

## Case study

# INDEVCO trials reveal unexpected cost of using non-HP cartridges



Leading Lebanese manufacturing group vows to stick with Original HP Supplies

**Industry**  
Manufacturing

**Objective**  
Test the viability of using non-HP cartridges to save money

**Approach**  
Conducted controlled trials on compatible cartridges

**IT matters**

- From the customer's perspective, the yield of non-HP is up to 50% lower than Original HP Supplies
- Compatibles have high rate of cartridges leaking toner into the office environment
- Paper usage increased and time wasted by need for reprints

**Business matters**

- Print quality and colour reproduction of compatibles is not of the required business standard
- Poor environmental footprint due to increased paper usage and lack of recycling programs
- Lost productivity because of printer unit failure



**“During trials, I have confirmed that every compatible toner is a total failure in the long run. You may save money initially but you can lose your printer. The page yield is very low, you will have to re-print because of poor quality and ultimately you will lose money.”**

– John El-Kareh, manager, Purchasing Control Department, INDEVCO Group



## **Trials discredit compatibles**

Lebanese manufacturing group INDEVCO has extensive print needs that require some 3,500 ink and toner cartridges a year. Following management suggestions on saving money with non-HP consumables, INDEVCO trials have revealed multiple problems that make this a false economy.



## Up to 50% drop in cartridge yield with non-HP consumables

### Challenge

#### Reduced print costs

Headquartered in Ajloun, Lebanon, INDEVCO Group employs over 10,400 people in Middle East, Africa, Europe, and the U.S. It manages 60 operations, including 37 manufacturing plants and 23 commercial companies. Its product range includes corrugated, plastic and paper packaging and tissue as well as personal care disposables. Under its Phoenix brand, INDEVCO also has engineering and energy companies and it has recently added an advertising and marketing operation.

INDEVCO serves a wide cross section of industries in over 100 countries worldwide. Its markets include agriculture, beverage, building and construction, dairy and ice cream and catering. It also produces packaging for fresh, frozen and processed foods, home care and hygiene, paramedical and pharmaceutical items.

With such widespread activities, it's no surprise that INDEVCO has significant print requirements.

"We provide print for 1,000 employees at our locations in ten different areas of Lebanon," says manager of the company's Purchasing Control Department, John El-Kareh. "We use a wide range of HP printers and large format plotters and I have more than 300 HP multifunction devices and printers. I have been working with HP for more than 20 years and recently we have started using PageWide technology which is excellent."

In addition to routine business output, print jobs range from Excel and AutoCAD documents to glossy paper prints for the marketing department and large format engineering plans. It also includes a large ratio of colour printing.

This amounts to some 300,000 printed pages a month which require INDEVCO to source approximately 3,200 ink and toner cartridges a year. Concerned about the cost, managers suggested saving money by switching from Original HP supplies to cheaper remanufactured cartridges.

"Because HP is the number one technology company globally, it's been hit by a lot of pirate cartridges and that's why our management sometimes think about using them to reduce costs," says El-Kareh.

### Solution

#### Compatible cartridge trials

To convince general managers of the benefits of using Original HP Supplies, El-Kareh conducted trials on non-HP cartridges.

"My first trial with compatible toners included six similar HP LaserJet P2015 printers used by two different departments," he explains. "We used what we thought were very reliable compatible toners with three printers in one department and kept using the Original HP Supplies with three printers in a second department. The department using the compatible toners lost its printers due to breakages after three months. It affected productivity because it took us more than a week to source new printers. The second department had none of these problems and is still using its printers."

"Another trial was done a year later with two colour laser printers and the result was a disaster. The colour printouts were of the worst quality and were just not acceptable at all, so we removed the cartridges and returned to Original HP supplies."

## Customer at a glance

### HP solution

- Original HP Supplies

### Hardware

- HP LaserJet Enterprise M607n Printer (KOQ14A)
- HP PageWide Wireless Multifunction Colour Printers
- HP OfficeJet Pro Multifunction Printers
- HP OfficeJet e-All-in-One Printers
- HP LaserJet P2015 Printers
- HP DesignJet Printer
- HP DeskJet Ink Advantage e-All-in-One Printers

El-Kareh says that page yield on the non-HP cartridges was up to 50% lower than originals and the print quality was so poor that a high percentage of pages had to be reprinted, increasing paper usage which put up costs and is bad for the environment.

“You also have a high risk of toxicity because you can inhale the toxic powder from toner leakage,” adds El-Kareh. “Whereas, HP cartridges find recyclable materials from used cartridges and produce new Original HP supplies that don’t end up in a landfill and polluting the environment.”

## Benefits

### Big Deal discounts

Following problems revealed by INDEVCO’s trials, the company has decided to stick with Original HP Supplies and now receives quantity discounts under the HP Supplies Big Deal Program.

“If you have to print a document to present to your manager or CEO or to a customer it should reflect the image of the group. If you use Original HP Supplies, you will have vivid document but if you use competitors it will be blurred,” concludes El-Kareh. “Each year, new vendors come along with new compatibles and new prices and it’s very hard not to try them. However, if you use remanufactured cartridges you will have a big headache. You will lose money in the long run because you will have to call for repairs many times; you will use more papers because of bad quality prints and you will have toner leakage on a weekly, if not a daily, basis.”

“There are many problems and if someone came to me for advice on using non-HP cartridges, I would certainly tell them to think twice. I will never go back to using compatible cartridges.”

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