

Home > Mining ICT > Hexagon aims to change mining view

Hexagon aims to change mining view

The technology displays in Hexagon's 'Zone' at the MGM Grand Hotel in Las Vegas offered tantalising glimpses at the future of industries such as agriculture, construction, power generation and manufacturing. Mining sat, geospatially speaking, in the heart of this year's display. Business segment leaders hope it can become the star of the show.

Richard Roberts | 12 Jun 2015 | 8:30 | Feature |

[f](#) [t](#) [t](#) [G+](#) [in](#) [✉](#) [RSS](#)



Helio Samora ... acquisitions part of Hexagon culture

A Swedish IT enterprise with a market value this week of about US\$13.3 billion, Hexagon has been a busy gatherer accumulator of companies under the leadership of Ola Rollén over the past six years. Rollén, previously head of key Hexagon acquisition Leica Geosystems, has added more than EUR1 billion of annual revenue and quadrupled net profits in his time at the helm.

Big deals have included the US\$1.15 billion Leica purchase in 2005 and the \$2.1 billion acquisition of US software company Intergraph Corporation in 2010.

Leica, which bought into the mining fleet management technology market, and Intergraph, which supplies software for plant design, gave Hexagon exposure to the mining/metals industry when it was in the middle of a prolonged investment boom. The more recent addition of a Swiss mine-safety technology developer, and respected 40-something American mining software firm, took the group deeper into the mining space as the boom turned to bust.

Hexagon Mining was formed on this assembly and, depending on how much of Hexagon's mining exposure is counted under the banner, the 'vertical' contributes 5-10% of the group's EUR2.6 billion (US\$2.9 billion) annual revenues. Rollén wants Hexagon to achieve

RELATED CONTENT

- [Tech People: H2O Mining now up and running](#)
- [Special report: Change of plan](#)
- [Hexagon shapes up in tough market](#)
- [Shaping up to be leader](#)
- [Hexagon rebuilds mining team](#)

TAGS

- Helio Samora
- Hexagon Athena
- Hexagon LIVEmine
- Hexagon Mining
- Ola Rollen
- Sweden
- United States
- Hexagon

LATEST NEWS

[COLUMNS](#) [MOST POPULAR](#)

[AMEC honours Gold Road, Mineral Resources](#)

[UK warns of growing 'geopolitical risk'](#)

[Innovation the golden key for Torex](#)

[view more](#)

HEXAGON MINING

SHAPING SMART CHANGE FOR THE LIFE OF YOUR MINE



Get Mining Journal newsletter

Enter your email

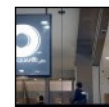
Company Profiles



DRA GROUP

[DRA shows it's the 'go-to' project delivery firm in West Africa](#)

Full-service provider continues to build on its leading position on the continent



MACQUARIE CAPITAL

[Macquarie Capital](#)

Macquarie sees mining tide turn in Spain

[view all Company Profiles](#)



net sales of EUR3.5 billion (while improving the EBIT margin to 25%) by next year.

Naturally, given the group's M&A track record, further acquisitions are in the pipeline and mining is now integral to that strategy.

"We will acquire companies. It is part of the Hexagon culture," newish Hexagon Mining president Helio Samora told *Mining Journal* at the group's annual customer event, which drew about 3500 people, in Las Vegas this month.

"We are at this moment putting together our three-year product roadmap and we have already identified a few gaps where ... we will need to make decisions to make or buy.

"But I would say due to [Hexagon's] culture we're going to acquire companies in the next 12-18 months to complete our footprint. That's part of the game."

Samora, a 25-year veteran of management roles in the IT business, took on the Hexagon Mining top job at the start of this year and visited his first mine soon after. He doesn't underplay the complexity and uniqueness of mines, nor the cultural norms that distinguish the industry. But he's adamant that from a technological standpoint it is not dissimilar to the other industries where Hexagon is bent on "shaping smart change", principally by "fusing the real and digital worlds".

"I've been impressed by the amount of data mines are producing," he said. "It's an immense amount of data. To make faster decisions you need to deal with this data better and this is one thing we intend to help the mines to do, and we are already doing actually. Another thing is to make data available to whoever needs to access the data - whether it's via a mobile device, an office in the UK, or in the mine in the middle of Indonesia. We need to make data widely available to the decision makers."

Hexagon has also shown an appetite for R&D with EUR1.2 billion of investment over the past five years. Samora said there was no breakdown for the mining segment of the business, but it was probably spending more than the group-wide average of 11% of annual sales as it sought to realise what it sees as the considerable benefits of technology integration on offer within Hexagon, and of course to stay ahead in the 'space race' with the likes of Dassault Systemes, ABB, Schneider, Bentley Systems, Caterpillar and Komatsu.

"Our mothership has a stack of technology we can leverage, and we are looking at all opportunities to redeploy some of those technologies," he said.

Rollen has said he wants Hexagon to be No.1 in the mine technology field, and this view has now broadened to include upstream markets.

The R&D spending levels of Hexagon and its big software and manufacturing peers will be transformative for a sector that has not traditionally been an aggressive investor in R&D and innovation. Mining has people and deployment challenges associated with its limited technology adoption capacity. It is important that, if the industry is to grasp technology-led productivity gains seen by institutional investors to be on offer, companies such as Hexagon fill the R&D and also the skills void.

It's clear the best IT brains will come to work for Rollen before they come to work for Rio Tinto or BHPB, and that Hexagon is better placed to compete with the world's biggest IT companies for talent needed to sustain the industry's push into a 'smart mining era'.

While the big miners have chopped innovation spending and headcounts in the past two years, Samora said Hexagon Mining was hiring and investing in growth. After a year in 2014 in which new business integration pains and a widespread freeze on mining industry spending took a toll on sales, this year had started brightly and Samora is confident the business is on a stronger footing.

While it originally set out to engage with the 500 or so mines of bigger clients and prospects, he believes Hexagon Mining's real market is 7-8 times this size and he wants to be able to reach all of it.

"We are investing in two main areas [in] product development and sales coverage. We're going for the three main geographic areas - Americas, EMEA and APAC, which we don't have today - and will organise new leadership and salesforces by geography," Samora said.

"Today we are hiring and we will continue to hire in R&D as well as in sales."

Samora is also optimistic about speeding the market penetration of SAFEmine driver-fatigue management and vehicle collision avoidance technologies. Miners and contractors are deploying more and more of the systems, not all of them with great results. But Hexagon's faith in a hitherto little known Swiss firm's technology seems to have been vindicated, with its products now said to be used at more than 50 mines on 25,000 vehicles. Importantly, validation tests against the products

"Our mothership has a stack of technology we can leverage, and we are looking at all opportunities to redeploy some of those technologies"

Make the right decisions
on your operation
confidently



Upcoming Events



SEG 2015 World-Class Ore Deposits: Discovery to Recovery

27 Sep - 30 Sep, 2015
Hobart, TAS, Australia



Mines and Money London 2015

30 Nov - 04 Dec, 2015
London

[view all Events](#)

Minjng Magazine



SUBSCRIBE

Tweets

[Follow](#)

Mining Journal @MiningOnline 24 Jun

Sean Russo says latest Gold Hedge Book has too many 'zero cost collars'. They make zero sense, he says. bit.ly/1CsK4XW
[Show Summary](#)

Mining Journal @MiningOnline 24 Jun

An investor's view of the divide between mining and biotech stocks. bit.ly/1IdWbhZ
[Expand](#)

Mining Journal @MiningOnline 16 Jun

What should we really think about zinc? Are the optimists right? Report this week in [@MiningOnline](#)
[Expand](#)

Mining Journal @MiningOnline 16 Jun

PNG PM remains bullish on country's economic growth. Interview coming up in [@MiningOnline](#)

Mining Journal @MiningOnline 5 Jun

10 key projects to watch in Latin America - coming up in Mining Journal next week. Register at mining-journal.com to see exclusive list

Tweet to [@MiningOnline](#)

of bigger rivals in the market have been favouring SAFEmine, underpinning Samora's confidence about higher sales.

Hexagon appears eager to broaden its offering in this niche area, either through partnership or acquisition, and this is driven partly by plans to integrate the safety products with the central mine fleet management system (FMS) suite, and ultimately Hexagon Mining's 'LIVEmine' vision.

"Mines produce a huge amount of data on a daily basis, from multiple sources, and spend a huge amount of time and resources trying to make sense of this data," Samora said. "While they try to understand the data millions of dollars can be lost."

Hexagon has brought a longer-term development of newly acquired Mintec, Athena, to market as its off-the-shelf mine information portal, HxM Athena. This product, expected to be web-enabled this year, connects the company's (and other vendors') FMS offerings and its mine planning software, including in the drilling and blasting area.

What's coming next, as Hexagon works to "embed" very clever terrain management software from its Leica Geosystems construction business into mine production management, is the linking of surveying and mapping information coming from an array of fixed and mobile devices in mines into not only the data flow into single-repository mine data banks, but also, potentially, so-called live feedback loops enabling meaningful comparisons between increasingly sophisticated mine planning models, and the real-world 'actuals' coming from a sea of sensors and other data sources, and presented via improved operational dashboards.

Examples of this can be seen in the high-profile remote operations centres of Rio Tinto and BHP Billiton, but also already in much lower-key regional data-analysis and decision-making hubs that are becoming the norm for bigger miners.

Hexagon maintains – and it's hard to find a miner who disagrees – that simplification and not just centralisation will overtake the comforts of the past: information silos and 'orderly chaos'.

"Open standards" for seamless operating and information technology integration will be Hexagon's mantra, as it will be for other IT companies muscling in on territory that up until recently was the domain of equipment suppliers and hardware vendors.

"One of Hexagon's primary areas of expertise is to transform real data into digital data, analyse it and send it back to the real world," Samora said.

"That is what we are doing for the mines. Through integrated solutions ... we believe we can connect people and processes, improving productivity.

"Using Athena, big data becomes smart data.

"Our new technology [LIVeterrain] will allow mines to integrate disparate data from total stations, UAVs, scanners, LIDAR and other mapping technologies into a single view, in near real-time fashion. So for the first time ever mines will be able to distill data from multiple sources into a single view. This will be unique in the industry.

"While this technology is powerful, our bigger vision is what we call LIVEmine.

"This is a fully integrated planning, operations and safety [information management] platform that leverages [Hexagon] technologies to enable mines to visualise, automate and optimise. Intelligence is what will drive autonomy [optimisation and productivity improvement].

"We will certainly continue to develop and offer our vertical solutions for each one of the areas [in the full mine management offering], but integrating that will be the difference.

"This will be the biggest differentiator of Hexagon Mining in the market."

