



MPS Success

Dealers share their experiences & CPC rates

Compiled by: Brent Hoskins, Office Technology Magazine

Following are two related questions submitted by a dealer member as part of BTA's Dealers Helping Dealers resource, and many 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 username and password to access this member resource.



What can you share about successes you have had with MPS? What are your typical CPC rates for printer service?

"We have had consistent success with MPS, but have found that it is becoming more and more difficult to rely on outside companies to provide reliable support and supply replenishment. We have partnered with several and all have decreased quite a bit in the customer service area — all while increasing prices across the board. CPC rates vary greatly depending on the makeup of the printer fleet and age of devices. We also offer a CPC-only or a CPC with equipment replacement, which are priced differently.

*Brian Bence, executive director of sales
Shenandoah Valley Office Equipment (SVOE), Verona, Virginia*

"Our ratio is not where we want it to be, but we have one printer for every two A3 devices. We want to get to a ratio of one to one."

*John Lowery, president & CEO
Applied Innovation, Grand Rapids, Michigan*

"We converted our larger customers to MPS contracts over several years before the COVID-19 pandemic lockdown and it saved us. We are in a competitive market and charge \$.009 for black and white and \$.06 for color."

*Jeffrey Foley, COO
Apollo Office Systems, Alvin, Texas*

"It varies. We find ourselves doing more rip/replace MPS opportunities, therefore CPC is much more aggressive on a uniform fleet."

*Mitchell Mawby, vice president of sales
Professional Business Systems Inc., Rogers, Arkansas*

"MPS is the backbone of our offerings. Nineteen percent of our revenue is A4 products. We rip and replace everything or we won't do it. With Lexmark, we can do a monochrome MPS rate of \$.014 and be very profitable."

*Evan Said, director of sales
Coastal Business Systems Inc., Eureka, California*

"We have had great success with MPS starting in 2009. With our subscription model, we are moving away from transactional fees and capturing them in a flat-rate monthly subscription."

*Tom Minuti, president
Copy Products, Upper Darby, Pennsylvania*

"MPS can be as easy or as difficult as you make it. We do a walk-through on some accounts; on others, we will just quote cartridge prices to get us in the door. I am not sure I can give an accurate CPC price, as many models have different costs."

*Sam Stone, president
Stone's Office Equipment, Richmond, Virginia*

"We do a lot of MPS. It is part of our go-to-market strategy. Every deal is priced a little differently depending on how we structure it."

*Tim Renegar, president
Kelly Office Solutions, Winston-Salem, North Carolina*

"We have been doing MPS since 2006 when we purchased our first printer service company. Black-and-white CPC rates are \$.015 and color is \$.09."

*Rick Salcedo, president & CEO
KDI Office Technology, Aston, Pennsylvania*

"We have many large accounts nationwide for MPS. We also use SYNnex PRINTSolv. They provide pricing options to us with parts and labor only or all inclusive. We mark up their rates to provide pricing to our customers. We mark up 35% to 50%."

*Stephen Valenta, president/owner
Offix, Gainesville, Virginia*

"We charge \$.005 for black and white and \$.05 for color."

*Chip Miceli, CEO
Pulse Technology, Schaumburg, Illinois*

“We have had quite a bit of success, with several clients that have more than 1,000 printers. Rates are really all over the place depending on the mix of gear. Each client is independently priced.”

*Chad Schwartz, president/founder
Imagine Technology Group
Chandler, Arizona*

“We are charging \$.12 for color and \$.011 for black and white.”

*Les Harris, vice president of sales
UTECH, Ann Arbor, Michigan*

“\$.0129.”

*Jose Hernandez, owner
JCM Distributors, Miami, Florida*

“\$.0175 to \$.025.”

*Mick Dean, president
SaraMana Business Products, Sarasota, Florida*

“We have had quite a bit of success, with several clients that have more than 1,000 printers. Rates are really all over the place depending on the mix of gear.”

“We stay away from MPS and CPC. We find that to be an old model and are moving toward extended warranties and buy supplies as needed.”

*Todd Deluca, owner
Boston Business Technology
Plymouth, Massachusetts*

“We’ve been steadily growing about 15% a year. Rates are around \$.01 for black and white and \$.06 to \$.08 for color.”

*Nick Lioce, president
The Lioce Group, Huntsville, Alabama*

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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