



Benchmarks & Price Increases

BTA dealer questions answered by fellow dealers

Compiled by: Brent Hoskins, Office Technology Magazine

Following are two questions submitted by dealer members as part of BTA's Dealers Helping Dealers resource, and several of the answers received. These answers and many others can be found in the members-only section of the BTA website. Visit www.bta.org/DealersHelpingDealers. You will need your BTA username and password.



We've all implemented price increases in different ways. What have you experienced in terms of pushback and results with the price increases you have implemented?

With the infusion of MPS and inkjet devices, it would seem like the landscape for measuring service cost/expense has changed. Can you share the methodology and benchmarks you currently use to measure service cost/expenses in the copier/printer sector?

"We use the Global model as a benchmark."
Gerry Ryan, president
Emerald Document Imaging, Farmingdale, New York

"For copiers, we use a profitability calculator from the manufacturer and then validate after the fact."
Tony Sanchez, managing partner
C3 Tech, Santa Ana, California

"Using the SDG model or the ProFinance model."
Chap Breard, president
MOEbiz, Monroe, Louisiana

"We are currently still relying on Ricoh and our other manufacturers' service cost numbers and then coming up with our front-facing pricing based on those numbers, travel distance, level of technician expertise needed, etc. Once we come up with our pricing levels, we then apply them on a case-by-case basis."
Michael Kenny, president & CEO
U.S. Copy Inc., Kenner, Louisiana

"NEXERA for national averages and to set the flat-rate plan."
Tim Stanley, founder/owner
TDSiT, Lowell, Arkansas

"We use e-automate to show actual costs."
Nick Lioce, president
The Lioce Group, Huntsville, Alabama

"We have had success with customers accepting surcharges versus price increases. The positioning is that a variety of costs have gone up due to fuel cost increases, freight costs and labor shortages causing wage cost increases. We think all these things will normalize over time, but until they do, we are forced to pass on our increased cost. We will do this as a surcharge so that it is identifiable and can be removed or reduced as the supply-chain costs return to normal."

Derek Johannson, executive chairman
Carlyle Printers Service & Supplies Ltd.
Winnipeg, Manitoba, Canada

"On June 15, we implemented a \$5 per month fee on every contract to cover travel expenses. It is billed with the frequency of the contract (so no additional invoices are created). It has generated approximately \$5,000 in the first month with no pushback to date."

Susan Pangborn, director of business analytics
Automated Business Solutions, Warwick, Rhode Island

"There has been little to no pushback on increases."
Doug Powell, operations manager
Copiers Plus Inc., Egg Harbor Township, New Jersey

"Because everyone (our industry and other industries) have experienced some impact from inflation, this topic is easier than in prior years. Most clients are understanding of the increase as long as it is within reason."

Ken Staubit, COO
Modern Office Methods, Cincinnati, Ohio

Do you have a question for your fellow dealers? If so, email it to brent@bta.org with the subject line: "Dealers Helping Dealers." BTA will then share your question with the full dealer membership with a request for guidance from your fellow dealers. ■

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