

All you **need to know** about selling PagePack™



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New Business Opportunities for Channel Partners

Why is Xerox offering PagePack?

PagePack is in response to customers' preferences for more flexibility and choice in service contracts and addresses their need for 'one-stop shopping' for hardware and services.

Xerox is creating new business opportunities for channel partners by offering them the ability to sell supplies and service plans to their customers. By adding value to products and services, partners can generate new and recurrent streams of revenue.

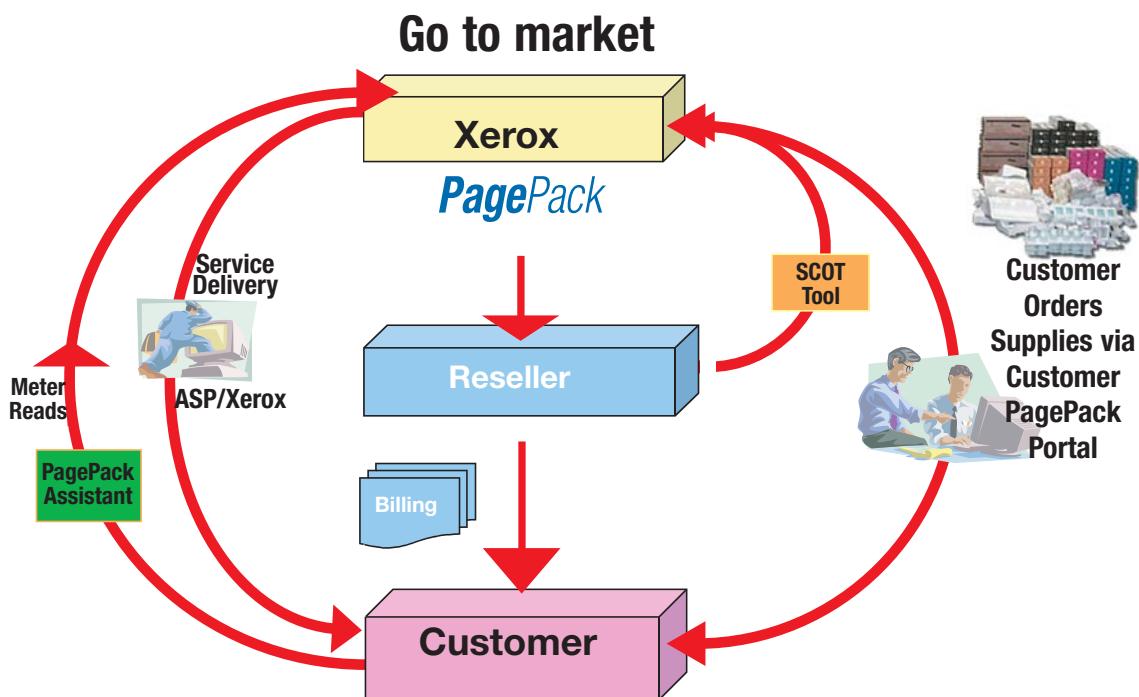
This strategy will help Xerox and its partners to:

- Increase customer satisfaction, with simple, reliable service contracts and more transparent costs
- Improve competitiveness
- Build and strengthen a long-term partnership

Will PagePack be available with future Xerox products?

Yes, our 'toner-in' service offering, PagePack, will grow as we introduce new products, both multifunction systems and printers. This is what the market wants and why Xerox is encouraging its partners to familiarize themselves with the process of selling PagePack.

The sooner you start to sell PagePack, the sooner you will start to benefit from the additional revenue that these service contracts will bring to your business.



About PagePack

What is PagePack?

PagePack is a Xerox offering which bundles together service and pages printed (or 'clicks'). The plan is based on a cost-per-page, and there is a minimum monthly commitment.

Designed for smaller and medium sized businesses, PagePack includes:

- All consumables (excluding printing media)
- Hardware support
- Parts and labor

Secure automated meter reads occur daily. Pages printed over the monthly allowance will be billed at a simple per-page rate for that device model. No credit is given to any unused pages with the contract allowance.

Plans are available for one or three years. Customer plans exist between you and the customer, not between Xerox and the customer.

Resellers ultimately decide who provides service to the customer. If you are an Authorized Service Provider, you can choose to provide service yourself or elect to have Xerox provide service.

What are the benefits of PagePack, compared with the 'toner-out' service model?

PagePack is a significant addition to our service portfolio and offers some specific benefits:

PagePack	Traditional 'toner-out' model
Plan inclusive of service and supplies (predictability and control over costs)	Ad-hoc expenditure on supplies, no control, plus risk of print area coverage costs
Provides full monitoring and control of document costs	No visibility of document costs
Service fully inclusive for contract period	Up-front payment for service
Xerox-branded supplies ordered as required on-line	Ad-hoc purchase of supplies can impact productivity
Stable/predictable print expenses	Fluctuating costs
Cost-per-print fixed	Risk of high print coverage costs

Selling PagePack

How do I sell PagePack?

Our research shows that customers want a click-based cost-per-page agreement, such as PagePack.

The specific benefits of PagePack to highlight to your customers are:

1. First and foremost, PagePack is simple. In a single, easy-to-understand contract, PagePack offers a very competitive cost of ownership:

- PagePack plans are low-cost monthly plans based on page volume.
- PagePack plans reduce your customer's up-front costs. The plan costs are spread over the length of the term, eliminating up-front costs such as extended service contracts or spare supplies.
- Fixed costs mean more predictable running costs. (Every month a reconciliation is made to adjust for any extra pages printed. At the time of this reconciliation, you will be invoiced on actual black-and-white and color page usage.)
- PagePack eliminates the risk of unknown costs from print area coverage.
- Secure meter readings are automatically obtained daily via the PagePack Assistant software. PagePack Assistant software must be installed on the customer network and be connected continuously in order to perform these automatic meter reads. This process will have minimal to no impact on your customer's network.

2. The service for each device is included in the PagePack contract. Service may be performed by Xerox or by you if you are an Authorized Service Provider.

3. Customers order supplies and request service on-line through a co-branded PagePack portal.

4. Supplies inventory and storage is eliminated. Supplies are shipped via express air, eliminating burdensome shipping and inventory costs.

What tools are available to help me sell PagePack?

Xerox has designed a number of documents to guide you through the sale of PagePack. The following are available on the Xerox Reseller Web Site:

- PagePack Handbook—everything you need to know about selling PagePack in one manual
- PagePack Customer Brochure—detailing the benefits of switching to PagePack
- PagePack Contact Templates—sample contracts for your customers
- Reseller monthly PagePack costs
- Customizable customer price list
- Reseller checklist
- Program FAQs
- Training

Ordering and Administering PagePack

How do I become authorized to sell PagePack?

First of all, you should contact your Xerox Account Manager who will guide you through the simple process of becoming PagePack authorized. With their guidance, you will complete the Xerox authorization process that includes PagePack training, filling out a PagePack application, signing the Xerox PagePack agreement, demonstration of your back-office and technical support capabilities, and a credit check.

Once the authorization process is complete and you have been approved, you will be able to start selling and ordering PagePack. From then on you will receive an account statement at the beginning of each month with a summary of your activities during the previous month.

How do I order PagePack?

After you have ordered the hardware device you can place your PagePack order using the SCOT tool (accessible via the reseller web site). You will need to know:

- The serial and model number of the device
- The location and address of each device
- Customer contact name and email address
- The plan duration (one year or three years)

Resellers must register the device within 8 days of purchasing the PagePack contract. Only PagePack devices that are new (less than 300 pages printed) are eligible. Devices with more than 300 pages printed will be subject to a registration fee.

What is the contract duration?

PagePack offers the flexibility of one-year or three-year contract terms. The advantage of a three-year term is locking in the supplies and service price for a longer period.

What are my payment terms?

Xerox will invoice you, the reseller, monthly for your PagePack commitment on net 30-day terms.

What is the invoicing process?

The billing period runs from the 25th of the month to the 24th of the following month. Monthly customer usage readings are gathered using PagePack Assistant software. The reseller then pays a monthly base charge and, if applicable, a per-print charge for prints in excess of the monthly base allotment. The first month is pro-rated.

What terms and conditions should I propose to my customers?

If you are going to sell PagePack without any modification, we recommend you base your contract on the template provided by Xerox. This contains the terms and conditions we suggest you use with end-user customers (see the reseller web site).

However, we understand that you know your customers best and that you may want to adapt the contract to meet their needs.

If you plan to modify the contract, there are several key points to remember:

1. Xerox will invoice you, the reseller, monthly for the contracted PagePack devices. The billing goes from the 25th of one month to the 24th of the next month.
2. You will design and set up price levels and invoice timing for the end-user customer.
3. Consumables orders are processed for PagePack devices that have current meter reads. Supplies will not be shipped for devices that have not reported meter reads for 20 consecutive days.
4. Color pages printed over the monthly allowance will be charged at the color per-page rate for that device.
5. Black and white pages printed over the monthly allowance will be charged at the black and white per-page rate for that device.
6. Prices are fixed for the term of the contract.
7. For contract renewals, notices are sent out 90 days prior to expiration. Automatic renewal will occur for one year, unless reseller gives Xerox at least 30 days prior written notice.

Ordering and Administering PagePack (continued)

Can I cancel PagePack? How do I do this?

Except during the first year, reseller may terminate a three-year term PagePack contract by giving Xerox written notice 30-days prior and by paying an early termination fee of \$400 (if the contract is terminated in the second year of the term) or \$200 (if the contract is terminated in the third year of the term).

The reseller sets the termination clause with the end user. Xerox recommends eliminating early-termination clauses to avoid competitive pressure on the customer to terminate with you.

How do I know when a PagePack contract is registered?

The reseller will receive a contract number confirmation through SCOT after the contract data is submitted.

Note: Resellers have 8 days from the purchase of the PagePack contract to register the device.

What if I make a mistake on contract registration?

Contact the PagePack Team at pagepackprogram@xerox.com. Resellers can not correct mistakes on the SCOT tool.

Can I print first and use all of my consumables and then order PagePack?

No, PagePack should be purchased as soon as the product is installed at customer premises to obtain the full benefits of Xerox consumables and service. Resellers must register the device within 8 days of purchasing the PagePack contract. Only PagePack devices that are new (less than 300 pages printed) are eligible. Devices with more than 300 pages printed will be subject to a registration fee.

What if the consumables are not delivered on time?

Our standard delivery is air delivery and may take 1-2 days.

In case of any delivery problems, the customer calls the reseller directly, who then contacts the PagePack Team at pagepackprogram@xerox.com.

Can I have spare consumables?

No. PagePack customers order consumables direct from Xerox, and we expedite the order directly to the customer. PagePack saves partners the trouble and expense of stocking and distributing consumables.

...and what about my customers?

Consumable consumption must correspond to meter readings, so customers cannot keep advance stock of consumables.

What happens if my customer does not pay?

If you want to stop a customer ordering consumables or receiving service, you can request that Xerox put the customer on hold by writing or by emailing the PagePack team - pagepackprogram@xerox.com

The customer will then not be able to order consumables or receive service. However, you will still be responsible for the monthly base charge and overage charges to Xerox until the contract ends or is terminated.

Ordering and Administering PagePack (continued)

What happens if I do not pay?

All your accounts will be put on hold and no further PagePack contract purchases will be permitted.

As a consequence, your customers will no longer be able to order consumables or receive service.

If one of your customers calls us directly to request consumables or service, Xerox will reply: **"We cannot process this order/ provide you with service at this stage. Please contact your reseller."**

What if I have an enquiry on the meter readings?

The PagePack team is your point of contact to deal with any query or mismatching regarding meter readings.

Where do I direct a customer with a complaint on Xerox service?

Customer satisfaction is key for Xerox and escalations are taken very seriously. For any satisfaction issues, the reseller can contact the PagePack team at pagepackprogram@xerox.com.