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CASE STUDY Hendrick Motorsports



Toshiba Adds Speed To NASCAR Champion Hendrick Motorsports

IN BRIEF

Problem

To remain at the top of the game, every element of a racing organization must be focused on speed, whether it's in the components of the race team and racecar itself, or in day-to-day business operations. Hendrick Motorsports, however, had found that its document management system was not keeping pace with the demands of the sport, and these shortfalls were quickly becoming a drag on costs and productivity.

Solution

A Toshiba Encompass Analysis in early 2009 revealed an equipment-heavy fleet of imaging devices throughout the Hendrick organization. As a solution, work groups were formed to share Toshiba e-STUDIO™ multifunction products, and immediately the company netted a savings of \$1,000 per month without any loss of productivity. In addition, Toshiba installed Re-Rite, which now saves the staff hundreds of productivity hours per month.

Background

It is generally understood around Hendrick Motorsports that the company's goal is not to win races; it's to win championships. And it appears they are having no trouble rising to meet the challenge. With his fifth-place finish at Homestead last November, Hendrick driver Jimmie Johnson became the only driver in Sprint Cup history to win four championships in a row. Fellow Hendrick drivers Mark Martin and Jeff Gordon took second and third places for the season. That gave Hendrick Motorsports a 1-2-3 sweep—the first ever for a racing organization in NASCAR's history.

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— Chris Newsome, Director of Information Technology and Facilities for Hendrick Motorsports

Winning in NASCAR doesn't come by chance. There is a multitude of variables that, when aligned correctly, produce the win including: driver and crew, the layout of the track, ambient temperature, precipitation, and even the crowd.

But the business of racing is far more than the 36-week season that car, driver and crew are on the road. Every day 550 employees of Hendrick Motorsports come in to work and everything they do is focused on finding speed, and ultimately capturing yet another championship. That's where Toshiba and its product sponsorship of Hendrick Motorsports impact this winning team.

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The Challenge

In 2009, Chris Newsome, director of Information Technology and Facilities for Hendrick Motorsports, was on the lookout for a new imaging vendor. "We were at a point where we needed more advanced technology, more dependability, service and support than I was getting with our current vendor," he says. "It was perfect timing when I met a representative from Toshiba who introduced me to their products. I was very impressed. Plus, you could tell they were very passionate about their products."

Newsome continues: "We at Hendrick Motorsports are all about the leading edge of technology. We're working with the very latest software, and we need to be able to scan documents directly into these applications—and cease having documents stored in a dozen different places."

Jon Arvik, national business development manager for Toshiba Managed Services Group, had been working with Hendrick Motorsports since February 2009 when he conducted an Encompass Analysis at Hendrick's more than 100-acre campus in Concord, near Charlotte, North Carolina.

"They were very equipment-heavy with nearly 200 devices, so we focused on optimizing the environment," said Arvik. "The Toshiba Encompass Analysis qualified and quantified monthly copy volume, as well as evaluated the current devices that they had, and determined what needed to be replaced or optimized."

In addition to hardware, Arvik and his team introduced Newsome to the benefits of Re-Rite – a software program that can transform paper documents into 11 editable file formats, including pdf, Word and Excel.

"The analysis revealed opportunities for cost savings across the board," says Newsome. "In the back of my mind, I knew it would be positive, because we hadn't done that here in about five years. It was an eye-opener and all the money we were spending definitely got the executives' attention. Today, we're

saving about \$120,000 a year partnering with Toshiba.

What do they do with that extra \$120,000 per year? "Put it back into racing," he says.

The added benefits of Re-Rite truly met the needs of the Hendrick organization. "As IT Director, I deal with vendors and contracts all the time," says Newsome. "So now when they email me a document I can scan it into Word and easily make my modifications to it. It used to be that we would print it out, mark it up, then fax it back or scan it and email it back. Re-Rite speeds up the whole process, and it's so much more professional." Hendrick Motorsports' Human Resources, Marketing and Accounting are also taking advantage of the benefits of Re-Rite as they work with sponsor contracts.

"The company is networked through Microsoft SharePoint. Re-Rite allows the person scanning a document to specify a destination for the document through the Hendrick Motorsports SharePoint connection," says Arvik. "It eliminates the need to go back to your desk, open the file, look at it, rename it, then direct it to the person who needs it."

The benefits of this function are great, especially in an organization that deals with hundreds of thousands of documents each month. "The reason that racing is very expensive is because the people required to run a race organization are highly trained individuals," continues Arvik. "Hendrick runs a very lean organization. They require their employees to do more with less. And any time that we can save 10 to 15 minutes a day, it adds up." So in addition to that \$120,000 saved in hardware, Hendrick Motorsports is realizing a substantial savings in productivity. "An engineer can save one or two hours of work per week with Re-Rite," says Arvik. "Multiply that by everyone using the technology and that adds up very quickly."

In addition to saving time and money, Toshiba is helping the Hendrick organization ease its impact on the environment through Close the Loop, a zero-waste-to-landfill program. Every facility on the Hendrick campus now has a recycling box for ink cartridges, and currently, the company recycles 10 to 15 ink cartridges each month.

As a sponsor-partner with Hendrick Motorsports, Toshiba has earned a coveted spot on the team's pit boxes.

"In IT, we commit to 99.9% uptime," concludes Newsome. "It's our job to give this organization the products and infrastructure to do their job. And when I came across Toshiba, and realized how their company works and what they believe in, I wanted them to be a part of us. We want partners who believe what we believe in. We want to be champions together, and we can't do our job without companies like Toshiba."

