



Give Old Office Furniture a New Lease on Life

The benefits of buying remanufactured office furniture

BY WILLIAM DAVIES



Buying remanufactured office furniture makes good sense. Not only does it help save companies tens of thousands of dollars while achieving office space objectives, it also gives companies ways to reduce landfill waste and carbon emissions. Think of remanufactured furniture as a boost to the triple bottom line.

Reputable furniture remanufacturers give their clients maximum value for existing office assets – through deposit, exchange and trade-in programs that allow companies to profit from or leverage their existing furniture for different office furnishings (like exchanging high wall panels for low wall panels). Some remanufacturers will even let you exchange across product lines. By leveraging these programs, clients get rid of their unwanted furniture and withdraw remanufactured furniture for future projects at greater savings. Nothing goes to the landfill and nothing disappears into expensive warehouses. That's a win, win, and win.

REFURBISHING VS. REMANUFACTURING

The words sound similar. But although there are parallels between refurbishing and remanufacturing, the terms are not interchangeable. Here's why: Refurbishers offer customers a cosmetic fix, but typically don't perform full-blown rebuilds. Instead of stripping a wall panel down to its frame and rebuilding it the way the original equipment manufacturer intended, a refurbisher may simply recover the panel with new fabric.

Refurbishers may have limited spray booths and air-dry facilities, but remanufacturers have custom metal shops that allow them to completely rebuild furniture from the inside out. Remanufacturers' powder coating lines allow them to match any finish, and their CNC machines help create every imaginable work surface. In addition, a remanufacturer's upholstery lines are on par with those of new manufacturers. An office furniture remanufacturer can repurpose old furniture again and again to meet any vision, while saving their customers 40-60 % compared to new and providing lifetime warranties on remanufactured product that has been rebuilt to manufacturer specifications.

Remanufacturers also address the demand for “green furniture,” as the transformation of unwanted and dated furniture into “like new” furniture is, in essence, closing the loop. Remanufacturers can supply third-party verified numbers on the energy savings, CO₂ savings, landfill avoidance and raw material savings that can be applied to their clients’ sustainability statements. Some remanufacturers have even been “level” certified by BIFMA (Business and Intuitive Furniture Manufacturers Association)—the new manufacture standard for sustainable furniture.



Want more options? There are other ways to rid your office of unwanted furniture: storing it, selling it, or trashing it. Each comes with its own set of challenges.

REPURPOSE. REDEPLOY. REPEAT.

In most cases, if systems furniture is built well, it doesn’t wear out, it “uglies” out. We’ve all seen them: Dated pieces with scratches, dings and worn fabrics and finishes.

But when facing an office move, corporate downsizing or new floor plan, office managers may overlook furniture remanufacture and turn to warehousing, selling or throwing away existing, unwanted assets.

STORE NO MORE.

When faced with excess inventory, many office managers turn to warehouses. But warehoused assets rarely get used efficiently, and the more they’re handled, the more damaged they get.

To add insult to injury, companies pay a hefty monthly fee to warehouse unused pieces, and their employees are tasked with maintaining an accurate inventory of obsolete assets. More often than not, companies warehouse product for a few years before deciding to dispose of it altogether, resulting in wasted money and effort.

One of Davies’ clients was paying \$15,000 a month over three years to store excess product. So Davies set up a sustainable deposit program with them. Although it cost the client \$30,000 to break their warehouse lease, they got positive value on their unused product. The payback was immediate. The client eliminated the cost of carrying unwanted assets, and earned credit toward future furniture purchases.

TO SELL OR NOT TO SELL? THAT IS THE QUESTION.

Another option for unused and unwanted furniture assets is selling them on the open market. There are special furniture brokers and dealers who will assist with disposition and sale of excess inventory. When vacating a space, you might even be fortunate enough to sell your assets to the landlord or future tenant.

When selling assets, time is of the essence, and it’s important to be proactive, not reactive. Tie the disposition of existing assets into project timelines – an 8-10-week cycle is usually sufficient to maximize the value of your unneeded assets. Any less and you run the risk of settling for less money than you deserve.

Companies looking to shed excess product without the hassle of arranging a sale can donate unused furnishings. Plenty of 501(c)(3) programs, including The Salvation Army and The Furniture Trust, accept gently used furnishings, carpet and other assets, acting as sustainable partners in helping redeploy used office product.

JUNK IS A FOUR-LETTER WORD.

Assessing existing furniture assets and finding ways to make those assets work in today’s environment – from look to feel to function – helps ensure that useable pieces aren’t overlooked or discarded unnecessarily in today’s increasingly disposable world.

To determine the real environmental and energy benefits of using remanufactured furniture, Davies Office commissioned the Rochester Institute of

Technology (RIT) to conduct a third-party sustainable analysis in 2004. RIT representatives spent 18 months at the company's 300,000-square-foot facility in Albany, New York. The resulting study revealed that the energy savings from one repurposed workstation (approximately five panels) can power 10 households for one day. Re-use saves on raw materials and natural resources, and reduces CO₂ emissions and landfill waste — third-party data that Davies Office provides its clients for environmental and sustainability reporting.

That being said, the landfill should be the last resort for unwanted furniture assets. Landfills prevent furniture's base resources from being reused.



Landfills also destroy the environment and allow pollutants to leach into the soil. A company that publicly declares its concern for the environment should not toss its old furniture into a

landfill. So before sending those workstations to the dumpster, consider the fact that there is salvage value in almost everything — from steel markets and companies that pay for scrap fabric to plastic recycling facilities. You can even find scrap recyclers for work surfaces, which often contain formaldehyde — a landfill no-no.

Although there are other means of getting rid of unused furniture, it's clear that repurposing and redeploying unwanted assets is a far more efficient, cost-effective, and sustainable way to outfit your office space and save serious cash.

(STEEL)CASE IN POINT

A northeastern insurance company wanted to purchase 250 Steelcase Elective Elements workstations, but they were working within a limited budget. At the same time, a Davies' client in the south was preparing to discard hundreds of these workstations. The hitch? The workstations, in "as is" condition were not right size for immediate redeployment to the insurance company.

So Davies gave its southern client positive value for its extra assets, brought the workstations to its Albany remanufacturing facility, re-indexed the work surfaces and installed task lighting. The result? A replica of the insurance company's desired workstations, remanufactured to the original equipment manufacturer's specifications, with the added benefit of eliminating landfill waste and saving the insurance company roughly \$6,700 per office over 250 offices — that's nearly \$1,675,000.

Original equipment manufacturers want to sell their newest lines and simply aren't in the business of repurposing existing office assets. That's not to say that "new" is "bad." In fact, some companies use new furniture for customer-facing settings, but save money by using remanufactured product for backroom operations.

Whether you're considering remanufactured furniture to suit a new floor plan, accommodate downsizing/upsizing, or integrate modern technology into decades-old workstations, remanufactured products are an economical and sustainable way to give your office furniture a second life without busting your budget.

When selling "as is" furnishings, keep depreciation schedules in mind. Typically, furniture depreciation equals the product's pre-tax retail cost divided by life expectancy (the number of years you can use a piece before it needs to be replaced). Life expectancy depends upon a number of factors, including furniture quality, placement in low-traffic or high-traffic areas, and overall condition.

ABOUT DAVIES OFFICE — Founded in 1948, Davies Office today has become the largest multi-line furniture remanufacturer in the United States, with more than 250,000 square feet of remanufacturing and warehousing space and a staff of over 170.



William Davies, President of Davies Office

William Davies is a nationally recognized leader in green remanufacturing and an expert in sustainable office furniture solutions. Davies has pioneered new ways of doing business by managing and repurposing the furniture assets of major corporations and providing them with a high-end remanufactured products solutions including quantifiable metrics for reporting the environmental benefits.

As a legacy member of the US Green Building Council and Business and Institutional Furniture Manufacturer's Association (BIFMA), Davies was instrumental in creating standards that allow remanufactured furniture to contribute points in the LEED Certification process for buildings. Davies is often called upon to represent the remanufacturing industry including testifying at the US Trade Commission. In addition he is a frequent speaker and contributor to industry seminars and publications.

For more information, visit www.daviesoffice.com or call 518.449.2040.