

# Cisco Knows That Going Green Makes Good Business Sense



What happens to used IT equipment after a customer has returned it for repairs or replaced it with newer equipment? Is it possible to keep discarded routers and switches out of the landfill?

At Cisco, several organizations across the company work to remanufacture or recycle as much Cisco equipment as possible. These programs constitute part of the company's efforts to reduce its carbon footprint and help the environment while also making good business sense.

## Green Remanufacturing

Since 2000, Cisco Capital Remarketing, a business unit within Cisco Capital, has played a primary role in remanufacturing returned units for reuse. In fiscal 2007, this group remanufactured more than 410,000 units, preventing

approximately 4,800 tons of equipment from ending up as toxic waste in landfills around the world.

Remanufactured units may be redeployed as field replacement units to support warranty claims or resold as Cisco Certified Refurbished Equipment to new and existing customers.

The availability of refurbished equipment benefits both the customer and the manufacturer, according to Joseph Pucciarelli, program director, Technology Financing & Management Strategies at IDC.

"I see three main reasons why customers find refurbished equipment attractive," he explains. "The first, which applies particularly to large enterprises, is that they want to maintain what I call infrastructure homogeneity. In other words, they want consistency across

the network portfolio, because it's much easier to manage and there are more efficiencies of scale.

"Another driver is availability: they may need the equipment now, but the new model is back-ordered," he adds. "Finally, of course, price sensitivity is a factor."

Cisco Certified Refurbished Equipment sells for at least 25% less than an equivalent new product and comes with the same warranty and SMARTnet options as new products. It's remanufactured to factory specifications, with all the latest hardware and firmware upgrades.

## Reduce. Reuse. Recycle.

Cisco Capital Remarketing remanufactures and sells more than 2,800 different types of products in technology areas including switching, routing, security, wireless, unified communications, peripherals and more.



Energy conservation and recycling programs at Cisco help control energy costs and lessen environmental impact. Cisco is committed to responsible environmental practices throughout their business.



Remanufacturing includes four primary steps: systems testing, debugging and repairs, product engineering upgrades, and cleaning and reconditioning. All units of Cisco Certified Refurbished Equipment are installed with a current version of Cisco IOS Software.

"We have a strong environmental focus throughout this process," explains Frank Atter, senior director, Cisco Capital Remarketing. "Each unit undergoes engineering changes to ensure maximum unit performance, and that means less maintenance, replacement and energy consumption will be required in the long term."

The entire remanufacturing process meets environmental directives such as Restriction of Hazardous Substances Directive (RoHS) and Waste Electrical and Electronic Equipment Directive

(WEEE) in the European Union, ISO 14001 and relevant federal and state regulations in the United States.

"We actually go above and beyond in complying with the WEEE directive, which is intended to make the producers of electronic waste responsible for the end-of-life management of that waste," explains Duncan McCann, environmental compliance manager, Cisco Worldwide Reverse Logistics. "It applies to companies importing into the European market, and we are attempting to register under WEEE in all European countries, although we're only required to do so in one."

## Green Is Here to Stay

For all these business and environmental reasons, it seems that green is here to stay. "If you look at the number of people in the world and the amount of energy we're using and producing, there seems to be a long-term requirement for large amounts of energy, which will keep prices high. That will encourage companies to continue refurbishing and recycling programs," Pucciarelli notes. "Whether they call it 'green IT' or not, the fact is that it just makes good business sense."



The Cisco Takeback and Recycle program helps businesses dispose properly of surplus products that have reached their end of useful life. The program is open to all business users of Cisco equipment and its associated brands and subsidiaries.