



MFP Reliability Survey Results

In this issue of *The Office Products Analyst*, we present our fifth annual Multifunctional Product Reliability Study giving us the dealers perspective on Multifunctional products that they sell and service. This is the first in a two part series relating to Multifunctional devices. In the second part of this series, we present our annual Multifunctional Product End-User Study, focusing on user trends for multifunctional products. We present two different multifunctional studies because:

- Not all multifunctional brands would be represented if we presented only a dealer study. Xerox, Océ and others – distributing primarily through their own direct sales forces – would be missing. In addition, we would be underestimating the impact of dual distribution networks – companies that distribute their products through both independent dealers and direct branches.
- Dealers tend to focus their responses on current products, while users focus on products that may be two years old or more.
- User perceptions of reliability, while meaningful for each person interviewed, are influenced by their most recent service experience. Dealers, on the other hand, have more objective service data available (service call reports, etc.) upon which to base their ratings.

Inside this issue:

Methodology	1
Data Analysis	2
Table 1	2
Tables 2, Speed Range Chart & 3	3
Tables 4, 5 & 6	5
Table 7	6
Table 8	7
Tables 9 & 10	9
Table 11	10
Technical Perspective	11

Published by Industry Analysts, Inc.

The OPA (Office Products Analyst) is published monthly by Industry Analysts, Inc., 50 Chestnut Street, Rochester, NY 14604-2318, USA, Phone #: (585) 232-5320, Fax #: (585) 454-5760, Web: www.industryanalysts.com. Publisher, Louis E. Slawetsky. This publication is for the exclusive use of our subscribers. The information and opinions in each issue are based on the best information available, but the completeness and accuracy cannot be guaranteed. Subscriptions: \$350.00, one year (US); \$365.00 overseas and Canada. Prices for multiple subscriptions on request. Reproduction in any form without written permission is strictly forbidden and will be subject to prosecution.

Methodology

We conducted in-depth telephone interviews with 135 dealer service managers in imaging system dealerships nationwide. Responses encompassed 44,462 multifunctional units. Significant probing occurred in those cases where the data showed inconsistencies. In some cases, we faxed those portions of the survey dealing with model-specific service statistics, giving service managers time to verify the information with actual service record data. In other cases, these portions of the questionnaire were completed through subsequent telephone interviews.

In cases of multi-brand dealers, we asked respondents to focus their re-

sponses on the multifunctional brand that accounts for the most revenue from new placements for their dealership (Primary Brand). Our experience shows that focusing on the Primary Brand will limit responses to those brands with which the service manager is most familiar, resulting in more accurate and complete information.

One of the difficulties in any analysis addressing the market for multifunctional products is the manner in which one defines those products. The staff at Industry Analysts, Inc. defines a multifunctional product as any platen-based device that can be connected to a computer workstation or local area network (LAN) and which supports at least two of the four traditional office functions (copying, printing, facsimile, scanning). We asked dealers to use this definition when responding to the survey. In effect, this definition results in a device that combines copying (platen-based) with at least one other function.

As you review this report, please note that some chart columns have no entries, indicated by “— — —”. If a particular response category had a statistically insignificant number of responses, we did not calculate the results. This should not be confused with an entry of “0.0” which indicates that there were no responses in a particular cell. We deemed as significant those instances where an item received no response and displayed this result as a zero entry.

Data Analysis

We first examined the brand distribution in our sample. Table 1 shows the Ricoh Family Group (Ricoh, Savin, Lanier) with the leading sample share (24.4%) – followed by Canon in second place (20.0%). Note that the shares listed in Table 1 are indicative of our sample rather than the actual installed bases for these companies. Xerox, Imagensics and others distributing primarily through their own direct sales forces are underrepresented in the brand breakouts of this sample. Our sample has also excluded those products sold through the vendors’ own branches. For example, we captured units from the Ricoh Family Group (RFG), but not from Ricoh Business Systems (RBS) – Ricoh’s direct distribution division. Our sample included only independent dealer business activity.

Ricoh Family Group	24.4%
Canon	20.0%
Konica Minolta	14.8%
Kyocera/Copystar	14.1%
Sharp	11.9%
Toshiba	10.4%
Panafax/Panasonic	8.1%
Xerox	3.7%
Hewlett-Packard	2.2%
Samsung	1.5%
Lexmark	0.7%

Source: OPA

We examined scanning activity as a separate topic, since most manufacturers are stressing this function in their new product releases. Contrary to our expectations, Table 2 shows that only 8.1% of dealers actually track the number of scanned pages, even less than the 12.4% reported in last year's study. Of the dealers that did track scanned pages, only 45.5% charge for it, only slightly higher than last year (42.9%). Many dealers feel that to survive in the market, they have to do what the competition was doing and offer scanning at no charge. When the scanning option is part of the system, users scan an average of 3,000 pages per month (median value). These pages could be part of facsimile, e-mail archiving or workstation activities.

	Universe	Canon	Konica Minolta	Kyocera/ Copystar	Panafax/ Panasonic	Ricoh Family Group	Sharp	Toshiba
Average Number Of Pages Scanned Per Month*	3,000	---	---	---	---	---	---	---
% of Dealer Who Track	8.1%	4.5%	0.0%	23.5%	10.0%	3.1%	13.3%	14.3%
% of Dealers Who Charge For Scanning	45.5%	---	---	---	---	---	---	---

*Median Values Used Source: OPA

We asked service managers to rate the reliability of the Primary Brand multifunctional products serviced by their dealerships. Ratings were compiled using a scale of 1 - 10, with "10" being the highest possible rating. The ratings in Table 3 include only those multifunctional products for which we received a significant number of responses. Also, please note that the models under RFG are listed in sequence as Ricoh/Lanier/Savin respectively, as well as, Kyocera/Copystar. The table also includes the speed range for each model listed. Speed ranges are listed on the Speed Range Chart.

1 = Less than 15 PPM	4 = 45 – 59 PPM
2 = 15 – 24 PPM	5 = 60 – 69 PPM
3 = 25 – 44 PPM	6 = 70 + PPM

Model	Ratings	PPM	Maximum Recommended Volume	Configuration	Speed Range
Canon:					
imageRUNNER 1023	8.4	23	30,000	Desktop	2
imageRUNNER 2018	7.6	18	60,000	Desktop	2
imageRUNNER 2022	7.6	22	75,000	Console	2
imageRUNNER 2230	7.9	22	80,000	Console	2
imageRUNNER 3025	8.4	25	90,000	Console	3
imageRUNNER 3030	8.2	30	40,000	Console	3
imageRUNNER 3035	8.7	35	45,000	Console	3
imageRUNNER 3045	8.2	45	170,000	Console	4
imageRUNNER 3235	7.9	32	135,000	Console	3
imageRUNNER 3245	8.4	45	170,000	Console	4
imageRUNNER 5000	8.0	50	200,000	Console	4
imageRUNNER 5055	8.0	55	220,000	Console	4
imageRUNNER 5075	7.8	75	250,000	Console	6
imageRUNNER 8070	8.6	70	350,000	Console	6

Table 3 is continued on the next page.

Table 3 – Dealer Ratings of Reliability – Continued

Model	Ratings	PPM	Maximum Recommended Volume	Configuration	Speed Range
<u>Konica Minolta:</u>					
bizhub 160	6.5	16	16,000	Desktop	2
bizhub 181	7.6	18	30,000	Desktop	2
bizhub 200	7.7	20	60,000	Console	2
bizhub 250	7.4	25	120,000	Console	3
bizhub 350	7.6	35	150,000	Console	3
bizhub 361	8.2	36	150,000	Console	3
bizhub 421	6.1	42	150,000	Console	4
bizhub 501	7.3	50	175,000	Console	4
bizhub 601	8.0	60	300,000	Console	5
bizhub 750	8.2	75	300,000	Console	6
<u>Kyocera/Copystar:</u>					
KM-1650 / CS-1650	8.5	16	20,000	Desktop	2
KM-1820 / CS-1820	8.6	18	15,000	Desktop	2
KM-2050 / CS-2050	8.3	20	30,000	Desktop	2
KM-2540 / CS-2540	8.2	25	80,000	Console	3
KM-2560 / CS-2560	7.7	25	80,000	Console	3
KM-3040 / CS-3040	8.3	30	100,000	Console	3
KM-3060 / CS-3060	8.0	30	100,000	Console	3
KM-4050 / CS-4050	8.4	40	150,000	Console	3
KM-5050 / CS-5050	8.1	50	200,000	Console	4
KM-6030 / CS-6030	8.4	60	350,000	Console	5
KM-8030 / CS-8030	8.4	80	500,000	Console	6
<u>Panafax/Panasonic:</u>					
WORKiO DP-190	7.2	19	10,000	Desktop	2
WORKiO DP-2330	8.3	23	90,000	Desktop	2
WORKiO DP-3030	8.5	30	25,000	Desktop	3
WORKiO DP-3530	7.3	35	35,000	Desktop	3
WORKiO DP-4530H	7.2	45	200,000	Desktop	4
WORKiO DP-6030H	8.5	60	250,000	Desktop	5
WORKiO DP-8016P	8.3	16	20,000	Desktop	2
WORKiO DP-8020E	8.7	20	40,000	Desktop	2
WORKiO DP-8060	8.5	60	250,000	Semi Console	5
<u>Ricoh Family Group (Ricoh / Lanier / Savin):</u>					
AC205 / AC122 / AC205	6.6	22	2,500	Desktop	2
Aficio 1515 / LD015 / 3515	7.8	15	5,000	Desktop	2
Aficio MP 161 / LD016 / 816	8.4	16	5,000	Desktop	2
Aficio MP 4000 / LD040 / 9040	8.5	40	200,000	Console	3
Aficio MP 5000 / LD050 / 9050	8.0	50	200,000	Console	4
Aficio 2016 / LD116 / 8016	7.9	16	12,500	Desktop	2
Aficio MP 171 / LD117 / 917	8.6	17	5,000	Console	2
Aficio 2018 / LD118 / 4018	7.6	18	15,000	Desktop	2
Aficio 2020D / LD120d / 8020D	7.5	20	15,000	Desktop	2
Aficio MP 2500 / LD125 / 7025	7.9	25	25,000	Console	3
Aficio MP 6000 / LD260 / 8060	8.7	60	300,000	Console	5
Aficio MP 7000 / LD270 / 8070	9.2	70	300,000	Console	6
Aficio MP 1600 / LD316 / 9016	8.1	16	12,500	Console	2
Aficio MP 2000 / LD320D / 9021d	8.6	21	15,000	Console	2
Aficio MP 2510 / LD325 / 8025e	8.0	25	45,000	Console	3
Aficio MP 3010 / LD330 / 8030e	8.1	30	45,000	Console	3
Aficio MP 3500 / LD335 / 8035e	8.1	35	80,000	Console	3
Aficio MP 4500 / LD345 / 8045e	8.1	45	100,000	Console	4
Aficio MP 2550 / LD425 / 9025	8.0	25	100,000	Console	3
Aficio MP 3350 / LD433 / 9033	8.1	33	100,000	Console	3
<u>Sharp:</u>					
AR-168S/D Imager	7.0	16	15,000	Desktop	2
AR-M162 Imager	8.2	16	20,000	Desktop	2
AR-M207/E Imager	8.1	20	20,000	Desktop	2
AR-M237 Imager	8.1	23	75,000	Console	2
AR-M257 Imager	8.2	25	INA	Console	3
AR-M277 Imager	8.1	27	75,000	Console	3
AR-M317 Imager	8.3	31	50,000	Console	3
AR-M355N/U Imager	8.4	35	200,000	Console	3
AR-M455N/U Imager	8.6	45	200,000	Console	4
MX-M350	8.4	35	200,000	Console	3
MX-M450	8.6	45	200,000	Console	4

Table 3 is continued on the next page.

Table 3 – Dealer Ratings of Reliability – Continued

Model	Ratings	PPM	Maximum Recommended Volume	Configuration	Speed Range
Toshiba:					
e-STUDIO120	5.6	12	12,000	Desktop	1
e-STUDIO150	5.4	15	15,000	Desktop	2
e-STUDIO162/D	5.6	16	15,000	Desktop	2
e-STUDIO167	6.8	16	50,000	Console	2
e-STUDIO203S/D	5.4	20	64,000	Console	2
e-STUDIO281C	5.9	28	100,000	Console	3
e-STUDIO351C	6.5	35	100,000	Console	3
e-STUDIO451C	6.8	45	150,000	Console	4
*INA = Information Not Available		Source: OPA			

After reviewing the ratings presented in Table 3, we compiled a Recommended Purchase list (Table 4) made up of those models with an average rating of 8.5 or higher. This list is based upon the perceptions of the service managers interviewed who have serviced each model. Note Ricoh Family Group has the most recommended models (5).

Table 5 shows the overall rating by brand for the multifunctional products included in our survey. We used a 1 - 10 scale, with "10" representing the highest rating and included all the models for which we received responses. Note that we have not listed all of these models in Table 3, since, for some individual models we did not have a statistically significant number of responses. When we examine the overall average ratings, we find that Kyocera/Copystar received the highest score of 8.4. Kyocera received the highest score in the last three years as well.

Table 4 – Recommended Purchase List

Canon:	
imageRUNNER 3035.....	8.7
imageRUNNER 8070.....	8.6
Kyocera/Copystar:	
KM-1650 / CS-1650.....	8.5
KM-1820 / CS-1820.....	8.6
Panafax/Panasonic:	
WORKiO DP-3030.....	8.5
WORKiO DP-6030H.....	8.5
WORKiO DP-8020E.....	8.7
WORKiO DP-8060.....	8.5
Ricoh Family Group (Ricoh / Lanier / Savin):	
Aficio MP 171 / LD117 / 917.....	8.6
Aficio MP 2000 / LD320D / 9021d.....	8.6
Aficio MP 4000 / LD040 / 9040.....	8.5
Aficio MP 6000 / LD260 / 8060.....	8.7
Aficio MP 7000 / LD270 / 8070.....	9.2
Sharp:	
MX-M450.....	8.6
AR-M455N/U Imager.....	8.6
Source: OPA	

Table 5 – Equipment Reliability Ratings by Brand

Universe.....	7.9
Kyocera/Copystar.....	8.4
Canon.....	8.1
Panafax/Panasonic.....	8.1
Ricoh Family Group.....	8.1
Sharp.....	8.1
Konica Minolta.....	7.4
Toshiba.....	6.8
Source: OPA	

Table 6 – Top Reliability by Speed Range

Speed Range	Brand/Model	Rating
1	Toshiba e-STUDIO120	5.6
2	Panasonic WORKiO DP-8020E	8.7
3	Canon imageRUNNER 3035	8.7
4	Sharp AR-M455N Imager / MX-M450	8.6
5	Ricoh Aficio MP 6000/ Lanier LD260 / Savin 8060	8.7
6	Ricoh Aficio MP 7000 / Lanier LD270 / Savin 8070	9.2
Source: OPA		

Table 6 shows each model that received the highest rating by speed range. Each of these models was judged to be the most reliable by the dealers



that service them. Ricoh rated highest in two out of six speed categories with models that ranked the highest in those respective categories. The Ricoh Family Group Aficio MP 7000/Lanier LD270/Savin 8070 (same unit, different RFG brands) rated the highest of all units with a rating of 9.2.

In Table 7, dealer service managers were asked to quantify the ratings of their products in terms of the type and frequency of service calls made for each model serviced. The final column (Months Between Calls) was calculated using the Average Monthly Page Volume, Preventive Maintenance, and Average Pages Between Calls. The following explanation of category terms used in Table 7 will be helpful in understanding the data presented.

- **Mean Number of Installs** – The mean number of units installed for all dealers interviewed.
- **Average Monthly Page Volume** – The average monthly page volume for each of the multifunctional products listed. Note that these averages include pages from all functions (copy/print/fax).
- **Preventive Maintenance (PM) Cycle** – The average number of pages made between preventive maintenance service calls, assuming preventive maintenance is not performed as part of an emergency call. In other words, this would represent an incremental service call. It should be noted that these intervals are based upon the reported experience of the service managers interviewed and could vary greatly from the PM interval recommended by each individual manufacturer for each model.
- **Average Pages Between Calls** – The average pages produced between unscheduled emergency service calls, regardless of the reason. We have excluded preventive maintenance calls from these intervals.
- **Mean Call Back Percentage**– The average (mean) time from when a service call is placed to the arrival of the service technician at the installation site, excluding the actual number of hours needed to repair the copier (one full day = 8 hours).
- **Months Between Calls** – In this column, we have combined the Median Monthly Page Volume, Preventive Maintenance Cycle and Median Pages Between Calls to arrive at the number of months between service calls of any type. An entry of less than “1” indicates service call frequency of more than one call per month.

Table 7 – Service Intervals						
Model	Mean # of Installs	Average Monthly Page Volume	Preventive Maintenance	Average Pages Between Calls	(Mean) Call Back Percentage	Months Between Calls
Canon:						
imageRUNNER 1023	50.1	2,592	19,474	18,222	2.5	3.6
imageRUNNER 2018	16.6	2,140	20,000	16,600	3.6	4.2
imageRUNNER 2022	44.3	4,208	23,650	19,917	2.2	2.6
imageRUNNER 2230	99.4	4,724	36,143	29,913	5.6	3.5
imageRUNNER 3025	50.1	4,389	42,778	26,667	2.8	3.7
imageRUNNER 3030	46.2	6,731	48,462	30,615	2.3	2.8
imageRUNNER 3035	35.0	8,750	65,000	40,000	2.5	2.8
imageRUNNER 3045	32.0	10,500	64,167	45,833	4.3	2.5
imageRUNNER 3235	53.0	19,144	99,286	51,398	4.9	1.8
imageRUNNER 3245	62.9	10,000	93,043	36,200	4.4	2.6
imageRUNNER 5000	94.6	16,375	105,625	69,375	3.6	2.6
imageRUNNER 5055	28.0	41,800	160,000	78,143	3.0	1.3
imageRUNNER 5075	63.0	21,660	145,100	58,120	4.6	1.9
imageRUNNER 8070	14.6	42,600	330,000	118,000	2.6	2.0
Average	49.3	13,972	89,480	45,643	3.5	2.7
Konica Minolta:						
bizhub 160	40.4	1,245	11,800	8,455	3.6	4.0
bizhub 181	38.0	2,700	26,500	16,400	3.8	3.8
bizhub 200	125.2	8,309	50,800	26,118	4.7	2.1
bizhub 250	92.8	7,226	70,500	36,600	5.5	3.3
bizhub 350	148.9	10,366	79,375	44,708	5.5	2.8
bizhub 361	22.6	12,600	101,200	68,000	3.4	3.2
bizhub 421	47.6	19,000	205,000	66,747	7.4	2.7
bizhub 501	38.8	24,718	185,000	78,888	8.0	2.2
bizhub 601	48.0	18,364	220,000	76,568	6.4	3.1
bizhub 750	24.8	29,735	---	105,466	9.2	---
Average	62.7	13,426	105,575	52,795	5.8	3.0
Kyocera/Copystar:						
KM-1650 / CS-1650	32.8	4,930	139,000	32,728	6.5	5.4
KM-1820 / CS-1820	110.2	2,365	81,615	29,270	4.6	9.1
KM-2050 / CS-2050	41.1	5,007	90,636	36,237	5.9	5.2
KM-2540 / CS-2540	15.2	3,283	141,667	30,616	2.8	7.7
KM-2560 / CS-2560	29.5	5,808	182,500	33,515	4.9	4.9
KM-3040 / CS-3040	7.2	7,663	198,333	44,294	2.4	4.7
KM-3060 / CS-3060	23.6	5,809	236,000	37,586	4.0	5.6
KM-4050 / CS-4050	44.4	12,129	298,000	53,851	5.6	3.8
KM-5050 / CS-5050	74.8	18,609	324,167	66,314	6.3	3.0
KM-6030 / CS-6030	46.5	29,743	400,000	107,363	9.8	2.8
KM-8030 / CS-8030	40.5	43,700	430,769	135,715	8.0	2.4
Average	42.3	12,641	229,335	55,226	5.5	4.9
Panafax/Panasonic:						
WORKIO DP-190	43.2	2,374	134,000	19,525	10.3	7.2
WORKIO DP-2330	38.9	6,185	80,556	45,583	10.0	4.7
WORKIO DP-3030	28.6	6,410	85,750	50,029	9.1	4.9
WORKIO DP-3530	18.7	10,779	155,833	71,149	11.2	4.5
WORKIO DP-4530H	24.0	15,595	153,333	50,784	14.0	2.4
WORKIO DP-6030H	24.6	25,890	155,714	63,827	12.2	1.7
WORKIO DP-8016P	12.8	4,317	---	---	---	---
WORKIO DP-8020E	16.7	3,327	74,286	50,833	8.4	9.1
WORKIO DP-8060	20.0	15,536	80,000	81,685	10.0	3.6
Average	25.3	10,046	127,434	54,177	10.7	4.8
Ricoh Family Group (Ricoh / Lanier / Savin):						
AC205 / AC122 / AC205	29.8	5,500	30,000	22,800	2.0	2.4
Aficio 1515 / LD015 / 3515	50.4	2,742	40,690	24,764	8.1	5.6
Aficio MP 161 / LD016 / 816	73.2	4,258	42,629	24,210	4.2	3.6
Aficio MP 4000 / LD040 / 9040	27.7	16,351	123,230	54,445	4.9	2.3
Aficio MP 5000 / LD050 / 9050	29.8	25,846	137,692	58,692	7.5	1.6
Aficio 2016 / LD116 / 8016	29.1	4,597	39,553	22,340	3.7	3.1
Aficio MP 171 / LD117 / 917	20.1	2,589	45,875	13,778	4.1	4.1
Aficio 2018 / LD118 / 4018	28.6	3,130	52,497	19,721	9.8	4.6
Aficio 2020D / LD120d / 8020D	30.6	8,250	58,250	38,636	3.5	2.8
Aficio MP 2500 / LD125 / 7025	13.8	5,674	57,692	26,416	4.8	3.2
Aficio MP 6000 / LD260 / 8060	41.3	45,400	233,000	101,333	5.6	1.6
Aficio MP 7000 / LD270 / 8070	52.7	60,000	340,000	117,500	3.5	1.5
Aficio MP 1600 / LD316 / 9016	38.9	3,175	44,250	21,458	3.6	4.6
Aficio MP 2000 / LD320D / 9021d	42.0	4,365	47,912	23,862	4.3	3.6
Aficio MP 2510 / LD325 / 8025e	36.5	5,527	62,333	21,749	8.0	2.9
Aficio MP 3010 / LD330 / 8030e	9.4	5,411	70,400	29,226	---	---
Aficio MP 3500 / LD335 / 8035e	105.0	13,891	121,667	61,279	12.4	2.9
Aficio MP 4500 / LD345 / 8045e	65.5	16,369	130,833	62,279	13.0	2.6
Aficio MP 2550 / LD425 / 9025	28.6	6,932	51,120	27,151	4.3	2.6
Aficio MP 3350 / LD433 / 9033	25.2	10,722	101,667	38,889	6.9	2.6
Average	38.9	12,536	91,564	40,526	6.0	3.1

Table 7 is continued on the next page.

Model	Mean # of Installs	Average Monthly Page Volume	Preventive Maintenance	Average Pages Between Calls	(Mean) Call Back Percentage	Months Between Calls
Sharp:						
AR-168S/D Imager	92.5	1,480	30,000	17,400	6.0	7.4
AR-M162 Imager	51.0	3,467	31,667	27,000	5.4	4.2
AR-M207/E Imager	51.9	3,230	38,571	24,333	5.7	4.6
AR-M237 Imager	76.6	5,416	53,333	35,000	5.1	3.9
AR-M257 Imager	39.9	4,292	54,444	29,375	5.6	4.4
AR-M277 Imager	96.1	5,890	69,375	39,286	5.5	4.3
AR-M317 Imager	32.8	5,441	55,000	----	----	----
AR-M355N/U Imager	27.4	13,895	110,625	44,286	6.0	2.3
AR-M455N/U Imager	17.4	18,438	115,625	45,714	5.6	1.8
MX-M350	53.6	14,986	148,571	53,333	4.5	2.6
MX-M450	33.9	16,754	169,375	60,714	4.6	2.7
Average	52.1	8,481	79,690	37,644	5.4	3.8
Toshiba:						
e-STUDIO120	66.0	3,056	23,000	10,704	9.1	2.4
e-STUDIO150	44.8	3,086	24,000	8,592	9.1	2.1
e-STUDIO162/D	50.7	3,289	25,000	11,677	9.6	2.4
e-STUDIO167	15.8	5,130	57,400	11,965	13.1	1.9
e-STUDIO203S/D	19.2	2,260	23,000	13,297	4.3	3.7
e-STUDIO281C	26.1	14,082	80,714	19,792	8.6	1.1
e-STUDIO351C	30.3	19,245	84,000	22,828	16.5	0.9
e-STUDIO451C	34.4	19,510	----	17,974	18.2	----
Average	35.9	8,707	45,302	14,604	11.1	2.1

Source: OPA.

Table 8 summarizes the responses given by dealers when asked to what extent, if any, they purchase Non-OEM parts. Of the dealers responding to this year's study, 54.1% indicate that they purchase parts from Non-OEM sources, a decrease from last year's response (60.0%). The dealers that reported purchasing Non-OEM parts indicated that 47.5% of the parts they purchase are Non-OEM. The average percentage of market share lost for OEM parts suppliers is 25.7% (54.1% x 47.5%), a significant increase compared with 7.2% last year.

Of the dealer population interviewed, Panafax/Panasonic and Toshiba indicate the highest percentage of dealers purchasing Non-OEM parts – 100.0%. Panafax/Panasonic dealers that purchase Non-OEM parts indicated that 84.9% of parts they purchase are Non-OEM – the highest of all brands represented. Consequently, Panafax/Panasonic Primary Brand dealers showed the highest percentage of OEM market share lost 84.9% (100.0% x 84.9%). Toshiba Primary Brand dealers come in close to Panafax/Panasonic losing 82.9% of their share to non-OEM sources. Sharp continues to retain the most OEM market

	Universe	Canon	Konica Minolta	Kyocera/Copystar	Panafax/Panasonic	Ricoh Family Group	Sharp	Toshiba
Percent Of Dealers That Buy Non-OEM Parts	54.1%	22.7%	27.8%	82.4%	100.0%	25.8%	66.7%	100.0%
Percent Of Parts Are Non-OEM	47.5%	22.4%	26.6%	72.3%	84.9%	24.8%	54.3%	82.9%
Non-OEM Share	25.7%	5.1%	7.4%	59.5%	84.9%	6.4%	36.2%	82.9%
Gross Margins – Manufacturer Parts	32.1%	30.4%	31.8%	----	----	33.5%	35.7%	----
Gross Margins – Non-OEM Parts	38.3%	----	----	----	----	----	34.1%	----

Source: OPA

share with 35.7%. The gross margin for OEM and Non-OEM parts decreased from 41.8% and 40.8% last year, compared with 32.1% and 38.3% respectively this year. Note that non-OEM margins are slightly higher than OEM margins.

We asked our respondents to provide us with the same information relating to copier supplies. These data are summarized in Table 9. As with Non-OEM parts, we see a broad range of Non-OEM supplies participation across brands.

In this year's study, we see that 52.3% of dealers are purchasing Non-OEM supplies. Panasonic and Toshiba show the highest percentage of dealers reporting Non-OEM purchases (100.0%). Panasonic and Toshiba dealers that purchase Non-OEM supplies indicated that 85.7% and 82.1%, respectively, of the supplies they purchase are Non-OEM – the highest of all brands represented. Panasonic shows the greatest loss in OEM market share (85.7%), followed closely by Toshiba (82.1%). Gross margins for Non-OEM supplies (35.8%) are higher than is the case for OEM supplies (30.1%). Non-OEM supplies, with their higher margins, play a pivotal role in Managed Print Services (MPS) strategies. It is the primary strategy employed by dealers to reduce the cost of these contracts.

	Universe	Canon	Konica Minolta	Kyocera/ Copystar	Panafax/ Panasonic	Ricoh Family Group	Sharp	Toshiba
Percent Of Dealers That Buy Non-OEM Supplies	52.3%	19.0%	27.8%	87.5%	100.0%	25.8%	53.8%	100.0%
Percent Of Supplies Are Non-OEM	45.1%	18.4%	24.7%	78.4%	85.7%	19.7%	46.9%	82.1%
Non-OEM Share	23.6%	3.5%	6.9%	68.6%	85.7%	5.1%	25.3%	82.1%
Gross Margins – Manufacturer Supplies	30.1%	27.2%	32.3%	----	----	31.0%	34.0%	----
Gross Margins – Non-OEM Supplies	35.8%	----	----	----	----	----	34.7%	----

Source: OPA

The major service cost component for dealers is the labor cost of their service representatives. Therefore, we track the productivity of the service representatives to measure the effectiveness of their labor that cost. Table 10 highlights the methods most used by dealers to track the productivity of their technicians and the average values for each of those productivity measures. Of all the methods mentioned, Call Back Percentage was used with the greatest frequency

Dealership Tracks Service Rep Productivity:	
University	71.9%
Calls Per Rep	43.3%
Call Back Percentage	49.5%
Copiers Per Rep	1.0%
Copies Per Rep	4.1%
Parts Usage Per Rep	0.0%
EM vs. PM Ratio	0.0%
Revenue Per Rep	5.2%
Productivity Rates*:	
Calls Per Rep	5.4
Call Back Percentage	9.6
Copiers Per Rep	----
Copies Per Rep	----
Parts Usage Per Rep	----
Revenue Per Rep	----
Monthly Copies Per Sales Rep	----

*Median Values Used Source: OPA



(49.5% of dealers), followed by Calls Per Rep (43.3%). We find this to be significant, because this is the first time Calls Per Rep was not mentioned with the most frequency. This is significant because it is the only tracking method that is not directly tied to either service revenue or service cost. The average call back percentage is 9.6%.

In Table 11, we asked the service managers in our survey sample to rate their Primary Brand models in each of 39 critical areas. We used a scale of 1 - 10, with "10" representing the highest rating. We have separated the features into four primary categories – Products, Service Support, Product Reliability and Inventory. This will allow a more complete overview of how the brands compare with one another within the various groups.

Service managers rated Kyocera/Copystar first in 17 of the performance categories. We congratulate Kyocera/Copystar for their outstanding performance.

Table 11 – Ratings								
	Universe	Canon	Konica Minolta	Kyocera/ Copystar	Panafax/ Panasonic	Ricoh Family Group	Sharp	Toshiba
Products:								
Overall Product Reliability	8.35	8.41	8.00	8.85	7.55	8.47	8.50	8.21
Copier Reliability	8.36	8.27	8.00	8.79	7.45	8.56	8.60	8.29
Fax Reliability	8.42	8.36	7.74	8.53	8.90	8.75	8.27	8.54
Printer Reliability	8.45	8.36	7.84	8.74	8.00	8.65	8.70	8.55
Network Compatibility	8.47	8.14	7.74	8.71	8.30	8.97	8.40	8.46
Scanning Reliability	8.53	8.27	7.84	8.47	8.10	8.97	8.77	8.79
General Ease Of Maintenance	8.15	7.91	7.42	8.71	7.80	8.44	8.30	7.82
Ease of Operator Maintenance	8.20	7.91	7.21	8.38	8.30	8.71	8.67	7.93
General Application Compatibility	8.18	8.09	7.63	8.18	7.70	8.39	8.67	8.21
Cost Of Service	7.50	7.41	6.21	8.38	6.50	7.76	7.80	7.68
Image Quality For Prints	8.55	8.36	8.11	8.59	8.60	8.88	8.27	8.75
Image Quality For Copies	8.51	8.36	8.05	8.59	8.70	8.85	8.27	8.57
Function Contention	8.23	7.95	7.89	8.26	8.38	8.41	8.33	8.54
Ease Of Installation	8.44	8.23	7.53	8.62	8.65	8.88	8.33	8.64
Ease Of Connectivity	8.36	8.23	7.58	8.56	8.70	8.76	8.13	8.50
Average	8.31	8.15	7.65	8.56	8.11	8.63	8.40	8.37
Service Support:								
Availability Of A Manufacturer's Trouble Shooter In The Field	8.01	8.55	7.72	8.85	6.10	8.24	7.40	7.85
Effectiveness Of Service Hotline	7.62	8.36	7.39	7.68	5.29	8.06	7.13	7.54
Effectiveness Of Software Support	7.74	7.95	7.39	7.85	6.00	8.44	7.80	7.00
Availability Of Controller/Software Upgrades	8.46	8.59	7.78	8.82	7.80	8.79	8.53	8.43
Effectiveness Of Controller/Software Upgrades	8.27	8.09	7.78	8.47	7.30	8.85	8.13	8.50
Effectiveness Of Internet Support	8.20	8.59	7.83	7.84	7.11	8.75	7.87	8.15
Effectiveness Of Engineering Support	7.72	7.75	8.00	8.19	5.78	8.09	7.58	7.22
Effectiveness Of General Service Communications	8.02	8.27	8.28	8.38	6.33	8.33	7.70	7.64
Retrofit Announcements	7.91	7.90	7.89	7.97	6.89	8.03	8.25	7.79
Availability Of Basic Service Training Program	8.55	8.77	8.39	9.06	6.60	8.77	8.47	8.43
Effectiveness Of Basic Service Training Program	8.32	8.41	8.33	8.65	6.50	8.61	8.57	8.00
Effectiveness Of Advanced Product Training Program	8.21	8.41	8.17	8.40	5.17	8.64	8.07	8.09
Availability Of Remote Diagnostics	7.46	7.77	7.39	7.83	6.75	7.80	7.15	6.36
Average	8.04	8.26	7.87	8.31	6.43	8.42	7.90	7.77

Table 11 is continued on the next page.

Table 11 – Ratings – Continued

	Universe	Canon	Konica Minolta	Kyocera/ Copystar	Panafax/ Panasonic	Ricoh Family Group	Sharp	Toshiba
Product Reliability:								
Product Service Profitability	7.57	7.52	6.94	8.25	7.11	7.62	7.80	7.57
Parts Reliability	8.23	8.27	7.50	8.26	8.30	8.36	8.40	8.29
Product Reliability When First Introduced	8.08	8.00	7.67	8.24	8.20	8.36	8.20	7.93
Ongoing Product Reliability	8.19	8.09	7.83	8.56	7.30	8.27	8.33	8.50
Retrofit Reliability	8.06	8.00	7.67	8.35	7.44	8.31	8.46	7.64
Average	8.03	7.98	7.52	8.33	7.67	8.18	8.24	7.99
Inventory:								
Parts Availability	8.41	8.23	7.72	8.65	8.25	8.79	8.40	8.43
Parts Delivery Time	8.46	8.27	7.89	8.65	8.40	8.73	8.20	8.79
Order Processing	8.52	8.64	8.00	8.79	7.90	8.67	8.27	8.77
Product Availability	8.18	8.18	7.67	8.59	7.00	8.58	8.13	8.08
Accuracy Of Orders	8.67	8.41	8.28	8.97	9.00	8.59	8.67	9.00
Availability Of Supplies	8.44	8.45	7.94	9.00	7.50	8.67	8.47	8.29
Average	8.45	8.36	7.92	8.78	8.01	8.67	8.36	8.56

Source: OPA

Technical Perspective

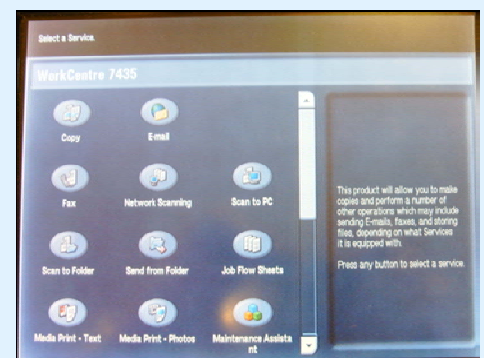
Xerox WorkCentre 7435



The Xerox WorkCentre 7435 is the 35-PPM flagship product from the 7400 series of color MFPs from Xerox. This product is an enhanced version of the earlier 7300 series, which proved to be very popular.

The WorkCenter 7435 has an impressive, easy to use color touch screen that customers can customize, either to bring embedded buttons onto the main screen or to help access more complex applications such as document management solutions. The display also has an optional thumbnail feature that lets customers see thumbnails of documents stored on the device right on the touch screen – a very useful feature.

Print productivity was decent although not as good as what we’ve seen from other vendors but let’s face it, a few seconds

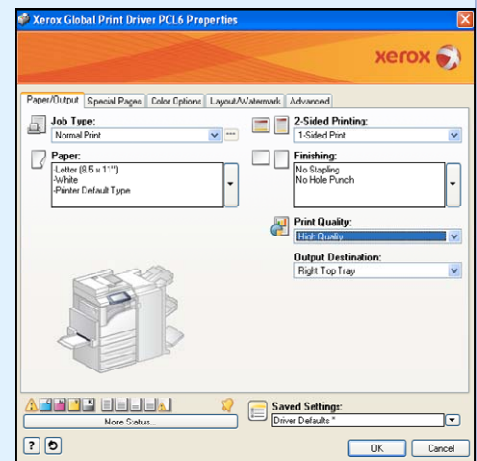


here or there is less important when printing as when copying where an additional few seconds can seem like an eternity when waiting at the device for a job to finish. Copy times were actually slightly better than many other devices we've tested in this class. Image quality was excellent and this device has qualified for our *Certified Excellent Image Quality* award, which to date, very few devices have qualified for. [Click here](#) to download a copy of our scoring rubric or to learn more about this program.



The device offers a variety of print driver options with PCL, PS as well as Xerox's new Global and Mobile Express print drivers, making the WorkCentre 7435 an IT-friendly machine.

In all, the Xerox WorkCentre 7435 is a capable machine and between Authorized Sales Agents, Branches and Global Imaging dealers, there is no shortage of places where a customer can buy one.



Technical Perspective is provided by Industry Analysts Technical Services Division (IATSD). For more information on IATSD, or to obtain information on testing, please contact IATSD Senior Director Ted Needleman at (973) 227-8699, or Ted@industryanalysts.com, or visit www.industryanalysts.com