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The Week In IMAGING



Budget Document Technology

www.bdtme.com

Headquarters: Lewiston, ME

Year Founded: 1989

Number of Employees: 21



Most significant accomplishment this year: Acquiring a toner cartridge supply company that has contributed significantly to the dealership's growth.

Primary Hardware & Solutions Vendors & Services: Konica Minolta, Kyocera, Lexmark, MPS, HP Service Provider, SmartSearch, PaperCut, Equitrac

Looking to bolster their supplies and services business, Budget Document Technology purchased what was primarily a toner cartridge supply company. The addition of printer supplies to the mix had a big impact on Budget's growth and was particularly timely as they were converting accounts to MPS to secure long-term contracts. For the three-year period from 2009 thru 2011 a 54 percent growth rate was achieved. During this period MFP hardware sales have increased by 32 percent and overall maintenance with MPS included has increased by 32 percent as well. That's significant growth for a small dealership in a rural market. Those numbers should serve as encouragement to all small dealers.

These initiatives have led to a new addition to Budget's facility that will add another 5,000-square feet of space bringing their main facility to just under 10,000-square feet total.

Customers appreciate doing business with Budget because they are independent and customers can reach ownership quickly if needed. "Decisions can be made quickly to respond to requests or market changes," says Thomas G. Ouellette, president.

It also helps that Budget takes a consultative sales approach. "We feel we know our product and what we don't know we research," states Ouellette. "We have solved applications and we have executed challenging complete solutions. We have looked at how to deliver customer service more efficiently and over the last couple of years we have provided clients with complete online ordering capabilities for supply and service needs. Plus we have some really good people who represent us."

With the acquisition of the toner company, Budget was inspired to refresh their Website. This year-long project has resulted in a more interactive site. Monthly e-newsletters and print marketing with newspaper and postcards along with some television advertising have been instrumental in building the Budget brand. "Marketing methods will always change, but it is staying consistent with timeliness that really gets the message out," notes Ouellette.

Quarterly lunch and learns on document imaging provide another opportunity to touch clients and expose them to new technologies and solutions.

Buying another company can be a challenge, especially for a dealership that has never played the acquisition game before. "There is the pressure of serving those new customers and being able to assist them in the same way or better than before," acknowledges Ouellette. "There is a lot of back-end operational setup to do, there are new employees to learn what their role has been and can be going forward. There is the message to get to clients of what you bring to the table." *(continued)*

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Someway, somehow, Budget was able to overcome all of those challenges and continues to reap the rewards of the acquisition.

Over the past year Budget has enjoyed some significant sales dollar wise, including a six-figure takedown. But the one they're most proud of is a sale that involved many factors and was focused on selling a solution. "It took a client who was using a couple of different vendors and who wanted to simplify with consistency and utilize technology for document imaging," recalls Ouellette. "The transaction actually had three pieces to it—MFP and printer hardware, MPS, and document imaging. We provided them consistency in hardware, reducing the printer fleet from 82 units with 60 different toner types to 39 printers with 10 toner types by upgrading a portion of the fleet and utilizing some of the current fleet."

In addition Budget provided MFPs that were all of the same series, resulting in devices that use one set of toner and a common control panel. For the document imaging piece, SmartSearch was the solution. "We had to integrate with the client's manufacturing industry specific accounting/back-end software with workflow processes," notes Ouellette. "The hardware and software piece brought an upfront sale of over \$90k and the monthly MPS portion meant a revenue stream of approximately \$1,500 per month."

We applaud Budget for the financial support they provide to various organizations through donations and advertising support. But the neatest of all is for the last few years they've allowed a local high school marching band to use their delivery truck so they can transport their band equipment for away events.

In addition, the company does a nice job of taking care of its employees and looking at ways to better incent them. For example, they're in the final stages of designing a new rewards program for their service staff to reward not only performance but to encourage ongoing knowledge. The educational component is critical for every dealership and Budget is a familiar face at BTA events and sponsored educational seminars.

We don't think it's a wild assumption that Budget will continue to build on its recent successes and grow even more. Listening to Ouellette outline the company's future initiatives underscores potential opportunities for future success.

"We see ourselves involved in a greater number of multi-unit or cross-platform sales such as the one described earlier involving hardware, MPS, and software. Software and applications seem to be picking up interest and we feel we are poised for this. We think production units can be a growth area for our dealership, but we want to focus on production in institutional or medium and large businesses, not necessarily the print for pay market. We feel confident with what we have been doing, where we are going, and we also believe that this commitment will help maintain and attract talented employees by providing a great environment."

