

Greening the Fax Machine

Research reveals that eliminating paper Faxes, as well as Fax servers, is effective in cutting costs and meeting corporate environmental goals

Executive Summary

Businesses must show leadership and environmental responsibility by implementing comprehensive and long-term sustainability practices. This means committing to reduced energy consumption and proactively examining their overall environmental impact. With advances in technology and IT solutions, this initiative can also be cost effective.

In This Executive Brief, You Will Learn:

- Why green initiatives are critical for forward-thinking organizations
- How reviewing your current Fax program can save your organization money
- How one company met their Green goals and cut costs

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Introduction

Companies are being called on today to measure, monitor and decrease their carbon footprint. Getting onboard early provides companies with a competitive advantage. As the regulatory landscape changes, companies will need to keep up.

Shareholders are beginning to demand accountability from large corporations as well. Beyond that, there is a call from the consumer to "do the right thing." In the general marketplace this is especially true: when prices are comparable, the consumer chooses the company that demonstrates a commitment to the environment. Soon, companies that are not taking action will be the exception.

A primary concern for executives is the financial impact such initiatives have on the company's profits. Leading organizations have found avenues to meet both objectives.

Research Review

Why green initiatives are critical for forward-thinking organizations

In today's turbulent economic landscape, corporations are constantly looking for new ways to cut costs and increase profits. For years, organizations have bought into the promises of "seamless implementations" and "fast ROI" only to experience painful and costly user adoption periods and the downside of "hidden costs." The ability to identify a proven solution with multi-faceted returns, such as a "green solution," is more critical than ever.

"Savvy and forward-thinking CIOs have recognized that ecological concerns aren't just for tree-huggers," notes Elisabeth Horwitt from SearchCIO. "A number of factors are propelling this trend—one of the biggest is the energy crisis."

Major factors that compel managers to find operational Green alternatives include:

- 1. Energy costs: With costs on the rise, reducing energy consumption and dependence on fossil fuels can be effective in cost containment. Additionally, energy use and overhead is responsible for almost 30% of global carbon emissions, a significant factor affecting corporate responsibility goals.
- 2. Paper Costs: Paper is a huge cost for most organizations both financially and to the environment. Any process that is paper intensive is a clear target for reduction of consumption.
- 3. Pollution and government regulations: While the U.S. has been slower than Europe to enact strict regulations regarding emissions and energy usage, it is clear that the



regulatory landscape is changing. Managers should make changes now to avoid governmental fines in the future.

4. Corporate responsibility: Companies are increasingly being asked to assume responsibility for the environment. And consumers increasingly want to do business with companies who demonstrate that commitment. They look for companies that will decrease their carbon footprint or eliminate it altogether.

A carbon footprint is a measure of the impact human activities have on the environment in terms of the amount of greenhouse gases produced, measured in units of carbon dioxide. A responsible goal for most organizations is to become carbon neutral or eliminate any additional carbon emissions to the environment.

With general advances in technology and newer IT solutions, going green is also becoming economically compelling. Leaders look for solutions which are not only energy efficient but can deliver material ROI. According to Richard J. DeLotto of Gartner, "Green IT is more than just another cost-cutting drive. It represents a fundamentally different stakeholder mind-set about corporate resource use that will be influencing corporate decision makers for years to come."²

How reviewing your current Fax program can save money

Reviewing your current Fax program is one initiative that most mid to large sized companies can easily perform for big impact. There are a variety of environmental and economic costs in operating Fax machines or Fax servers on an annual basis:

1. Paper consumption and environmental effects:

Any paper-intensive protocol has potential for immediate savings and environmental benefits. Paper has long been recognized as a cost and energy drain on organizations and the environment. Just one ream of paper uses 6% of an average tree.³ And with the average cost per ream at \$5.00, a large organization with 300 Fax machines spends upwards of \$9,000.00 in paper costs alone each year. Additionally, for every kilowatt hour of electricity created, about 1.39

The net cooling effect of one tree is equivalent to ten room-sized air conditioners operating 20 hours a day.

One acre of forest absorbs 6 tons of carbon dioxide and puts out 4 tons of oxygen. That's enough to support 18 people annually.

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hour of electricity created, about 1.39 pounds of carbon dioxide are released.⁴ Paper's energy drain can significantly affect corporate goals of becoming carbon neutral.

2. Energy Consumption

Free-standing Fax machines and Fax servers consume a considerable amount of energy. The average Fax is rated by Energy Star at 377 kWh annually. With an average of 270 hours used annually at \$0.06/kWh, energy costs can be as high \$23 per year per Fax machine. For the same 300 Fax machines described above, that adds an additional \$7000 annual expense.



3. Acquisition and maintenance costs

Adding another Fax machine or replacing a broken one can cost upwards of \$200 per machine, with an additional \$100 in labor to purchase and install. Maintenance, toner cartridges, ink, consumables, telecom circuits, and depreciation associated with each Fax machine or fax server creates unnecessary overhead costs that could be eliminated through an alternative method.

In addition to these costs, other questions should be asked when reviewing Fax machines or server usage within an organization, such as:

- Information Security: Are you vulnerable to accidental or intentional exposure or loss of confidential Fax documents from machines?
- Customer Service and Productivity Costs: Are critical Faxes (like product orders) sitting on a physical machine while employees are traveling or telecommuting?

Never before has the need to closely examine areas like Fax programs been more critical. "With the threat of an economic downturn overshadowing many aspects of corporate IT strategies, many companies are looking to scale back nascent "green" initiatives. However, now is the time to accelerate these initiatives to improve overall corporate costs," offered Stephen Kleynhans of the Gartner group. ⁵

How one company identified a solution to meet green goals and cut costs

A large multi-national apparel manufacturer committed to a corporate responsibility target of becoming carbon neutral in company-owned facilities and business travel by 2011. They reviewed the qualitative data on EasyLink's implementation with a global financial and insurance provider, and decided to work with the EasyLink team to develop projections for their

A large multi-national apparel manufacturer will save annually with the EasyLink solution:

- 96 tons of carbon emissions
- 157 trees
- \$1.4 million dollars

own organization. As a first step, they chose to eliminate 329 Fax machines at their corporate headquarters and replace them with the EasyLink Desktop Faxing Services.

The results of the study were gratifying. The manufacturer will be able to cut carbon emissions by 96 tons annually. Additionally, they will save more than \$1.4 million a year through the new program.

EasyLink understands that early use adoption is critical to the success of any new program. The EasyLink team provides every new user with a welcome package, including phone numbers and instructions on how to immediately start using the new service. Because the new system is as user-friendly and immediate as using e-mail, eliminating the physical Fax machines causes no disruption in daily work processes. EasyLink also provides a 24x7 Help Desk to answer any questions that corporate users might have—an important additional resource that is not available with the physical Fax machines.



The implementation at the apparel giant's corporate headquarters is just the first phase in their company-wide program, which will produce even greater savings for the manufacturer. With this one easy step—eliminating 329 Fax machines—the EasyLink solution is helping the organization reach their Green initiative goal for the year, giving them a jump on their long-term global implementation plan.



Bibliography



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³ Treestats, www.conservatree.com, March 2008.

⁴ McPherson, Greg. "Urban Tree Planting and Greenhouse Gas Reductions," Arborist News, June 2007.

⁵ Kleynhans, Stephen. "Cutting Back on Green PC Initiatives Leads to False Economics," Gartner. March 2008.

Company Bio

EasyLink is the leading provider of On-Demand Messaging and Supply Chain Services worldwide. Our superior ability to support the needs of our customers on a global basis is represented by our experience and unbeatable global footprint:

- * Over 400 employees worldwide
- * Offices in the US, UK, India, UAE, France and Germany
- * Channel Partners in South America, Europe, Africa, Asia and Australia
- * Customers in 95 Countries
- * Over 1 million transactions globally managed daily on a hosted/outsourced basis

EasyLink provides a variety of messaging services to thousands of companies from large enterprises to sole proprietorships around the world, whether they do business in Denver, Dubai or Delhi. These offerings range from simple web-based Fax delivery for small businesses, to sophisticated Fax hosting, tailored corporate e-mail messaging, EDI business-to-business exchanges, specialized Telex protocol transmissions for marine and finance industries, and much more. For more than two decades, we have had a proven track record of providing effective, reliable and secure communications. And we continue to advance our technology so that our customers can benefit from improved messaging solutions.

As consumer and economic pressures continue to drive changing standards and methodologies for automated exchanges, businesses will be required to adapt quickly in order to compete and survive. EasyLink will help you get there.



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