

Cost Analysis and Outsource Savings

		Historical Cost Range	Average Cost	Your Cost
Hard Costs	Forms Forms, Envelopes, Freight, Tax, Storage,	.09 - .25	.17	_____
	Spoilage and Obsolescence Overtime and Downtime	5 – 20%	.021	_____
	Supplies Toner, Ink, Fuser, Parts, Preventative Maintenance Kits	.09 - .17	.13	_____
	Equipment Printers, Folders, Inserters, Maintenance, Service Contracts, Leases, Depreciation	.07 - .17	.12	_____
	Labor & Overhead Programming, Processing, Printing, Inserting, Benefits	.12 - .27	.195	_____
	Presort Fee Postal Discounts, Barcodes	.02 - .05	.035	_____
	Meter & Delivery	.02 - .10	.065	_____
	Postage	.35 - 39	.39	_____
Sub- Total Soft Costs	Hard Costs	.68 –1.38	1.126	_____
	Improved Cash Flow (Receivables x daily borrowing rate x days)	.153	.153	_____
	Marketing Opportunities	?	?	_____
Total	Hard and Soft Costs			_____