

Case study

Hochschild Mining

HP MPS and quality printer technology helps mining reach new heights in extreme conditions



Industry

Mining

Objective

Optimize cost-efficiencies and support maximum productivity with HP Managed Print Services and reliable, high-quality HP printer technology

Approach

Implement an MPS program that incorporates HP MFPs, LaserJet printers, Officejet Pro X MFPs and large-format Designjet printers

IT matters

- Durable, worry-free printers handle toughest conditions and elevation
- Streamline supplies management
- Established print policies reign in waste and reduce costs

Business matters

- HP Access Control Job Accounting enables accurate usage reporting for all 7 locations (5 mines and 2 offices)
- HPAC reports accurate cost allocation of 1,500 users printing 200,000 pages per month
- Toner invoicing decreased by approximately 15%
- Print management centralized and streamlined
- Staffing needs minimized to one operator at Lima print center headquarters
- Onsite HP service to mines maintains print reliability
- Drives innovation with uniquely designed industry solutions



“HP Managed Print Services is a powerful business solution for us because HP printers are incredibly durable and reliable, the quality of HP service is outstanding, and we are able to recognize significant cost efficiencies.”

— Edward Alarcon, VP IT, Hochschild Mining

For nearly five decades, Hochschild Mining has been exploring, mining, processing and selling silver and gold. The company has several large underground epithermal vein mines in Perú and Argentina—each resembling a small town, with offices up to several kilometers apart. Cost-consciousness is a constant in the mining business, as mineral prices are set by ever-changing international markets. At the same time, mining operations demand highly durable and reliable technology solutions that can withstand the rigors of extreme elevations and physical environments. To meet its needs for cost-effective, consistently dependable print solutions, Hochschild Mining relies on an HP Managed Print Services program incorporating HP printer technology to achieve significant results.



HOCHSCHILD MINING



Headquartered in Lima, Hochschild Mining is a leading underground precious metals producer focused on high grade silver and gold deposits. It has nearly 50 years' experience operating in the Americas. The company operates five underground epithermal vein mines across Perú as well as two administrative offices, with a combined 1,500 users printing upwards of 200,000 pages per month. All the Perú mines are at extremely high elevations, which make running and maintaining technology more challenging.

Drilling down on the bottom line

The HP Managed Print Services (MPS) solution helps organizations drive productivity and profitability, an appealing proposition for Hochschild, who has been an MPS customer for more than seven years. Especially important to Hochschild is the ability of HP MPS to provide visibility into total printing costs. The reporting tools provide the information needed to help reduce waste, improve operations and streamline costs.

While every business searches for opportunities for improved expense control, in the mining industry it is absolutely critical to each company's viability. Edward Alarcon, VP IT, Hochschild Mining, explains, "Prices for gold and silver are set by international markets; mining operations have no ability to influence the selling prices for precious metals. Those prices are susceptible to the various economic and political tides and as a result, effective expense management is necessary to operate profitably within market prices."

With HP MPS, Hochschild benefits from additional tools and information to drive results that impact the bottom line. For instance, the HP Access Control (HPAC) Job Accounting Solution allows Hochschild to track and trace device usage across the print environments at each of their seven locations in Perú. HPAC Job Accounting also enables the company to easily apply data to determine and establish print policies and parameters by user, such as printing quotes. When options including economode, page limits or color printing restrictions are deployed, the savings add up.

"HP MPS with HP Access Control Job Accounting is helping us generate real data to impact the bottom line. We can now track and trace usage by devices and users across all of our locations. We can easily identify and establish print policies to realize significant savings."

— Edward Alarcon, VP IT, Hochschild Mining

"In the majority of the rugged onsite mining operations, the primary need is for visual information rather than pristine print quality," Alarcon says. "By using economode settings, printed pages are slightly lighter and toner demands are greatly reduced. As a result, we have been able to slash toner invoices by approximately 15%."

The HPAC solution also reports usage detail so that costs may be allocated to the appropriate departmental budgets, which helps encourage teams to print efficiently and avoid waste. Each mine manager is responsible for all of the costs associated the mine.

They are continually working to monitor and control costs, Alarcon explains. "Because managers can only reduce what they can control, having the usage detail available through HPAC is critical to our mine managers," he says. "And while we are reducing costs, we are also contributing to our own environmental values and goals."

A durable performance partner for the most extreme environments

Underground mines are unlike any other printing setting on—or in—the earth. Extremely dry and dusty, very cold temperatures, and difficult to access—these are some of the toughest environments.

Hochschild mines are located at extremely high elevations: one peruvian mine is at 5,300 meters above sea level. The low concentrations of oxygen and increased pressure make these sites hostile to nearly all life. There are no insects to be found, and animal life is limited to the alpaca, a unique breed well suited for the high elevations.

All types of technology face the test of endurance in these extremes and even the best products and technologies can exhibit performance degradation or complete shut-down at these altitudes. Just like the alpaca, HP print technology appears as an exception.

Hochschild has a variety of HP printer models in its mining operations, including a large-format HP Designjet printer Z6200 rated for performance at elevations up to 3,000 meters. This fast production workhorse is used to print detailed mine maps with print speeds up to 140 m²/hr (1500 ft²/hr). It has worked without interruption for more than 18 months at high altitudes under harsh conditions.

Making this an even smarter choice for mining is that the prints are completely waterproof.¹ Alarcon explains, "Water is always an issue in mines, whether it is water filtration in underground mines or rain in the open pike mines. It's important that our maps and the annotations on them hold up to the moisture.

You could immerse these Designjet and Officejet Pro X color prints in a bucket of water and it does not affect the print at all."

Prior to HP, the company would print maps and geologists and other mine workers would jot their notes onto them. But the damp conditions often meant that the written comments would smear or even wash away completely, requiring the miners to reprint the map and drive it back out to a location two to three kilometers away. With the Z6200 printer producing highly durable maps, productivity gaps due to lost information are a thing of the past.

Hochschild also tested the HP Officejet Pro X476 MFP printer in its highest altitude mine at 5,300 meters above sea level. Even in the damp surroundings of a mine, the Officejet Pro X printer produced high-quality prints that did not smudge. The printer uses up to 50% less energy than other color lasers, contributing even more to print cost savings.²

Alarcon says, "The new Officejet Pro X MFP printer is very appealing in the extreme conditions of the mines. It is taking print speed, quality and clarity to new heights. After the first month of usage, we were so impressed we purchased additional devices."

For all service needs, HP sends technicians to the mines to perform maintenance and service as part of the HP Managed Print Services solution. Alarcon says that it is important for Hochschild that HP manage the complete print environment and support print uptime, which enables the company to stay focused on its core business.

HP printers support uninterrupted productivity

Each mine functions independently with separate offices for functional areas such as administration, human resources, chemical, geology, and security. At Hochschild, each office is set up with HP MFPs, plotters and laser and inkjet printers. The largest mines have roughly 40 printers installed, all deployed for standard office printing, copying, scanning and faxing, along with the large-format Designjet printers.

Hochschild faces spikes in printing volumes, for instance during a government audit. Auditors will visit a mine for several days and routinely request copies of documentation. HP printers easily keep up with the demand.

Customer at a glance

Application

Office printing, copying, scanning, faxing and wide format printing

Hardware

- HP Color LaserJet CM2320nf MFPs
- HP LaserJet Enterprise M4555h MFPs
- HP LaserJet M3035xs MFPs
- HP Officejet Pro X476 MFPs
- HP Designjet Z6200 printers
- HP Original Supplies

Software

- Web Jetadmin
- HP Access Control

HP services

- HP Managed Print Services



“Mining is a heavily regulated industry and audits can be particularly burdensome. HP printers are consistently reliable, enabling our teams to meet the stringent regulatory demands for a deep paper trail,” Alarcon says.

A shared commitment to the environment

Hochschild has a strong environmental commitment with a department dedicated to understanding and addressing sustainability issues. The environmental consciousness of HP helps the company to act in a thoughtful manner. For instance, the economode setting on HP printers uses less toner—a move that decreases Hochschild printing costs—and also creates a smaller environmental footprint.

Similarly, the HP industry-leading cartridge return and recycling program, HP Planet Partners, was an attractive solution for Hochschild. The Planet Partners program enables Hochschild to responsibly manage waste and recycle used Original HP cartridges, reducing the amount of waste sent to landfills. The company appreciates that in addition to overall environmental responsibility, Perú’s endangered species are also being protected.

“The environmental stewardship of HP is important to us and enables us to be even more thoughtful about our impact on the planet. Here in Perú we have several endangered species, so it is important to know we are recycling to help protect the environment. We know recycling has real benefits.”

— Edward Alarcon, VP IT, Hochschild Mining

“We are very pleased and proud to work with HP who shares similar corporate values regarding environmental responsibility,” Alarcon says. “Added to this is the exceptional quality and durability of HP printers and the efficient service of MPS. It’s a win from every view.”

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¹ Water resistance based on HP internal testing, using paper with the ColorLok® logo.

² Compares majority of color laser MFPs <\$1000 as of May 2014. Energy use based on HP and third-party testing commissioned by HP. Actual cost and energy usage may vary. For details, see hp.com/officejet.

