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## Dell's Lineup of Next Generation Printers for the SMB Market

Printer technology and use patterns have undergone rapid changes in the last few years. As prices have dropped, SMBs and home office workers are replacing inkjets with LED and laser printers.

**Figure 1 – Dell's new SMB Color LED and Laser Printer Lineup**

<p><b>Single Function Color Printers</b></p>	 <p><b>1250c</b></p>	 <p><b>1350cn 1350cnw</b></p>	 <p><b>2150cn 2150cdn</b></p>
<p><b>Multi Function 4-in-1 Printer/copier/ scanner/Fax Color Printers</b></p>	 <p><b>1355cn 13505nw</b></p>		 <p><b>2155cn 2155cdn</b></p>

Dell has significant market presence and share in the small and mid-size business (SMB) IT infrastructure market--with many SMBs having some combination of Dell laptops, desktops, notebook or storage products in their organization. However--and despite being in the business for several years now--Dell is not typically regarded as a printer company. At best, Dell printer products have had a reputation as "me too" products, viewed as an add-on to other product sales, and not leading products in their own right.

I attended Dell's SMB printer announcement and demonstration event on September 29, 2010. At this event I had the opportunity to see Dell's new line of SMB LED and Laser printers first hand and talk to the product managers of these products. It was very compelling to see the compact size of these printers and also compare some very detailed printouts from Dell's LED and Laser printers. Also, I had the opportunity to see some printouts from comparable competitive products.

Dell's new line of LED and laser printers, launched on September 29<sup>th</sup> 2010, provides Dell with the opportunity to change this image and the dynamics of the SMB printer market. The new line-up offers SMBs affordable, high quality, and high performance printers with a compact, modern look and feel at affordable price points. The new line-up should help Dell compete more effectively with higher profile brands such as HP, Brother, Samsung and others.

## **DELL'S SMB COLOR LED LASER-CLASS PRINTERS**

LED printers use light-emitting diode arrays to create an image on the print drum or belt as it moves past. The print head flashes light across the whole width of the drum, creating each line of ink dots simultaneously. LED printers are usually more efficient and reliable than conventional laser printers because an LED print head has no moving parts. The use of LED technology makes these printers more energy efficient than laser printers.

As indicated on Figure 2, Dell's new LED printers are designed for home office workers, very small businesses and small (2-8 users) workgroups or as personal printers in larger SMB companies. At 15.5 by 11.8 by 8.9 inches, the very compact 1250c (starting at \$229) prints up to 12 black or 10 color pages per minute (ppm). The printer features a USB 2.0 interface, 150-sheet input tray, and a drum and fuser unit rated for the life of the printer. This means that the only thing small businesses need to replace are the toner cartridges.

The 1350cnw (\$329) steps up to 15 black and 12 color pages per minute as well as adding both Wi-Fi and wired Ethernet interfaces for small-office sharing. Its four-in-one siblings the 1355cn (\$399) and 1355cnw (\$449), available for order November 16 (the other printers in today's announcement are available immediately), comes with Ethernet and Wi-Fi interfaces for shared printing. The 1355 provides printing, copying, scanning and fax functions.

While LED printers have the rap of not producing as high quality (measured in dpi, or dots per inch) as conventional laser printers, the print quality of Dell's LED printers appears as crisp as

that of a laser printer. Looking at color images printed from several competing printers, the Dell prints appeared sharper and offered better color rendering.

## DELL'S SMB COLOR LASER PRINTERS

Dell's new 2150cn and 2155cdn network color laser printers are designed for larger workgroups of eight or more users that need higher print performance. They support up to 24 mono or color ppm. The 2155cdn provides dual-sided printing with the duplex printing option, to help businesses save on paper costs and cut down on waste. The 2150cn starts as \$349, and the dual-sided 2150cdn starts at \$399 offer an up to 40,000 pages per replacement cycle.

Figure 2 - Printer Prices and Print Performance

	<b>LED – Home Office or Very Small Business</b> <i>Direct Connect</i>	<b>LED – Small Work Groups (2-8 users)</b> <i>Network Connect</i>	<b>Laser – Larger Work Groups (8+ users)</b> <i>Network Connect</i>
<b>Single Function</b> (model price) <i>Pages per minute (ppm)</i>	1250c: \$229  <i>12 mono/10 color ppm</i>	1350cnw: \$329  <i>15 mono/12 color ppm</i>	2150cn: \$349 2150cdn: \$399  <i>24 mono/24 color ppm</i>
<b>Multi-function</b> 4-in-1 print/copy/scan/fax (model and price) <i>Pages per minute (ppm)</i>		1355cn: \$399 1355cnw: \$449  <i>15 mono/12 color ppm</i>	2155cn: \$549 2155cdn: \$649  <i>24 mono/24 color ppm</i>

## SUMMARY

The average printer's useful life is between 2-3 years. This means that roughly 38 to 40% of SMBs buy printers every year to replace existing printers or to add new capacity. With approximately 6.5 million commercial SMBs in the U.S. plus millions of home offices, total SMB spending for printers and related supplies in the U.S. is approximately \$10 billion annually.

Dell's new small and mid-size business LED and laser printers are compact, energy efficient, and provide high performance printing at affordable prices. With this new lineup, Dell has an opportunity to gain a bigger share of this turnover and new opportunity by replacing HP and Samsung printers, especially in SMB accounts where Dell is the preferred technology solution provider. At these price points, small businesses can have both laser quality and speed, as well as color printing, at inkjet and black and white pricing--which may hasten the replacement cycle.

The Dell 1250c is one of the most compact and high-performance LED personal color printer that is very competitively priced for the very small business or individual desktops. Dell's 2150cdn printer is about the same size with higher-performance compared to similar HP printers. In the All-in-one printers, Dell's (1355cn/w and 2155cdn) are also more space efficient and higher-performance compared to HP and Samsung printers.

However, Dell's new printers are only available on the Dell.com website, which will prohibit exposure and sales to small businesses that want to physically see and touch products before they buy them. These customers—and there are many of them—are more comfortable shopping at retail stores like Best Buy and Staples--where competitive printers are plentiful. To cast a wider net, and become a leader in the SMB printer market, Dell needs to supplement its direct model with a strong presence for its small business printers at the retail outlets that small business owners and office managers frequent.



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