also responsible for setting up lease and purchase transactions.

***Alex Webster***  
***Operations & Marketing Manager***

Alex oversees STARDoc, FM Audit, and equipment upgrades. He also researches and markets current and new SPC tools and services to existing and potential clients.



***Pam Weed***  
***Client-Vendor Relations***

Pam helps to maintain a good working relationship between clients and vendors, especially with regard to equipment reliability. She also oversees equipment upgrades and changes, warranty replacements, end-of-year meter collection and billing, and Annual Report scheduling. Pam assists with marketing SPC services to existing and potential clients.

***Robert Dutil***  
***Information Technology***

Bob keeps SPC running by maintaining and updating database processes as well as assisting in updates to SPC's STARDoc website and the creation of code to create the many reports SPC generates to give you the accurate information of your usage.

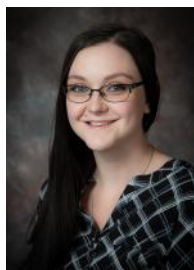


***Jamin Tilton***  
***Operations Support***

Jamin plays a vital role in performing onsite equipment surveys and installation audits. He assists with contact information updates along with STARDoc and FM Audit updates.

***Heidi Tilton***  
***Accounting Support***

Heidi handles bookkeeping and billing for both clients and vendors, processing payments, and other office support.



***Kelly Fortier***  
***Office Support***

Our newest team member, Kelly assists with maintaining service & supply contracts, managing equipment trades, and upgrades, bookkeeping and other general office work.



## SPC Timeline

### 1988 Specialized Purchasing Consultants opens its doors

- Began offering equipment at the sales representative's cost with continued cooperative buying power obtaining competitive rates on leases, equipment, and service and supply contracts.

### 1999 Improved Annual Reports

- Revised Annual Report format to include new charts and tables for more expansive usage and budget detail.
- Established Student Ratios.

### 2001 Meter Collection

- Began collecting meter reads directly from client and submitting to vendors via spreadsheet, providing more accurate and consistent billing.

### 2002 Bond Counsel Review

- Added Bond Counsel Review to ensure any and all funding sources provided legal documentation to meet State statutes and regulations.

### 2003 Bond Counsel Review of Contracts and Warranties

- Service & Supply Contracts revised to reflect SPC's commitment to managing a client's account for five years while allowing the client a 30-day cancel option.
- Warranty revised to protect equipment, guaranteeing service or replacement at no charge, even if a vendor goes out of business.

### 2012 STARDoc and Simplified Billing Developed and Implemented

- Live Floor Plans: Allows IT administrators to move devices around on their own floor plans.
- STARDoc: Helps project out the end of year costs and potential overages.
- Simplified Billing: Designed to eliminate hundreds of invoices and condenses it down to 2 or 3 a year.

### 2013 STARDoc - Daily Tracking

- Meters gathered daily to track usage

### 2014 STARDoc - Monthly Audits

- Users can see a monthly snapshot of current usage and estimated projections

### 2015 STARDoc - Mapping Options and Asset Management

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



## SPC Timeline

### 2018 STARDoc - Improved Pinpointing of Budget and Communications

- Improved pinpointing of machines projected to go over budget
- Facilitate communication with your vendor's service manager
- Request service history on any given printer or copier

### 2019 STARDoc – Service Histories, Chromebook Bid

- Mandatory annual fleet service history: Provides data on the overall reliability of the fleet.
- SPC's Chromebook bid allowed organizations to piggyback off our cooperative pricing. Many schools like SAU 67 - Bow and SAU 57 - Salem benefited from this pricing.

### 2020 Mock Bids - Warranty and Relief Fund

- Mock Bids: allows us to show where a client's pricing would come in without having to go out to bid. This allows them to buy off an existing bid, thus saving time and money.
- Warranty and Relief Fund: Due to the pandemic, there are serious upheavals in the industry. In an effort to cushion our clients, this fund was established. For more information, see the last page of the Annual Report.

### 2021 SPC Roadmap

- Major STARDoc facelift. User interface will be more modern.
- Update Bid Process to simplify bid submission for all of our vendors.
- Five Year Fleet Management (FYFM) - Projects out Five Year costs for all equipment based on current and past usage.

## Equipment Health Status

<b>Total Number of Machines:</b>	<b>1</b>
<b>Total Black Photocopiers:</b>	<b>0</b>
<b>Total Color Photocopiers:</b>	<b>1</b>
<b>Total Black Network Printers:</b>	<b>0</b>
<b>Total Color Network Printers:</b>	<b>0</b>
<b>Total Removed From Service:</b>	<b>0</b>
<b># of Units OFF Warranty:</b>	<b>0</b>
<b># of Units Approaching End of Warranty:</b>	<b>0</b>
<b># of Units Overused:</b>	<b>0</b>
<b># of Units Underused:</b>	<b>0</b>
<b>Commencement Date:</b>	<b>02/04/2020</b>
<b># of Annual Payments Left on Lease:</b>	<b>4</b>
<b>All Warranties and Service Contracts Expire:</b>	<b>06/30/2025</b>
<b>SPC's FM Audit Print Management Software Loaded:</b>	<b>No</b>
<b>Printer Contract Signed:</b>	<b>No</b>

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 James,

Because of the change to remote activity in March, COVID-19 had a direct and significant impact on client budgets. Usage was dramatically affected and resulted in a year-end under usage credit of \$454.92. While this may seem like a positive – saving money on reprographic expenses – it has actually put a tremendous burden on the vendors as they are starting off the new fiscal year with a deficit. Combine this with other economic strains for the vendors, SPC is concerned, which is why we have developed the Warranty and Relief Fund (see page 18) to protect our clients.

Sincerely,  
Skip

**North Country Council**  
**Michelle Moren-Grey**  
**161 Main Street**  
**Littleton, NH 03561**  
**Five-Year Basis beginning with the 2019/2020 Fiscal Year**

**Copies-per-Year: 118,260**

**Present vs. Proposed Recommendations as of 8/2/2019**

**PRESENT SITUATION**

- 1) Guarantees on Photocopiers...**6 Months**
- 2) Annual Price Ceilings Left... **6 Months**
- 3) High Volume Console Units with 3 Million plus.....**1**
- 4) Units to be Traded...**1**
- 5) Photocopiers...**1**
- 6) Color Photocopiers...**1**
- 7) MFP's...**1**
- 8) Printers....**0**
- Total number of Units...**1**
- 9) Duplex's...**1**
- 10) Finisher's...**1** with saddle Stitch

**PROPOSED SITUATION**

- 1) Guarantees for both New, Recons & Used Photo's...**Five+ Years**
- 2) 5% or CPI Annual Ceilings, whichever is less...**Five+ Years**
- 3) High Volume Console Units with 3 Million plus...**1**
- 4) Replaced... **1 New**
- 5) Photocopiers...**1 with Secure Print/Confidential Mailbox**
- 6) Color Photocopiers...**1**
- 7) MFP's... **0**
- 8) Printers...**0**
- Total number of Units...**1**
- 9) Duplex's...**1**
- 10) Finisher's... **1 with Saddle Stitch**

**Overall Description of Equipment Fleet:**

Presently, you have a Commercial lease that is going to end in December, 2019. We have added in funds to ship back the copier to wherever Leaf (leasing company) requests. However, if there are any late payment fees that are assessed on either the service and supply contracts with OSV or with the Leaf Lease prior to December 1<sup>st</sup> 2019, then NCC is responsible.

**Capital:**

Presently, you have **one** commercial lease with Leaf. With the new arrangement, you will have **one** lease at 8.00% interest. Your first of five annual lease payments will be due on **January 1<sup>st</sup> 2020.**

**Service & Supplies:**

Considering all your consumable cost centers including service you are averaging **\$0.0112 for black and \$0.10 for Color.** The new contract will come in at a CPC of **\$0.0032 for Black and \$0.038850 for Color.**

**Vendor Packages:**

SPC will bring you multiple different vendor combinations, matching up the best technology available to meet your needs. We would like to highlight the most qualified bids combination for you.

<u>Cost Center</u>	<u>Present</u>	<u>KMBS</u>
1. Service & Supplies Color	\$3,462.48	\$2,241.96
2. Service & Supplies Black	\$484.42	\$193.77
3. Annual Muni Lease	\$2,706.77	\$1,920.60
Totals	\$6,653.67	\$4,356.32
Annual Cost Savings		\$2,297.34
Five Year Cost Savings		\$11,486.72

**The successful bidders** will have a blanket servicing contract that includes all consumables excluding only staples and paper for all the equipment that is under their factory authorized ability to service. They will provide one easy 'Cost per Copy' billing plan done twice a year in July & January with a reconciliation invoice in June. Your service contract will be fixed through **June 30th, 2020.** A contract extension has been negotiated for four more years, which will have an annual price ceiling of five percent or CPI, whichever is less. You however, only commit funds for one-year at a time to the servicing vendor. And even this scenario allows you to upgrade, lowering the service costs, if it is to your advantage to go out to bid at any time. SPC will set up both the service- supply contracts and the warranty cards with the successful bidding vendors.

Security package: Hard Drive Wipe and Shipping back to Leaf is included.



### Usage Profile for Service & Supplies - Black

The table below shows an overview of the actual black volumes in each building before and after your equipment upgrade.

	<i><b>Volume Prior To Upgrade</b></i>	<i><b>Cost Prior to Upgrade</b></i>	<i><b>Volume After Upgrade</b></i>	<i><b>Cost After Upgrade</b></i>	<i><b>Total Volume</b></i>	<i><b>Total Costs</b></i>
NCC Office	N/A	N/A	5,078	\$16.25	5,078	\$16.25
<b><i>TOTALS</i></b>	<b><i>N/A</i></b>	<b><i>N/A</i></b>	<b><i>5,078</i></b>	<b><i>\$16.25</i></b>	<b><i>5,078</i></b>	<b><i>\$16.25</i></b>

### Usage Profile for Service & Supplies - Color

The table below shows an overview of the actual color volumes in each building before and after your equipment upgrade.

	<i><b>Volume Prior To Upgrade</b></i>	<i><b>Cost Prior to To Upgrade</b></i>	<i><b>Volume After Upgrade</b></i>	<i><b>Cost After Upgrade</b></i>	<i><b>Total Volume</b></i>	<i><b>Total Costs</b></i>
NCC Office	N/A	N/A	3,546	\$137.76	3,546	\$137.76
<b><i>TOTALS</i></b>	<b><i>N/A</i></b>	<b><i>N/A</i></b>	<b><i>3,546</i></b>	<b><i>\$137.76</i></b>	<b><i>3,546</i></b>	<b><i>\$137.76</i></b>

### Projected Equipment Costs by Building - Black

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

<i><b>Building</b></i>	<i><b>Projected Black Volume</b></i>	<i><b>Projected Black Cost</b></i>	<i><b>Approx. Paper Cost</b></i>	<i><b>Average Annual Equipment Cost</b></i>	<i><b>Total Projected Black Usage Cost</b></i>
NCC Office	60,552	\$193.77	\$326.98	\$948.59	\$1,469.34
<b>TOTALS</b>	<b>60,552</b>	<b>\$193.77</b>	<b>\$326.98</b>	<b>\$948.59</b>	<b>\$1,469.34</b>

### Projected Equipment Costs by Building - Color

This table represents projected expenses for COLOR prints or copies by building based on projections from your recent upgrade. 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.

<i><b>Building</b></i>	<i><b>Projected Color Volume</b></i>	<i><b>Total Projected Color Usage Cost</b></i>
NCC Office	28,854	\$1,120.98
<b>TOTALS</b>	<b>28,854</b>	<b>\$1,120.98</b>

## 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 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 .03%.** However, because of your recent upgrade, there is no increase for the new fiscal year.

<i>Vendor</i>	<i>Billing Type</i>	<i>Equipment Type</i>	<i>Actual Volume</i>	<i>FY20 Cost / Copy</i>	<i>Total Costs</i>	<i>Projected Volume</i>	<i>FY21 Cost / Copy</i>	<i>Projected Cost</i>
KMBS	Upgrade	Color Photocopier	5,078	\$0.00320	\$16.25	60,552	\$0.00320	\$193.77
<b>TOTALS</b>			<b>5,078</b>	<b>\$0.00320</b>	<b>\$16.25</b>	<b>60,552</b>	<b>\$0.00320</b>	<b>\$193.77</b>

## Service & Supply Usage Profile by Vendor - Color

This table represents actual expenses for COLOR prints or copies by vendor for the current year along with projected service & supply expenses for the upcoming fiscal year. Under SPC's 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 .03%.** However, because of your recent upgrade, there is no increase for the new fiscal year.

<i>Vendor</i>	<i>Billing Type</i>	<i>Equipment Type</i>	<i>Actual Volume</i>	<i>FY20 Cost / Copy</i>	<i>Total Cost</i>	<i>Projected Volume</i>	<i>FY21 Cost / Copy</i>	<i>Projected Cost</i>
KMBS	Upgrade	Color Photocopier	3,546	\$0.03885	\$137.76	28,854	\$0.03885	\$1,120.98
<b>TOTALS</b>			<b>3,546</b>	<b>\$0.038849</b>	<b>\$137.76</b>	<b>28,854</b>	<b>\$0.03885</b>	<b>\$1,120.98</b>

## Reprographic Equipment Assessment

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

<b>Total Number of Units</b>	<b>1</b>
<b>Total Number of Units on Lease</b>	<b>1</b>
<b>Total Number of Units Owned</b>	<b>0</b>
<b>Lease Company</b>	<b>Access Municipal Leasing</b>
<b>Lease Start Date</b>	<b>02/04/2020</b>
<b>Lease End Date</b>	<b>09/15/2024</b>
<b>Term</b>	<b>5 Annual</b>
<b>Annual Payment usually due on 8/1</b>	<b>\$948.59</b>
<b>Remaining Payments</b>	<b>4</b>

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

Leased Equipment

Building	Make/Model	Serial Number
NCC Office	Konica Minolta BHC558	A79K011027577

STARDoc User Names

Name	User Name
Kathleen Frenette	kfrenette



## 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 63 clients with over 3,700 devices doing more than **155** million copies and prints per year. We purchase approximately 1,100 units annually with 80 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 STARDoc Software

- STARDoc: System for Tracking And Reporting Documents.
- 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.
- STARDoc 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.
- 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.



## Benefits of partnering with SPC

### 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 1989, saving millions of dollars along the way.**

***Based on current actual volumes and CPCs, SPC has generated Annual Savings of more than \$2 million for all of our clients. That translates into Savings of more than \$10 million over five years!***





## SPC Values Our Vendors

### **Overall Benefits to our VENDORS**

- Opportunities brought to you - Over 1,100 units purchased annually running over 80 million prints!
- 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..



## SPC Values Our Vendors

### 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.
- STARDoc: System for Tracking And Reporting Documents... 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 3,700 pieces of equipment;**  
**Our relationship with our vendors has never been stronger!**



## STARDoc Features

### Cost Projection by Department or Building

- 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
- Identifies detailed information (IP address, serial number, vendor ID, CPC, consumed volume, toner and service alerts)
- Non-reporting device listing for devices that haven't reported for more than 2 weeks
- Asset Management (Servers, Wireless Access Points, IP Cameras, Projectore, Apple TVs)

### Floorplan Administration

Who Benefits? Business Manager and IT

- Allows IT and Business Manager to move devices around on Floorplan
- 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 STARDoc
- Toggle Email all (Toner, Service Monthly Audits)



## STARDoc Features

### Device Listing Page

- 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

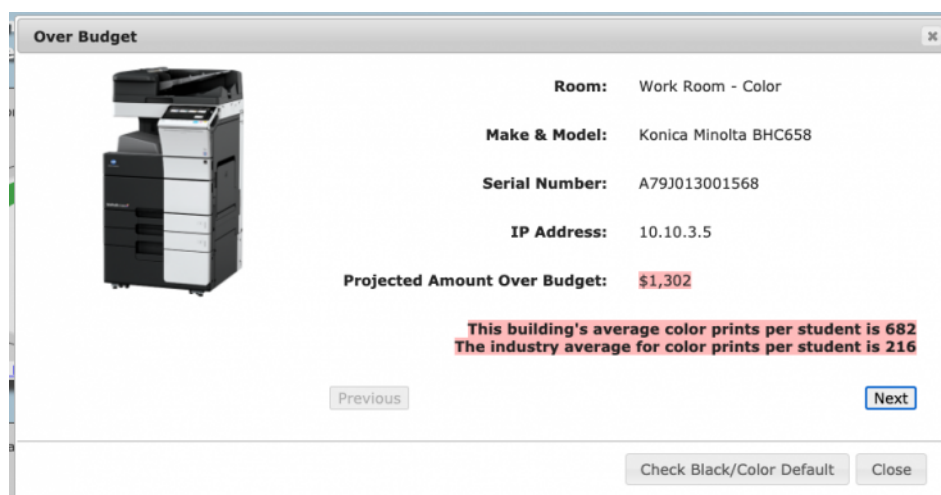
### Last Sync Date

Who Benefits? IT Manager

- Shows the last time that FMAudit synced for that client

### Over-Budget Report

- Request service history on any machine right through STARDoc.
- Catch overused equipment early, before equipment begins to break down due to overuse.



## SPC'S CLIENT WARRANTY AND RELIEF INSURANCE FUND

### AVAILABLE IMMEDIATELY!

#### WHY IS IT NEEDED?

With the recent pandemic, schools and businesses shut down. We are now seeing massive credits overall owed in the vicinity of \$389,820.78!\* However, your contracts stipulate that any unused service and supplies are to be refunded. While this may seem like good news to our clients, what if the vendor is unable or unwilling to repay those funds? Many companies outside of the copier industry are already filing for bankruptcy. SPC's legitimate concern is, what if this hits the Copier Industry and we can no longer access the funds owed to the client?

#### OTHER CONCERNS:

- Vendor refuses to honor a Warranty
- Equipment is no longer under a vendor Warranty
- Vendor refuses to honor a Service-and-Supply Contract at the agreed-upon pricing.
- Vendor gets sold to a venture capitalist entity or to a risky new owner with limited cash reserves

#### PURPOSE:

Since 1989, SPC's goal is to shelter our clients from Industry upheavals. This fund is to set aside monies that can be used by any client, if a need arises.

Funding Source: Initially, \$200,000 no-interest personal loan. To be paid back from two sources...

- Wholesale Trades... For over 10 years these funds have been set aside for warranty replacement units since the industry would provide the same cash price with or without the trade.
- Equipment Purchases... 2% of the gross will be set aside with each upgrade.

#### WHO BENEFITS:

All SPC clients...like any insurance fund, by pooling funds from SPC's entire client base, any losses are eliminated.

*CREDITS ANTICIPATED JUNE 30, 2020	
A-COPI (Owned by Visual Edge)	(\$77,605.18)
AXIS	(\$16,858.50)
BUDGET	(\$20,200.73)
CANON	(\$31,240.99)
KMBS	(\$154,659.88)
NATIONAL	(\$38,961.67)
OSV (Owned by Visual Edge)	(\$64,920.06)
RICOH	(\$3,432.44)
SYMQUEST (Owned by KMBS)	(\$11,027.80)
XEROX	(\$913.53)
<b>TOTAL UNUSED</b>	<b>(\$389,820.78)</b>