THE PITFALLS OF POOR DOCUMENTATION

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GETTING THE DEFINITIONS STRAIGHT

• PEARL Standards include definitions of equipment condition
• As PEARL Members, we should be adhering by these definitions
• Review and discuss definitions and misuse or abuse in our industry

• Definitions Include:
  • New
  • New Surplus
  • Unused / Unused Surplus
  • Remanufactured
  • Reconditioned
  • Electrically OK
  • Mechanically OK
  • AS-IS
PEARL DEFINITIONS (EQUIPMENT CONDITION)

**NEW**
- The product was purchased through the manufacturer’s normal distribution network. The product is in its original factory packaging and is subject to the manufacturer’s warranty.

**SURPLUS, NEW SURPLUS**
- The product has not been put into service and is in the original factory packaging.
- The product has been purchased through sources other than the manufacturer’s normal distribution network. The product is not covered by the original manufacturer’s warranty. It is at the sole discretion of the seller as to what testing is performed and what warranties are granted on “New Surplus” products. A PEARL Quality Seal may be applied to the product only when all applicable procedures and requirements mandated by PEARL Reconditioning Standards have been followed.

**UNUSED / UNUSED SURPLUS**
- The product has been inspected and determined to be “Unused.”
- The product may or may not be in the original manufacturer’s packaging materials. The product is not covered by the original manufacturer’s warranty. It is at the sole discretion of the seller as to what testing is performed and what warranties are granted on “Unused” products. A PEARL Quality Seal may be applied to the product only when all applicable procedures and requirements mandated by PEARL Reconditioning Standards have been followed.

**REMANUFACTURED**
- The Seller Warrants that the product has been remanufactured to the manufacturer’s original factory standards.
- Warranty will extend for a minimum period of 90 days from the date the product is shipped, during which time the product will operate satisfactory under nameplate-rated load and normal usage and conditions, upon proper installation.
- Should the product fail during the warranty period, the buyer is required to return the product to the seller, at the buyer’s expense, for inspection and verification of the warranty claim. Should the warranty claim be valid, PEARL members may repair or replace the product. Should the repair or replacement of the product not be economically feasible, the seller will return the full purchase price of the product to the buyer. Should the warranty claim be denied, the buyer will be assessed a minimum of 50% of the cost of the repair or replacement of the product. PEARL members may offer warranties for periods longer than 90 days at their own discretion. A PEARL Quality Seal may be applied to the product only when all applicable procedures and requirements mandated by PEARL Reconditioning Standards have been followed.

**RECONDITIONED**
- The Product has been reconditioned pursuant to the standards established in the PEARL Reconditioning Standards.
- Warranty will extend for a minimum period of 90 days from the date the product is shipped, during which time the product will operate satisfactorily under nameplate-rated load and normal usage and conditions, with proper installation.
- Should the product fail during the warranty period, the buyer is required to return the product to the seller, at the buyer’s expense, for inspection and verification of the warranty claim. Should the warranty claim be valid, PEARL members may repair or replace the product. Should the repair or replacement of the product not be economically feasible, the seller will return the full purchase price of the product to the buyer. Should the warranty claim be denied, the buyer will be assessed a minimum of 50% of the cost of the repair or replacement of the product. PEARL members may offer warranties for periods longer than 90 days at their own discretion. A PEARL Quality Seal may be applied to the product only when all applicable procedures and requirements mandated by PEARL Reconditioning Standards have been followed.

**AS-IS, NO BROKEN OR MISSING EXTERNAL PARTS**
- The seller only warrants that the product has no broken or missing external parts.
- The product is sold “As-Is” for broken or missing external parts. The seller makes no attempt to inspect or recondition the internal components. The seller recommends that the buyer inspect the product prior to shipment. Should the buyer be unable to inspect the product prior to shipment, the seller recommends that the buyer inspect the product as soon as possible after receipt. Should the buyer not be satisfied with the condition of the product, the seller is not required to take the product back.

**AS-IS**
- The product is sold as is, with no warranty.
- The product is sold “As-Is” with the attempt made by the seller to determine the completeness or soundness of the product. The seller recommends the buyer inspect the product prior to shipment. Should the buyer not be satisfied with the condition of the product, the seller is not required to take the product back.
PEARL DEFINITIONS (EQUIPMENT CONDITION)

- Electrically O.K.
  - The product has been tested and determined to be electrically and mechanically operational.
  - The seller should disclose to the buyer what tests were performed to qualify the product. The product is not warranted to operate in service for any set time period. The buyer may test the product upon receipt. Should the buyer not agree that the product is "Electrically O.K.," the buyer can return the product to the seller for a full refund. Each PEARL member may determine their own return policies with respect to reasonable return period allowed, freight, and acceptable test procedures of the buyer.

- Mechanically O.K.
  - The seller has inspected the product and all mechanical components are determined to be operational.
  - Mechanically O.K. does not include internally-installed bearings. Should the buyer not agree that the product is "Mechanically O.K.," the buyer can return the product to the seller for a full refund. Each PEARL member may determine their own return policies with respect to reasonable return period allowed, freight, and acceptable inspection procedures of the buyer.

PEARL’S REQUIREMENTS FOR TEST DOCUMENTATION

- PEARL Recondition Standards are very clear regarding documentation.
- Low Voltage Power Circuit Breaker with Solid State Trip Unit:
  - EVALUATION: After each portion of the inspection process the reconditioner is instructed to "Record Observations."
  - TESTING: After each initial and final test the reconditioner is instructed to record observations and compare to manufacturer’s recommendations or industry standards.
- Test Report Format is not specified.
SO WHAT GOES WRONG?

• WITH EQUIPMENT DEFINITIONS AND TESTING DOCUMENTATION REQUIREMENTS BEING SO CLEAR
  WHAT PROBLEMS DO WE HAVE IN OUR INDUSTRY?
• Breakers / Relays received that do not test to the same results as the test report
• What can cause this to happen?
• NEW or New / Surplus equipment is NOT SO “NEW”....
  • Used / failed equipment that was put back into “new” box
    when repaired and then sold from shelf / stock years later
    (stamps, mutilated case bonding, valid date / lot code).
SO WHAT GOES WRONG?

- With equipment definitions and testing documentation requirements being so clear – what problems do we have in our industry?
  - Not everybody is a PEARL Company
  - Companies who want to do it right are not properly trained
  - Test equipment is not calibrated yearly (which is a PEARL requirement)
  - Lack of manufacturers guidelines (such as control ranges, ductor readings etc)
  - Companies don’t care if it is right or they feel they NEED to make the sale at any cost
  - Mistakes happen!
  - What else?

HOW LONG SHOULD DOCUMENTATION ON AN ORDER BE RETAINED?

- How long is test data to be kept?
- Is there a standard for our industry?

DOCUMENTATION REVIEW FOR SALES IN OUR INDUSTRY

- Important aspects of documentation
  - Before the sale:
    - Condition
    - Sales Terms
    - Warranty
  - After the sale:
    - Test documentation
    - Tracking Info