

**OPENING AN OFF-CAMPUS COPY SERVICE FOR UNIVERSITY OF  
WISCONSIN-EAU CLAIRE FACULTY, STAFF  
AND STUDENTS**

by

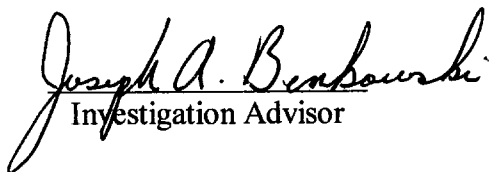
Jeanine Rossow

A Research Paper

Submitted in Partial Fulfillment of the  
Requirements for the  
Master of Science Degree  
With a Major in

Training and Development

Approved: 4 Semester Credits

  
Investigation Advisor

The Graduate College  
University of Wisconsin-Stout  
May, 2000

**The Graduate College  
University of Wisconsin - Stout  
Menomonie, WI 54751**

**ABSTRACT**

<b>Rossow</b> (Writer) (Last Name)	<b>Jeanine</b> (First)	<b>M.</b> (Initial)
---------------------------------------	---------------------------	------------------------

**Opening an Off-Campus Copy Service for University of Wisconsin - Eau Claire**

**Faculty, Staff and Students**  
(Title)

<b>Training and Development</b> (Graduate Major)	<b>Joe Benkowski</b> (Research Advisor)	<b>5/2000</b> (Mo/Yr)	<b>90</b> (Pages)
---	--	--------------------------	----------------------

**American Psychological Association**  
(Name of Style Manual Used in the Study)

The Haas Fine Arts Center building and the Human Sciences and Services building at the University of Wisconsin-Eau Claire are separated from the central campus by a river. The primary connection to the central campus from those two academic buildings is the UW-Eau Claire footbridge across the Chippewa River. Until 4/15/99, a Kinko's Copy Center was located on Water Street in Eau Claire. Kinko's was a very convenient location for the students, faculty and staff as it was only one block away from those two academic buildings. Because Kinko's is closed, the faculty, staff and students must now go across the UW-Eau Claire footbridge to obtain copy services. The UW-Eau Claire footbridge is a much farther distance than Kinko's was and the cold and snowy winters make the walk across the footbridge very undesirable.

This study will evaluate the usage of Kinko's by the faculty, staff and students and the affect it's closing has had on them. A survey of the faculty, staff and students will be done to identify the customer base and size, interest in opening a copy service business on Water Street and identify the types of services to provide. Research will be done to determine the feasibility and costs of opening and operating a copy service business. The research will also determine alternative ways to provide the copy services for those faculty, staff and students. If it is determined that the Kinko's move has had a detrimental affect on the faculty, staff and students, the UW-Eau Claire administrators might consider the copy service options available to the University. One option would be to open a University-operated copy service business on Water Street. Based on the information gathered from the research and the surveys, a recommendation will be made to the Director of University Centers and Programs at UW-Eau Claire.

## TABLE OF CONTENTS

		<u>Page</u>
LIST OF GRAPHS		v
LIST OF CHARTS		vii
Chapter 1	RESEARCH PROBLEM AND OBJECTIVES	1
	Problem Statement	1
	Research Objectives	1
	Need Statement	2
	Limitations of the Study	3
	Definitions	4
Chapter 2	REVIEW OF LITERATURE	8
	History of Copy Machines	8
	Kinko's	10
	Alternatives to Opening a Copy Service on Water Street	13
	Marketing	21
	Business Plan for Opening a Copy Service	26
Chapter 3	RESEARCH METHODS	29
	Introduction	29
	Research Design	30
	Population	30
	Samples	31
	Data Collection Techniques	32

Chapter 4	DATA ANALYSIS	33
	Survey Results	33
	Anticipated Revenues	62
	Anticipated Expenses	72
Chapter 5	CONCLUSIONS AND RECOMMENDATIONS	86
	Conclusions	86
	Recommendations	86
	References	89
APPENDIX A	SURVEY	91
APPENDIX B	LETTER TO FACULTY	96

## LIST OF GRAPHS

<u>Graph</u>		<u>Page</u>
1	In Which Building Do You Spend the Most Time?	34
2	Do You Own a Computer?	35
3	Do You Own a Black/White Printer?	36
4	Do You Own a Color Printer?	37
5	Would You Use a Copy Service on Water Street?	38
6	Average Number of Originals in a Week	39
7	Number of Copies Needed in a Week	40
8	What Form Are Your Originals In?	41
9	Would You Email Your Originals for Copies?	42
10	Hours When You Make Most of Your Copies	43
11	What Hours Should a Copy Service Be Open?	45
12	Is There a More Convenient Location Than Water Street?	47
13	Do You Walk By Water Street on Your Way to Work/School?	48
14	How Much Do You Spend on Copies in a Week?	49
15	What Copy Services Would You Use Most?	50
16	What Copy Services Would You Use Most?	52
17	What Copy Services Would You Use Most?	53
18	What Copy Services Would You Use Most?	55
19	Do You Use Other Copy Services in Town?	56

<u>Graph</u>		<u>Page</u>
20	Where Would You Like More Convenience Copies Placed?	57
21	Would You Send Documents Electronically to Copy Corner or Duplicating?	58
22	Would You Like Additional Copiers Purchased for Your Office and By What Department?	59
23	How Often Would You Like Duplicating to Pick Up and Drop Off Copy Service Orders?	61

## LIST OF CHARTS

<u>Chart</u>		<u>Page</u>
1	Number of Copies Needed in a Week	63
2	How Much Do You Spend on Copies in a Week?	65
3	How Much Do You Spend on Copies in a Week?	67
4	Other Services that Customers Would Like to See at the Copy Service Business	69
5	Additional Revenue Sources for the Copy Service Business during the Academic Year (32 Weeks)	70
6	Potential Revenue for Copy Service Business	72
7	When Do You Make Most of Your Copies?	73
8	What Hours of Operation for a Copy Center Would Best Serve Your Needs?	74
9	Staffing Costs and Hours of Operation	75
10	Purchase vs. lease of Equipment for Operating a Copy Service Business	76
11	Operating Costs Per Month After Purchasing Equipment	78
12	Operating Costs Per Month When Leasing Equipment	79
13	First Year Costs and Revenues When Leasing Equipment	81
14	Second Year Costs and Revenues When Leasing Equipment	82
15	First Year Costs and Revenues When Purchasing Equipment	83
16	Second Year Costs and Revenues When Purchasing Equipment	84

## Chapter 1

### RESEARCH PROBLEM AND OBJECTIVES

#### Problem Statement

The problem of this study is to determine if the University of Wisconsin-Eau Claire should open and operate a full service copy business for the faculty, staff, students and departments near the building vacated by Kinko's on Water Street in Eau Claire.

#### Research Objectives

The research objectives of this study are to:

1. Determine why Kinko's vacated their Water Street location in Eau Claire.
2. Identify alternatives to opening a copy service business on Water Street and still provide the services needed by the faculty/staff and students.
3. Identify which products and services the faculty/staff, students, departments and other customers would like to have available at the Water Street location.
4. Determine the start up costs of opening a copy service business near the Kinko's location on Water Street.
5. Determine the day-to-day operational costs of operating a copy service business on Water Street.
6. Determine the monthly break even point between anticipated revenues and anticipated costs of operating a copy service business

on Water Street.

7. Examine the implications of the “Competition with the Private Sector” policy from University System Administration as it relates to opening a copy service business outside the University’s boundaries.
8. Make recommendations to the Director of University Centers and Programs at the University of Wisconsin-Eau Claire regarding the feasibility of opening an off-campus copy service business on Water Street in Eau Claire.

#### Need Statement

The faculty/staff and students who work and attend school in the Haas Fine Arts Center and Human Sciences and Services academic buildings at the University of Wisconsin-Eau Claire previously used Kinko’s for its full range of copy services and its convenient location. The Kinko’s located on Water Street in Eau Claire is only a block away from those two academic buildings. Kinko’s moved their office to the Oakwood Hills Parkway on the south side of Eau Claire, near the Oakwood Mall, on 4/15/99. After that happened, the faculty, staff and students have had to walk across the foot bridge to the Davies Center and Schofield Hall in order to make copies. The distance across the foot bridge is much farther than the distance to Kinko’s. The cold, windy and snowy weather in Eau Claire makes it uncomfortable to walk across the foot bridge for most of the academic year.

This study is necessary to evaluate the usage of Kinko's by the faculty/staff and students and the affect it's closing had on them. It is crucial for the administrators at the University of Wisconsin-Eau Claire to determine if the move had a detrimental affect on the faculty/staff and students and their ability to do their required work. The UW-Eau Claire administrators need to know the costs of opening a university copy service business near the building vacated by Kinko's as well as the anticipated revenues. The administrators also need to know the impact in the local community if they open a University business outside the University boundaries. The alternatives to opening a copy service business on Water Street will also be reviewed. The information gathered from this study will allow the administrators to make an informed decision as to whether they should open a copy service business near the location vacated by Kinko's.

#### Limitations of the Study

There are some limitations to the study:

- Faculty have control over where and when the surveys were distributed, therefore even representation of all the students in the Haas Fine Arts Center and Human Sciences and Services academic buildings is not guaranteed.
- Information related to actual start-up costs might not represent what would the University would pay, due to state-wide contracts negotiated in Wisconsin.
- Faculty/staff and departments currently do not pay directly for the duplicating services provided, so they might not be able to accurately describe what they would spend on copies or other services.
- Student copy needs are subject to work assigned by their teachers.

- Final decisions about opening a copy service business will be made by the Competition with the Private Sector Committee.

### Definitions

Analog copier is often referred to as the traditional copier. For the analog copier to make copies:

A bright light reflects the white portions of the original document onto a photo sensitive drum. The electronic charge on the drum is temporarily neutralized wherever the light hits it and oppositely charged toner particles adhere to the areas of the drum that remain unaffected by the light. The plastic toner particles are then transferred to the paper and fused onto its surface. The analog process produces a continuous image that is difficult to enhance or alter. The document can be made larger or smaller, darker or lighter, but the entire document image is treated as a single element (Breidenbach, 2000). Analog copiers cannot be connected into a computer network (Lewers, 1999, p. 47).

Blugold account is an optional on-line computerized debit account offered at UW-Eau Claire that can be used by students, faculty, staff and departments. A Blugold account can be opened by depositing cash or transferring money from another university account. The University ID card, the Blugold Card, is used to access the debit card system through the magnetic stripe on the back of the Blugold ID card. It is similar to the magnetic stripe on the back of a credit card. For each purchase made, whether in the Bookstore, food service or copy machines, the Blugold ID card is “read” by a specialized card reader that deducts the amount of that purchase off the ID card holder’s specific Blugold account (UW-Eau Claire Blugold Account Brochure).

Competition with Private Sector Policy was adopted by the Board of Regents for the University of Wisconsin System on 2/10/89.

The University has a responsibility to consider very carefully any decision to provide products and services to students, faculty, staff and private organization or the public at large, particularly when the products and services to be provided might compete with similar products or services offered by the private sector.

Some degree of competition between the University and the private sector may be unavoidable, even when the University is engaged in the narrowest pursuit of its instructional, research and public service missions. However, in all cases where a potentially competitive situation exists, the university must consider the concerns of affected private businesses and act with sensitivity and good faith regarding those concerns. This policy establishes a competition review committee at each institution composed of representatives of the University, private sector and public-at-large. In addition, the policy defines criteria to be used in evaluating the appropriateness of University sales activities and establishes principles for pricing those products and services that UW System institutions may offer (UW-System Policy 89-1, Resolution 5153).

Copy Corner is a unit within Printing Services at UW-Eau Claire that provides retail copy service to any customer within the campus (student, faculty, staff and departments) as well as an occasional off-campus customer. The Copy Corner provides black and white copies, full color copies, transparencies, resume service, graphic design service, lamination, folding, stapling, collating and offset printing. Payment is done by

either cash, check or Blugold account. Copy Corner is located on the first floor of Davies Center (UW-Eau Claire Faculty/Staff Handbook).

Digital copiers use newer copying technology called digital imaging.

The quality of a digitally produced copy is better than analog, since every page is a true original. If you are copying graphics or photos, this difference is quite noticeable (Lee, 1998, p. 46).

It is a scanning process that digitizes the document and turns it into tiny bits of data that can be manipulated individually. The image can be enhanced or sharpened, color quality and values can be fine tuned. There is precise control of document scaling when enlarging or shrinking original (Breidenbach, 2000).

Most digital copiers can also be networked to a computer system as a printer (Lee, 1998, p. 46). The digital copiers then are “multifunctional and connectable to computer networks” (Lewers, 1999, p. 47).

Duplicating Services is a unit within Printing Services at UW-Eau Claire that supports the academic mission of the University. Only academic departments, faculty and staff can use Duplicating Services. The primary service is black and white copies for academic departments and administrative offices which are done on high speed duplicators/copiers from Xerox. Duplicating Services also provides stapling, folding, padding, collating, bindery and booklet-making services. The academic departments are “charged back” for the services provided, through the University mainframe computer system. The copy orders are charged back to their University accounts before the order leaves the Duplicating office. There are no cash or Blugold account transactions allowed in Duplicating because of University guidelines. Duplicating Services is located in the

basement of Schofield Hall in the central campus area (UW-Eau Claire Faculty/Staff Handbook).

Haas Fine Arts Center (Haas) is an academic building of UW-Eau Claire that is located on Water Street. The primary class offerings include music, theater and art.

Human Sciences and Services (HSS) is another academic building of UW-Eau Claire that is located on Water Street. The primary class offerings include social work, music therapy, communication disorders and special education.

Kinko's is one example of a full service copying shop that provides services such as copying, computer rental, color copying, faxing, cutting, drilling, binding, folding, laminating, stapling, booklet making and office supplies (Kinko's brochure).

## Chapter 2

### REVIEW OF LITERATURE

#### History of Copy Machines

“The modern office has come a long way from the infancy of xerography, the process of using negative images on an electrically charged plate, which are then electrically transferred to and thermally fixed as a positive on copy paper” (Hendricks, 1999, p. 32).

Chester F. Carlson was credited with making the first xerographic print on October 22, 1938 in Astoria, NY.

After some experience in research, Carlson, a graduate physicist, had become a patent attorney. Dissatisfied with the available methods for copying documents and drawings, he had set out in 1934 to invent a new process which could form the basis for an office copying machine. While he had conceived of the necessary combination of steps in 1937, it was not until October 22, 1938, that the invention was actually reduced to practice with the help of Otto Kornei (Dessauer & Clark, 1965, p. 36).

He submitted his original patent for electrophotography on April 4, 1939. It was a “method of transferring images from one piece of paper to another using static electricity” (Pederson, 1999, p. 544). According to Dessauer & Clark (1965), Carlson’s patent for the first automatic copying machine is dated November 16, 1940 (p. 38).

Then, “in 1944, Batelle Memorial Institute signed a royalty-sharing agreement with Carlson and began to develop commercial applications for xerography” (Pederson, 1999). In January, 1947,

The Haloid Company of Rochester, NY (now Xerox Corporation) acquired a license and began supporting research at Batelle. The process was first publicly announced and demonstrated by Batelle and Haloid at the annual meeting of the Optical Society of America in Detroit on October 22, 1948. At that time, it was given the name 'xerography' from the Greek 'xeros' meaning 'dry' and 'graphos' meaning 'writing', to emphasize the totally dry nature of the process as opposed to wet photographic methods" (Dessauer & Clark, 1965, p. 36).

It wasn't until two years later that Haloid sold its first commercial contract for a xerographic copier to the State of Michigan (Pederson, 1999).

The name "Xerox" was introduced just prior to 1960. The leader of the Haloid Company, Joe Wilson, wanted to "change the name of his Haloid Company to more closely identify it with the new technology it was developing" (Jacobson & Hillkirk, 1986, p. 54). Consultants had been hired to develop suggestions for names such as National Xerographic, but Joe Wilson was unhappy with the all the suggestions. Wilson was walking one Sunday and noticed a billboard sign for "Kodak". It was created by George Eastman for "his first roll of camera film because it was short, easy to remember and began and ended with his favorite letter" (Jacobson & Hillkirk, 1986). With those thoughts, the name Xerox was born. The Xerox 914 copy machine was introduced in 1960 as the "first automatic Xerox copier, and first marketable plain-paper copier" (Pederson, 1999). The Xerox 914 copy machine became the first successful, long-lasting copy machine for Xerox.

### Kinko's

In September, 1970, the first Kinko's opened in Isla Vista, the campus community of the University of California at Santa Barbara by Paul Orfalea.

Instead of calling it 'Paul's Copies', he called it 'Kinko's' after the nickname given to him by his college buddies because of his curly, reddish hair. This tiny Kinko's was 100 square feet and featured a single copier, offset press, film processing and a small selection of stationery and school supplies. As the store grew, so did the number of machines. The space became so crowded that at times, the copier was rolled out onto the sidewalk and used there for self-serve copies (Our Humble Beginnings, 2000).

Today, there are over 900 Kinko's branches in the United States and around the world. In the first few years of the company, the first Kinko's prototype was being fine tuned: the campus-oriented copy shop. Kinko's stores were located near colleges because Kinko's knew the market. It was sure bet because Kinko's regularly talked to their customers. Kinko's also discovered that traditional 8 am - 5 pm business hours didn't fit students' schedules – so they responded by staying open 24 hours. Analysts attribute much of the corporation's early growth to that decision (Bourrie, 1993, p. 58). But, through the years, Kinko's continued to monitor trends. In the mid-1980's, corporate America began downsizing and Kinko's saw an opportunity to service displaced workers. "The result: a new Kinko's prototype. This total branch office offers one-stop shopping, providing small business owners with the advantages of large offices" (Bourrie, 1993, p. 59). This prototype was developed over the next few years, and eventually this lead to opening Kinko's in urban-suburban locations, not just near colleges. Also, "as cheap home

computers and laser printers hammer the walk-in trade, some quick printers are more than making up the difference by winning new corporate business” (Gribble, 1996, p. 19).

Although the price of digital equipment is coming down, the ‘mom and pop’ printers are “warily watching developments like Kinko’s recent push for corporate accounts” (Gribble, 1996, p. 20). According to Jeff Doughman, the Milwaukee-based Wisconsin regional sales manager for Kinko’s, it just got to the point where we realized that having stores around campus isn’t the future of Kinko’s. We’re moving away from the college campus image to the corporate image” (Gribble, 1996, p. 20).

Thomas Gasior, General Manager of Kinko’s in Eau Claire validated that Kinko’s corporate direction is moving towards supporting corporate accounts instead of students on the college campus (T. Gasior, personal communication, March 14, 2000). According to Gasior, many Kinko’s stores near campuses have closed in the past years as a result of that corporate direction. Gasior stated that when Kinko’s lost the copyright lawsuit a few years ago, Kinko’s lost the main income associated with being near campuses – course packets. As a result of that legal decision, Kinko’s is now building stores in the urban and suburban areas. Gasior stated that was also one of the reasons behind the move to the Oakwood Hills Parkway location.

Another reason Kinko’s moved from its Water Street location last year was that although students represented 70% of the walk-in sales, those sales dollars only amounted to 10% - 15% of the total sales dollars at the store. Their main customers at the Water Street location were corporate customers. The Water Street location made it difficult for their corporate customers to find Kinko’s and park. However, Kinko’s was able to keep those customers by providing pick up and delivery service to their corporate accounts.

At the new Kinko's location at 3424 Oakwood Hills Parkway, their business has increased. Gasior stated it is because of the greater visibility of their new location and more accessible parking. At the new location, they still have some student customers and they continue to have walk-in customers. But, there is an "new" kind of customer that utilizes the Oakwood Hills store. Gasior described those customers as the "middle range" customers who spend between \$100 - \$500 when they use the Kinko's store. They spend more than the walk-in self service customer and less than the corporate accounts. These "middle range" customers have been a great addition to their revenue and have more than made up for what they lost in student revenues.

Kinko's currently does not have any digital copiers, only analog copiers. All their copy machines are either leased by Xerox or EO Johnson. Because Kinko's is an international business, they receive a very low lease price. "It would be difficult for any one off the street to lease a Xerox copier and charge the prices we charge. They could not get the great lease prices that Kinko's corporate has negotiated" (Gasior, 2000).

During the interview, the researcher asked Gasior what he would recommend for equipment if the University were to open a copy service business on Water Street. Gasior suggested that copy machines that allow the customer to make their own copies is important. He stated that "people like to make their own copies". A black/white copy machine and color copy machine would be the minimum number of copy machines needed to open a store. He also suggested offering binding, transparencies, laminating, cutting and drilling services. Another idea would be to carry supplies such as resume paper, binders, markers, notepads and other school supplies. Gasior suggested that renting computers isn't a money maker because there are so many people with their own personal computer.

The only reason Kinko's makes any money on renting computers or giving free Internet access is when the customer needs to print out copies.

Jeff Bernhardt, Sales Representative from EO Johnson is familiar with the Kinko's and Copy Corner operations as he currently services both accounts (J. Bernhardt, personal communication, 3/27/2000). During my interview, I asked Bernhardt what suggests he would have for services and necessary equipment if the University opened a copy service business on Water Street. His first suggestion was that both black/white and color copiers be available. Bernhardt suggested that only digital copiers be purchased. EO Johnson still supports their customers that have analog copiers, but they currently only sell digital copiers. Service and supplies would eventually become an issue for businesses owning analog copiers. He also suggested a shredder, folding machine, fax machine, cutter, binder, booklet maker and drill as important start up equipment and service, based on his knowledge of the copy service business. Bernhardt also supplied the pricing information for the equipment listed above (J. Bernhardt, personal communication, 3/27/2000).

#### Alternatives to Opening a Copy Service on Water Street

There are alternatives to opening a copy service business on Water Street for the faculty/staff and students. The alternatives can still provide improved service, time savings and more options. The alternatives include:

- Placing additional analog copiers in different locations in the Haas Fine Arts Center and Human Sciences and Services academic buildings for faculty/staff and students.
- Daily delivery and pick-up service to the departments for faculty/staff by Duplicating Services.

- Placing stand-alone digital copiers in different locations in the Haas Fine Arts Center and Human Sciences and Services academic buildings for faculty/staff and students.
- Placing networked digital copiers in different locations in the Haas Fine Arts Center and Human Sciences and Services academic buildings for faculty/staff.
- Providing students access to networked digital copiers through Copy Corner in Davies Center.
- Providing Internet ordering as an option for faculty/staff to eliminate walking across the bridge to place an order at Duplicating Services.

Convenience analog copiers could be placed in additional locations that are convenient for the customer to find and that are easy to operate. “The analog machine is still the work horse of most offices and still the best choice for small jobs” (Before You Buy . . . Copying Machines, 2000). Convenience copiers for students could be placed in public locations such as hallways and lounge areas. Students currently pay for their copies with their University Blugold Card by utilizing their Blugold account. The students are charged \$.07 for copies made with their Blugold account. Currently, no coins are accepted as payment for copies on those convenience copy machines. The analog copiers that the students use would be supported by staff from the Copy Corner due to funding issues. The Copy Corner receives no General Purpose Revenue (GPR) funding from the State of Wisconsin. GPR funding is collected through taxes. The Copy Corner is a stand-alone retail store that must generate enough revenue to cover its expenses.

Convenience copiers for faculty/staff would be placed in private areas such as main offices, individual offices or classrooms. Faculty/staff would only be able pay for their copies with the University’s ID card system utilizing their department’s Blugold account.

No coin is accepted in the faculty/staff machines because faculty must use their department's funds to pay for their copies in the convenience copy machines. The department's funds are accessed with the Blugold ID card. The analog copiers for the faculty/staff would be supported by the staff from Duplicating Services due to funding. Duplicating Services does receive GPR funding to support the academic mission of the university. These convenience analog copiers would meet the basic needs of both students and faculty/staff by printing black and white copies in small quantities.

However, large quantities of copies, collated and stapled copies and copies needing other bindery services could not be provided by the convenience copiers in those two academic buildings. Duplicating Services in Schofield Hall has the ability to run large, complicated orders for faculty/staff and departments only. To provide copies for very large orders and to improve customer service and convenience, another alternative could be to provide a daily delivery and pick-up service of copy orders at both academic buildings for the faculty/staff by Duplicating Services.

Delivery service is currently offered by Duplicating Services to departments and offices located on UW-Eau Claire's upper campus, but not across the river to Haas Fine Arts Center or to Human Sciences and Services buildings. The current delivery service to upper campus is only done twice a week, not daily. The delivery service would require additional time and cost on the part of Duplicating Services. It would cost approximately \$12 a day in student staff time (2 hours @\$6/hr) and a minimal vehicle charge of approximately \$2 a day. Since each department's account is charged through the university mainframe after the copy order is completed, deliveries are made without the need to collect a payment for the order. Delivery service would save a great deal of time

for the faculty/staff members who currently must create their originals, walk across the bridge to place their order, and then walk back to their office across the river. When the order is completed, the faculty/staff members must then go back across the bridge to pick up their order.

Another alternative for the faculty/staff and students is to place stand-alone digital copiers in the two academic buildings. Although digital copiers are relatively new in the copy machine market, they offer some options not available with analog copiers. “With the ongoing quest for speed and efficiency, more and more companies are now turning to digital technology to improve productivity in the workplace” (Kruck, 1998, p. 39).

Digital copiers are more reliable. “Because . . . digital copiers require fewer moving parts than a traditional copier, digital copiers are less likely to jam and require a service call” (Lee, 1998, p. 6). “Because the document is scanned only once, there is less wear and tear on certain parts, such as the document feeder, one of the key reasons for service calls on analog machines” (Sanchez, 1999, p. 24). Because there will be fewer jams and general problems with a digital copier, the increased reliability of a digital copier is therefore a major advantage for the faculty/staff and students.

Digital copiers are also quieter than analog copiers because having fewer moving parts.

This copying process does make far less noise than we hear from analog copiers, though it’s possible you won’t discover the importance of this until the unit is actually installed in your office. If you currently have an analog copier, think about what it sounds like. You can probably hear it completing a job from two doors down, especially if it’s using its sorter bins. Many new owners of digital copiers

find this quieter copying to be a welcome surprise (Buyer's Guide for Copiers, 2000).

Digital copiers offer another option in addition to reliability and quiet -- saving time. Lee (1998) also states "If you often make many sets of copies at a time, you'll like the ability to go onto the next task almost as soon as the job begins, with originals in hand" (p. 46). The digital copier can scan the original one time and then print many copies. The original is returned right away to the customer, and the machine can be left to run the order unattended. This is something that is valuable if the digital copier is placed in a private area, but not if the digital copier is in a public area like a hallway or lounge.

Digital copiers are less expensive to operate. Because the digital system uses the technique known as "scan once, print many," it ultimately translates into lower electricity costs (Sanchez, 1999, p. 24).

The quality of the copies is often a concern, especially if the faculty member wants copies for an exam. Every exam must be high quality and be very legible. "The quality of a digitally produced copy is also better, since every page is a true original, like a printout" (Lee, 1998, p. 46). The stand-alone digital copiers placed within the two buildings will be supported by Copy Corner staff for the student machines and will be supported by Duplicating Services staff for the faculty/staff machines.

Digital copiers that are networked into the University computer system provides another alternative for faculty/staff and students. A networked digital copier allows anyone with a networked computer to access the digital copier as another printer. "A digital environment is one in which a single machine incorporates all the functions of the traditional fax machine, printer and copier" (Hendricks, 1999, p. 32). Because of the

continued growth of computers and computer networks, it is predicted that by 2001, 75% of all copy machines in businesses will be digital (Ey, 1999, p. 40).

Digitally networked systems are specifically created to harness a network's true potential, setting the stage for enhanced office productivity. Imagine sitting at your desktop and with just the touch of a button being able not only to print, scan or fax documents, but to also ready multiple copies (including all sorting and stapling variations) for distribution. All this and more can be accomplished without leaving your desk. Workers can do more with documents, in less time, with less frustration (Hallissy, 1997, p. 27).

Networked digital copiers will provide options that aren't available (and never will be) with analog copiers. "As offices get networked, workers increasingly zip their documents around electronically. When they want hard copies, they're not likely to run off to the traditional stand-alone copier" (Belsie, 1997, p. 12).

With the growth of networked office environments, Internet and Intranet communications, yesterday's document production standard is moving toward distributed printing and printing on demand, and away from the inefficient use of traditional photocopiers for document reproduction. Workers typically create documents on a PC, print originals on a laser printer, make copies on a copier, and distribute the copiers through the mail, by fax or by hand. One of the great advantages of digital technology is the way it encourages us to find new ways of working. This new method reverses the printing and distribution processes (Why Digital?, 2000).

The distribution of the document through a computerized network is followed by printing of the document(s).

With a connected system, users can produce, print, copy and staple 10 sets of a five-page document -- all from their desks. Use your digital copier with a fax option and you fax right from the platen -- and both send and receive faxes (Lee, 1998, p. 46).

However, there are some negatives to switching to a networked digital copier. As with any new piece of equipment, the staff will need to learn how to operate it on their own. Each individual's comfort level and expertise in operating a personal computer is different. "The comment I keep getting is 'I can't even run a copier machine. How am I ever going to learn to send jobs from my computer?'" (Lewers, 1999, p. 47). Training will need to be provided for all levels of computer expertise, and it will need to be on-going.

Another obstacle that will have to be evaluated is the current network connectivity at UW-Eau Claire. "The greatest obstacle to reaping the benefits of this latest digital technology is that many companies, especially larger and older ones, have a hodgepodge of personal computer and wiring" (Lewers, 1999, p. 47). The Information Technology staff at UW-Eau Claire will have to review the wiring throughout Haas Fine Arts Center, the Human Sciences and Services buildings and Davies Center to determine if the networked digital copiers will be able to be correctly connected into the University network and be operable from all the necessary locations in the buildings.

Another small issue involves using the digital copier as a fax machine.

In the first place, for Internet faxing to work, the people on the receiving end also have to have an Internet fax machine. If they do, this works just like regular faxing,

except that instead of entering a phone number as the destination, the sender would enter an IP address. The question today is, 'What is your fax number?' Soon the first question will be, 'Do you have an Internet fax machine?' And if you do, 'what is your IP address?' That will be a perfectly common question in a year or two. If the receiving end does not have an Internet fax machine, Internet faxing still can save money, by faxing directly into the recipient's e-mail account. Here again, one simply enters an e-mail address instead of a phone number, and a facsimile image of the document appears in the recipient's computer (Katz-Stone, 1999, p. 25).

The faculty/staff could use networked digital copiers placed in the Haas Fine Arts Center and the Human Sciences and Services buildings for private areas such as main offices, individual offices or classrooms. The department accounts would be charged back based on the meter count on the digital copiers. The students could utilize networked copiers by sending electronically to Copy Corner. The students could then pick up their copy orders and pay for them at the Copy Corner.

As networked computers become more common place, the need for conveniently located copiers and even copy shops will possibly decrease. The customers can send their copy requests from their desks. A drop-off delivery service would likely be the only requirement to maintain convenience for the customer.

The Internet is also being used by some copy shops to receive and create copy orders from anywhere and any customer. Although this isn't a common practice, "we expect that many will use their Internet sites as a way to handle file transfers and password-protected downloads for their customers" (Quick Printers on the Move to Go

Digital, 1998, p. 20). This feature would allow faculty and students to place their copy orders from home. If both methods listed above were used, faculty could place copy orders via the University network while at work. They could also place copy orders via modem to the copy service's Internet location while at home.

As copy shops continue to become more electronic and more digital, another option might be to eliminate paper for some copy projects. "The most effective way to distribute information isn't always on paper" (Alexander, 1998, pp. 35-36). Although paper will continue to be the main product of a copy service, there are some printers who offer another option. As stated by Alexander (1998), "Many printers will replicate disks, CD-ROM's, and even DVD's with graphics and text files, and audio or video tapes that companies use internally" (pp. 35-36).

### Marketing

There will be marketing issues for the copy service business located on Water Street because it might not be allowed to provide services to anyone outside the University community and boundaries. That decision will need to be made by the Competition with the Private Sector Committee at UW-Eau Claire.

If the decision by the Committee is to allow only the University community to utilize the copy service business, the focus of marketing will primarily be for the students and staff who work and study in the Haas Fine Arts Center and the Human Sciences and Services buildings.

Currently no University department or service is allowed to advertise or market off campus. However, if there are customers from the Eau Claire community who go to the Bookstore, for example, they can purchase anything they want.

If the decision by the Committee is to allow any public customer or community member to utilize the copy service business, will the copy service business be allowed to market to the Eau Claire community or just to the university community as is currently done? The Committee will also have to decide whether to allow the copy service business to market its services to the Eau Claire community or just to the University community. Those decisions will have major implications on the marketing strategy for the copy service business.

If the Committee decides that only University staff and students can utilize the copy service business, the marketing focus will be on the staff and students who work and take classes in the Haas Fine Arts Center and Human Sciences and Services buildings. There should also be some campus-wide marketing in addition to some very focused marketing to the students who live off campus near the copy service business on Water Street.

If the Committee decides that the entire Eau Claire community can utilize the copy service business and that marketing can go beyond the University boundaries, there will have to be much marketing and promotion of the facility and its products.

What is marketing? According to O'Hara "it is a statement of who the product or service is going to be sold to, the strategy of how it is intended to make the customer aware of and willing buy the product of service" (1990, pp. 73-74). "Marketing consists of so many different activities – sales, advertising, customer service, the product itself, your pricing and discounts, reputation, strategies and much more" (Hiam, 1997, p. 8). In order to be successful in marketing, a specific strategy has to be developed.

There are several issues to consider when developing a marketing plan or a marketing strategy. These can include “what can be sold, to whom, in what quantity, at what prices and with what level of effort in regard to promotion” (O’Hara, 1990, p. 74). Another suggestion for developing a marketing strategy is “to forget that you are selling your product or service and put yourself in your customer’s place” (Covello & Hazelgren, 1993, p. 52). And according to Bangs “Customer focus is the crux of your marketing efforts” (1992, p. 20). Bangs also believes that companies should pick the simplest marketing strategy possible. Simple strategies work, which is what you want from a strategy. Two examples by Bangs include “Coddle your customer” and “Minimize opportunities for customer dissatisfaction” (1992, p.31).

Part of the marketing strategy needs to recognize the indirect messages that are given from a business.

If brochures are cleanly designed and sales representatives are conservatively dressed, it says the company is professional and responsible. If the decor features trendy colors and rock music plays in the background, the implication is that the company is youthful and contemporary” (Abrams, 1991, p. 117).

Since the copy service business is a university business, it’s possible there won’t be a great deal of money allocated for marketing or promotions, so the marketing strategy will have to reflect the small amount of financial resources that might be available.

However, there are many things that can be done without a great deal of money. According to Phillips & Rasberry there are many ways to market your company without advertising. One of the ways they suggest is to review the physical appearance of your

business. There are four goals associated with the physical appearance that owners should keep in mind.

- It should conform to, or exceed, the norms of the business you are in.
- It should be squeaky clean.
- It should have an appropriate smell.
- It should be uncluttered (1997, p. 3.2).

The copy service business should conform to the industry norms for a copy service business. The norm would be equipment in the background running orders, there should be neatly stacks boxes or shelves with many colors of paper and staff that are friendly and dressed neatly and casually. Dressing casually indicates the staff wait on customers but also get behind the counters and run orders. There should be brochures and instructions on a customer counter. Copy machines should have easy access for the customer who wants to make their own copies.

“Cleanliness is crucially important in all businesses and is perceived by the public as a measure of management competence” (Phillips & Rasberry, 1997, p. 3.5). Cleanliness includes having clean counter tops, clean windows, clean equipment and displays as well as good lighting. Staff should be well groomed and should wear clean clothes without ink or toner spots.

“Good smells can be an incredibly powerful part of the image of many businesses – and inappropriate ones can ruin it (Phillips & Rasberry, 1997, p. 3.6). A copy service business should have a clean smell, as copy machines, paper and other office equipment don’t have much of a smell traditionally. It shouldn’t smell dusty or dirty, there shouldn’t be any food or other sorts of odors at all.

Looking uncluttered is as straight forward as having organized and filed documents and folders, order forms and brochures in neat stacks and pens/pencils in specific containers, not spread all over the counter top. The informational brochures on the counter should be standard size and be easy to read and understand (Phillips & Rasberry, 1997, p. 3.8). The shelves with the extra paper should be labeled and stacked neatly. The copying and all the related service equipment should be clean and not cluttered with coffee mugs or papers.

Another marketing strategy that is somewhat inexpensive is marketing on the World Wide Web. UW-Eau Claire has a Web site that currently has a specific section devoted to Printing Services. It is maintained by a student employee that is very knowledgeable about creating and updating Web pages. One example of using the Web page for marketing would be to use it for specific promotions such as a certain % off a special kind of paper or order amount. The only cost to get the information out onto the Web site is the student wages.

Another example would be to utilize the Web page as an order entry location for the customers who are willing to send their documents electronically. This has not yet been developed for the Printing Services Web page, but it something that is currently being reviewed. With some employee and customer training on how to send and print electronic documents, ordering copies electronically could be done. It would be a great time saver for the customer, eliminating the need to even visit Duplicating Services. Duplicating Services could then deliver the order to the customer's building or office.

There are some guidelines suggested by Hiam, which include having someone very knowledgeable about Web pages do the designing and updating, to offer tangible,

interesting information and to include an email link to make sure the customers can get in touch with you (1997, pp. 116-117).

According to Phillips & Rasberry “Businesses that do a good job at education sell more (1997, p. 12.10). In the case of Printing Services, classes could be offered that show customers how do create brochures and other documents in certain software packages. They could be shown how to send documents electronically and how to fill out an electronic order form. By explaining the process in a non-threatening, teaching environment, more staff and students are likely to learn how to do things properly. Those same students and staff will be much more apt to utilize either the Copy Corner or Duplicating Services because they know their final copies will be just as they wanted them to be. These were just some examples of the different kinds of marketing strategies that can be used by the copy service business without spending much money.

If the final decision is to open a copy service business on Water Street, a marketing strategy will need to be developed to promote the services to the customers. Without a marketing strategy, the business will not expand.

#### Business Plan for Opening a Copy Service

According to Abrams, the first place to begin when starting a company is to create a business plan. The business “plan requires detailed information on almost every aspect of your business, including industry, market, operations and personnel” (1991, p. 11). In order to create a business plan, reliable data needs to be gathered. “Take time to do your homework. Sufficient research prevents you from including inaccurate information in your plan and enables you to make informed decisions” (1991, p. 12).

To determine if a copy service business should open on Water Street, it is necessary to research and document the anticipated revenues and expenses for the business. The anticipated revenues are based on the information gathered from the customers in the survey. According to Jacksack, "Err on the conservative side in predicting how much business you'll do in your first year" (1998, p. 70).

The anticipated expenses are based on information from Jeff Bernhardt from EO Johnson, staff at UW-Eau Claire, current pricing from Kinko's and realtor, John Mogenson. Mogenson owns the property that is the potential location for the University copy service business (J. Mogenson, personal communication, 4/6/2000).

Mogenson indicated the lease payments for the office space would be \$2,500 monthly, with no security deposit necessary because the University would be leasing the space. He also indicated the square footage of the space to be approximately 33 feet across the front of the store and 100 feet deep, for a total of 3300 square feet. There is approximately 60 square feet of storage in the back of the store, which is part of the total 3300 square feet.

If the University would enter a one-year lease with Mogenson, the building would come "as is". However, if the University would enter into a three-year lease, Mogenson would supply some remodeling such as painting and carpeting. The exact specifics would need to be negotiated with Mogenson and the appropriate University officials. Whether those remodeling costs would be absorbed by Mogenson or amortized over the lease period would also need to be negotiated. Mogenson also indicated that he would pay the annual Water Street Business District Improvement Tax of approximately \$200. This covers snow removal, special cleaning of the sidewalk and street, planting trees, etc. The

electrical power in the office space should be adequate according to Mogenson. If the University officials determined it was not adequate, the University would have to pay for the additional service installation. According to Steingold, “Your lease should specify the improvements the landlord is to make. Ideally, the landlord should agree to have improvements in place before your move-in date. Try to get the landlord to agree to pay for all or most of the improvements” (1997, p. 11/9).

The only permit that Mogenson said would need to be purchased was a sign permit for \$25 from the city of Eau Claire. The University is required to hire a licensed sign installer to install a sign for the outside of the building.

Mogenson indicated the zoning for the location was appropriate. Also, being located next to other businesses, not bars (which is much of what is located on Water Street) was a positive for the image of the business. Parking is somewhat of an issue, but since the copy service business might be selling only to patrons of the Haas Fine Arts Center and the Human Sciences and Services buildings, it might not be a problem. If we are allowed to sell to customers outside the University community, parking would be an issue, just as it was for Kinko’s customers (J. Mogenson, personal conversation, 4/6/2000).

## Chapter 3

### RESEARCH METHODS

#### Introduction

This study will provide information to UW-Eau Claire administrators to help determine if the University should open and operate a full service copy business near the building vacated by Kinko's on Water Street in Eau Claire.

The objectives of this study were to identify the products and services the faculty, staff and students would like to have available at the Water Street location. This study included information on alternatives available to the University that would provide copy services to the faculty, staff and students. As part of the survey, the costs and revenues needed to operate the copy service as a break even operation were determined. The University is sensitive to competing with private sector, so operating a copy service business will have to be reviewed to see if it follows the UW-System policy. Then, a recommendation will be made to the Director of University Centers and Programs regarding the feasibility of opening a copy service on Water Street.

This chapter will describe the research design and how it related to the problem and objectives, the types of data needed and the end products of the study. The population will be described and will include it's characteristics and numbers. The sample size of the population will be explained, as well as the type of sample and how the sample was selected. The data collection techniques will also be described. This includes how the data will be collected and recorded, the instruments to be used and the validity of the data.

### Research Design

The research design is a descriptive study. The general objective of a descriptive study is to learn who, what, when, where and how on a specific topic. The problem and research objectives indicated a descriptive study was the most appropriate approach to the research project. The research project indicated who in the University is interested in and would use a copy service on Water Street. The kinds of products and services that were desired, as well as alternative types of service were described by the study. The feasibility of opening a copy service was studied and included market research, start up costs, operational costs, capital expenditures and anticipated revenues.

The study focused on the population at UW-Eau Claire as the primary customers. The data was collected through surveys of the various populations within the University. The sample populations included students, faculty and staff that primarily utilized the Haas Fine Arts Center and Human Sciences and Services academic buildings. The surveys were distributed to students taking classes in the Haas Fine Arts Center and the Human Sciences and Services academic buildings. Surveys were also distributed to the all the faculty, staff and support staff who work in those two academic buildings.

### Population

Since the copy service would be providing products and services primarily to the students and staff who work and study in the Haas Fine Arts Center and the Health and Human Services buildings, all students and employees of the University were in the study's population.

Within the University's population there are four grades of undergraduate students (freshman, sophomore, junior, senior), graduate students, faculty, staff, departmental

secretaries and administrators. There are approximately 10,500 undergraduate students, 1,000 graduate students and 1,300 faculty, staff and administrators.

One common characteristic of the population was the need to make copies for work and study needs. Another common characteristic was the need for convenience and speed when having copies made. Additionally, the University customers needed to have a wide variety of services available such as color copies, high speed machines for large numbers of copies and finishing services such as binding, collating and stapling.

### Samples

With a total population of approximately 13,000, sampling was done to ensure speed, cost savings and accuracy as to the needs of the population. To have a sampling error of 5% (plus or minus), the sample size should be 373. The types of samples included cluster samples from the students in the classrooms, faculty and support staff in the Haas Fine Arts Center and Human Sciences and Services buildings. Since this population was the most likely to use the Water Street location for a copy service, it was necessary to make sure this primary customer was surveyed.

After reviewing the University's telephone directory, all the faculty and staff who teach in those two buildings were contacted and asked to distribute the survey during class time. All the staff who work in those two buildings were asked to fill out a survey.

A cluster sample was done in the two building's classrooms to ensure all grades of undergraduates and graduates were included. A cluster sample of faculty and department secretaries was done to ensure a sample from each department were represented.

The faculty and staff surveys were distributed to each individual's mailbox in their respective building on January 20, 2000, just before the Spring 2000 semester began. The

faculty have lesson plans made for their classes before the semester starts, so they are able to generally determine their copy needs. The first part of every semester is a very busy time for the faculty and department secretaries. Distributing the survey prior to the beginning of the semester was done to increase the response.

The student surveys were distributed in the classrooms during the week of February 21, 2000. This time frame is chosen because students have had enough time in their classes to have a good understanding of their copy needs for the semester. It is also before the rush from the end-of-the semester papers and reports are due. This time frame was also chosen to increase the response.

#### Data Collection Techniques

Some of the data that was collected through the research surveys include: estimated number of copies needed in a specific time frame, types of copies, money spent on copies, originals in paper or electronic form, convenience, hours of operation, services that should be available, additional services that might be added and demographic information about the sample.

The source of the questions for the survey came from the current Printing Services staff and their experiences and a review of the services generally offered by businesses such as Kinko's.

The content validity was checked by the current Printing Services staff at Duplicating Services and Copy Corner. Three students who take classes in Haas Fine Arts Center and Human Sciences and Services buildings reviewed the survey for ease of understanding.

## Chapter 4

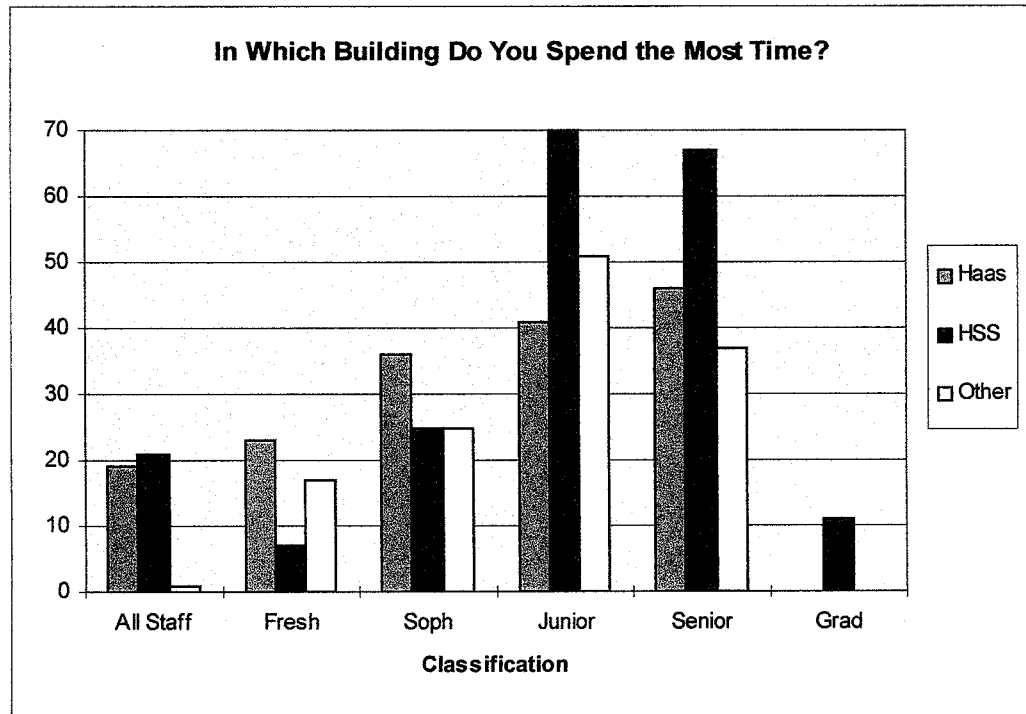
### DATA ANALYSIS

#### Survey Results

The graphs below represent the results of the surveys distributed to the faculty/staff and students who primarily utilize the Haas Fine Arts Center and the Health and Human Services buildings at UW-Eau Claire. The explanations of the wording used in the graphs is as follows:

1. Haas = Haas Fine Arts Center
2. HHS = Human Services and Sciences Building
3. All Staff = All faculty, academic staff and classified staff who work in the two academic buildings (Haas and HSS).
4. Fresh = Freshmen who take classes in the two academic buildings.
5. Soph = Sophomores who take classes in the two academic buildings.
6. Junior = Juniors who take classes in the two academic buildings.
7. Senior = Seniors who take classes in the two academic buildings.
8. Grad = Graduate students who take classes in the two academic buildings.
9. Faculty = Professors who teach classes in the two academic buildings.
10. A/Staff = Academic staff who teach classes or work in the two academic buildings.
11. Classified = Classified staff who work in the two academic buildings.

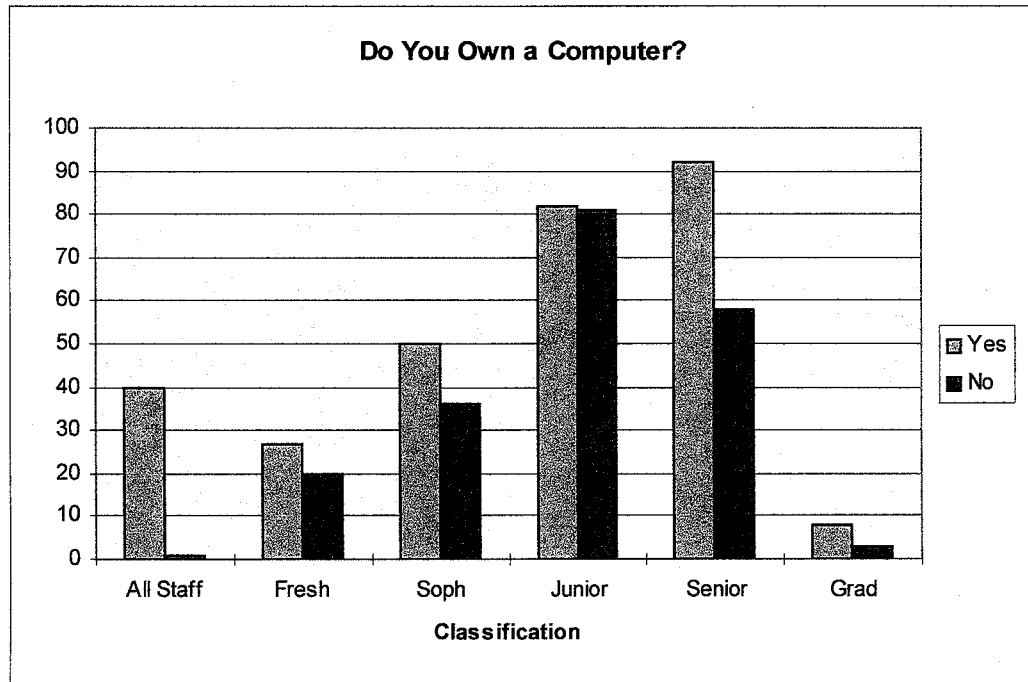
Graph 1



Graph 1 illustrates where the respondents spend most of their day, either in classes or working. The graph shows that 19 out of 41 staff mainly work in Haas, while 21 staff primarily work in HSS. The freshmen are divided between 23 who have most of their classes in Haas and 7 that have most of their classes in HSS. The remaining 17 freshmen have classes primarily in other buildings on campus. The sophomores indicated that 36 have most of their classes in Haas, 25 have most of their classes in HSS and the remaining 25 have classes in other buildings on campus.

Out of a total of 163 juniors, 41 have classes that are mainly in Haas, 70 are mainly in HSS and 51 have most of their classes in other buildings on campus. The seniors indicated that 46 have most of their classes in Haas while 67 have most of their classes in HSS and the remaining 37 have most of their classes in other buildings on campus. All 11 graduate students have their classes primarily in HSS.

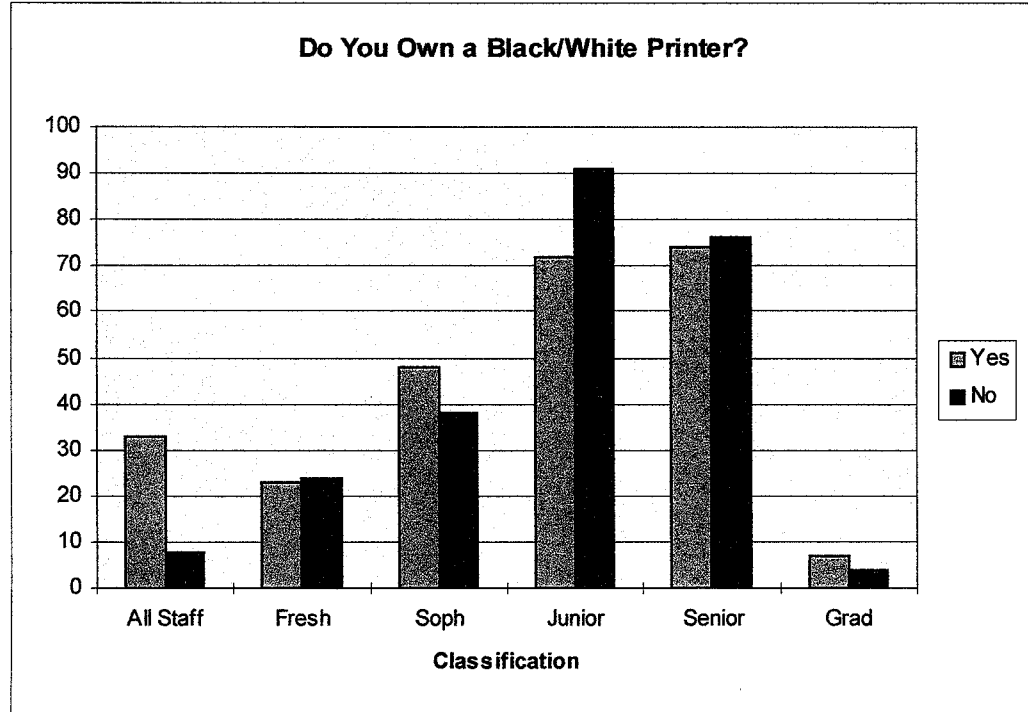
Graph 2



Graph 2 indicates which of the respondents have their own computer. The graph shows that 40 out of 41 of the staff have their own computer. For the freshmen, 27 have their own computer and 20 do not have a computer. The sophomores indicated that 50 have their own computer while 36 do not have a computer.

There are 82 juniors who own a computer and 81 who do not have a computer. Computers are owned by 92 seniors and 58 seniors do not have a computer. For the graduate students, 8 have their own computer and 3 do not have their own computer.

Graph 3



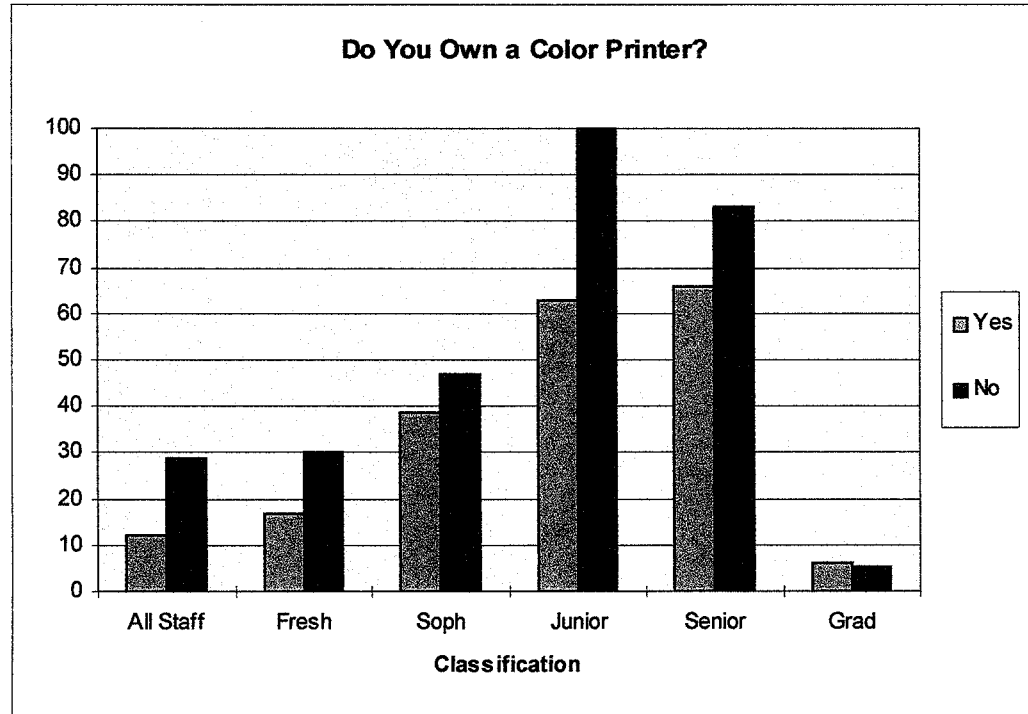
Graph 3 illustrates which respondents have a black and white printer.

The survey results show that 33 staff members have their own black and white printer.

The freshmen are split almost in half with 23 having a black and white printer and 24 without a printer. For the sophomores, 48 have their own black and white printer while 38 do not have a black and white printer.

The juniors indicated that 72 have their own black and white printer and 91 do not have a printer. The seniors were also almost split it half with 74 having a black and white printer and 76 not having their own black and white printer. For the graduate students, 7 indicated they have their own black and white printer.

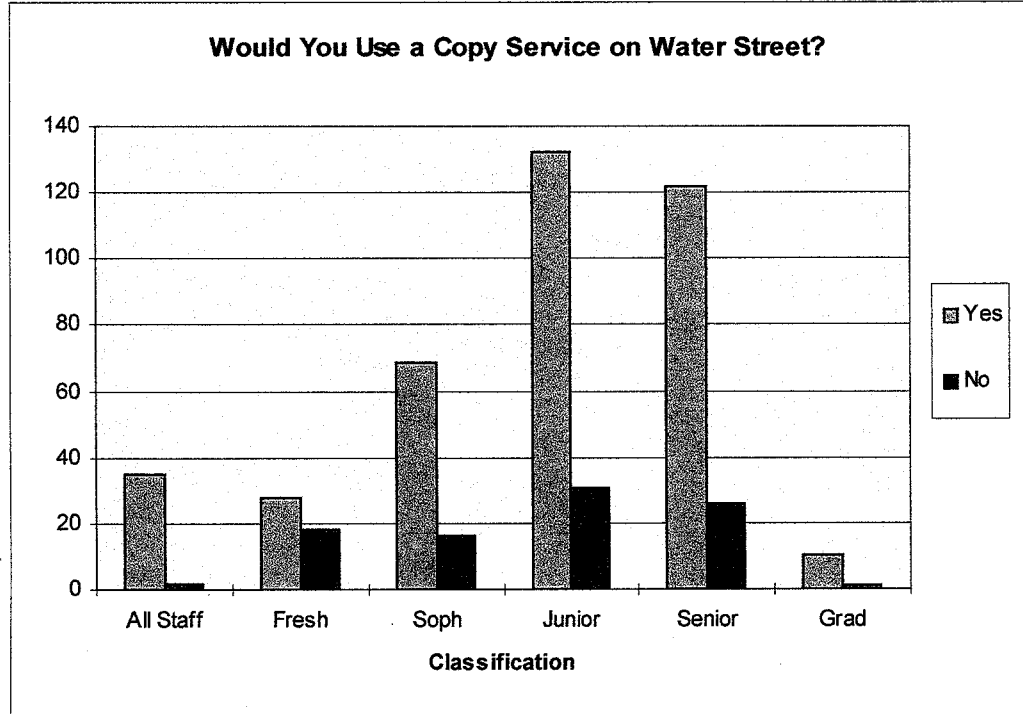
Graph 4



Graph 4 illustrates who owns their own color printer. Of the staff, 12 members have a color printer and 29 do not have a color printer. For the freshmen, 17 indicated they have a color printer and 30 freshmen wrote they do not have a color printer. There are 39 sophomores who have a color printer and 47 sophomores who do not have a color printer.

The survey results indicated that 63 juniors have their own color printer and 100 juniors who do not have their own color printer. In the senior class, there are 66 seniors with their own color printer and 83 seniors who do not have their own color printer. The graduate students are split almost in half with 6 with a color printer and 5 without a color printer.

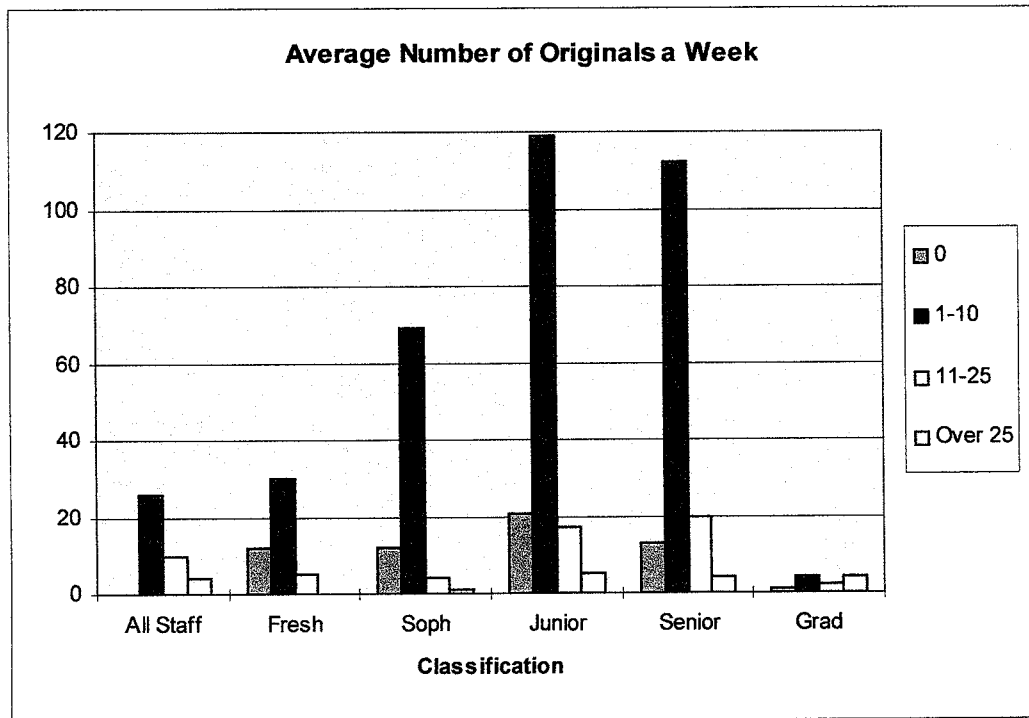
Graph 5



Graph 5 illustrates whether the respondents would utilize a copy service on Water Street. The graph shows that 45 out of 47 staff members would use a copy service on Water Street. For the freshmen, 28 out of 47 would use a copy service on Water Street. The survey results show that 69 out of 86 sophomores would use a copy service on Water Street.

For the juniors, 132 out of 163 would use a copy service on Water Street. For the seniors, 122 out of 150 would use a copy service on Water Street. For the graduate students, 10 out of 11 would use a copy service on Water Street.

Graph 6

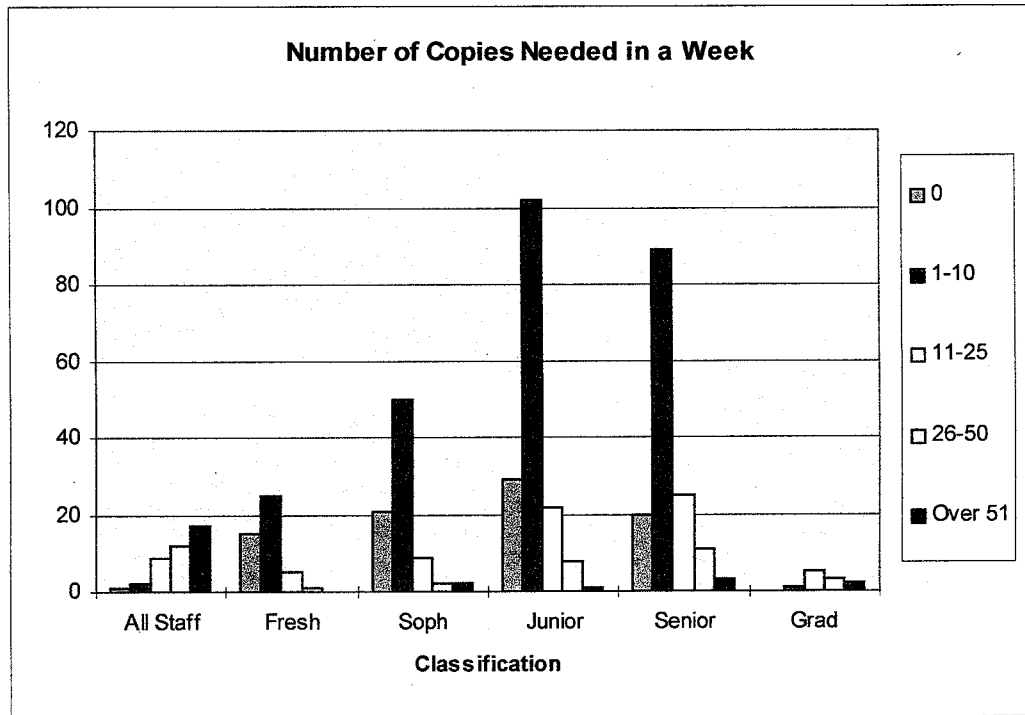


Graph 6 illustrates the average number of originals the respondents make in a typical week. This graph shows that 26 out of 41 staff make an average of 1-10 originals in a week, while 10 of the staff generally make 11-25 originals in a week. The survey results indicate that 12 of the freshmen don't make any originals in a week, while 30 freshmen make an average of 1-10 originals in a week. For the sophomores, the graph indicates that 12 do not make any originals in a week, but 69 sophomore make an average of 1-10 originals in a week.

The survey results illustrated that 21 juniors do not make any originals in a week. There are 119 juniors who indicated they make an average of 1-10 originals in a week. There are 13 seniors who make no originals in a week, but 112 seniors who make 1-10 originals in a week. The graph shows that 20 seniors indicated they make 11-25 originals

in a week. For the graduate student, the survey indicates 4 graduates who make 1-10 copies in a week and 4 graduates who make over 25 copies in a week.

Graph 7

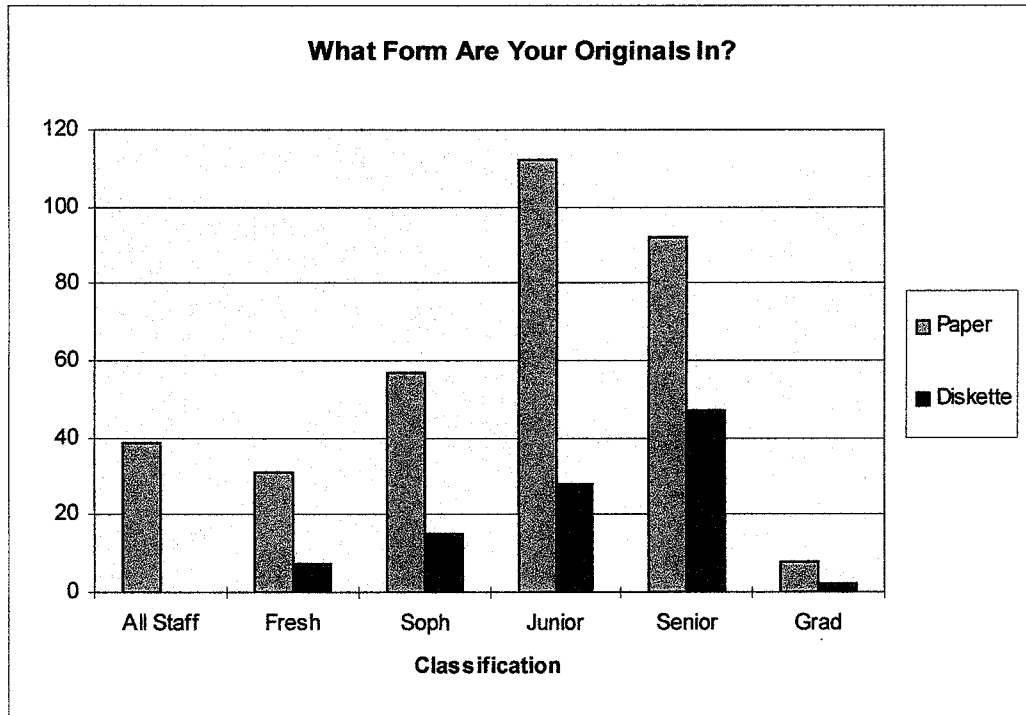


Graph 7 illustrates how many copies the respondents typically make in a week. The survey shows that 9 staff members make 11-25 copies in a week, 12 staff make between 26-50 copies a week and 17 staff make over 51 copies in a week. The graph indicates that 15 freshmen don't make any copies in a week and 25 freshmen make between 1-10 copies in a week.

The sophomore survey results show that 21 sophomores don't make any copies in a week and 50 make between 1-10 copies in a week. For the juniors, the graph shows that 29 indicated they don't make any copies in a week, 102 juniors make between 1-10 copies in a week and 22 juniors make between 11-25 copies in a week.

The results also show that 20 seniors don't make any copies in a week, 89 seniors make between 1-10 copies in a week and 25 seniors make between 11-25 copies in a week. The graduate students indicated 5 graduate students are making between 11-25 copies a week and 3 graduate students make between 26-50 copies a week.

Graph 8



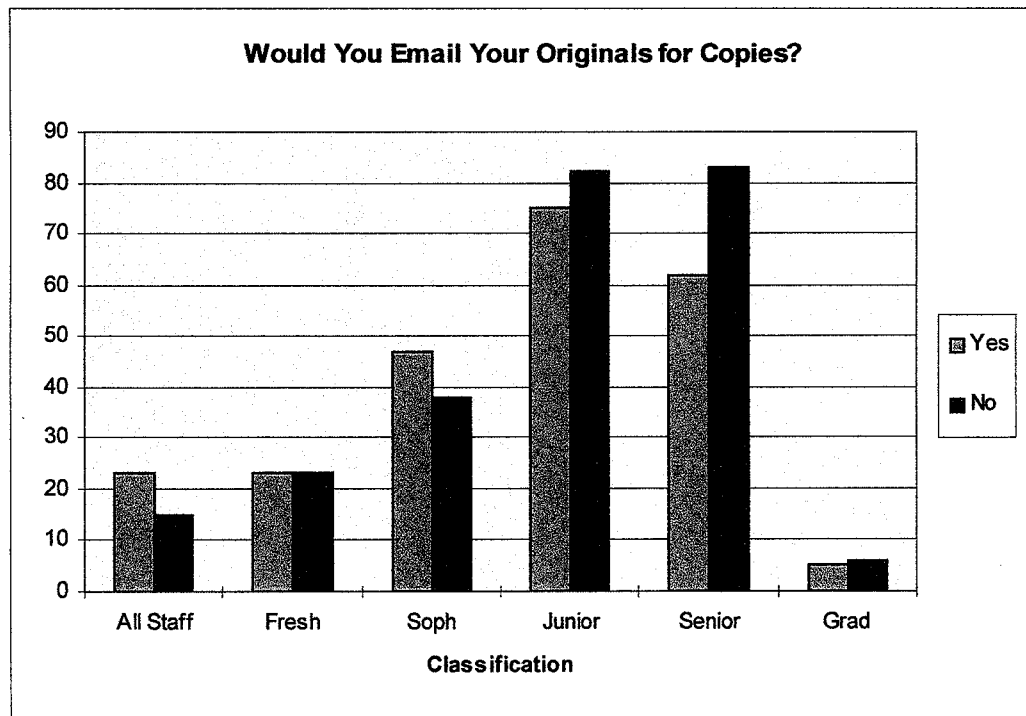
Graph 8 illustrates whether the respondents prefer to print their originals onto paper or leave them in electronic form when they have copies made. The survey indicates that 39 out of 41 staff print their originals on paper. The survey shows that 31 freshmen prefer to print their originals to paper, while 7 freshmen prefer to keep their originals in electronic form.

For the sophomores, the survey shows that 57 prefer to print their originals on paper, while 15 prefer to keep their originals in electronic form. There are 112 juniors who

prefer to print their originals on paper and 28 juniors who prefer to keep their originals in electronic form.

The seniors indicated that 92 prefer to print their originals on paper and 47 seniors who prefer to keep their originals in electronic form. The graduate students indicated 8 prefer to print out their originals.

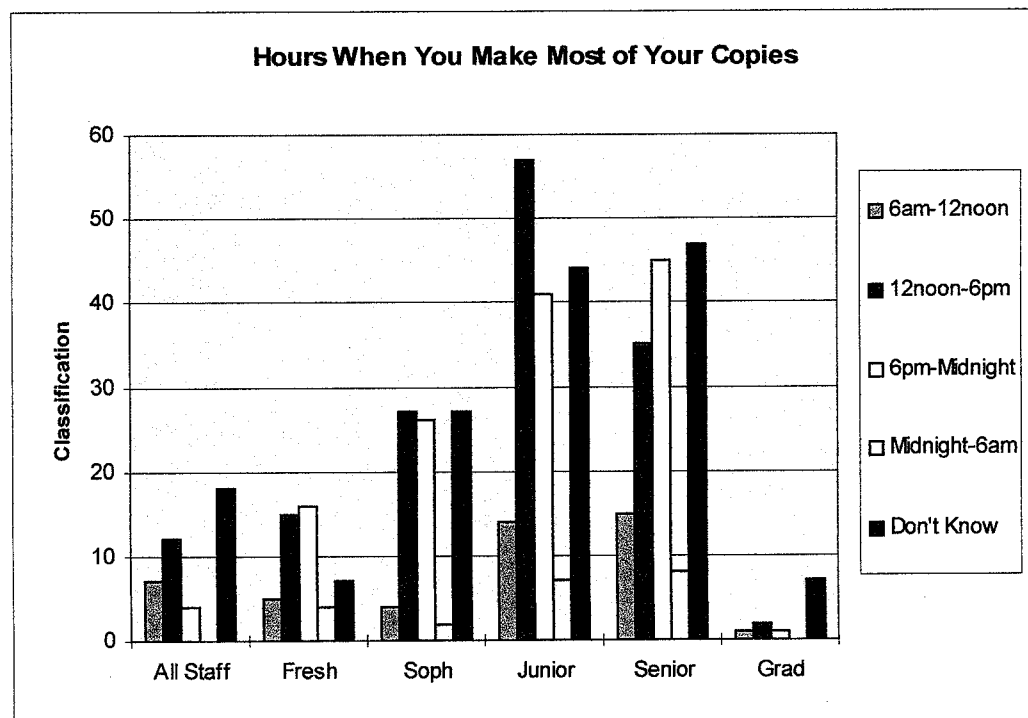
Graph 9



Graph 9 illustrates whether the respondents would be willing to email their originals to another location to be printed out. The survey indicates that 23 staff would be willing to email their originals to a another location to be printed out while 15 said they would not. The freshmen split evenly with 23 saying they would be willing to email their originals and 23 freshmen indicating they would not want to email their originals. The survey results show that 47 sophomores would be willing to email their originals while 38 sophomores would not be willing.

The juniors indicated that 75 would be willing to email their originals to be printed out and 82 would prefer not to email their originals to be printed out. For the seniors, there were 62 who indicated they would be willing to email their originals and 83 who would prefer to not email their originals. The graduate students were split almost evenly with 5 saying they would be willing and 6 graduate saying they would prefer not to email their originals to be printed out.

Graph 10



Graph 10 shows what times respondents prefer to make their copies. There were 7 staff members who indicated they like to make their copies between 6 am - 12 noon and 12 staff who indicated they prefer 12 noon - 6 pm. However, there were 18 staff who didn't know a specific time that they regularly make copies.

For the freshmen, there were 5 who indicated they prefer the 6 am - 12 noon time frame, 15 freshmen who preferred the 12 noon - 6 pm time frame and 16 freshmen who

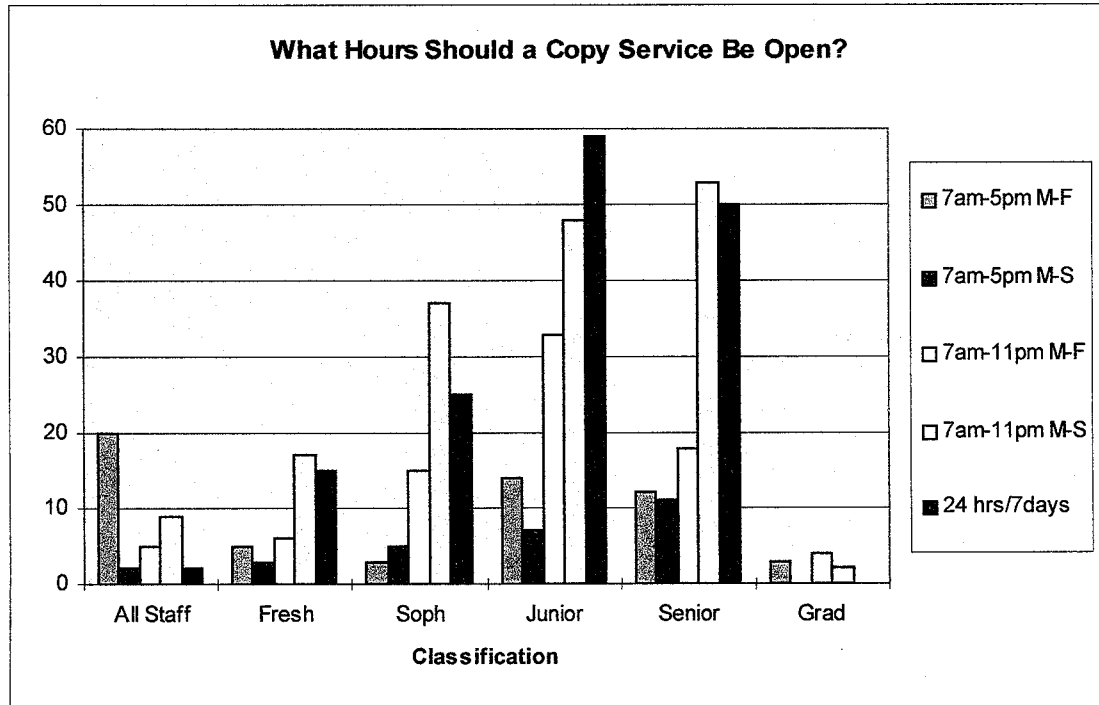
preferred 6 pm - 12 midnight. There were 7 freshmen who didn't have a specific time they regularly used to make copies.

The sophomores had 3 time frames with the almost the same number of students indicating that was their preference. There were 27 sophomores who preferred 12 noon - 6 pm, 26 sophomores who preferred 6 pm - 12 midnight and 27 sophomores who didn't have a specific time they regularly made copies.

The survey showed there were 14 juniors who preferred 6 am - 12 noon to make copies, 57 juniors who indicated a preference for 12 noon - 6 pm, and 41 juniors who indicated 6 pm - 12 midnight as their preference. A total of 44 juniors indicated they had no time preference when it came to making copies.

For the seniors, there were 15 who indicated a preference for 6 am - 12 noon, 35 seniors who preferred 12 noon - 6 pm, and 45 seniors who preferred 6 pm - 12 midnight. A total of 47 seniors did not have a time preference for making copies. The majority of graduate students (7 out of 11) indicated they didn't have a time preference for making copies.

Graph 11



Graph 11 illustrates the hours of operation the respondents would prefer to have for a copy service business on Water Street. The survey results indicated that 20 of the staff would like to have the copy service open from 7 am - 5 pm Monday through Friday. There were 5 staff who preferred the hours of operation to be 7 am - 11 pm Monday through Friday and 9 who preferred 7 am - 11 pm Monday through Sunday.

The graph shows that 5 freshmen preferred the copy service business be open from 7 am - 5 pm Monday through Friday. There were 6 freshmen who indicated their preference was 7 am - 11 pm Monday through Friday, while 17 preferred 7 am - 11 pm Monday through Sunday. There were 15 freshmen who preferred the copy service be open 24 hours a day, 7 days a week.

The survey results show there were 15 sophomores who would like to see the copy service open from 7 am - 11 pm Monday through Friday, while 37 would like to see

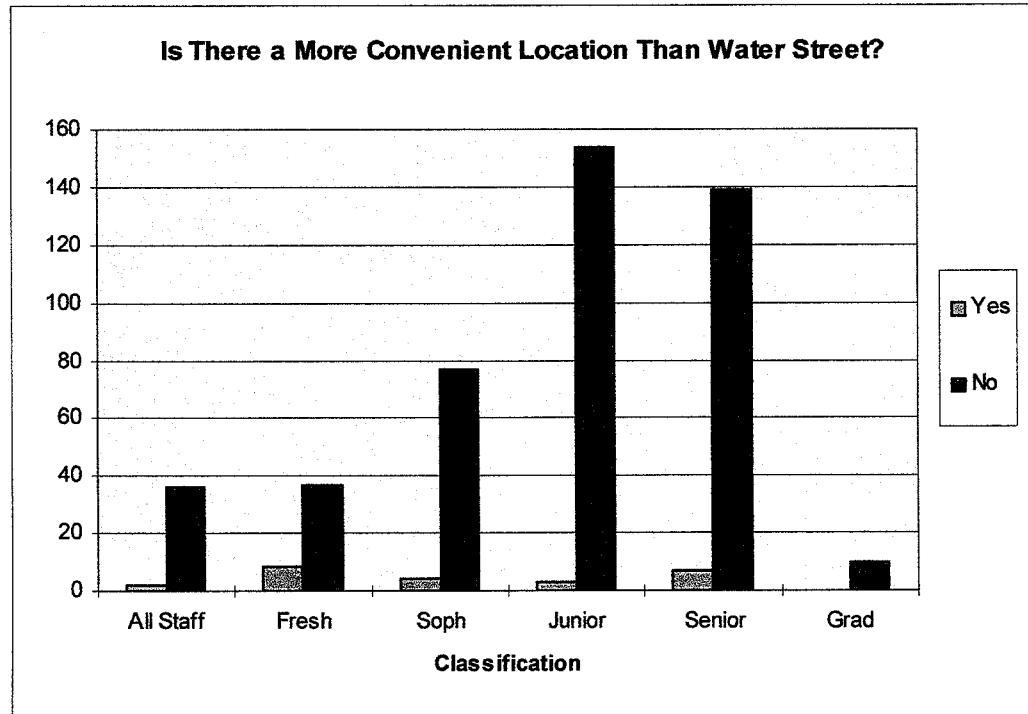
the copy service open from 7 am - 11 pm Monday through Sunday. Opening the copy service business 24 hours a day, 7 days a week was chosen by 25 sophomores.

The junior students indicated that 14 would prefer to see the copy service open from 7 am - 5 pm Monday through Friday. There were 33 juniors who preferred the copy service to be open from 7 am - 11 pm Monday through Friday, while 48 wanted to see it open from 7 am - 11 pm Monday through Sunday. The remaining 59 juniors wanted to see the copy service open 24 hours a day, 7 days a week.

The graph shows that 18 seniors preferred to have the copy service open from 7 am - 11 pm Monday through Friday, while 53 would like to see the copy service open from 7 am - 11 pm Monday through Sunday. There were 50 seniors who would like to see the copy service open 7 days a week, 24 hours a day.

The graduate students indicated there were 3 who preferred the copy service be open from 7 am - 5 pm Monday through Friday. There were 4 graduate students who would like to see the copy service open from 7 am - 11 pm Monday through Friday. There were no graduate students that wanted to see the copy service business open 24 hours a day, 7 days a week.

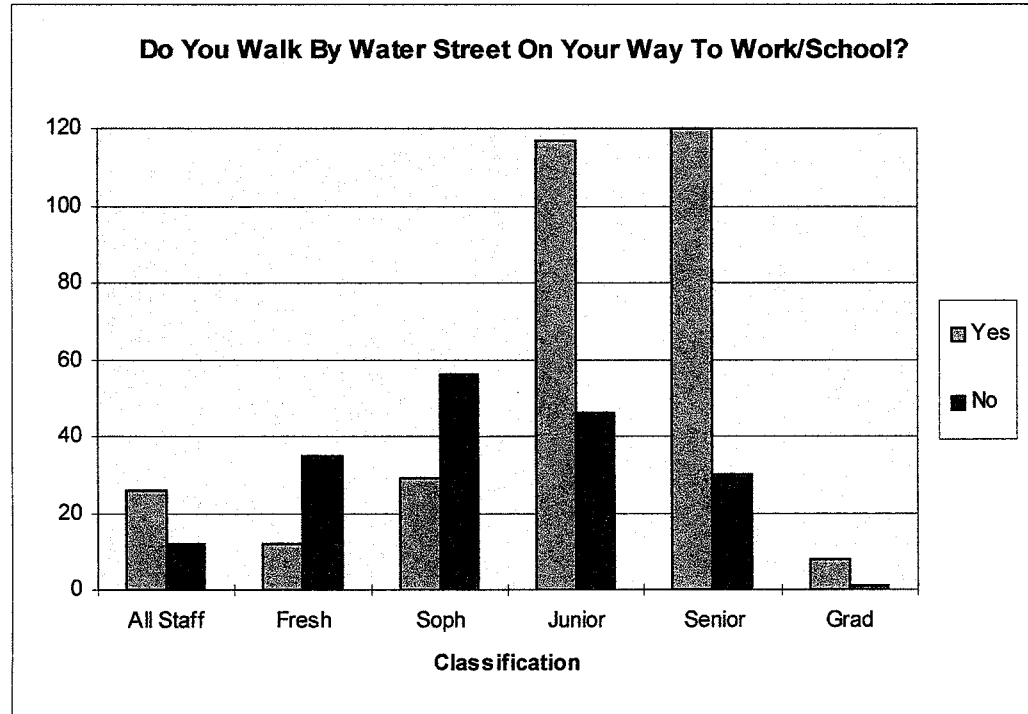
Graph 12



Graph 12 illustrates whether the respondents think there is a more convenient location for a copy service business than on Water Street. The majority of each group of respondents indicated there was not a more convenient location than Water Street. There were 36 staff and 33 freshman who indicated that Water Street was the most convenient location.

The graph shows there were 77 sophomores and 154 juniors who also thought Water Street was the most convenient location. Lastly, there 139 seniors and 10 graduate students who indicated that the Water Street location was the most convenient.

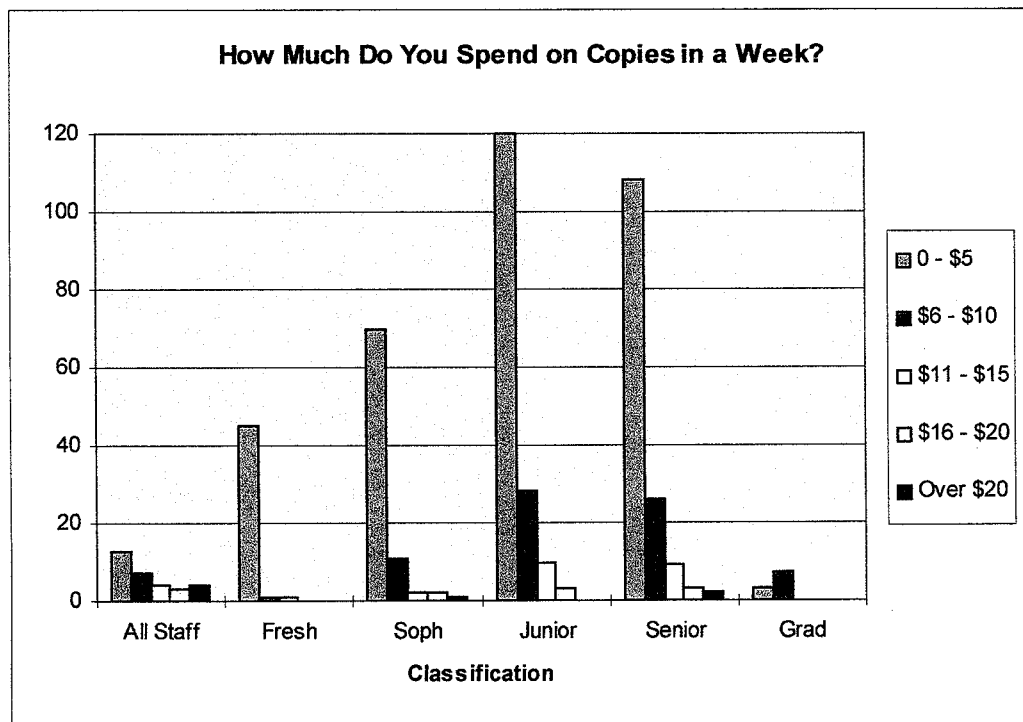
Graph 13



Graph 13 illustrates how many of the respondents walk by Water Street on their way to classes or work. The graph shows that 26 staff members go by Water Street, while 12 do not go by Water Street on their way to work. There were 12 freshmen that did walk by Water Street and 35 that did not walk by Water Street on the way to classes.

The survey results show that 29 sophomores do walk by Water Street on their way to classes, but 56 did not walk by Water Street. Of the juniors, 117 indicated they did walk by Water Street while 46 indicated they did not walk by Water Street on their way to classes. There were 120 seniors who walk by Water Street on their way to classes and 30 who do not. There were 8 graduate students who indicated they walk by Water Street.

Graph 14



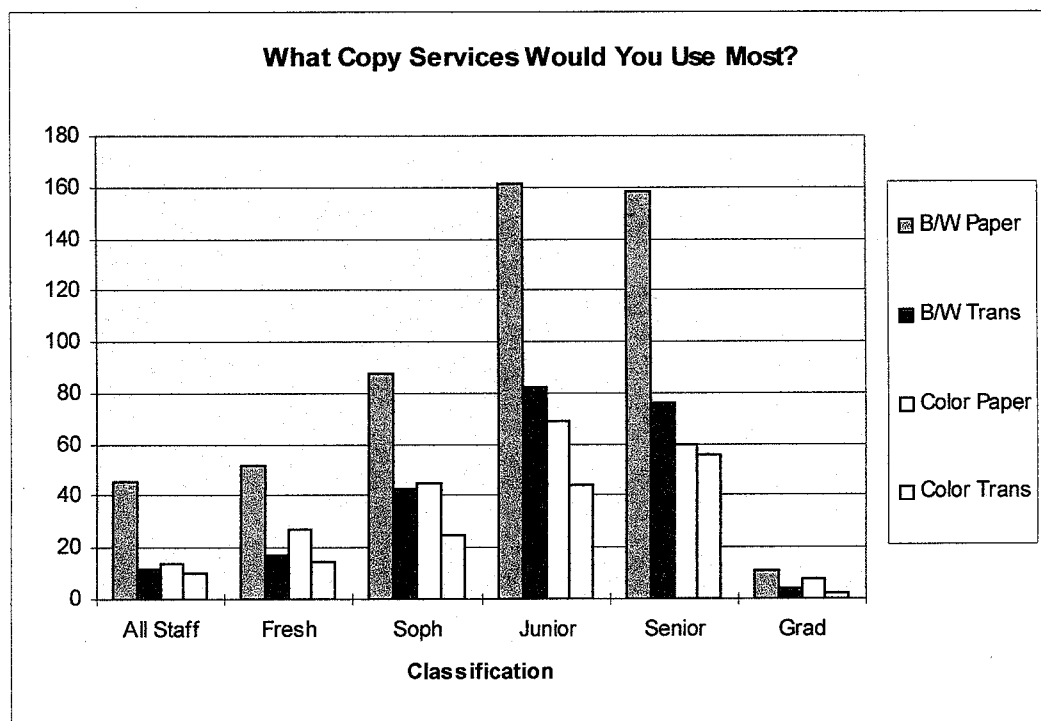
Graph 14 illustrates the amount of money the respondents spend on copies in a typical week. The graph shows that 13 of the staff members spend less than \$5 a week, 7 spend between \$6 - \$10 a week and 4 spend between \$11 - \$15 a week on copies. The freshman results indicated that 45 spend between \$0 - \$5 a week.

The survey results illustrate that 70 sophomores spend under \$5 a week on copies. There are 11 sophomores that spend between \$6 - \$10 a week and 2 that spend between \$11 - \$15 a week on copies. The graph also shows that 120 juniors spend less than \$5 a week on copies. There were 28 juniors who indicated they spend between \$6 - \$10 a week and 10 that indicated they spend between \$11 - \$15 a week on copies.

The results of the survey demonstrate that 108 seniors spend between \$0 - \$5 a week on copies. The seniors also indicated that 26 spend between \$6 - \$10 a week while 9

spend between \$11 - \$15 a week on copies. The graduate students results showed that 3 spend less than \$5 a week on copies and 7 spend between \$6 - \$10 a week on copies.

Graph 15



Graph 15 shows which services listed are important to the customers. The services described were black and white copies on paper and on transparencies. The other services were color copies on paper and on transparencies. The staff results demonstrate that 46 use the services on black and white copies on paper. There were 12 staff who indicated that black and white copies on a transparency was important. The chart shows that 14 of the staff utilize color copies on paper and 10 that utilize color copies on transparencies.

The graph shows that 52 of the freshmen think black and white copies on paper is important to them, while 17 indicated that black and white copies on transparencies are important. There were 27 freshmen wrote that color copies on paper is a service they use and 15 indicated that color copies onto transparencies was an important service for them.

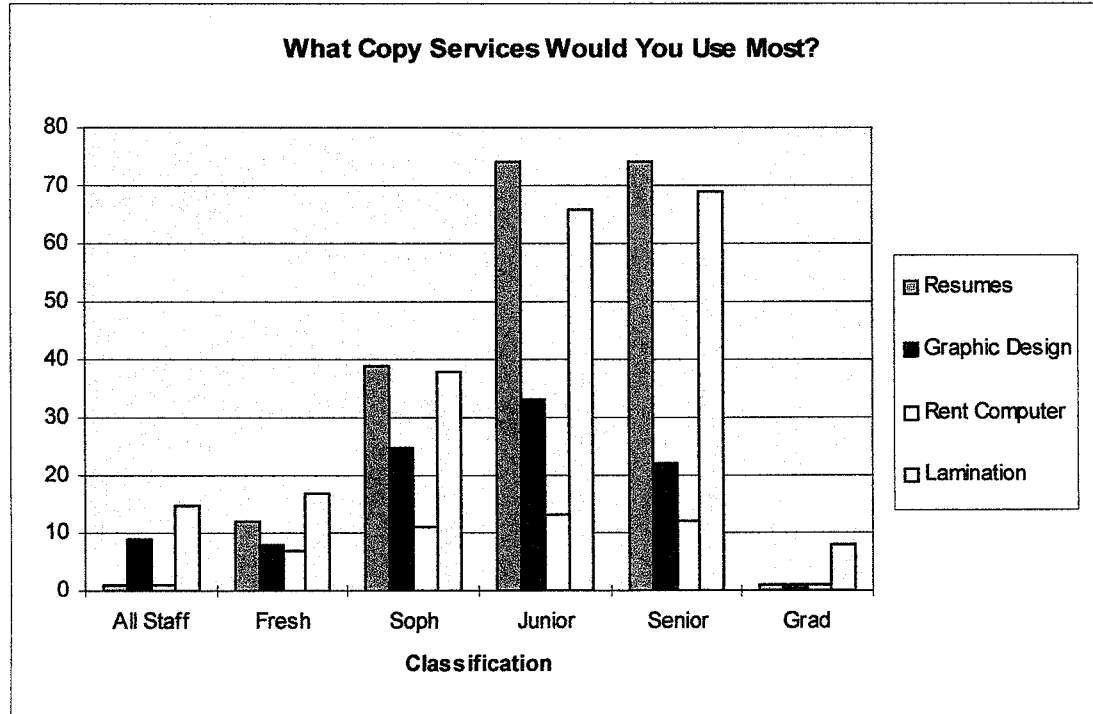
For the sophomores, 88 responded that black and white copies on paper was an important service and 43 indicated that black and white copies on a transparency was a service they use. There were 45 who indicated that color copies on paper and 25 that indicated that color copies on transparencies were important services.

For the juniors, the survey illustrated that 161 use the black and white copies onto paper and 82 that use the black and white copies onto transparencies. The juniors also responded that 69 think color copies to paper were important services, and 44 who felt that color copies onto transparencies were important.

The seniors demonstrated through their responses that 158 believe black and white copies to paper were important to them, while 76 indicated that black and white copies to a transparency was an important service. Additionally, 60 seniors responded that color copies onto paper was a service they used and 56 said color copies onto transparencies was a service they use regularly.

Lastly, the graduate students responded that there were 11 who use the black and white copies to paper the most often. There were 8 graduate students who wrote that color copies to paper was an important service

Graph 16



Graph 16 shows some additional services that might be important to the respondents. The services included in this graph are resume service, graphic design, renting a computer and lamination. The staff responded that 9 would use the graphic design service. There were 15 staff members that responded that lamination was an important service for them.

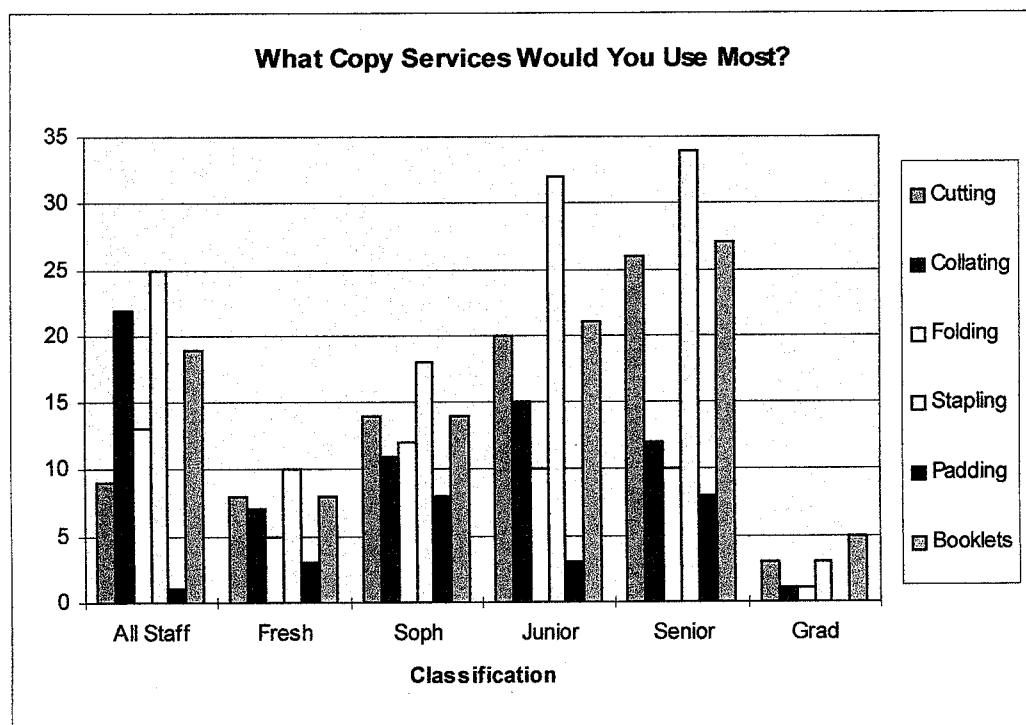
For the freshmen class, 12 wrote that resume service was important to them and 8 indicated that graphic design was an important service. There were 7 freshmen that wanted to have a computer renting service and 17 who used lamination services regularly.

Resume service was important to 39 of the sophomores. There were 25 sophomores who utilize the graphic design services. Lamination was listed as important by 38 sophomores. The graph illustrates that 74 juniors want to have resume service available

to them and 33 want to have graphic design services available. There were 66 juniors who wanted to have lamination services available.

The seniors demonstrated their interest in resumes with 74 responding that it was an important service to offer. There were 22 seniors who indicated graphic design was important to them. Renting computers is important to 12 of the seniors and 69 want to see lamination offered as a service. There were 8 graduate students who utilize lamination services.

Graph 17



Graph 17 illustrates some other additional services that the respondents might believe are important. The services listed on this graph were cutting, collating, folding, stapling and padding of paper, as well as booklet making. For the staff who responded there were 9 staff members that utilize cutting and 22 who think collating is an important service. There were 13 staff who indicated that folding was important and 25 who

regularly use stapling services. There were 19 staff members that would like to see booklet making as a service.

For the freshmen class there were 8 that wrote that cutting was important and 7 that indicated that collating was an important service to offer. There were 10 freshmen who think stapling should be available as a service. There are 8 freshmen that think booklet making is important.

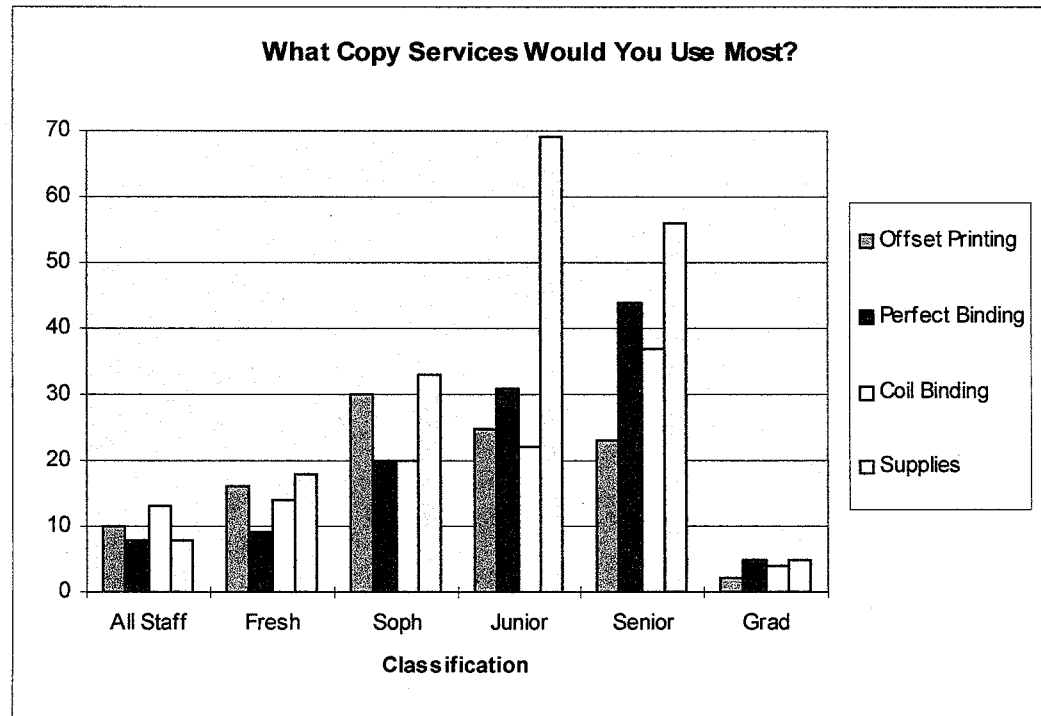
The survey results show that 14 sophomores would utilize cutting as a service and 11 who wrote that collating was an important service to offer. In the sophomore class there were 12 that indicated that folding was something they would use and 18 who acknowledged stapling as an important service in the copy center. There were 14 sophomores who think booklet making should be offered as a service.

In the junior class there were 20 who responded that cutting was a service they would use and 15 who thought collating was important to them. There were 10 juniors who indicated that folding was valuable to offer and 32 who thought stapling was valuable. There were 21 juniors who acknowledged booklet making as an important service to offer to customers.

The chart shows 26 seniors would like see cutting offered as a service and 12 that wrote that collating was an important service. There were 10 seniors who would utilize folding services and 34 who would utilize stapling as a service. There are 27 seniors would like to see booklet making available as a service in the copy center.

For the graduate students there were 3 each who thought cutting and stapling were an important service and 5 who would utilize booklet making services.

Graph 18

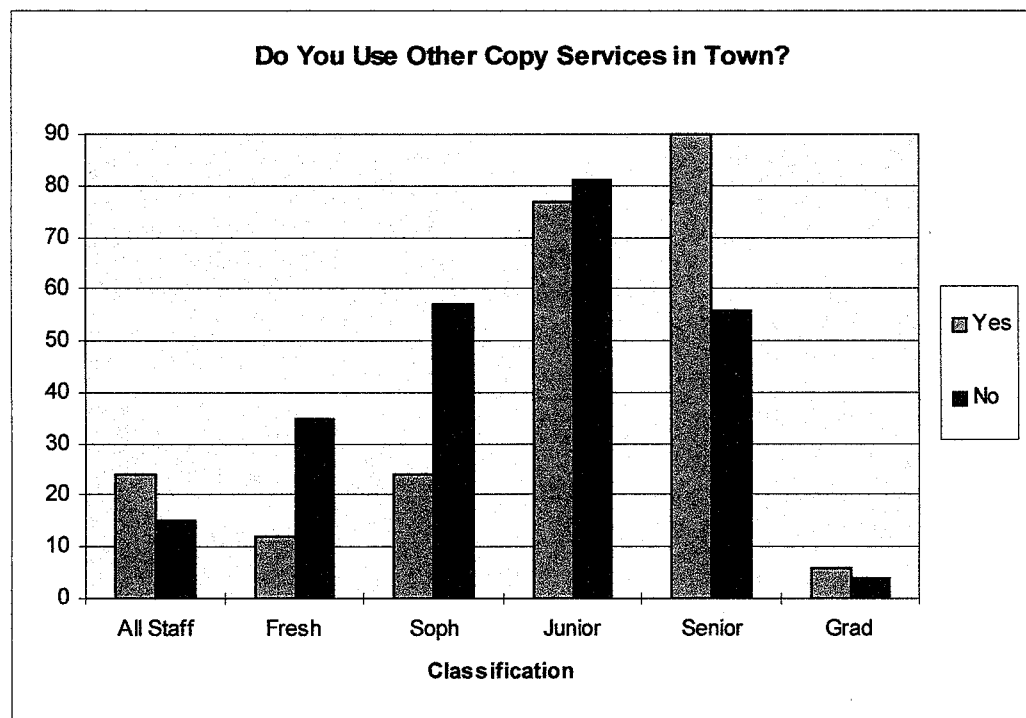


Graph 18 illustrates the fourth graph of additional services that are usually available at a copy service business. These services include offset printing, perfect binding, coil binding and general paper/office supplies. For the staff, 10 thought offset printing was important to offer and 8 who responded that perfect binding should be offered. Coil binding was important to 13 staff members and 8 thought some supply items should be available.

For the freshmen class, 16 wrote that offset printing was something they would like to see as a service and 9 who would like to see perfect binding offered as a service. There were 14 freshmen who indicated that coil binding was a valuable service while 18 wrote that supply items should be made available at the copy center. The graph shows that for the sophomores there were 20 each who indicated that perfect binding and coil binding were important services.

There were 30 sophomores who would like to see offset printing offered as a service and 33 who believe supplies were an important option to offer. Offset printing was important to 25 juniors while 31 juniors responded that perfect binding was an important service. There were 22 juniors who wrote that coil binding was a valuable service and 69 thought supplies were an important offering to have at a copy service business. The senior class had 23 who indicated that offset printing was a service they would like to see at a copy center and 44 thought perfect binding should be available. There were 37 seniors who responded that coil binding was important to them and 56 who wrote that supply items should be available.

Graph 19

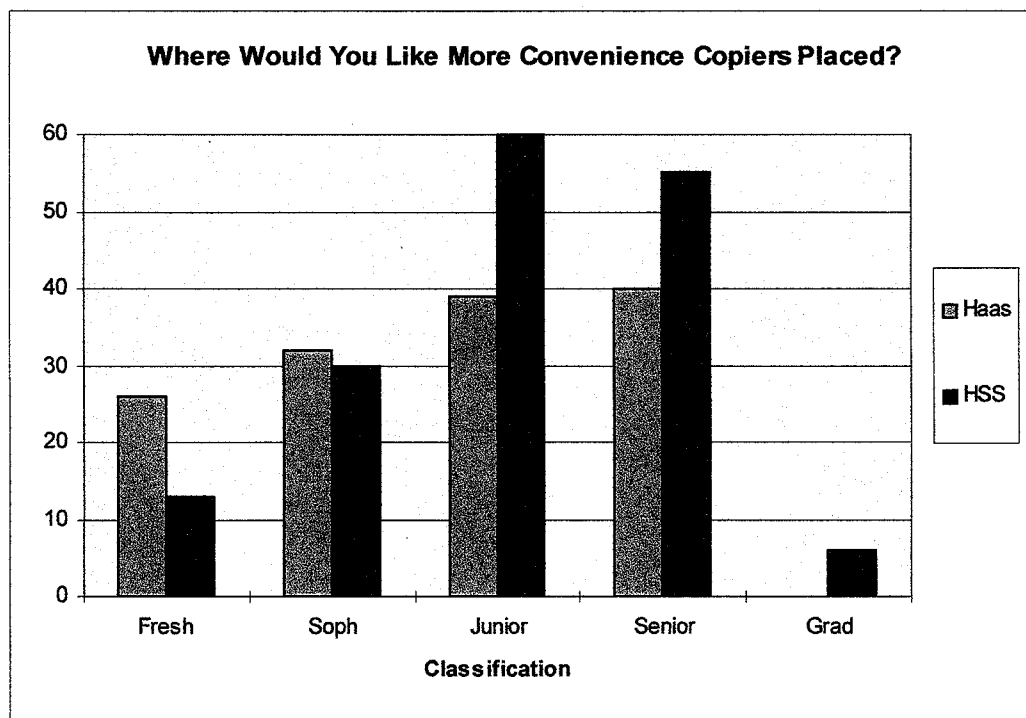


Graph 19 illustrates whether the respondents use other copy services in town. The staff responded that 24 members do utilize other copy service businesses while 15 indicated they do not. The freshmen indicated that 12 do utilize other copy service

businesses in town and 35 indicated they do not go to other copy service businesses. In the sophomore class, there were 24 who wrote that they use other copy service businesses and 57 who indicated they do not use other copy service businesses in town.

The graph shows that 77 juniors go to other copy service businesses in town and 81 who do not go to other copy service businesses in town. Seniors wrote that 90 of them go to other copy services while 56 said they do not go to any other copy service businesses in town. The graduate students were almost split evenly as 6 indicated they do utilize other copy services and 4 indicated they do not utilize another copy service business in town.

Graph 20

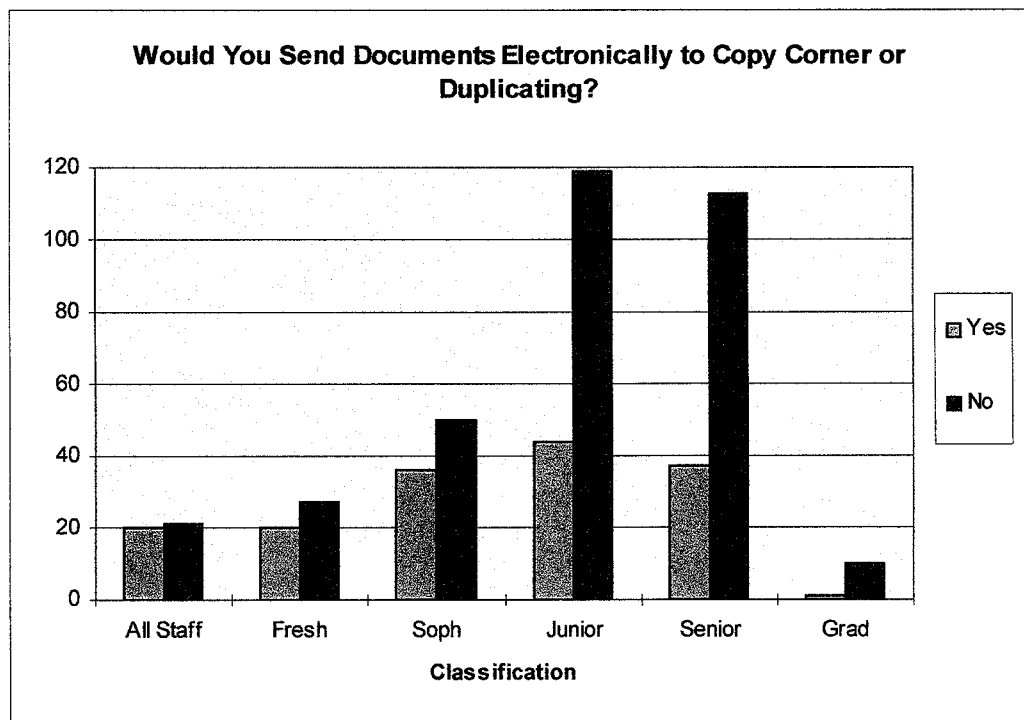


Graph 20 asked the students if they would like to see additional convenience copiers placed in the Haas Fine Arts Center (Haas) or in the Human Sciences and Services (HSS) building. In the freshmen class there were 26 who would like to see additional

copiers in the Haas building and 13 who would like to have more copiers in the HSS building. The sophomores were split almost equally with 32 indicating that Haas is where they would like to see more copiers and 30 who indicated that HSS would be a good location.

The Haas Fine Arts Center was an important location for additional copiers for 39 juniors while 60 juniors indicated that HSS would be a good location for additional copiers to be placed. In the senior class there were 40 who would like to see additional copiers in Haas and 55 who would like to see more copiers in HSS building. The graduate students only had an interest in additional copiers being placed in the HSS building.

Graph 21



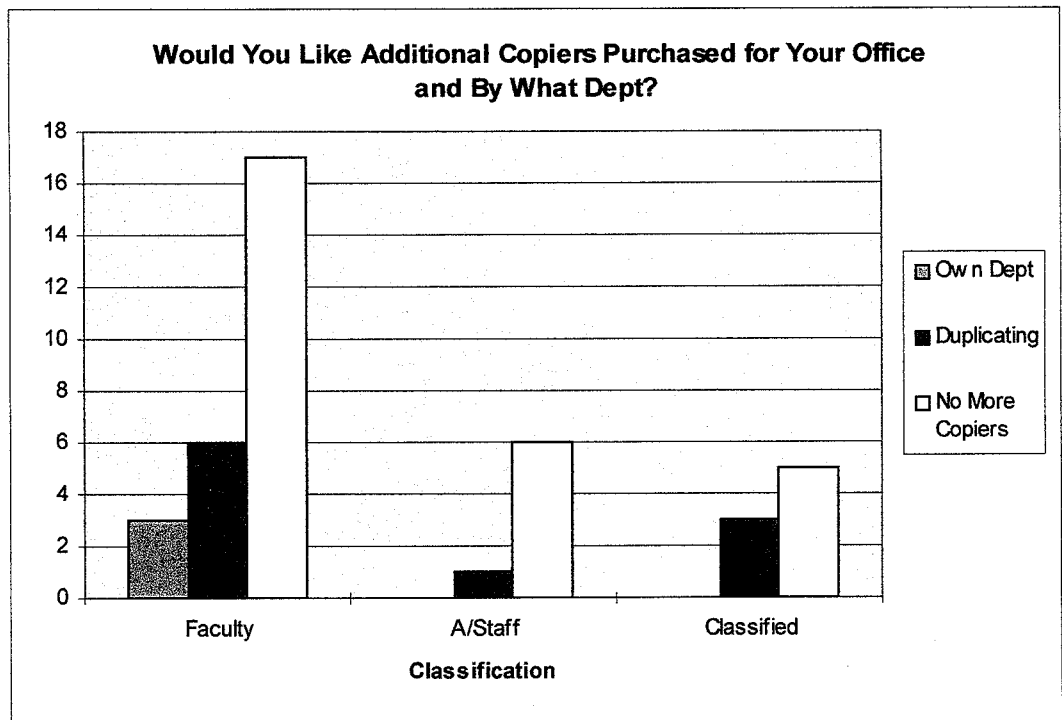
Graph 21 illustrates whether the respondents were willing to send their documents to either the Copy Corner (primarily used by the students) or Duplicating Services (which can only be used by staff) to be copied. The staff were split almost evenly with 20

indicating that they would be willing to try it with 21 members indicating they would not be willing to send their documents electronically to Duplicating Services.

For the freshman class there were 20 who would like to send documents electronically to the Copy Corner and 27 students who indicated they would not send documents electronically. In the sophomore class there were 36 students who would try the electronic document transfer to Copy Corner and 50 who would not try it. The juniors had the 44 students who would be willing to try the electronic transfer while 119 indicated they would not be willing to try it.

In the senior class there were 37 who were willing to try sending documents to Copy Corner electronically and 113 students did not want to try electronic document transfer. The graduate students had 10 students indicate they would not to try electronic document transfer.

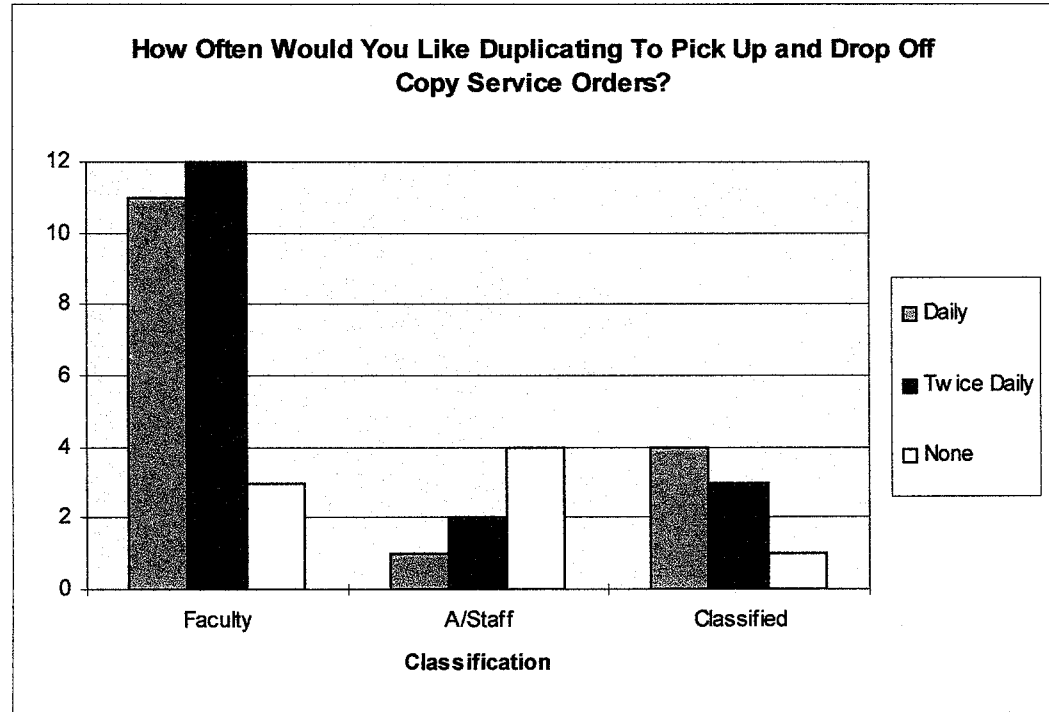
Graph 22



Graph 22 queried the faculty, academic staff and classified staff to find out if they would like to see any additional copiers purchased for their office area and if so, would they like their department or Duplicating Services to purchase and service the copy machine. The third alternative for the staff was to choose that no additional copiers would be placed in their office area.

The faculty responded with 3 wanting to have their own department purchase a copy machine and 6 who thought Duplicating Services should purchase and service the copy machine. But the majority, with 17 faculty respondents, didn't want any additional copiers in their office area. The academic staff had 6 members who thought no additional copiers needed to be purchased. The classified staff had 3 members who wanted Duplicating Services to purchase an additional copier and 5 who thought no additional copiers were needed.

Graph 23



Graph 23 asked the faculty, academic staff and classified staff how often they would like Duplicating Services to pick up and drop off their copy orders. They could also indicate that the service from Duplicating Services was unnecessary.

There were 11 faculty who thought once a day delivery and pick up was enough and 12 who would like to see twice a day pick up and drop off from Duplicating Services. There were 2 academic staff members that said they would like to see twice a day delivery and pick up from Duplicating Services. There were 4 academic staff members who thought delivery and pick up by Duplicating Services was not necessary at all.

The classified staff had 4 members who thought once a day delivery and pick up by Duplicating was sufficient and 3 who thought it should be done twice daily.

### Anticipated Revenues

During the academic year, the entire student population attends classes. However, during the summer and other times, there are either small numbers of classes or no classes at all being held. During the semester break between fall and spring semester, there are classes taught during a special 3 week session called Winterim. During the summer, after the close of the spring semester, there are classes taught during the a special 11 week session called Summer School. There are also approximately 6 weeks during the year when no classes are held. These time periods are over holidays and between the different class sessions. To more accurately determine the anticipated revenues, the year has been split into two main parts. The first section is the 32-week regular academic year . The second session is the 20-week Summer/Winterim/No classes section. Historically, approximately 10% of the student population attends classes during Summer or Winterim sessions.

Determining the potential revenues for the copy service business on Water Street was done by utilizing 2 different questions (Question 8 and Question 15) from the customer survey. Question 8 from the customer survey asked “What is the total number of copies needed from the masters/originals in a week?” The chart below (Chart 1) illustrates the responses from the individual groups. The mid-point in each range was used as part of the calculation for the number of copies needed for each range. For example, in the range 1 - 10, the mid-point is 5. There were 2 responses from the staff who indicated they need between 1 - 10 copies in a week. To find the total number of copies, 2 was multiplied by 5 for a total of 10. To find the value of those copies, the current price charged by

Duplicating (\$.02) was multiplied by 10 to get a total of \$.20. The same pattern for calculation was used throughout Chart 1.

---

**CHART 1**

---

	Number of Copies Needed in a Week				Current Price Per Copy	Estimated Total Expenses for Copies
	Number Ranges	Number of Responses	Mid-Point in Range	Number of Copies		
<b>Staff</b>	0	1	0	0	\$0.02 *	\$0.00
	1 - 10	2	5	10	\$0.02	\$0.20
	11 - 25	9	18	162	\$0.02	\$3.24
	26 - 50	12	38	456	\$0.02	\$9.12
	Over 50	17	60	1020	\$0.02	\$20.40
			<b>Total</b>	<b>1648</b>		<b>\$32.96</b>
<b>Freshmen</b>	0	15	0	0	\$0.08 **	\$0.00
	1 - 10	25	5	125	\$0.08	\$10.00
	11 - 25	5	18	90	\$0.08	\$7.20
	26 - 50	1	38	38	\$0.08	\$3.04
	Over 50	0	60	0	\$0.08	\$0.00
			<b>Total</b>	<b>253</b>		<b>\$20.24</b>
<b>Sophomore</b>	0	21	0	0	\$0.08 **	\$0.00
	1 - 10	50	5	250	\$0.08	\$20.00
	11 - 25	9	18	162	\$0.08	\$12.96
	26 - 50	2	38	76	\$0.08	\$6.08
	Over 50	2	60	120	\$0.08	\$9.60
			<b>Total</b>	<b>608</b>		<b>\$48.64</b>
<b>Junior</b>	0	29	0	0	\$0.08 **	\$0.00
	1 - 10	102	5	510	\$0.08	\$40.80
	11 - 25	22	18	396	\$0.08	\$31.68
	26 - 50	8	38	304	\$0.08	\$24.32
	Over 50	1	60	60	\$0.08	\$4.80
			<b>Total</b>	<b>1270</b>		<b>\$101.60</b>

<b>Senior</b>	0	20	0	0	\$0.08 **	\$0.00
	1 - 10	89	5	445	\$0.08	\$35.60
	11 - 25	25	18	450	\$0.08	\$36.00
	26 - 50	11	38	418	\$0.08	\$33.44
	Over 50	3	60	180	\$0.08	\$14.40
			<b>Total</b>	<b>1493</b>		<b>\$119.44</b>
<b>Graduates</b>	0	0	0	0	\$0.08 **	\$0.00
	1 - 10	1	5	5	\$0.08	\$0.40
	11 - 25	5	18	90	\$0.08	\$7.20
	26 - 50	3	38	114	\$0.08	\$9.12
	Over 50	2	60	120	\$0.08	\$9.60
			<b>Total</b>	<b>329</b>		<b>\$26.32</b>
<b>Estimated Total of Copies Made in a Week</b>				<b>5,601</b>		
<b>Estimated Total Cost of Making Those Copies in a Week</b>						<b>\$349.20</b>
32 Weeks in an Academic Year						
<b>Estimated Total of Copies Made in an Academic Year</b>				<b>179,232</b>		
<b>Estimated Total Cost of Making Those Copies in an Academic Year</b>						<b><u>\$11,174.40</u></b>
Approximately 10% of total student population attends Summer and Winterim Sessions						
<b>Estimated Total Cost of Making Copies during Summer and Winterim</b>						<b><u>\$1,117.44</u></b>
<b>Estimated Total Cost for Making Copies for Entire Year</b>						<b><u>\$12,291.84</u></b>
* = Current Price at Duplicating (Duplicating Order Form)						
** = Current Price at Kinko's (Kinko's Price List)						

Chart 1 estimates the customers spent a total of \$349.20 a week on copies. The estimate for the entire year is \$12,291.84 spent on making copies by students and staff.

Question 15 asked "How much do you currently spend a week on copies?" The researcher's intent in asking similar questions in Question 8 and Question 15 was to compare the customer's responses and see how similar the responses were. Chart 2

utilizes the same method of calculation as was done in Chart 1. For example, the mid-point in the range is again used and then multiplied by the number of responses to determine the total number of dollars spent.

---

**CHART 2**

---

**How Much Do You Spend on Copies in a Week?**

	<b>Price Ranges</b>	<b>Number of Responses</b>	<b>MID-POINT in Range</b>	<b>Dollars Spent</b>	
<b>Staff</b>	0 - \$5	13	\$2.50	\$32.50	
	\$6 - \$10	7	\$8.00	\$56.00	
	\$11 - \$15	4	\$13.00	\$52.00	
	\$16 - \$20	3	\$18.00	\$54.00	
	Over \$20	4	\$25.00	\$100.00	
					<b>TOTAL</b>
					<b>\$294.50</b>
<b>Freshmen</b>	0 - \$5	45	\$2.50	\$112.50	
	\$6 - \$10	1	\$8.00	\$8.00	
	\$11 - \$15	1	\$13.00	\$13.00	
	\$16 - \$20	0	\$18.00	\$0.00	
	Over \$20	0	\$25.00	\$0.00	
					<b>TOTAL</b>
					<b>\$133.50</b>
<b>Sophomore</b>	0 - \$5	70	\$2.50	\$175.00	
	\$6 - \$10	11	\$8.00	\$88.00	
	\$11 - \$15	2	\$13.00	\$26.00	
	\$16 - \$20	2	\$18.00	\$36.00	
	Over \$20	1	\$25.00	\$25.00	
					<b>TOTAL</b>
					<b>\$350.00</b>
<b>Junior</b>	0 - \$5	120	\$2.50	\$300.00	
	\$6 - \$10	28	\$8.00	\$224.00	
	\$11 - \$15	10	\$13.00	\$130.00	
	\$16 - \$20	3	\$18.00	\$54.00	
	Over \$20	0	\$25.00	\$0.00	
					<b>TOTAL</b>
					<b>\$708.00</b>
<b>Senior</b>	0 - \$5	108	\$2.50	\$270.00	
	\$6 - \$10	26	\$8.00	\$208.00	

	\$11 - \$15	9	\$13.00	\$117.00
	\$16 - \$20	3	\$18.00	\$54.00
	Over \$20	2	\$25.00	\$50.00
			<b>TOTAL</b>	<b>\$699.00</b>
<b>Graduates</b>	0 - \$5	3	\$2.50	\$7.50
	\$6 - \$10	7	\$8.00	\$56.00
	\$11 - \$15	0	\$13.00	\$0.00
	\$16 - \$20	0	\$18.00	\$0.00
	Over \$20	0	\$25.00	\$0.00
			<b>TOTAL</b>	<b>\$63.50</b>
<b>Estimated Total Spent for Copies in a Week</b>				<b>\$2,248.50</b>
32 weeks in an Academic Year				
<b>Estimated Total Spent for Copies during Academic Year</b>				<b>\$71,952.00</b>
Approximately 10% of total student population attends Summer and Winterim Sessions				
<b>Estimated Total Spent for Copies during Summer and Winterim</b>				<b><u>\$7,195.20</u></b>
<b>Estimated Total Spent for Copies for Entire Year</b>				<b><u>\$79,147.20</u></b>

Chart 2 estimates that customers spend \$2,248.50 per week on copies. Annually, it is estimated that \$79,147.20 is spent by customers on copies. The difference between Chart 1's total at \$12,291.84 and Chart 2's total at \$79,147.20 is \$66,855.36.

Since Chart 1 and Chart 2 have such a large difference, another chart was developed, but it used the lowest point in the range instead of the mid point as was done for Chart 1 and Chart 2. Chart 3 illustrates the same information as Chart 2, except using the lowest point in the range instead of the mid point in the range as part of the calculation.

---

**CHART 3**


---

**How Much Do You Spend on Copies in a Week?**

	<b>Price Ranges</b>	<b>Number of Responses</b>	<b>LOWEST PT. in Range</b>	<b>Dollars Spent</b>	
<b>Staff</b>	0-\$5	13	\$0.00	\$0.00	
	\$6-\$10	7	\$6.00	\$42.00	
	\$11-\$15	4	\$11.00	\$44.00	
	\$16-\$20	3	\$16.00	\$48.00	
	Over \$20	4	\$20.00	\$80.00	
					<b>TOTAL</b>
					<b>\$214.00</b>
<b>Freshmen</b>	0-\$5	45	\$0.00	\$0.00	
	\$6-\$10	1	\$6.00	\$6.00	
	\$11-\$15	1	\$11.00	\$11.00	
	\$16-\$20	0	\$16.00	\$0.00	
	Over \$20	0	\$20.00	\$0.00	
					<b>TOTAL</b>
					<b>\$17.00</b>
<b>Sophomore</b>	0-\$5	70	\$0.00	\$0.00	
	\$6-\$10	11	\$6.00	\$66.00	
	\$11-\$15	2	\$11.00	\$22.00	
	\$16-\$20	2	\$16.00	\$32.00	
	Over \$20	1	\$20.00	\$20.00	
					<b>TOTAL</b>
					<b>\$140.00</b>
<b>Junior</b>	0-\$5	120	\$0.00	\$0.00	
	\$6-\$10	28	\$6.00	\$168.00	
	\$11-\$15	10	\$11.00	\$110.00	
	\$16-\$20	3	\$16.00	\$48.00	
	Over \$20	0	\$20.00	\$0.00	
					<b>TOTAL</b>
					<b>\$326.00</b>
<b>Senior</b>	0-\$5	108	\$0.00	\$0.00	
	\$6-\$10	26	\$6.00	\$156.00	
	\$11-\$15	9	\$11.00	\$99.00	
	\$16-\$20	3	\$16.00	\$48.00	
	Over \$20	2	\$20.00	\$40.00	
					<b>TOTAL</b>
					<b>\$343.00</b>

<b>Graduates</b>	0 - \$5	3	\$0.00	\$0.00
	\$6 - \$10	7	\$6.00	\$42.00
	\$11 - \$15	0	\$11.00	\$0.00
	\$16 - \$20	0	\$16.00	\$0.00
	Over \$20	0	\$20.00	\$0.00
			<b>TOTAL</b>	<b>\$42.00</b>
<b>Estimated Total Spent for Copies in a Week</b>				<b>\$1,082.00</b>
32 weeks in an Academic Year				
<b>Estimated Total Spent for Copies during Academic Year</b>				<b>\$34,624.00</b>
Approximately 10% of total student population attends Summer and Winterim Sessions				
<b>Estimated Total Spent for Copies during Summer and Winterim</b>				<b><u>\$3,462.40</u></b>
<b>Estimated Total Spent for Copies for Entire Year</b>				<b><u>\$38,086.40</u></b>

Chart 3 estimates the annual spending on copies to be \$1,082.00 for a week and \$38,086.40 annually. The difference between Chart 1 at \$12,291.84 and Chart 3 at \$38,086.40 is \$25,794.56. Although there is still a difference, it is smaller than the difference between Chart 1 and Chart 2. For the purposes of estimating the revenues to be received annually from copies, the total in Chart 3 at \$38,086.40 will be used.

The survey also asked the respondents to indicate other services they would like to see provided by the copy service business. Those responses were tabulated and are shown in Chart 4.



Chart 4 documents the customer's interest in the other services that are offered and copy service businesses. In order to determine the revenues these services could contribute toward the copy service business another chart was created. Chart 5 multiplies the number of customers interested in a specific service by the number of times they would use the service in a year. The estimate for the number of times they would use the service in a year is low, so to not over exaggerate the potential revenues.

---

**CHART 5**

---

**Additional Revenue Sources for the Copy Service Business During Academic Year (32 Weeks)**

<b>Service</b>	<b>Staff</b>	<b>Freshmen</b>	<b>Sophomore</b>	<b>Junior</b>	<b>Senior</b>	<b>Graduate</b>
<b>B/W Transparency (.75 each) – 2</b>	\$18.00	\$25.50	\$64.50	\$123.00	\$114.00	\$6.00
<b>Color Paper ( \$1.49 each) – 2</b>	\$41.72	\$80.46	\$134.10	\$205.62	\$178.80	\$23.84
<b>Color Transparency ( \$2.49 each) – 2</b>	\$49.80	\$74.70	\$124.50	\$224.10	\$298.80	\$9.96
<b>Resumes * ( \$20.00 hour) – 2</b>	\$40.00	\$480.00	\$1,560.00	\$2,960.00	\$2,960.00	\$40.00
<b>Graphic Design * ( \$20.00 hour) – 2</b>	\$360.00	\$320.00	\$1,000.00	\$1,320.00	\$880.00	\$40.00
<b>Computer Rental ( \$12.00 hour) – 2</b>	\$24.00	\$168.00	\$264.00	\$312.00	\$288.00	\$24.00
<b>Lamination ( \$1.50 foot) – 2</b>	\$45.00	\$51.00	\$114.00	\$198.00	\$207.00	\$24.00
<b>Cutting ( \$.75 each cut) – 2</b>	\$13.50	\$12.00	\$21.00	\$30.00	\$39.00	\$4.50
<b>Collating ( \$.05 sheet) – 25</b>	\$27.50	\$8.75	\$13.75	\$18.75	\$15.00	\$1.25
<b>Folding ( \$.02 sheet) -- 25</b>	\$6.50	\$2.50	\$6.00	\$5.00	\$5.00	\$0.50

<b>Stapling</b> ( \$.02 staple) – 25	\$12.50	\$5.00	\$9.00	\$16.00	\$17.00	\$1.50
<b>Padding</b> ( \$.50 50 sheets) – 25	\$1.00	\$3.00	\$8.00	\$3.00	\$8.00	\$0.00
<b>Booklet Making</b> ( .25 each book) – 25	\$118.75	\$50.00	\$87.50	\$131.25	\$1.69	\$31.25
<b>Offset Printing *</b> ( variable) \$100 ave.	\$1,000.00	\$1,600.00	\$3,000.00	\$2,500.00	\$2,300.00	\$200.00
<b>Spiral Binding</b> ( \$2.45 each) – 25	\$490.00	\$551.25	\$1,225.00	\$1,898.75	\$2,695.00	\$306.25
<b>Coil Binding</b> ( \$3.45 each) – 25	\$1,121.25	\$1,207.50	\$1,725.00	\$1,897.50	\$3,191.25	\$345.00
<b>Supplies</b> (variable) \$20 ave.	\$160.00	\$360.00	\$660.00	\$1,380.00	\$1,120.00	\$100.00
<b>TOTALS</b>	<b>\$3,529.52</b>	<b>\$4,999.68</b>	<b>\$10,016.35</b>	<b>\$13,222.97</b>	<b>\$14,318.54</b>	<b>\$1,158.05</b>

**GRAND TOTAL For Academic Year (32 Weeks) \$47,245.09**

Approximately 10% of total student population attends Summer and Winterim Sessions

**GRAND TOTAL For Summer/Winterim/No Classes (20 Weeks) \$4,724.51**

**GRAND TOTAL of Additional Revenues for Entire Year \$51,969.60**

Customer interest in Faxing was not part of survey, but a suggested service to provide by EO Johnson and Kinko's.

Estimated Fax Revenue:

\$2.00 for first page, \$1.00 per page after first, 50 faxes a week

**\$3,300.00**

**GRAND TOTAL of revenues including Fax**

**\$55,269.60**

\* = Prices from Copy Corner Price List as these are services either not offered by Kinko's or no prices are listed in the Kinko's Price Book.

All other prices are from Kinko's Price List

According to Chart 5, the potential revenues to receive in one year total \$55,269.60. Chart 6 illustrates the combined total potential revenue from both the copies and the extra services.

---

**CHART 6**

---

**POTENTIAL REVENUE FOR COPY SERVICE BUSINESS**

---

Revenues from Copies for Entire Year (from Chart 3)	<b>\$38,086.40</b>
Additional Revenue for Entire Year (from Chart 5)	<b><u>\$55,269.60</u></b>
<b>Yearly Grand Total of Potential Revenue Based on Survey Results</b>	<b><u><u>\$93,356.00</u></u></b>

---

Anticipated Expenses

The first step needed in order to estimate the potential expenses for the copy service business is to determine the hours of operation for the business. The survey has two questions related hours of operation for the copy business. Question 11 asked the respondents “When do you make most of your copies?” Question 12 asked the respondents “What hours of operation for the copy center would best serve your needs?” Chart 7 below illustrates the customer’s responses to Question 11.

CHART 7

Affiliation with UW-Eau Claire	When Do You Make Most of Your Copies?								
	0	1	2	3	4	5	6	7	8
Faculty	8	5	9	3	0	0	1	0	0
Acad. Staff	4	0	2	1	0	0	0	0	0
Classified	6	2	0	0	0	0	0	0	0
Freshmen	7	5	14	13	2	1	3	3	2
Sophomore	27	4	25	22	2	0	2	4	0
Junior	44	13	57	39	6	1	0	2	1
Senior	47	15	34	42	8	0	1	3	0
Graduate	7	1	2	1	0	0	0	0	0
<b>TOTALS</b>	<b>150</b>	<b>45</b>	<b>143</b>	<b>121</b>	<b>18</b>	<b>2</b>	<b>7</b>	<b>12</b>	<b>3</b>

#### Definition of Column Headings

0 = Don't know

1 = 6 am - 12 noon weekdays

2 = 12 noon - 6 pm weekdays

3 = 6 pm - 12 midnight weekdays

4 = 12 midnight to 6 am weekdays

5 = 6 am - 12 noon weekends

6 = 12 noon - 6 pm weekends

7 = 6 pm - 12 midnight weekends

8 = 12 midnight to 6 am weekends

As shown by Chart 7, most of the respondents don't know when they make most of their copies. The second highest choice is 12 noon - 6 pm on weekdays. The third highest choice is 6 pm - 12 midnight on weekdays. This chart indicates that being open from 12 noon - 12 midnight weekdays would satisfy many of the customers.

Chart 8 identifies all the respondent's suggestions as to the hours of operation that would best serve their needs.

CHART 8

Affiliation with UW-Eau Claire	What Hours of Operation for a Copy Center Would Best Serve Your Needs?					
	0	1	2	3	4	5
Faculty	1	13	1	3	6	2
Academic Staff	0	2	1	2	2	0
Classified	2	5	0	0	1	0
Freshmen	1	5	3	6	17	15
Sophomore	1	3	5	15	37	25
Junior	2	14	7	33	48	59
Senior	6	12	1	18	53	50
Graduate	2	3	0	4	2	0
<b>TOTALS</b>	<b>15</b>	<b>57</b>	<b>18</b>	<b>81</b>	<b>166</b>	<b>151</b>

#### Definition of Column Headings

0 = Don't know

1 = 7:00 am - 5:00 pm Monday Through Friday

2 = 7:00 am - 5:00 pm - 7 Days a Week

3 = 7:00 am - 11:00 pm Monday Through Friday

4 = 7:00 am - 11:00 am - 7 Days a Week

5 = 24 Hours a Day - 7 Days a Week

Chart 8 illustrates that the first choice of the respondents is to have the copy service business open 7:00 am - 11:00 pm - 7 days a week. It is closely followed by the choice of being open 24 hours a day - 7 days a week. Using information from both charts, the proposed hour of operation for the academic year are 7 am - 11 pm Monday through Friday and 1 pm - 11 pm Saturdays and Sundays during the academic year. The suggested

hours of operation for the time period of Summer/Winterim/No classes are 7 am - 11 pm Monday through Friday and closed on weekends.

Chart 9 outlines all the staffing costs associated with the proposed hours of operation.

<b>CHART 9</b>		
<b>Staffing Costs and Hours of Operation</b>		
<b>Academic Year Staffing (32 Weeks):</b>		
<b>Suggested Hours of Operation:</b> (Based on survey results)	7 am - 11 pm Monday through Friday = 16 hours/day 1 pm - 11 pm Saturday and Sunday = 10 hours/day	
<b>Week day Printing Staff Costs</b>		<b>COSTS</b>
1 student working every hour	16 * \$6/hr = \$96/day	\$96
1 student manager every hour	16 * \$7/hr = \$112/day	\$112
Printing manager 4 hours/day	4 * \$16/hr = \$64/day	\$64
Fringe Benefits for Printing Mgr	4 * \$8/hr = \$32/day	\$32
<b>Total Printing Staff Costs</b>	<b>Total per week day</b>	<b><u>\$304</u></b>
Custodial Cleaning 2 hours a night	2 * \$9/hr = \$18/day	\$18
Fringe Benefits for Custodians	2 * \$4.50/hr = \$9/day	\$9
<b>Total Custodial Staff Costs</b>	<b>Total per week day</b>	<b><u>\$27</u></b>
<b>Week Day Grand Total Printing and Custodial Staffing Costs</b>		<b><u>\$331</u></b>
<b>Weekend Staffing Costs</b>		
1 student working every hour	10 * \$6/hr = \$60	\$60
1 student manager every hour	10 * \$7/hr = \$70/day	\$70
<b>Weekend Day Total Staffing Costs</b>		<b><u>\$130</u></b>
Staffing for 1 week (5 * \$331) + (2*\$130) =	<b>\$1,915</b>	
<b>Academic Year Staffing Costs (32 Weeks)</b>		<b><u>\$61,280</u></b>

**Summer/Winterim/No Classes Time Schedule (20 Weeks):**

**Suggested Hours of Operation:** 7 am - 11 pm Monday through Friday = 16 hours/day  
(Based on survey results) Closed on Weekends During Summer/Winterim

		<b>COSTS</b>
<b>Week day Staffing Costs</b>		
1 student working every hour	16 * \$6/hr = \$96/day	\$96
1 student manager 4 hours day	4 * \$7/hr = \$28/day	\$28
Custodial Cleaning 1 hour day	1 * \$9/hr = \$9/day	\$9
Fringe Benefits for Custodians	1 * \$4.50/hr = \$4.50/day	\$4.50

<b>Total Printing Staff Costs</b>	<b>Total per week day</b>	<b><u>\$137.50</u></b>
Staffing for one week = (5*137.50) =	\$687.50	
<b>Summer/Winterim/No Class Staffing Costs (20 Weeks)</b>		<b><u>\$13,750</u></b>
Total Academic Year Costs - 32 Weeks (8 Months)		<b><u>\$61,280</u></b>
Total Summer/Winterim/No Classes Costs - 20 Weeks (4 Months)		<b><u>\$13,750</u></b>
<b>Total Salary Costs for Entire Year</b>		<b><u>\$75,030</u></b>

The next area to review and compare as it relates to expenses is the cost of purchasing the equipment for the copy service business versus leasing the equipment for the business. Chart 10 illustrates the different costs necessary if equipment is purchased outright versus if the equipment is leased.

**CHART 10**

**Purchase vs. Lease of Equipment for Operating a Copy Service Business**

<b>Equipment</b>	<b>Purchase Price</b>	<b>Lease ** per month</b>	<b>Maintenance per copy</b>	<b>Estimated Copies per Month</b>	<b>Maintenance per month</b>
<b>Digital B/W Copier</b>	\$6,529.00	\$200.77	\$0.0067	15,000	\$100.50
<b>Digital B/W Copier</b>	\$6,529.00	\$200.77	\$0.0067	15,000	\$100.50
<b>Digital Color Copier</b>	\$11,490.00	\$339.00	\$0.1190	3,000	\$357.00
<b>Fax Machine</b>	\$700.00	\$21.62	\$0.0300	500	\$15.00
<b>Folding Mach</b>	\$3,000.00	\$92.00			\$30.00
<b>Shredder</b>	\$2,000.00	\$61.50			\$20.00
<b>Cutter</b>	\$5,300.00	\$162.98			\$44.17
<b>Binder</b>	\$3,860.00	\$118.70			\$32.17
<b>Booklet Maker</b>	\$2,247.00	\$69.10			\$18.67

<b>Drill</b>	\$1,007.00	\$30.97	\$8.33
<b>These items must be purchased (cannot be leased) in order to operate copy service business</b>			
<b>2 Coin Mechanisms</b>	\$3,240.00 *		
<b>2 Card Readers</b>	\$2,000.00 *		\$16.67 *
<b>Maxi-Wedge Cash Register</b>	\$3,700.00 *		\$30.83 *
<b>Personal Computer</b>	\$2,000.00 *		\$15.00 *
<b>Printer</b>	\$5,000.00 *		\$33.33 *
<b>Mac Comp</b>	\$3,000.00 *		
<b>TOTAL</b>	<b>\$61,602.00</b>	<b>\$1,297.39</b>	<b>\$822.17</b>

\* = Prices obtained from UW-Eau Claire staff

All other prices are from EO Johnson (J. Bernhardt, personal communication, 3/27/00)

\*\* = Lease is 36 Month Lease (J. Bernhardt, personal communication, 3/27/00)

Chart 10 shows that the initial purchase of equipment in order to open and operate a copy service business is \$61,602.00. The maintenance costs are \$822.17 monthly for the equipment, whether it is purchased or leased. The monthly lease payment for the equipment is \$1,297.39.

Chart 11 shows how much it would cost to operate each month if the equipment was purchased outright. The chart includes the maintenance costs, salary costs, rent and utility costs. It excludes start up costs and inventory costs.

---



---

**CHART 11**


---



---

**Operating Costs Per Month After PURCHASING Equipment**


---

<b>Rent</b>	<b>\$2,500.00 *</b>	
<b>Utilities</b>	<b>\$1,000.00 *</b>	
<b>Telephone</b>	<b>\$100.00 **</b>	
<b>MAINTENANCE COSTS***</b>		
<b>B/W Copiers Maintenance</b>	<b>\$201.00</b>	<b>(15,000 copies each/month)</b>
<b>Color Copier Maintenance</b>	<b>\$357.00</b>	<b>(3,000 copies/month)</b>
<b>Fax Machine Maintenance</b>	<b>\$15.00</b>	<b>(500 copies each/month)</b>
<b>Folder Maintenance</b>	<b>\$30.00</b>	
<b>Shredder Maintenance</b>	<b>\$20.00</b>	
<b>Cutter Maintenance</b>	<b>\$44.17</b>	
<b>Binder Maintenance</b>	<b>\$32.17</b>	
<b>Booklet Maker Maintenance</b>	<b>\$18.67</b>	
<b>Drill Maintenance</b>	<b>\$8.33</b>	
<b>Card Readers Maintenance</b>	<b>\$16.67 **</b>	
<b>Cash Register Maintenance</b>	<b>\$30.83 **</b>	
<b>Printer Maintenance</b>	<b>\$33.33 **</b>	
<b>Computer Network Chgs</b>	<b>\$15.00 **</b>	
<b>Total Monthly Charges</b>	<b><u>\$4,422.17</u></b>	
<b>When PURCHASING Equipment</b>		
<b>Grand Total for 12 Months</b>		<b>\$53,066.04</b>
<b>Salary Costs for 12 Months</b>		<b><u>\$75,030.00</u></b>
<b>Grand Total for Entire Year</b>		<b><u>\$128,096.04</u></b>

\* = Rent and Utility Costs (J. Mogenson, personal communication, 4/6/00)

\*\* = Costs from UW-Eau Claire Staff

All other costs from EO Johnson (J. Bernhardt, personal communication, 3/27/00)

---

Chart 11 shows the operating costs per year after the equipment is initially purchased to be \$128,096.04.

Chart 12 shows the operating costs per month and per year if all the equipment that can be leased is leased. The maintenance, rent and utility costs are the same in both Chart 11 and Chart 12.

<b>CHART 12</b>		
<b>Operating Costs Per Month When LEASING Equipment</b>		
<b>Rent</b>	\$2,500.00 *	
<b>Utilities</b>	\$1,000.00 *	
<b>Phone</b>	\$100.00 **	
<b>LEASE COSTS: ***</b>		
<b>B/W Copiers Lease</b>	\$401.54	
<b>Color Copier Lease</b>	\$339.00	
<b>Fax Machine Lease</b>	\$21.62	
<b>Folding Machine Lease</b>	\$92.00	
<b>Shredder Lease</b>	\$61.50	
<b>Cutter Lease</b>	\$162.98	
<b>Binder Lease</b>	\$118.70	
<b>Booklet Maker Lease</b>	\$69.10	
<b>Drill Lease</b>	\$30.97	
<b>MAINTENANCE COSTS:***</b>		
<b>B/W Copiers Maintenance</b>	\$201.00	(15,000 copies each/month)
<b>Color Copier Maintenance</b>	\$357.00	(3,000 copies/month)
<b>Fax Machine Maintenance</b>	\$15.00	(500 copies/month)
<b>Folder Maintenance</b>	\$30.00	
<b>Shredder Maintenance</b>	\$20.00	

<b>Shredder Maintenance</b>	\$20.00
<b>Cutter Maintenance</b>	\$44.17
<b>Binder Maintenance</b>	\$32.17
<b>Booklet Maker Maintenance</b>	\$18.67
<b>Drill Maintenance</b>	\$8.33
<b>Card Readers Maintenance</b>	\$16.67 **
<b>Cash Register Maintenance</b>	\$30.83 **
<b>Printer Maintenance</b>	\$33.33 **
<b>Computer Network Chgs</b>	\$15.00 **
<b>Total Monthly charges When Leasing Equipment</b>	<u><u>\$5,719.58</u></u>
<b>Grand Total Leasing Costs for 12 Months</b>	<b>\$68,634.96</b>
<b>Salary Costs for Entire Year</b>	<u><b>\$75,030.00</b></u>
<b>Grand Total for Entire Year</b>	<u><u><b>\$143,664.96</b></u></u>

\* = Rent and Utility Costs (J. Mogenson, personal communication, 4/6/00)

\*\* = Costs from UW-Eau Claire Telephone Staff

All other costs from EO Johnson (J. Bernhardt, personal communication, 3/27/00)

---

Chart 12 illustrates that the monthly charges of \$5,719.58 for the leased payments create an annual cost of \$143,664.96 compared to an annual cost of \$128,096.04 when the equipment is purchased outright. However, the annual cost of leasing eliminates the initial purchases of equipment at \$61,602.00.

Chart 13 shows a detailed comparison of the first year start up costs for leasing equipment compared to the anticipated revenues.

---

**CHART 13**


---

**FIRST YEAR COSTS AND REVENUES WHEN LEASING EQUIPMENT**


---

<b>ONE TIME START UP COSTS FOR LEASING</b>		<b>ANNUAL REVENUES</b>	
Sign Permit	\$25.00 *	Copies	\$38,086.40
One Phone	\$145.00 **	Other Services	\$55,269.60
Phone hookup charges	\$310.00 **		
Utilities hookup charge	\$500.00	<b>TOTAL REVENUES</b>	<b>\$93,356.00</b>
Extra Electrical	\$1,000.00		
Counters built	\$10,000.00		
Outside signage	\$2,000.00		
Two desks on surplus	\$200.00		
Four tables on surplus	\$400.00		
1000 brochures	\$100.00		
Storage shelves on surplus	\$500.00		
Cleaning supplies	\$300.00		
Office supplies	\$1,000.00		
Two chairs on surplus	\$100.00		
Maxi wedge cash register	\$3,700.00		
Two coin mechanisms	\$3,240.00		
Two card readers	\$2,000.00		
Personal computer	\$2,000.00		
Printer	\$5,000.00		
Mac Computer	\$3,000.00		
Miscellaneous	\$3,500.00		
	<hr/>		
<b>Total Start up Costs</b>	<b>\$39,020.00</b>		

**ANNUAL INVENTORY COSTS**

1000 reams of white paper	\$2,360.00 **
Other types of paper for copies	\$1,000.00
Supplies for office	\$100.00
Transparencies	\$1,000.00
Order forms	\$500.00
Miscellaneous	\$1,000.00
	<hr/>
<b>Total Annual Inventory Costs</b>	<b>\$5,960.00</b>

**ANNUAL OPERATING EXPENSES WHEN LEASING EQUIPMENT**

Staff costs	\$75,030.00
Annual lease payments	\$15,568.68
Annual Maintenance payments	\$9,866.04
Rent, etc.	\$43,200.00
	<hr/>
<b>Total Operating Expenses</b>	<b>\$143,664.72</b>

\* = Costs from J. Mogenson  
(J. Mogenson, personal  
communication, 4/6/00)

\*\* = Costs from UW-Eau Claire Staff

<b>TOTAL FIRST YEAR COSTS</b>	<b>\$188,644.72</b>
-------------------------------	---------------------

---

Chart 13 indicates that the anticipated first year costs of \$188,644.72 cannot be covered by the anticipated first year revenues of \$93,356.00. There is a differences of \$95,288.72. Chart 14 shows the anticipated second year costs and revenues for leasing equipment.

---

**CHART 14**

---

**SECOND YEAR COSTS AND REVENUES WHEN LEASING EQUIPMENT**

<b>ANNUAL INVENTORY COSTS</b>	<b>ANNUAL REVENUES</b>
1000 reams of white paper	\$2,360.00
Other types of paper for copies	\$1,000.00
Supplies for office	\$100.00
Transparencies	\$1,000.00
Order forms	\$500.00
Miscellaneous	\$1,000.00
<b>Total Annual Inventory Costs</b>	<b><u>\$5,960.00</u></b>
<b>ANNUAL OPERATING EXPENSES WHEN LEASING</b>	
Staff costs	\$75,030.00
Annual lease payments	\$15,568.68
Annual Maintenance payments	\$9,866.04
Rent, etc.	\$43,200.00
<b>Total Operating Expenses</b>	<b><u>\$143,664.72</u></b>
<b>TOTAL SECOND YEAR COSTS</b>	<b><u>\$149,624.72</u></b>

---

This chart shows that in the second year of business, the difference between the anticipated expenses and revenues is \$56,268.72. Chart 15 shows the first year anticipated costs and revenues if the equipment was purchased outright.

---

**CHART 15**


---

**FIRST YEAR COSTS AND REVENUES WHEN PURCHASING EQUIPMENT**

<b>ONE TIME START UP COSTS FOR PURCHASING</b>		<b>ANNUAL REVENUES</b>	
Two Black/White Digital Copiers	\$13,058.00	Copies	\$38,086.40
Color copier	\$11,490.00	Other Services	\$55,269.60
Fax Machine	\$700.00		
Folding machine	\$3,000.00	<b>TOTAL REVENUES</b>	<b><u>\$93,356.00</u></b>
Shredder	\$2,000.00		
Cutter	\$5,300.00		
Binder	\$3,860.00		
Booklet maker	\$2,247.00		
Drill	\$1,007.00		
Permit	\$25.00 *		
One Phone	\$145.00 **		
Phone hookup charges	\$310.00 **		
Utilities hookup charge	\$500.00		
Extra Electrical	\$1,000.00		
Counters built	\$10,000.00		
Outside signage	\$2,000.00		
Two desks on surplus	\$200.00		
Four tables on surplus	\$400.00		
1000 brochures	\$100.00		
Storage shelves on surplus	\$500.00		
Cleaning supplies	\$300.00		
Office supplies	\$1,000.00		
Two chairs on surplus	\$100.00		
Maxi wedge cash register	\$3,700.00		
Two coin mechanisms	\$3,240.00		
Two card readers	\$2,000.00		
Personal computer	\$2,000.00		
Printer	\$5,000.00		
Mac Computer	\$3,000.00		
Miscellaneous	\$3,500.00		
<b>Total Start up Costs</b>	<b><u>\$81,682.00</u></b>		

**ANNUAL INVENTORY COSTS**

1000 reams of white paper	\$2,360.00 **
Other types of paper for copies	\$1,000.00
Supplies for office	\$100.00
Transparencies	\$1,000.00
Order forms	\$500.00
Miscellaneous	<u>\$1,000.00</u>

**Total Annual Inventory Costs**      \$5,960.00

**ANNUAL OPERATING EXPENSES WHEN PURCHASING EQUIPMENT**

Staff costs	\$75,030.00
Annual Maintenance payments	\$9,866.04
Rent, etc.	<u>\$43,200.00</u>
<b>Total Operating Expenses</b>	<u><u>\$128,096.04</u></u>

**TOTAL FIRST YEAR COSTS**      \$215,738.04

\* = Costs from J. Mogenson (J. Mogenson, personal communication, 4/6/00)

\*\* = Costs from UW-Eau Claire staff

---

Chart 15 demonstrates the difference between the anticipated costs and revenues for the first year if the equipment is purchased outright is \$122,387.04. The second year of business after the equipment is purchased illustrated in Chart 16.

---

**CHART 16**

**SECOND YEAR COSTS AND REVENUES WHEN PURCHASING EQUIPMENT**

<u>ANNUAL INVENTORY COSTS</u>		<u>ANNUAL REVENUES</u>	
1000 reams of white paper	\$2,360.00	Copies	\$38,086.40
Other types of paper for copies	\$1,000.00	Other Services	<u>\$55,269.60</u>
Supplies for office	\$100.00		
Transparencies	\$1,000.00	<b>TOTAL REVENUES</b>	<u><u>\$93,356.00</u></u>
Order forms	\$500.00		
Miscellaneous	<u>\$1,000.00</u>		
<b>Total Annual Inventory Costs</b>	<u><u>\$5,960.00</u></u>		

**ANNUAL OPERATING EXPENSES WHEN LEASING**

Staff costs	\$75,030.00
Annual lease payments	\$0.00
Annual Maintenance payments	\$9,866.04
Rent, etc.	<u>\$43,200.00</u>
<b>Total Operating Expenses</b>	<b><u><u>\$128,096.04</u></u></b>

**TOTAL SECOND YEAR COSTS** **\$134,056.04**

---

Chart 16 shows the difference between the anticipated expenses and revenues for the second year in business if the equipment is purchased outright is \$40,700.04.

## Chapter 5

### CONCLUSIONS AND RECOMMENDATIONS

#### Conclusions

The last four charts in Chapter 4 illustrate that University should not open a copy service business on Water Street. The University would lose money every year it is open. Because of this information, it was determined that analyzing the break even point for the business would be was of no benefit. These last four charts indicate it would be in the best interest of the university to not open a copy service business on Water Street. Also, the Competition with the Private Sector Committee does not need to be called to meet to discuss the possibility of opening a copy service business. There is no need for the Committee to meet.

#### Recommendations

Although the financial information clearly illustrated that the University should not open a copy service business on Water Street, the following recommendations are suggested.

1. Survey the businesses around the Water Street location to determine if those businesses would use a copy service business operated by the University. Include questions about how much the businesses would anticipate spending and on what services would they spend their money.
2. Survey the student population in Haas Fine Arts Center (Haas) and Human Sciences and Services building (HSS) for more specific information related to how much money they spend on copies and other services. The survey choices should include a choice of \$0 as a separate line item. Then individual dollar amounts beginning with \$1 should be

separate line items up to \$10. With those changes, the survey would more accurately determine how much money the students are spending on copies.

3. Install coin mechanisms on the student copy machines located in Haas and HSS.  
Although the coin mechanisms were not part of the survey questions, there were many written responses from students asking for the additional option of paying by coin for their copies. The cost for copies paid for by coin would be \$.10 each. The coin mechanisms cost \$1,620 each. Currently, there is one student copy machine located in each building.
4. After the coin mechanisms are installed on the student copy machine in Haas and the student copy machine in HSS, determine the copy machine usage. If the addition of the coin mechanisms have increased the number of copies, placing an additional copy machine and coin mechanism in each building should be considered.
5. Begin delivery and pick up service from Duplicating to the offices located in Haas and HSS. For one semester, deliver and pick up orders once a day to both buildings.  
During that semester, the Duplicating staff should review the time of the delivery and pick up service with the staff in the two buildings, as well as the need for twice a day delivery and pick up service. The following semester, change the delivery and pick up time if it was suggested by the staff in the two buildings. Also, add a second delivery and pick up service trip from Duplicating if it is needed by the staff in the two buildings.
6. Continue investigating and successfully completing electronic transfer of documents to digital copy machines for both staff and students. This process would also include developing a Web page for sending the specifics about a copy order as well as the

electronic copy of the order to be printed. After the Printing Services staff are successfully trained and a specific program for transferring documents electronically has been established, begin training classes for the staff and students by the Printing Staff.

## References

- Abrams, R. (1991). The Successful Business Plan: Secrets and Strategies. Oasis Press: Grants Pass.
- Alexander, K. (1998, November). One Stop Print Shop. Office Systems, 15, 35-36.
- Bangs, D. (1992). The Business Planning Guide. Upstart Publishing: Dover.
- Before You Buy... Copying Machines. eShop Home. Retrieved February 12, 2000 from the World Wide Web: <http://eshop.msn.com/softcontent/s...sp?scmId=63&scpId=170&curscsId=482>.
- Belsie, L. (1997, December). Copiers and Printers Warm Up in Battle for the Printed Page. Christian Science Monitor, 90, 12.
- Bourrie, S. (1993, August). Duplicating Success – The Kinko’s Story. Colorado Business, 20, 58-59.
- Breidenbach, S. (No date). Buyers Guide, Do You Copy? Small Business Home Office Buyers Guide. Retrieved February 12, 2000 from the World Wide Web: <http://www.forbes.com/buyers/042.htm>.
- Buyer’s Guide for Copiers. BuyerZone. Retrieved February 12, 2000 from the World Wide Web: [http://www.buyerzone.com/copier/buyers\\_guide15.html](http://www.buyerzone.com/copier/buyers_guide15.html).
- Covello, J. & Hazelgren, B. (1993). Your First Business Plan. Small Business Sourcebooks: Naperville.
- Dessauer, J. & Clark, H. (1965). Xerography and Related Processes. Focal Press: London.
- Ey, C. (1999, May). 2001: An Office Product Odyssey. St. Louis Business Journal 19, 40-41.
- Gribble, J. (1996, October). Technology Shrinks Quick Print Shops. Business Journal Service Greater Milwaukee, 14, 19-20.
- Hallissy, R. (1997, August). Digital Technologies Become More Prevalent in Today’s Offices. Boston Business Journal, 17, 27-28.
- Hendricks, N. (1999, September). Copying Machine Options Can Jumble Purchase Decision. Business First – Louisville, 16, 32-34.

- Hiam, A. (1997). Marketing for Dummies. IDG Books Worldwide: Foster City.
- Jacobson, G. & Hillkirk, J. (1986). Xerox American Samurai. Macmillan: New York.
- Katz-Stone, A. (1999, July). Roundup Time – New Directions for Copiers, Faxes, Ergonomics - Even White Boards. Washington Business Journal, 18, 25-27.
- Jacksack, S. (Ed.). (1998). Business Plans That Work for your Small Business. CCH Incorporated: Riverwoods.
- Kruck, K. (1998, May). Digital Revolution Brings About Change in How We Do Business. Boston Business Journal, 18, 39-40.
- Lee, M. (1998, May). Digital Copier Features You Should Look Out For. Dallas Business Journal, 21, 46.
- Lewers, C. (1999, September). A Keystroke Away. Indiana Business Magazine, 43, 47.
- O'Hara, P. (1990). The Total Business Plan. John Wiley and Sons: New York.
- Our Humble Beginnings. Kinko's. Retrieved from the World Wide Web on March 6, 2000: [Http://www.kinkos.com/about/new\\_timeline.html](http://www.kinkos.com/about/new_timeline.html).
- Pederson, J. (Ed.). (1999). International Directory of Company Histories. St. James Press: Detroit.
- Phillips, M. & Rasberry, S. (1997). Marketing Without Advertising. Nolo Press: Berkeley.
- Quick Printers on the Move to Go Digital. (1998, December). Graphic Arts Monthly, 70, 20.
- Sanchez, S. (1999, February). Newly Released High-Speed Digital Copiers Heat Up Market. San Antonio Business Journal, 13, 24.
- Steingold, F. (1997). Legal Guide for Starting and Running a Small Business, Volume 1. Nolo Press: Berkeley.
- Why Digital? Applied Business Concepts. Retrieved from the World Wide Web on February 12, 2000: [Http://www.abcla.com/konica/digital.html](http://www.abcla.com/konica/digital.html).

This survey is being done to determine if there is a need for University Printing Services of UW- Eau Claire to open and operate a full service copy center for faculty, staff and students on Water Street in Eau Claire.

Please answer all questions by checking the appropriate box. If you would like to comment on any questions or qualify your answers, please use the last page. All your comments will be read and taken into account. Thank you for your help.

## QUESTIONNAIRE

1. Please indicate your affiliation with the University of Wisconsin – Eau Claire?

- Faculty member
- Academic staff member
- Classified staff member
- Student
  - Freshman
  - Sophomore
  - Junior
  - Senior
  - Graduate
- Other \_\_\_\_\_

2. In which building do you spend most of your day?

- Haas Fine Arts Center building
- Human Services and Sciences building
- Other buildings

3. Do you have your own personal computer?

- Yes
- No

4. Do you have your own black/white printer?

- Yes
- No

5. Do you have your own color printer?

- Yes
- No

6. Would you utilize a full service copy center located on Water Street?

- Yes
- No

7. What is the average number of masters/originals you create every week? Please check one.

- 0
- 1 – 10
- 11 – 25
- 26 – 50
- 51 – 100
- over 100

8. What is the total number of copies needed from the masters/originals in a week? Please check one.

- 0
- 1 – 10
- 11 – 25
- 26 – 50
- 51 – 100
- Over 100

9. Are your masters/originals created in

- Electronic form and printed onto paper to have copies made
- Electronic form copied onto diskette to have copies made
- Other \_\_\_\_\_

10. Would you email your masters/original documents electronically for copies?

- Yes
- No

11. When do you make most of your copies?

- Weekday mornings (6 am – 12 noon)
- Weekday afternoons (12 noon – 6 pm)
- Weekday evenings (6 pm – 12 midnight)
- Weekday nights (12 midnight – 6 am)
- Weekend mornings (6 am – 12 noon)
- Weekend afternoons (12 noon – 6 pm)
- Weekend evenings (6 pm – 12 midnight)
- Weekend nights (12 midnight – 6 am)

12. What hours of operation for the copy center would best serve your needs?

- 7:00 am – 5:00 pm Monday through Friday
- 7:00 am – 5:00 pm Monday through Sunday
- 7:00 am – 11:00 pm Monday through Friday
- 7:00 am – 11:00 pm Monday through Sunday
- 24 hours a day, 7 days a week

13. Is there a location that would be more convenient than Water Street?

- Yes - If yes, please identify here \_\_\_\_\_
- No

14. Do you walk by Water Street on your way to work or school?

- Yes
- No

15. How much do you currently spend a week on copies?

- 0 - \$5
- \$6 - \$10
- \$11 - \$15
- \$16 - \$20
- \$21 - \$30
- \$31 - \$40
- \$41 - \$50
- Over \$50 a week

16. What type of services would you use if a copy center were available on Water Street? Please check all that apply.

- Paper photocopies 8-1/2 x 11
- Paper photocopies 8-1/2 x 14 or 11 x 17 or other
- Paper color copies 8-1/2 x 11
- Photocopies on transparencies 8-1/2 x 11
- Color copies on transparencies 8-1/2 x 14 or 11 x 17 or other
- Resume service
- Graphic Design service
- Renting computers to create your own originals
- Lamination
- Cutting
- Collating
- Folding
- Stapling
- Padding
- Collating and creating booklets
- Offset printing
  - 1 color
  - 2 color
  - 3 color
  - 4 color
  - more than 4 colors
- Perfect binding
- Plastic coil binding (spiral)
- Purchase supply items such as resume paper or envelopes
- Other \_\_\_\_\_

17. Do you use other full service copy centers in town?

- Yes - Why \_\_\_\_\_
- No - Why \_\_\_\_\_

Please continue to next page.

**# 18 For Students Only:**

18. Are there other ways the University could provide for your copy needs? Please check all that apply.

- Convenience copiers placed in more locations in Haas Fine Arts building
- Convenience copiers placed in more locations in Human Services and Sciences building
- Ability to send documents electronically to Copy Corner in Davies Center
- Small satellite copy center located \_\_\_\_\_
- Other -- please identify here \_\_\_\_\_

**#19 For Faculty/Staff Members Only:**

19. Are there other ways the University could provide for your copy needs? Please check all that apply.

- Copiers located in your department or office purchased by your department
- Copiers located in your department of office purchases and managed by Duplicating Services
- Ability to send documents electronically to Copy Corner in Davies Center or to Duplicating in Schofield Hall
- Daily pick up and delivery from Duplicating
- Twice daily pick up from Duplicating
- Small satellite copy center located \_\_\_\_\_
- Other - please identify here \_\_\_\_\_

20. Please write any comments, concerns or ideas you have on this page.

Please return to Davies Center, Room 159.

Thank you.

February 14, 2000

University of Wisconsin – Eau Claire Printing Services is surveying the faculty, staff and students to determine if UW-EC Printing Services should open a copy center on Water Street, near the location vacated by Kinko's last spring.

Would it be possible to distribute surveys to the students in one or more of your classes? The surveys will be available for distribution beginning February 21, 2000 through February 25, 2000.

If you agree to the distribution of the surveys, they will be brought to your classroom just before class. I would like to give a brief summary to the students as to why the survey is being done. After the surveys are distributed and completed, I will take the surveys with me. All I need your assistance with is to allow me about 5 to 10 minutes of your class time.

If you will allow me to distribute the surveys, please contact me by phone at 836-3961 or by email at [rossowjm@uwec.edu](mailto:rossowjm@uwec.edu).

Your assistance with this survey will be greatly appreciated and will help gather the right information for UW-EC Printing Services.

Thank you for your consideration.

Sincerely,

Jeanine Rossow  
Associate Director of University Centers and Programs  
Davies Center Room 159