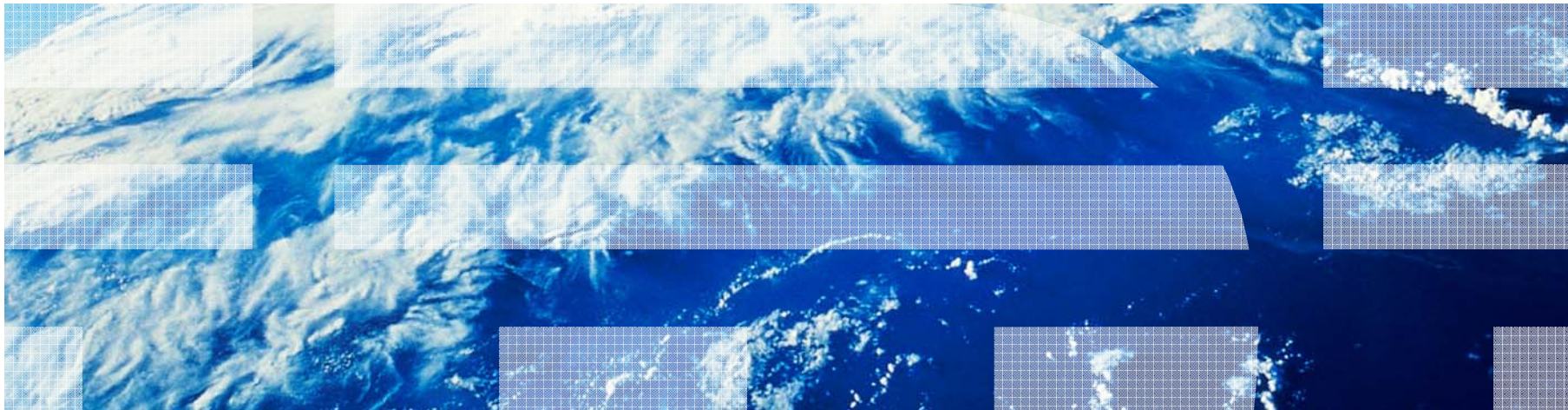


Remarketing – Is it all the same? Processes and Standardization in a largely unregulated market.

BITKOM European Remarketing Working Group (ERWG)

John Muir
IBM IGF Global Asset Recovery Services (GARS)



Background

- “Used Product”
 - “Refurbished Product”
 - “Remanufactured Product”
-
- All are recognisable terms in the marketplace:
 - Clients have differing experiences and opinions
 - Many clients feel these are “lesser” products and a “gamble” to source Used over New



Background

- “Used Product”
 - “Refurbished Product”
 - “Remanufactured Product”
-
- All are recognisable terms in the marketplace:
 - Clients have differing experiences and opinions of use
 - Many clients feel these are “lesser” products and a “gamble” to source Used over New
-
- The objective of the BITKOM European Remarketing Working Group (ERWG):
 - Set recognisable standard definitions for Remarketed & Refurbished product:
 - **To enhance the positive image of and create awareness of remarketed products**
 - **To educate customers on these definitions, allowing them to have confidence in the quality of Remarketed products they source**



Overview of Standards Definitions

- Defined standards agreed on processes / sub-processes level:
 - Repair
 - Upgrade
 - Refurbish
 - Remanufacture (including renovation, rebuild or reconditioning type processes)

- Each category further defined by:
 - End standard expected
 - from “Repaired Working” to “As New”
 - Degree of support required of Remanufacturer / Refurbisher
 - Type of tooling / location
 - Testing
 - Engineer level
 - Floor controlled process documentation expected
 - Warranty

Overview of Standards Definitions

- Defined standards agreed on processes / sub-processes level:
 - Repair
 - Upgrade
 - Refurbish
 - Remanufacture (incl renovation, rebuild or reconditioning type processes)

- Each category further defined by:
 - End standard expected
 - from “Repaired Working” to “As New”
 - Degree of support required of Remanufacturer / Refurbisher
 - Type of tooling and location
 - Testing
 - Engineer level
 - Floor controlled process documentation expected
 - Warranty

**Set Standards
that build trust
in the processes
and products.**

**Clearly differentiate
from those that
have the skills and
knowledge and those
that do not.**

Overview of Standards Definitions

■ **Repair:**

- A fix or correction (replacement) to restore a unit to a working condition

■ **Refurbish:**

- Provides a “clean”, repaired product with minor to no visual appearance of flaws
- Does not increase the products original manufactured capability
- Warranty: Limited

■ **Upgrade:**

- To enhance or improve the performance of a product by increasing function or capacity
- Typically the substitution, replacement, or addition of HW or application SW to increase a products original capability

■ **Remanufacture:**

- Extensively disassemble and reassemble a used product to at least original state
- Testing is extensive
 - Capability equivalent to current engineering levels
- Warranty: FULL (as new)

Summary & Next Steps

- **Summary:**

- Remarketed and reused product can deliver both environmental & financial benefits
 - In order to maximise and optimise investment in remarketed product:
 - Clients must understand:
 - The differences in product treatment options, and
 - The capabilities of the organisations that prepare the product
- We hope that as a group we can deliver this “clarity” and move towards official recognition

- **Next Steps:**

- Official recognition of these standards through an independent international standards body
- Publicise this and create awareness and understanding

Vision / Looking Forward

“Establish across the market a set of recognisable standards that can be trusted by our clients as they make the decision to purchase Refurbished & Remarketed products”

THANK YOU

John Muir
IBM IGF GARS
jmuir@uk.ibm.com