Self-test 5.2

What are the concerns when decision is made to procure used equipment?

Suggested answers to activities

Feedback

Activity 5.1

The two types of services are:

1. Presale services: Technical sales service is provided by a supplier to a potential or actual buyer of equipment to determine the design and specifications of the equipment believed best suited to the particular requirements of the buyers and also to ensure that the equipment functions properly after installation.

2. Post-sale services: Often equipment is sold with a production guarantee, an additional reason for supervising both the installation and the operation of the equipment. Even after this initial period, the seller may provide for regular inspection to ensure the proper operation of the machine.

Activity 5.2

Used equipment may be offered with different contract terms:

1. The equipment may be available ‘as is’ and perhaps ‘where is’. A sale ‘as is’ means that the contract carries essentially ‘no warranty, guarantee or representation of any kind, expressed or implied, as to the condition of the item offered for sale’. ‘Where is’, of course, is self-explanatory.

2. The equipment may be sold with certain specific guarantees, expressed in writing. This practice is found more generally among used equipment dealers, though they sometimes may offer equipment ‘as is’ too.