## Rates to Charge?

## Dealers share delivery, setup, install & connection fees

Compiled by: Brent Hoskins, Office Technology Magazine

ollowing is a question submitted by a dealer member as part of BTA's Dealers Helping Dealers resource, and many of the answers received. These answers and many others can be found in the members-only section of the BTA website. Visit www.bta.org/DealersHelpingDealers.

You will need your username and password to access this member resource.

How do you handle delivery, setup, installation and connection fees for customers or internally for sales? What can you share about your rates?

"We offer complimentary delivery, setup and installation along with key-op training and a commercial grade surge suppressor with every unit placed. We also offer two hours of complimentary networking per unit on each installation with added time billed to the customer. We also offer 'Connect Care,' which is an optional network call coverage plan per device."

Brian Bence, executive director of sales

Shenandoah Valley Office Equipment (SVOE), Verona, Virginia

"We used to charge \$240 per install, but now we mark up our cost to include the \$240."

Mick Dean, president

SaraMana Business Products, Sarasota, Florida

"\$500 per copier and \$200 per printer." Chip Miceli, CEO Pulse Technology, Schaumburg, Illinois

"\$285 per device."

John Lowery, president & CEO Applied Innovation, Grand Rapids, Michigan

"We charge \$295 for connectivity for one unit and blend it for multiple devices. Delivery, setup and installation are included in the dealer pack of 23%."

Evan Said, director of sales Coastal Business Systems Inc., Eureka, California

"Those are a cost to reps on deals. An example is \$450 for the setup/delivery of an A3 device. That includes all toner,



setup and install. If additional connection is needed past an hour, it is billed at \$150 per hour or baked into the deal by the rep."

Christy Gallegos, director of sales Imagine Technology Group Chandler, Arizona

"Sales has to add delivery and connect fees to all deals. We waive the fee if the deal is super competitive."

Tony Sanchez, principal C3 Tech, Santa Ana, California

"We have a \$250 charge added to every sale for setup and \$250 for delivery. It includes up to 10 computers. After that, it is \$175 an hour."

Dan Castaneda, general manager International Copy Machine Center, El Paso, Texas

"We include setup in the leased portion and the sale price for up to two to three hours, but we are a very small company."  $\,$ 

David Hughes, president

Rolan Business Machine Co. Inc., Rome, Georgia

"Most sales delivery charges are bound by contract and generally we don't charge for delivery, installation or connection." Todd Deluca, owner

Boston Business Technology, Plymouth, Massachusetts

"We pass on our delivery/setup and install/connect fees to our sales teams. These fees are specific to the product(s) sold. For example, a desktop unit will have a fee specific to the costs involved for this type of product. Conversely, a 65 pagesper-minute (ppm) color device will have fees specific to the costs associated with this product."

Ken Staubitz, COO

Modern Office Methods, Cincinnati, Ohio

"We charge a \$12.99 delivery fee for supplies and no installation fee."

Jose Hernandez, owner JCM Distributors, Miami, Florida

"We have a flat rate of \$250 for A3 MFPs, \$150 for A4 MFPs and any printer is \$100. This is charged on any install and per

machine. Of course, net-new installs take longer, but upgrades take much less time. We have tracked our costs over 15 years and this amount covers us with about a 5% margin. We just increased these amounts this year. They were previously \$200, \$100 and \$50."

Michael DelBorrello, owner Cyan Sky Copier Technologies Schnecksville, Pennsylvania

"Our hourly rate is \$165 per hour. We include delivery, setup and installation in our equipment pricing markup to the reps. It is approximately \$395."

Stephen Valenta, president/owner Offix, Gainesville, Virginia

"These fees vary depending on complexity, starting at \$195 to deliver and connect an A4 device, up to \$450 for an A3 with mailbox setup and possible stairs to navigate."

Tom Minuti, president Copy Products, Upper Darby, Pennsylvania "These fees vary ... starting at \$195 to deliver and connect an A4 device, up to \$450 for an A3 with mailbox setup and possible stairs to navigate ... "

"All of those fees are in the cost of goods to the rep. It may vary by segment, but it is always built in."

Tim Renegar, president Kelly Office Solutions Winston-Salem, North Carolina

"All of these costs are billed into the deal as a charge out of the deal. Very rarely do we actually charge the client any of these fees."

Rick Salcedo, president & CEO KDI Office Technology, Aston, Pennsylvania

Do you have a question for your fellow dealers? If so, email it to brent@bta.org with the subject line: "Dealers Helping Dealers." BTA will then share your question with the full dealer membership with a request for guidance from your fellow dealers.

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