

FEBRUARY 2020

HP Neverstop Laser

Objective

In February 2020, Keypoint Intelligence - Buyers Lab was contracted by HP to conduct a study to determine if the HP Neverstop printer could be considered to meet the following criterium¹:

1. **HP Neverstop laser total cost of ownership (TCO) is up to 34% less than the average of in-class cartridge lasers¹**
2. **Average in-class cartridge laser total cost of ownership (TCO) is up to 1.5X more than HP Neverstop laser¹**
3. **HP Neverstop laser toner reload kit cost per page (CPP) is up to 5X less than the average of in-class cartridge lasers¹**
4. **Average in-class cartridge laser cost per page (CPP) is up to 5X more than HP Neverstop laser toner reload kits¹**
5. **Lowest cost for Original HP Toner in-class.¹ Less than 1 cent per page.¹**

The research team at Keypoint Intelligence evaluated the HP Neverstop against the majority of in-class cartridge based mono laser competing MFPs to determine if the Neverstop TCO and CPP were less than competitors¹. Based on publicly available information, Keypoint Intelligence analysts found the other in-class MFPs to have higher TCOs and CPPs, proving the HP Neverstop to have a TCO that is 34% less than the average of in-class cartridge lasers, and the HP Neverstop laser toner reload kit cost per page to be up to 5X less than the average of in-class cartridge lasers¹.

¹Compared to the majority of in-class MFPs cartridge devices <\$330 USD. Keypoint Intelligence - Buyers Lab February 2020 research study commissioned by HP, based on research survey of printer manufacturers' and resellers' published specifications, pricing, and data sheets as of 02/03/2020. Market share as reported by IDC Quarterly Hardcopy Peripherals Tracker - Final Historical 2019Q3. Total cost of ownership based on printer MSRP, in-box supplies, and highest-capacity replacement OEM supplies to print 234 pages a month over 4 years. Monthly page volume based on internal HP estimates. For details, please see: keypointintelligence.com/HPNeverstopUS.

Background

Replacing toner cartridges can slow the pace of business and cause frustration in printing environments. Users may have a replacement toner cartridge available if the device has given enough notice but will still need to locate it, look up and follow directions, fumble with the placement, and possibly create a mess. Using many replacement cartridges can be a negative—if not recycled correctly, these cartridges can end up in a landfill and take centuries to decompose.

To reduce the hassle and expense associated with frequent toner changes, HP has developed the HP Neverstop Laser with Toner Reload Kit, which features a low cost per page, low purchase price, high yields, and simple installation. Users simply shake the Toner Reload Kit, insert it into a clearly marked location on the top of the device, twist the kit to lock it in, push down on the device plunger, untwist the reload kit, and have a refilled device in seconds. The unique design of the HP Neverstop Toner Reload Kit contributes to the device having a lower TCO and CPP than competitive devices.

Methodology & Findings

Keypoint Intelligence examined the in-class cartridge mono laser MFPs under \$330 USD that make up 80% of the market share based on IDC data¹. Analysts compiled the MSRP data, in-box supplies page yields, MSRP of highest capacity cartridge yield replacement supplies, and the yield of highest capacity supplies for each device. In all instances the manufacturer's U.S. website was used as the source for the data, except when not available. In some instances, prices were taken from other geographies and converted to USD or from popular retailers. The data used for MSRP did not consider potential rebates or temporary sale prices.

For replacement cartridges, only highest capacity yield supplies were considered. After the MSRP of the device, MSRP of the highest capacity cartridge yield, in-box supplies yield, and highest capacity supplies yield were collected, Keypoint Intelligence calculated the number of highest capacity cartridges yield needed over four years of ownership by multiplying the monthly volume (234) by the amount of months (12) and the amount of years (4) and then subtracting the amount of in-box supply pages and dividing by the highest capacity cartridges yield¹. This number was rounded up when necessary as cartridges are bought as complete units. The average number of highest capacity cartridges yield needed for in-class device is six, compared to three for the HP Neverstop.

KPI calculated the CPP of highest capacity cartridges by dividing the replacement highest capacity cartridge/ the supply yield. The average CPP for comparable in-class highest capacity cartridges was \$0.03, which is nearly five times the CPP for the HP Neverstop (\$0.006). The cost of replacement highest capacity supplies was then calculated over four years of ownership. TCO was found by adding the hardware cost to the cost of 4 years of replacement highest capacity supplies yield (MSRP of highest capacity cartridge * number of highest capacity cartridges needed over four years). The average TCO for comparable in-class devices was \$575.65, one and a half times more than the HP Neverstop TCO of \$377.96. The TCO of the HP Neverstop (\$377.96) is 34% less than the average of in-class cartridge lasers (\$575.65). While every effort was made to include the most accurate and complete information for the devices and cartridges, this pricing reflects current market data as of February 3, 2020, and is subject to change in other regions or at a later date.

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SUPPORTING DATA TABLE

| Manufacturer | Product | MSRP | In-Box Supplies Pages | Replace-ment highest capacity supplies MSRP | Replace-ment highest capacity supplies yield | Cost per page of highest capacity replacement supplies | Number of highest capacity supplies needed over 4 years | Total cost of ownership (TCO) |
|---|--------------------------|-----------------|-----------------------|---|--|--|---|-------------------------------|
| HP Inc. | 1202w | \$329.99 | 5,000 | \$15.99 | 2,500 | \$0.006 | 3 | \$377.96 |
| Average In-Class Competitor Cost | | \$194.37 | 889 | \$75.99 | 2,489 | \$0.03 | 6 | \$575.65 |
| HP Inc. | LaserJet Pro MFP M29w | \$139.99 | 500 | \$49.99 | 1,000 | \$0.05 | 11 | \$689.88 |
| Brother | DCP-L2550DW | \$159.99 | 700 | \$76.99 | 3,000 | \$0.03 | 4 | \$467.95 |
| HP Inc. | LaserJet Pro MFP M148dw | \$169.99 | 1,000 | \$84.99 | 2,800 | \$0.03 | 4 | \$509.95 |
| Brother | HL-L2390DW | \$149.99 | 700 | \$76.99 | 3,000 | \$0.03 | 4 | \$457.95 |
| Brother | MFC-L2710DW | \$199.99 | 700 | \$76.99 | 3,000 | \$0.03 | 4 | \$507.95 |
| HP Inc. | LaserJet Pro MFP M28w | \$119.00* | 500 | \$49.99 | 1,000 | \$0.05 | 11 | \$668.89 |
| HP Inc. | LaserJet Pro MFP M227sdn | \$297.22** | 1,600 | \$100.99 | 3,500 | \$0.03 | 3 | \$600.19 |
| HP Inc. | LaserJet Pro MFP M227fdw | \$269.99 | 1,600 | \$100.99 | 3,500 | \$0.03 | 3 | \$572.96 |
| HP Inc. | LaserJet Pro MFP M130a | \$243.16 ** | 700 | \$65.99 | 1,600 | \$0.04 | 7 | \$705.09 |

* Pricing sourced from Walmart.com.

** Pricing sourced from HP Germany and converted to USD.

About Keypoint Intelligence - Buyers Lab

Keypoint Intelligence is a one-stop shop for the digital imaging industry. With our unparalleled services and unmatched depth of knowledge, we cut through the noise of data to offer clients the independent insights and responsive tools they need.

For over 50 years, Buyers Lab has been the global document imaging industry's resource for unbiased and reliable research, test data, and competitive information services. In addition to publishing the industry's most comprehensive and accurate test reports, each representing months of hands-on testing in our U.S. and UK laboratories, we have been the leading organization for extensive specifications/pricing databases on MFPs, printers, scanners, and software. Buyers Lab also provides consulting services and a range of private testing services that include document imaging device beta and pre-launch testing, performance certification testing, consumables testing (toner, ink, fusers, and photoconductors), solutions evaluations, and media runnability testing.

For more information on Buyers Lab, please call (973) 797-2100, visit www.keypointintelligence.com, or email info@keypointintelligence.com.