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Should You Buy or Lease Your Next Agency Printer?

By Jerry Fetty, SMART I.T. Services

While preparing food for a family holiday a young mother cut off the ends of the ham. When her child asked why she cut off the ends, the mother explained that's the way her mom always prepared a ham. Curious, the child called her grandmother and asked her why she always cut the ends off the ham before cooking it. The grandmother told her that was the way her mother always did it. Finally, the child called her great grandmother and asked, "Why did you always cut the ends off the ham?" To which the great grandmother replied, "Because the ham was too big to fit in my baking pan."

All of us have developed habits in personal and business life that we never question, but probably should. Take for example, the traditional approach to

your agency's printing needs.

In the past, leasing your agency's copier with a service contract instead of buying outright was considered the only sensible choice for most agencies. Several recent trends, however, (push for "green" offices, an increase in digital document storage, improvements in device reliability, etc.) have made the outright purchase of a multi-function printer with a warranty an attractive option to consider.

Like most business decisions, the choice depends on your agency's needs. There are pros and cons to each choice.

Benefits to leasing your copier:

- Little up-front payment. If cash flow is a problem, leasing (which rarely requires a down payment) can be attractive.

- You are able to keep your copier up-to-date every time the lease expires. (This is often the top reason why businesses opt to lease their printing equipment.)

The downside to leasing:

- Overall price is much higher once you add in per-copy fees and interest charges associated with a lease.
- Paperwork. Leasing a copier requires a lot more paperwork, including providing detailed financial information on your agency.
- You'll often have to negotiate the terms of the lease. If you don't negotiate well, you may end up with terms you regret.
- The leasing company determines the maintenance requirements of the equipment. With today's reliable printers, a pricey service contract is increasingly becoming unnecessary.
- The leasing company may require you to pay extra for insurance on their leased equipment.
- You never own the equipment

The benefits of buying your printer:

- Overall costs can be significantly less, as you are not charged a per-copy fee, or have to pay for a service contract.
- The purchase process is easy. Your IT specialists can recommend the best printer for your needs and situation.
- You determine and set your own maintenance schedule.
- You can sell it if your business needs change

The downside to buying your printer:

- There really aren't any, except that,



unless you sell it down the road, you will end up owning outdated equipment.

Most agencies don't realize that recent technological changes in printing challenge the traditional leasing model. Next time your agency is looking to upgrade its printing equipment, will you continue the tradition of "cutting the ends off your ham" or will you ask yourself whether there is a better option for your agency? ■



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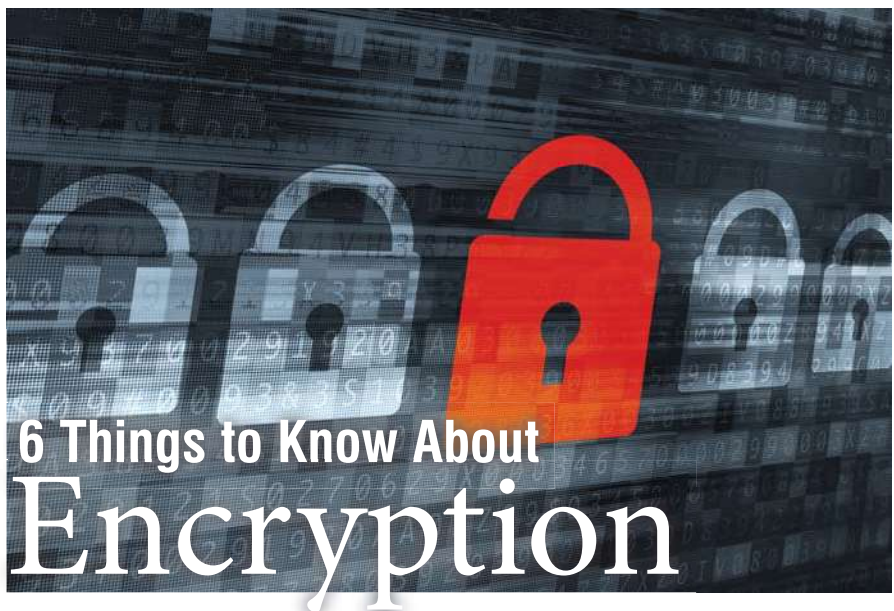
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At the highest level, work with agency staff to accurately inventory the type and volume of sensitive information within your systems, then research your existing systems' encryption capabilities and take additional steps if necessary. This includes email encryption, secure file access for customers (via agency portal) and transmission with encrypted files, and cloud-based agency management systems, CRM, and all third-party vendors.

– Ron Berg, Executive Director, Agents Council for Technology (ACT)

Forget email, create a client portal: A great option for delivery of documents with sensitive information to clients is to create a client portal as part of your agency website. Clients can log into your portal and retrieve documents without having to receive them as email attachments.

– Steve Anderson, The Anderson Network

If you use a laptop it should be encrypted. This is easy to do and free using BitLocker in Windows or FireVault on your Mac.

– John Immordino, Vice President Professional Liability / Brokerage, Arlington/Roe

Kee in mind the accepted forms of encryption are changing. Anything less than 128 bit encryption is typically unacceptable when dealing with encryption questions. Commonly acceptable wording can be used on applications and forms, so less than 128 bit encryption can be deemed unacceptable.

– Taras Shalay, Regional Director – Professional Lines, Burns & Wilcox

Organizations should consider implementing a "defense in depth" strategy to protect every level of their IT environment. An important piece of this strategy includes the utilization of encryption on IT assets. Solutions are available to protect mobile devices, email, network traffic, and servers. Navigating the options can seem overwhelming; make sure you bring in the right resources to help make the right choices for your organization.

– Andrea Resovsky, Senior Account Executive, Konica Minolta Business Solutions

Encryption helps to protect client data and reduce risk, but make sure your encryption methods include well documented workflow and effective training so employees know how and when to use it.

– Kent Gartside, Madeira Networks