

Albion Services turns to Bell for its first heavy equipment fleet

A bold strategic move by Richards Bay Minerals (RBM), a world leader in heavy minerals mining and beneficiation, to outsource non-core operations by creating companies and empowering employees by inviting them to operate these companies has been an overwhelming success for Albion Metallurgical and Mining Services.

Albion Services was formed in 2004 and was awarded a contract to clean and maintain RBM's mineral separation equipment. Today the company has grown its service offering and customer base, and is the proud owner of a substantial new fleet of Bell equipment that comprises of L2606E Wheeled Loaders and HX230E Excavators.

Richard Ntuli and Thulani Mpanza, who had 22 and 14 years of experience with RBM respectively, were selected to run the company from the outset. Richard had progressed through the ranks to a shift foreman while Thulani had started as an electrical handyman but changed his career path to gain experience in the production aspect of the business as a shift specialist. They were mentored by Spectrum Technical, which seconded two directors to Albion Services, to guide the company on financial and business management aspects to promote sustainable growth.



A reason to smile: Thulani Mpanza (Director of Projects), Natus Berning (Director of Business Development), Haig Thompson (Bell Equipment Sales Representative) and Richard Ntuli (Director of Operations) peruse the fuel economy statistics of Albion Services' Bell L2606E Wheeled Loaders, which are delivering a 20% fuel cost saving compared to previous machines.

Natus Berning, another former RBM employee, had also left the company in 2004 and joined Spectrum Technical as a representative and process engineer of Multotec, a supplier of process equipment based in Johannesburg. When Multotec opened its own KwaZulu-Natal operation and subsequently split from Spectrum Technical, Thulani and Richard seized the opportunity to bring Natus onboard. His background in metallurgy saw a focus on projects, such as the replacement of metallurgical equipment on the mine, which helped to develop the business and enable the three partners to buy out Spectrum Technical in 2008.

Natus says: "With having full control we were able to assess in which direction we wanted to take the company and we jumped at the opportunity to bid for a supplementary mining contract in 2011, which we were awarded. Another contractor had the machinery component of the contract and we managed the operational aspect until last September when we were handed the machinery component as well."

Albion Services has high praise for RBM's Managing Director, Mpho Mothoa, and General Manager, Moses Thokwane. "By having faith in Albion Services to award us the core business component of Supplementary Mining they have shown RBM's commitment to transformation and empowerment. We are grateful to RBM for the opportunities it has made available to us and we thank RBM for its continuous and unwavering support throughout the years," they say.

The Supplementary Mining contract sees Albion Services taking responsibility for RBM's three dry mining plants. This is a valuable and necessary means of augmenting the Heavy Mineral Concentrate (HMC) being mined by RBM using dredge mining to enable the mining giant to keep up with customer demand for its products. Natus explains: "Dry mining is used to optimise the ore body utilisation because of its flexibility and ability to mine where the dredging process cannot be utilised. The dry mining feed is ultimately blended with the dredger feed but it requires planning to work well and be cost effective."

When looking to invest in equipment, Albion Services was keen to support a local company and Bell Equipment, with its head office and factory a stone's throw away, had great appeal. "Gary Bell came and

introduced himself, which was awesome. You don't find the CEO of other companies coming to say thank you for the business. The appreciation and commitment from Bell has been excellent," says Natus.

However, the three partners agree that it was the advice and backing they received from Bell Equipment Sales Representative, Haig Thompson, who visited the operation and presented a solid business case, which cemented the decision. "Apart from giving us good advice for our business, he hasn't left us alone and still visits to check that we're happy with our machines. We think that working with Bell going forward will prove to be a good business venture," says Thulani.

In November 2015 Albion Services bought five L2606E Wheeled Loaders and an HX230E Excavator and followed that up in July 2016 with an additional five L2606E Wheeled Loaders and two HX230E Excavators.

As a newcomer to heavy equipment ownership, Albion Services opted for auto lube systems as well as an 8 000 hour Secure Service maintenance package complemented by an 8 000 hour warranty to protect themselves against any costly major failures.

At RBM's request, an Excavator is based at each of the three dry mining plants where they are used for cleaning trenches and pipe work. Utilisation is low at between 10 and 20 hours a month per machine.

Similarly the Wheeled Loaders are based at the dry mining plants where they load sand from the dunes into a hopper, which screens the material before it is processed to extract the minerals. The operation runs 24 hours a day, 365 days a year, targeting availabilities of between 70% and 75% depending on budgets and the tonnages that are required.

Previously 30t wheeled loaders had been used for the contract, but Haig advised Albion Services that the 24t Bell L2606E Wheeled Loaders would be more than capable of handling the required production of 1 000 to 1 200 tonnes per hour.

"Due to the soft underfoot conditions with working on sand, our Bell Loaders have been fitted with special radial sand tyres from Australia for flotation and we are super happy with their productivity and performance. Our first five machines each had about 2 000 hours on the clock after 10 months of service," says Natus.

In spite of the demanding application, the L2606Es have also provided an important advantage over their predecessors by delivering a 20% saving in fuel cost by averaging about 31,5 litres per hour. "A 20% fuel saving is significant particularly in the current economic climate and this has been passed to RBM, which supplies fuel on a wet basis," he adds.

In addition the L2606Es have a tighter turning circle, making them much more manoeuvrable than the previous machines, and they are also smooth and easy to operate, making them well accepted by the operators.

Albion Services has four shifts with two operators per machine for each shift. The company has installed Realcam tracking systems in each machine with three onboard cameras to monitor the operation.

"We are really pleased with our fleet and would like to especially thank Nivashni Samuel, Account Executive, and Belinda Alexander of Vehicle and Asset Finance Sales at Standard Bank, for believing in our business and showing commitment to assist us in developing our company further.

"With the support of RBM and suppliers like Bell Equipment and Standard Bank, we are able to provide employment for around 300 people, including 72 drivers and 12 supervisors. We employ from the Sokhulu, KwaDube, Mkhwanazi and Mbonambi communities surrounding RBM's mining operations.

"It's like we've never left RBM. We are like an extension of RBM and it's been good because we've been able to train and create opportunities for people in the community. Ultimately the idea is for us empower them enough so that they are to join the likes of RBM because we have limited positions in our company," says Natus.

Photograph courtesy of RBM.

