



Case Study

Beyond Standard Industry Practices: e-Cycling Laptop Battery Packs



About LCM Inc.

One of the world's top suppliers of PCs, LCM offers a broad range of technology products for the consumer, education, enterprise, and government sectors. The company's growing services unit provides asset recovery, financing, infrastructure consulting, support, systems integration, and training.

In 2009, a leading computer manufacturer (LCM) faced a dilemma with one of its product lines for which the Manufacturer Discontinued (MD) date was accelerated, resulting in excess inventory of 31,000 laptop battery packs. LCM's Standard operating procedures dictated a disposal of the battery packs with an estimated cost of \$70K; however, with some innovation and collaboration, SPlus Technologies was able to convert the \$70K expense into a \$300K win fall for LCM.

Excess parts and equipment has been an on-going challenge for LCM due to the large breadth and depth of technology offered to customers. In addition, the product life cycle of electronic equipment, such as laptop computers, is shrinking at an unprecedented rate as consumers trade up for the newest equipment.

In 2009, LCM was faced with a new challenge of an excess laptop battery inventory of 31,000 units. Standard processes dictated a disposal of this

Asset Recovery Services

- ✓ **Customer Returns Management and Resale**
- ✓ **Overstock Items**
- ✓ **Manufacturer Discontinued (MD) Items Management**
- ✓ **Commercial Programs Management**
- ✓ **Manufacturing Parts Excess**
- ✓ **Inventory Liquidation**

excess inventory, at a projected cost of approximately \$70K.

SPlus Technologies collaborated with LCM to develop an Alternative Path strategy to harness and salvage the battery cells from the excess inventory. Leveraging the flexibility of its Sonic WMS system, SPlus was able to define a new process and proceeded to find a 3rd party manufacturer which required the cells for its products. SPlus utilized its highly efficient process and resources to perform the e-cycling, sales, and collection for the excess inventory.

By choosing SPlus, LCM realized a **winfall of \$300K which went directly to the bottom line** for the company. In addition, **an estimated 1.5 tons of e-waste was eliminated**, which would have eventually wound up in landfills releasing carcinogens such as Lead and Mercury.



About SPlus

SPlus Technologies, with headquarters in the DFW metroplex, is a global leading 3rd Party Service Provider (3PSP), offering Fulfillment Services, Parts Management, Parts Sourcing, and other Asset Recovery Solutions.

LCM's primary reasons for choosing SPlus were:

- ✓ **Flexibility, out-of-the-box thinking**, to evaluate other options
- ✓ Ability to **manage entire process** from receiving to disassembly to logistics to finding customers to collections
- ✓ Willingness to **revenue share**
- ✓ **Environmentally responsible**
- ✓ **Skill and competency** of the team
- ✓ Ability to quickly **execute**