

circulee

GREEN IT FOR COMPANIES



Guide for IT decision-makers and managers

Pre-owned Hardware in Companies

How you can operate sustainably and save costs without having to forego quality and service.



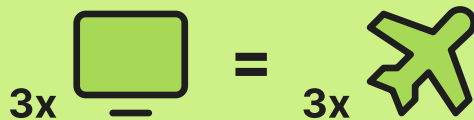
Introduction

IT leaders feel the mounting pressure to embrace sustainability. As each device like PC, laptop, screen, and smartphone powers on, it heightens the environmental toll, from CO2 emissions to electronic waste. This doesn't just skew the ecological equilibrium; it can also dent a company's trustworthiness in the eyes of customers, employees, partners, and investors who demand environmentally aware and socially responsible business conduct.

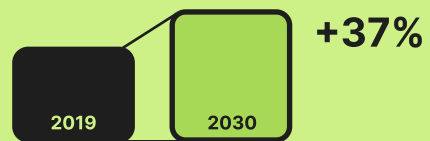
If sustainability determines whether a company is listed as a supplier to a large automobile manufacturer or whether it succeeds in attracting young, environmentally conscious talent, then sustainability is no longer just a "nice to have" but is essential for business success. It is therefore worth setting the course for sustainable business today. Pre-owned IT can play an important role here.



CO2 emissions and e-waste



A single new monitor adds approximately 420 kg of CO₂ to the carbon footprint in manufacturing alone.¹ This is equivalent to the emissions of 3 domestic flights.²



In 2019, 54 megatons of e-waste were generated worldwide by electronic devices. By 2030, this figure will be 74 megatons.³ Companies make a significant contribution to this.

Reduces environmental pollution effectively

Pre-owned hardware can make a significant contribution to expanding your IT infrastructure cost-effectively and sustainably. The use of pre-owned IT is not new and has become established in many companies. Studies show that today one in three IT decision-makers already relies on pre-owned equipment.⁴

The Advantage

Companies get more high-quality IT for their budget and meet the increasing demands for sustainable action. The trend towards pre-owned hardware is supported by the high quality and durability of modern devices, which are convincing even IT decision-makers who previously relied on new equipment.

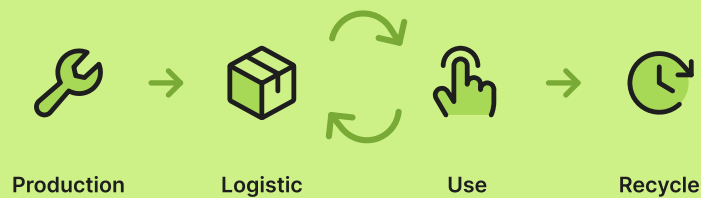
- 1 Market research commissioned by CHG-MERIDIAN, 2021
- 2 Frankfurt - Munich: 140 kg CO₂, source: Utopia
- 3 Global E-Waste Monitor 2020
- 4 YouGov survey commissioned by CHG-MERIDIAN, 2021

Circular value creation - the key to more sustainability

The use of pre-owned IT follows the principle of circular value creation: Unlike linear value creation through new equipment, the resources used in production are preserved for as long as possible and without loss in the life cycle of the hardware.

The more often a pre-owned device passes through the cycle of use, reprocessing and reuse, and the longer the usage phases, the better the life cycle assessment at the end of its service life.

Circular value creation



Why pre-owned IT makes sense right now:

- ✓ Reduces CO2 emissions, resources and electrical waste.
- ✓ Sustainable management strengthens the company's reputation.
- ✓ Businesses get more quality hardware for their budget.
- ✓ The market for pre-owned IT is established and has become professionalized
- ✓ More than 30% of IT decision-makers in small and medium-sized enterprises already rely on pre-owned hardware.⁵
- ✓ One in three employees would like to use pre-owned IT hardware.⁵
- ✓ In 2020, France introduced a "Repairability Index" intended to simplify and promote the reuse of pre-owned IT.⁶ It is to be expected that EU legislation will follow this example.

Conclusion: Pre-owned IT hardware is a win-win model for companies and the environment.

⁵ YouGov survey commissioned by CHG-MERIDIAN, 2021

⁶ Waste Management World, 2021

Despite all the advantages offered by sustainable solutions, concerns are often expressed about the use of pre-owned IT hardware. We address some of these in more detail below.

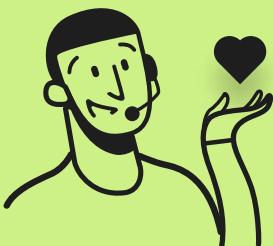
Typical objections to pre-owned hardware:

- ✓ The use of pre-owned hardware is complicated.
- ✓ The technical standard is outdated.
- ✓ The quality and device performance are poor.
- ✓ Service and warranty are inadequate.
- ✓ The devices show visible signs of use.

The good news: All of these objections can be safely overcome by using certified pre-owned IT hardware from professional providers. Here you will find out how you can achieve sustainability, quality and cost advantages using modern usage models.

This guide will help you to professionally define requirements for models and service providers for pre-owned hardware - so you can quickly find an optimal solution for your needs. We also provide you with the technical arguments to convince superiors and employees to use pre-owned IT hardware.

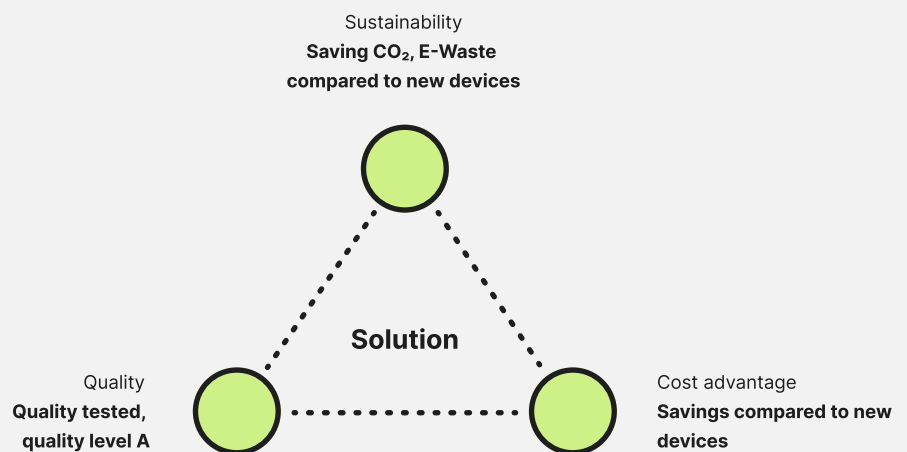
Any questions? Write to us: contact@circulee.com. Our experts look forward to hearing from you!



Sustainability, quality and cost advantages

Doing the right thing for the environment, but without accepting any disadvantages in terms of price-performance ratio, effort and speed - that is the goal of IT decision-makers who rely on pre-owned hardware. However, changes should not be implemented at the expense of quality and employee acceptance.

An optimal solution based on pre-owned IT allows sustainability, quality and cost benefits to be achieved in equal measure.



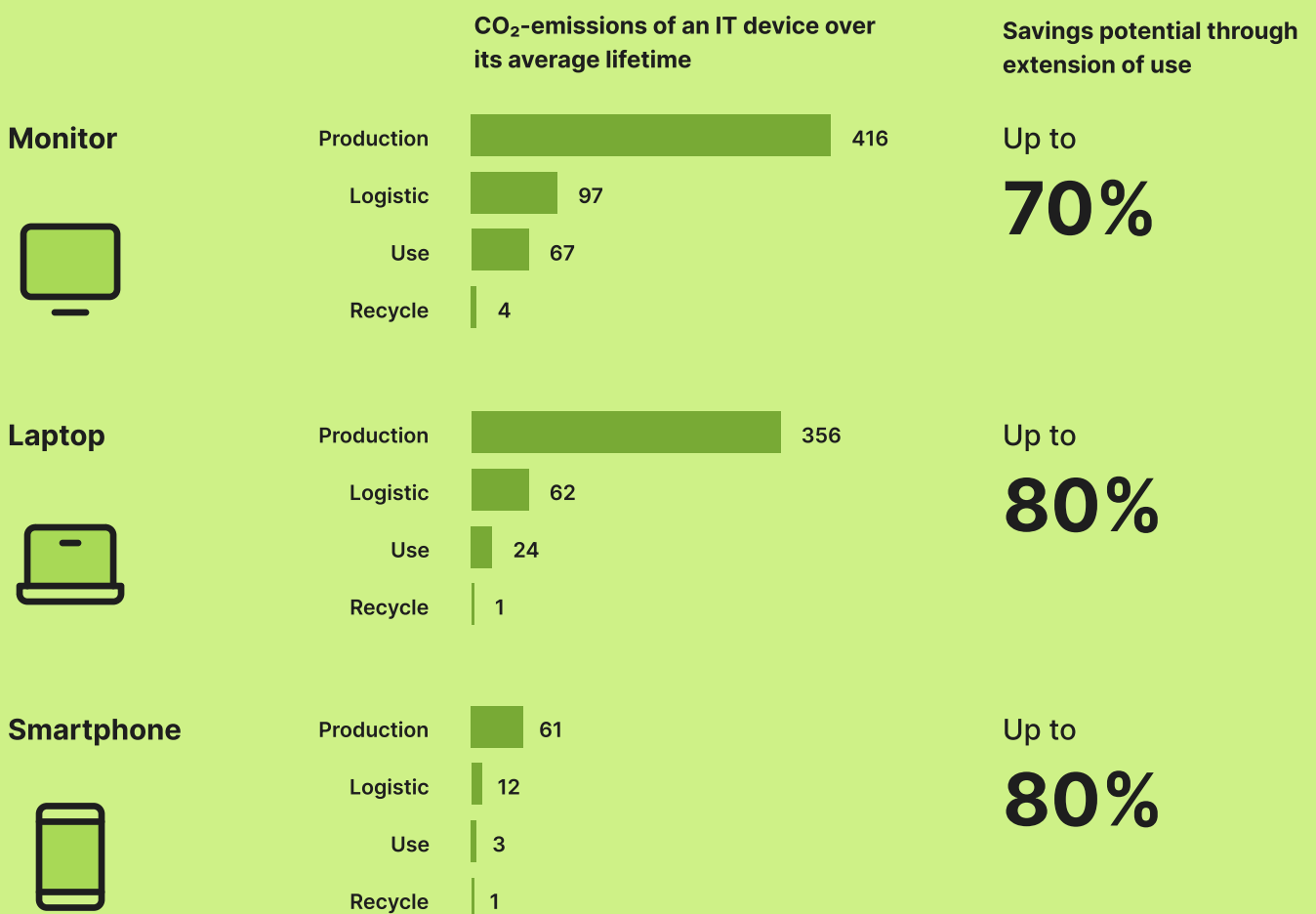
1. Sustainability

Companies have recognized that sustainable management pays off. It not only serves to protect the environment and the climate, but - if properly understood and implemented - also makes an important contribution to a positive image and thus to business success.

The goal of an IT sustainability strategy is to measurably reduce CO₂ emissions, resource consumption and e-waste - along the entire hardware lifecycle, from manufacturing to recycling and disposal.

Up to 80% of CO₂ emissions can be saved by using pre-owned hardware.⁷

CO₂-Emissions and potential savings from IT equipment,⁸ Figures in kg CO₂



⁷ circulee-CO₂-Impact measurement based on independent market research commissioned by CHG-MERIDIAN AG, 2021

⁸ circulee calculation, based on independent market research commissioned by CHG-MERIDIAN AG, 2021. Maximum savings potential is achieved if the extension of usage corresponds to the assumed total usage period (monitor 51 months, laptop 51 months, smartphone 36 months).



Tip: "Greenwashing" aimed at giving your company a green coat of paint is quickly exposed by customers and other stakeholders, and can do more harm than good to your company's image. It is better to save CO₂ emissions and electrical waste in a clearly measurable and significant way.

The longer a monitor, laptop or smartphone is pre-owned, the better its eco-balance will be in the end. The CO₂ costs incurred during production are amortized the longer the hardware is pre-owned and, ideally, can be almost completely redeemed. The same applies to recycling, which is delayed by using the device for as long as possible.

2. Quality

The quality of pre-owned IT equipment is often underestimated. Today, laptops, smartphones and monitors have a significantly higher quality and service life than they did ten years ago. This makes them more sustainable than previous hardware generations.

Quality-tested, certified Grade A IT equipment is almost like new.

Apart from possible minor signs of use, they are in no way inferior to new devices in terms of quality.

Background: Quality levels for pre-owned IT devices

For the evaluation and labeling of pre-owned IT equipment, a categorization into A-, B-, C- and D-goods has become established.

- ✓ **Grade A = best quality to be expected from refurbished products.** All functionalities are tested, including the battery. The condition is as good as new. Grade A is the quality level of choice to meet a high demand for quality and sustainability and additionally benefit from the cost advantage
- ✓ **Grade B = second best quality with signs of previous use.** IT decision-makers who opt for Grade B are prepared to put aside their demand for quality in favor of the greatest possible cost advantage.
- ✓ **Grade C = quality with obvious defects.** Quality level C is not suitable for use in companies, even though the price advantage at the time of purchase can be high.
- ✓ **Grade D = insufficient technical quality.** The device is technically not functional and therefore not suitable for use in companies.

Technical standard

The argument often made against pre-owned IT is that it is no longer up-to-date in terms of technology. This assumption can be easily refuted: While in the past, laptops and smartphones quickly reached their limits due to increasing software requirements, it is now observed that the requirements remain relatively constant.

This means that pre-owned devices today remain up-to-date for a much longer period, and updates to software and operating systems are reliably supported over a typical operational lifespan of four years. Pre-owned devices, therefore, offer almost the same lifespan and usability as new devices.

Warranty

The legal rules regarding liability for defects (warranty) is the same for new and pre-owned IT. In order to be able to assert claims free of charge, the purchaser must prove from the sixth month that the claimed defect was already present at the time of purchase. This is difficult for the buyer in individual cases.

To compensate for this problem, dealer warranties have also become established for pre-owned IT. This voluntary service can vary greatly in scope and form from dealer to dealer. However, a warranty offers the added security of being able to dispose of equipment with warranted characteristics for a certain period of time.



Tip: The service package of a provider of pre-owned IT should basically include processing complaints quickly and reliably and, if necessary, replacing defective equipment without red tape. This saves the buyer time and nerves.



Tip: Savings of more than 50% compared to the new price are usually at the expense of the quality of the hardware, customer service or services such as warranty, certified data erasure, recycling etc. Even in the case of pre-owned IT, it is therefore advisable not to tie purchasing decisions one-sidedly to the greatest possible cost savings.

3. Cost advantage

The decline in value of PCs and notebooks with Windows as the operating system is high. As a rule of thumb, these devices lose around half of their current value every year. Apple devices perform somewhat better here. The good news: The decline in market value results in an attractive price advantage when purchasing pre-owned devices.

For pre-owned, certified laptops, smartphones and monitors with a service life of one year, a cost savings of 20 to 50% compared to new equipment is realistic.¹⁰

¹⁰ Based on price comparison analysis by price2spy "New vs. Pre-owned" at comparable Grade A quality (software for comparing prices on the Internet), March 2021.

**Hidden costs:
procurement effort**

The purchase price is an important factor in the cost calculation. But what is the use of saved costs of 50% and more if the internal effort for purchase and commissioning is so high that it offsets the cost advantage at purchase or even causes additional costs?

Dealers should offer a comprehensive range of services to ensure that their customers can actually realize the price advantage of pre-owned IT as a cost benefit. In addition to competent advice and the rapid availability of equipment, reliable technical support should assist with smooth commissioning.

Procurement of IT should always be as simple and effortless as possible - this also applies to pre-owned devices.



Thomas Gros

CEO, CIRCULEE

Additional requirements for pre-owned IT

Beyond sustainability, quality and cost savings, IT decision-makers should set further requirements that increase the added value and security for their company. This includes, in particular, professional data erasure, comprehensive customer service, and transparent business practices on the part of the provider.

Certified Data Erasure

To prevent personal information or company secrets from falling into the wrong hands, data is deleted from the hardware at the end of its useful life. However, manual "superficial" deletion of files on a hard disk is not sufficient to meet the high data protection requirements of companies. Certified data erasure in accordance with ISO 9001 and ISO/IEC 27001, which complies with the Data Protection Regulation (DSGVO), is recommended.



ISO 9001 specifies the requirements for quality management systems.



ISO/IEC 27001 specifies the requirements for mechanisms to secure data.



The GDPR regulates the secure handling of personal data.

Example: circulee works with a specialized data erasure provider to ensure that personal data in particular is completely deleted from the device after use. This process uses data erasure software that is certified to ISO27001 and ISO9001.

Service

Even if pre-owned hardware offers attractive price advantages for companies, IT decision-makers can expect customer service that is at least on a par with that in the new equipment trade. Competent advice on purchases and technical support with personal contacts during business hours from 9 a.m. to 6 p.m. should be standard.

Our goal at circulee is to offer pre-owned IT for businesses not only at an optimal price-performance ratio but also as conveniently as possible.



David Block

COO, CIRCULEE

Transparency

Trust plays a central role in the procurement of pre-owned IT. That is why professional providers present, for example, the origin of the pre-owned equipment and the processes for quality assurance in a transparent and comprehensible manner. As a buyer, it is worthwhile to critically question big promises. Reputable dealers will answer all your questions comprehensively and, if necessary, give you an insight into their working methods.

Conclusion

Awareness of sustainable business practices has arrived among small and medium-sized enterprises. This is also increasing the willingness of IT decision-makers to adopt new approaches when procuring hardware. One in three already relies on pre-owned hardware, which combines sustainability with cost benefits without having to sacrifice high quality and technical standards.

circulee supports your company in meeting the high requirements of sustainability, quality and cost savings in equal measure and as easily as possible.

Pre-owned, certified laptops, smartphones and monitors

circulee is your partner for high-quality IT equipment: inexpensive, quality-tested and sustainable.

- ✓ **Simple:** One-stop shop for hardware and software – everything from a single source
- ✓ **High quality:** Pre-owned IT devices of quality class A (certified)
- ✓ **Value for money:** Up to 50% cost savings compared to new equipment
- ✓ **Sustainable:** 70 to 80% CO2 savings compared to new equipment
- ✓ **Fast:** Tested hardware delivered in 1 to 3 business days
- ✓ **Safe:** 12 months warranty and technical support
- ✓ **Plus:** Satisfaction guarantee for all customers

Sustainable business IT made simple and good

Info and shop at www.circulee.com

We were overwhelmed by the convenience and service that circulee provided us with sustainably scaling our IT infrastructure. Thank you very much and we will be happy to order again next time we need it.



Philip von Have

CEO AND FOUNDER,
BLUE FARM