

Proven savings and productivity gained through the use of original HP print cartridges

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Dhaya Sivakumar
Group IT Manager



Gullivers Travel Group (GLS) is the largest outbound travel services business in New Zealand focusing on the wholesale, retail leisure and corporate travel markets. The Group has 280 outlets and offices located in all the main metropolitan and provincial areas throughout New Zealand, as well as Wholesale Operations in the UK and Australia.

The Gullivers Travel Group comprises a portfolio of high profile travel brands including United Travel, Holiday Shoppe, Travel Smart, the New Zealand Master Franchise for Harvey World Travel, GO Retail, Atlantic Pacific Radius, Signature Travel, Biztrav, Gullivers Holidays, Gullivers Ticketing, GO Holidays and Ticketing, Travel Reward Incentive Programme (TRIPS) and online businesses of Travel.co.nz and Zuji New Zealand, as well as a travel software development and distribution division.

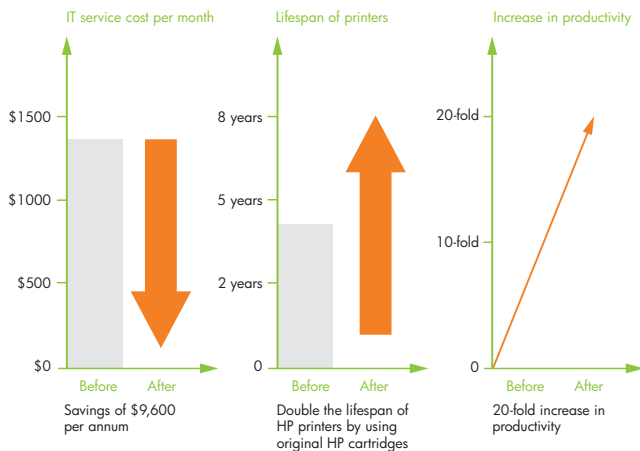




The head office, Gullivers Pacific, is based in central Auckland and has over 200 staff. Group IT Manager, Dhaya Sivakumar joined Gullivers in late 2003, heading up a team of 14, spread across several operations. His mandate has been to manage the operational IT for the Group including the rollout of the groups core application throughout the UK and Australia.

When Sivakumar joined Gullivers Pacific the printer network consisted of around 50 devices, nearly all Hewlett-Packard brand. The oldest 10 were replaced with new leasehold printers, but it was apparent to Sivakumar within 6 months of joining Gullivers that the remaining 40 units were costing the company an excessive amount in terms of ongoing support. Although tempted to replace all aging printers by moving entirely to leasing, as he had done at a previous company, he was instead persuaded to revert to using HP original cartridges for a trial period.

Savings at a glance



Note: All figures quoted are in US dollars.

"When I joined Gullivers we had a single supplier of remanufactured cartridges, who also serviced all our printers," said Sivakumar. "Our outgoings for support ranged between \$320-1280 per month, averaging \$9,600-12,800 per annum. I had simply accepted this as necessary to maintain our network of aging printers. It wasn't until we moved completely to original HP cartridges that we noticed a substantial difference in the required level of service, and realised that the remanufactured cartridges were the problem, not the printers."

"The printer serviceman, who we had been used to seeing 3 to 4 times a week, was all of a sudden noticeable by his absence – now we were seeing him only once or twice a month. At one stage the serviceman even tackled me about the drop in his visits, asking if we'd found another supplier to service our printers. It took some convincing that we hadn't, that this was simply a result of using original HP cartridges."

"It probably took me 6 months though to really accept that the savings and decreased service visits were due to our move to original cartridges. But you couldn't ignore the magnitude of the impact; our printers had a new lease of life and were performing to standard, instead of requiring constant attention."

"What the staff first noticed when we made the move was that there were no problems to notice. Issues we'd become all too familiar with, like poor quality printing, paper jams, cartridges being inconsistent in their performance and life span, basically all but disappeared."

"Not only has the performance of the printers increased dramatically but I now didn't have to look at off-loading them with a view to replacement, and now have peace of mind about the performance and value they add to our operation. I certainly have every reason for looking at a move to original HP supplies across the entire company."

"I'd never given much credence to the claims made by the original manufacturers about the difference in quality between their cartridges, and remanufactured ones – feeling that these were scare tactics to ensure they kept our business. The reality has been that the pricing is very competitive, we get better results and considerably fewer service calls, and we don't end up with a pile of faulty remanufactured cartridges lying around various departments waiting for someone to make a call to get them returned. Often because of the inconvenience factor, they never got returned at all so we were paying for supplies we never used."

Sivakumar has a very strong recommendation to make to anyone looking to save costs: "Get rid of the remanufactured cartridges and try original HP cartridges for 3 months. Before hand, note the amount you are paying for repairs, the comments about paper jams, printer downtime, print quality and the number of times the serviceman calls. Then compare it 3 months later. Given what's happened here I won't be surprised at the result, but I think you will be."

"HP printers will last pretty much forever as long as you use HP toner."

For further information, please visit www.hp.com/apac/suppliesreliability

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Printed in Singapore, June 2006

