

Survey amongst European distributors reveals burden on channel of lack of local RMA/repair facilities

Sixty-five per cent of distributors would terminate a vendor contract due to poor RMA procedures

Deeside, Wales, 24 February, 2009 - An independent survey commissioned by Comtek Network System, which provides outsourced RMA services to vendors worldwide, reveals the hidden costs of poor RMA handling by vendors lacking local RMA and repair facilities. The survey, which was carried out amongst twenty European distributors in January 2009, revealed that 85% of distributors are forced to carry extra stock and test and repair facilities to compensate for the vendor's lack of local facilities. It also discovered that the average turn around time for 95% of RMA and repair services was between one to two months, with a mere 5% claiming to complete the turnaround in less than a week.

The survey revealed a general consensus amongst European distributors on the potentially damaging effects of poor RMA support; 80% agree or strongly agree that it has the potential to seriously damage the credibility of the distributor and the vendor concerned. Equally apparent was the overwhelming preference for distributors not to handle the RMA/repairs themselves. 85% of respondents expressed a preference that vendors, who lack their own in-country RMA logistics, should outsource the provision of this service to a qualified third party.

As an indication of the strength of feeling in the channel surrounding the subject of RMA handling, 65% of respondents claimed that they would terminate a contract with a vendor who mismanaged the RMA process. Commenting on the findings, Askar Sheibani, CEO of Comtek said: "The findings of the survey echo the dissatisfaction that we have encountered amongst channel partners who are deeply frustrated by the time and cost involved in repairing faulty equipment where vendors have no local facilities in place. However, increasingly overseas vendors are becoming aware of the cost benefits of outsourcing RMA procedures to a local European third party. As transportation costs continue to escalate and

companies increasingly seek to project a greener image and seek to free up distribution partners to concentrate on selling products rather than handling replacement kit, we are seeing a strong move towards outsourcing this vital service.”

Jim Blastos, VP Operation of Vocera Communications, Inc., a customer of Comtek comments: “We initially contracted with Comtek to help us comply with European legislations for our wireless communication products. They created an online tracking system to verify warranties and register and track products in the RMA process and act as the intermediary between our US offices and European distributors and customers. We are extremely satisfied with the system which has had a dramatic impact on turn around times for RMA claims, reducing the cycle from 7-10 days down to 2-3 days.”

About Comtek:

Comtek is a Pan-European provider of services and products to the network, datacomms, and telecommunications service industry. It operates Europe's largest multi-vendor IT hardware repair centres offering RMA, repair and warranty management services for major IT equipment vendors. Its world-class engineering facilities repair hardware from manufacturers, including Cisco, Extreme Networks, Juniper, 3Com, Nortel, Foundry and its extensive technical proficiency enables it to repair and support both current and legacy hardware. Comtek sells and rents re-certified network hardware at very affordable prices and its customers include system integrators, maintenance and support providers, distributors, end-users, government departments, resellers, and manufacturers. Comtek has service centres located in England, Wales, Germany and Holland. For further information please visit www.comtek.co.uk.

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