

Insist on Best Practices to Reduce Risks when Purchasing Used Equipment

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The market for used networking equipment has reached multi-billion dollar proportions, according to research from Gartner. Vast amounts of various types of popular gear are available worldwide as the secondary market gains traction with Fortune 1000 companies, financial institutions, government entities and service providers worldwide.

So why do some potential purchasers still equate the process of buying used networking gear with horror stories heard about online auctions and guys working from garages? As with most all transactions, from buying used CDs or DVDs to pre-owned vehicles and boats, the best results come from doing your “homework.”

Today, top-tier providers of secondary market equipment operate sophisticated refurbishment centers based on industry best practices to ensure products and services measure up to—and even exceed, in some categories—what end-users receive from OEMs or channel partners. To ensure the best purchasing experience, the practices below should be followed when considering pre-owned networking equipment.

Demand a warranty: Reputable dealers offer warranties of at least one year on all equipment. This goes a long way toward dissipating purchase anxiety. Also included are advanced, overnight replacement guarantees and certified technical support—things OEMs charge extra for.

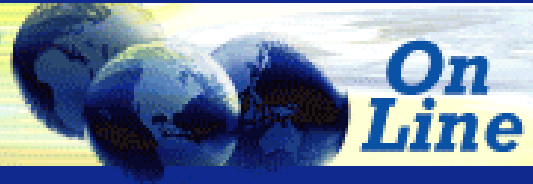
Get a guarantee: Purchases should be examined thoroughly, including port- and load testing. Properly inspected, refurbished equipment will stand up to failure rates of new gear, which are less than one percent. Remember, the equipment may be “old” by OEMs’ standards, but it has a shelf life of 25 or more years—if cared for correctly—and most OEMs will admit that. Request lifetime indemnity against counterfeit, previously stolen or unusable gear.

Insist on suitable memory: Secondary marketers provide memory upgrades as well as GBICs, cables, power supplies and other accessories at fractions of what manufacturers charge. Upgrading from 128MB to 512MB in a Cisco router may cost \$750 while OEMs charge \$4,000.



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Verify financial viability: Tier-one providers operate on a worldwide basis, maintain massive inventories and demonstrate sustainable financial viability. Anyone can offer warranties, only reputable players can be trusted over time. Insist on proof of equipment authenticity and customer references.

While traditional interest in the secondary market comes from incredible deals—up to 90 percent off manufacturers' list—don't overlook outstanding responsiveness. Ever been hung out by OEMs missing delivery dates? Lead times usually are measured in weeks—six, at least—and extended waiting impacts even large companies. In contrast, secondary marketers fulfill the majority of equipment requests in days. That's a huge plus when SLAs or deals are at stake. We've seen cases where customers stood up by OEMs purchase refurbished gear to fill in and re-deploy the gear for redundancy, spares or testing.

No company should be without alternative sources for equipment procurement. By following a few steps, buyers ensure their purchase of refurbished equipment will be successful while solidifying an alternative purchase outlet to relieve future rapid network expansion, OEM delays or disaster recovery.

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