

Separating HP Myths from Reality

Original Equipment Manufacturers (OEMs), like HP, make a great deal of profit from the sale of their imaging supplies. In fact, Lyra Research Inc. has documented that one OEM realizes as much as 50 percent profits on its supplies stream.¹ As businesses and consumers have increased their focus on cost savings and value, HP has begun fiercely attacking remanufacturers in an attempt to safeguard their most lucrative revenue stream while continuously forcing price increases in the US and Europe each year.

In their newest campaign, HP has boldly, and falsely, branded all remanufactured cartridges as being of poor quality, unreliable and offering no true value to users. This is blatantly untrue. There are remanufacturers, such as Clover Technologies Group, who have spent years and millions of dollars to ensure the integrity of their brand. With yearly revenues of over \$450 million, it's clear their success and livelihood are directly dependent upon repeat, loyal customers who trust the quality of their product. It's these high performing, high quality products that offer significant cost savings and value to the consumer and ultimately pose a threat to the OEM's huge profits.

Here are HP's latest claims against remanufacturers and the real evidence refuting these untruths.

HP's Claim

Refilled or remanufactured cartridges will cause failures that increase printing costs.

The Truth

While it's true that print cartridge failures can increase overall printing costs, it is too easy and convenient to assume that all replacement print cartridges priced below the OEM are susceptible to the same risks of failure. In fact, failure rates vary widely from one manufacturer to the next, and are directly related to the quality of the components, reverse engineering, manufacturing and testing processes in place.

Clover's premium replacement print cartridges are manufactured using sophisticated remanufacturing techniques, and undergo extensive testing to ensure that they perform to OEM standards. One of the most critical components of a cartridge is the OPC drum. Clover uses only new aftermarket drums that have a harder and more durable surface than the OEM cartridge to provide superior performance. Another key component that determines the ultimate print performance of a remanufactured cartridge is the quality of the ink or toner used. As the largest remanufacturer in the world, Clover is able to leverage its buying power and purchase the best toner and ink on the market which in most cases is proprietary to Clover. This assures maximum performance, density and print quality. Our proven processes have led to a return rate of less than 1%, a statistic that puts us in line with the major OEM's own failure rates.

With a comparable failure rate to the OEM, Clover's cartridges are no more likely to cause downtime, reprints or increased printing costs than OEM original cartridges.

HP's Claim

Replacement cartridge manufacturing processes are inconsistent and produce unreliable products.

The Truth

Reliability in manufacturing is the product of a well-defined, repeatable process using consistent, reliable raw materials and parts.

To manufacture a product that performs reliably, a manufacturing process must itself be consistent and perfectly repeatable. Clover manufactures in-house and in ISO 9001:2000-certified North American facilities that service the US market. While other remanufacturers and resellers have gone overseas or outsource their manufacturing, we have the flexibility and control to continuously streamline our supply chain and improve our manufacturing environment and processes.

Over the last 15 years, we have invested millions of dollars each year in developing the most sophisticated manufacturing environment in the replacement cartridge industry. We employ our own Research and Development and Engineering teams worldwide and have an in-house technology center, where we design and manufacture our own robotics. This automated machinery ensures consistency and that our products will provide the same quality and reliability as OEM cartridges.

View Clover's ISO 9001:2000-certified manufacturing processes : www.clovertech.com/remanufacturing.asp

HP's Claim

Refilled and remanufactured print cartridges can not produce OEM-quality prints over the life of the cartridge.

The Truth

Clover's remanufactured cartridges are not only tested for initial quality, but undergo lifecycle quality analysis to ensure consistent quality from start to finish.

Not only are our cartridges designed to perform like the OEM when first installed in the printer, we guarantee consistent performance over the life of the cartridge. In response to a recent Quality Logic's report which analyzed OEM cartridge page yields to various refilled and remanufactured cartridge page yields, Clover's cartridges were tested against HP cartridges by the Rochester Institute of Technology.² The HP 21, HP 22, HP 92, HP 93, HP 95 and HP 98 and comparable Clover remanufactured cartridges were tested for page yield using ISO/IEC 24712 which consists of a series of five pages that are printed consecutively in order as a single job ending with a diagnostic page. As illustrated, the results of the testing determined that all cartridges remanufactured by Clover functioned fully until end-of-life as did the OEM cartridges. Additionally, the Clover cartridges yielded on average 20% more pages than the OEM cartridges.

We are so confident in the quality of our cartridges that we warranty every cartridge with a 100% satisfaction guarantee.

www.clovertech.com/warranty.asp

If a cartridge doesn't perform to your standards, we will replace it or refund your money.

OEM	OEM Results	Clover Results	% Above OEM
HP 21	176	211	19.89%
HP 22	146	186	27.40%
HP 92	184	221	20.11%
HP 93	206	261	26.70%
HP 95	331	371	12.08%
HP 98	395	545	37.97%
<i>Average % Above OEM</i>			24.82%

HP's Claim

Remanufactured cartridges are no better for the environment than OEM originals.

The Truth

Remanufacturing is a far superior choice to OEM recycling programs. Multiple government agencies, including the U.S. Dept. of Energy Office of Industrial Technologies and the Environmental Protection Agency, have echoed this stance.³ When a cartridge is remanufactured, it is reused. Reuse is superior to recycling in that it doesn't use non-renewable resources to break down plastic and metal. A cartridge and all its components should always first be evaluated for refurbishment. If refurbishment is not possible then responsible recycling should be pursued. Clover's proprietary Closed-Loop Environmental Process ensures that every component of the empty cartridges collected is either remanufactured or recycled, ensuring nothing ends up in a landfill.

In her article, "A Response to HP's Argument for Recycling versus Reuse": www.clovertech.com/resources.asp that appeared in Imaging Spectrum Magazine, Tricia Judge, Executive Director of the International Imaging Technology Council, paints a vivid picture of where many of the world's empty cartridges, that are not remanufactured, find their final resting place - Guiyu, China. Judge also explains that while HP's recycling efforts should be applauded, their results don't come close to matching the impact remanufacturers are having on reducing landfilling, "The recycling of 140 million cartridges over 15 years pales in comparison to the reuse of 105 million cartridges in 2006 alone. That equates to 84,000 tons of industrial-grade plastic being reused annually, not just recycled, thanks to remanufacturing."⁴

View Clover's Closed Loop Environmental Process : www.clovertech.com/environmentalprocess.asp

Conclusion

It's not surprising that HP is waging an assault on remanufacturers. Studies have shown that once consumers make the switch to quality remanufactured imaging supplies, they are not likely to go back to using OEMs cartridges.⁵ This is not a time that HP can let its most profitable revenue stream erode. However, in today's competitive environment when many businesses are looking for innovative ways to reduce costs and their environmental footprint, choosing Clover remanufactured print cartridges is a smart choice.

1 International Imaging Technology Council, <http://www.consumerchoice.info/faq.htm>, September, 2010.

2 Independent analysis by Rochester Institute of Technology. Commissioned by Clover Technologies Group, 2009.

3 "Greening the Government," U.S. Dept. of Energy Office of Industrial Technologies <http://www1.eere.energy.gov/femp/pdfs/greengov.pdf>. Environmental Protection Agency, <http://www.epa.gov/epawaste/conservation/tools/cpg/index.htm>, October 2008.

4 Judge, Tricia, "A Response to HP's Argument for Recycling versus Reuse," Image Spectrum Magazine, June 2008.

5 International Imaging Technology Council, <http://www.consumerchoice.info/faq.htm>, September, 2010.