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## Prep Equipment For Exit

### Dealing With Unused Equipment Brings A Host Of Concerns, Tasks

by Christian Perry

IN THE DATA CENTER, death and taxes aren't inevitable, but unused equipment is. In fact, at one point or another, nearly every piece of equipment will outlive its usefulness, assuming it was ever useful in the first place. When it stretches beyond this point, equipment begins to consume valuable floor space and can even drain an enterprise's bottom line as its value continues to decrease over time.

"Everything in the data center is eventually going to become in excess—usually because it is a piece of equipment that is no longer up to par with the latest advances in IT," says Steve Hyser, asset management business manager at Canvas Systems ([www.canvassystems.com](http://www.canvassystems.com)). "Usually, in three to five years, most businesses have to upgrade to the latest and greatest to keep up with the competition.

Although most SMEs accumulate unused equipment that covers nearly every area of IT, experts are quick to point to multiple usual suspects: servers, server racks, uninterruptible power systems, routers, HVAC systems, KVM switches, storage devices,

SAN and NAS equipment, and power supplies. As this equipment becomes expendable, SMEs face the challenge of efficiently removing it from the data center.

#### Look For New Life

According to Hyser, all data center equipment can be reused, but what that reuse entails depends on a company's definition of reuse. For example, he says that equipment that's no more than three or four years old can often be used in its present form and therefore can be sold for value. Companies can reuse some equipment, but it might take on a different task than what it's currently being used for (such as a server being reused as a storage array).

By doing a little research with different company departments, an IT department might discover that an unused piece of

equipment in one department might function as a useful device elsewhere. John Mallery, a managing consultant with BKD Forensics and Dispute Consulting ([www.bkd.com](http://www.bkd.com)), says that unused equipment can also be used to construct a test network. "While older

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equipment may not have the throughput necessary to be used in production, it might be fine for testing tools or teaching concepts," Mallory says.

A safer, and in many ways more cost-effective, method for dealing with equipment no longer in use is to contact a company

### Easier Said Than Done

By far, selling equipment is the most popular option for unused or decommissioned equipment among enterprises of all sizes. Experts point out that some companies have potential gold mines of equipment they're no longer using, and in some cases, they don't even realize the equipment is worth a mint. But it's worth noting that how much a company can make off of its equipment is dependent on multiple factors.

"Think of it as auctioning off a bachelor—the best ones are of a profile that is in demand," says Vibrant Technologies' (www.vibrant.com) Corey Donovan. "Desperately seeking: servers for purchase from a large family (install base), not too old (three to four years or less), full of surprises (the more internal features, the better), and has to have a job (in working condition)."

Small companies might find success by selling their items on eBay, Craigslist, or a similar online service. Gauging the correct listing price can be tricky, but researching similar listings can give sellers an idea of what their equipment can fetch. However, the work involved with finding a buyer, packaging the equipment, and conducting the transaction can entail plenty of man-hours—in some cases, far more than what the sale itself is worth.

that's in the business of reselling used IT equipment and have it audit and buy the equipment. Hyser says companies are wise to have an ongoing plan that takes into consideration when equipment is becoming obsolete. This plan will give SMEs the ability to upgrade when the older equipment still has remarketing value, and when the time comes to sell, the reseller can come in.

### Track The Journey

Preparing equipment for disposal, sale, or recycling isn't as simple as pulling it from a storage closet and tossing it on a pallet. Hyser says that it's imperative that companies have a plan in place for recording serial numbers and counting equipment before it leaves the premises, and it also must track the equipment's journey. "Whoever you send it to, you need to make sure you can certify those same items that were in your hands at one point ended up at their intended destination. That way you can identify any gaps. Even at the bare minimum, you weigh it before it leaves and [check that] it weighs the same when it gets there," Hyser says.

An SME can accomplish these steps, Hyser says, through the help of a third party that can perform the auditing at the end location. Without detailed knowledge of the buyer and the buyer's intentions, the seller can encounter problems with increasingly strict disposal laws and other compliance regulations down the road. "The last thing a data center manager wants is their old equipment headlining the nightly news for having turned up in a local lake or river because they chose the fast and cheap option," says Corey Donovan, vice president, Vibrant Technologies (www.vibrant.com).

For equipment that's hooked into an existing environment but no longer in use, the company can uninstall the equipment or hire

a third-party service provider to uninstall it and prepare it for shipment. "If they choose to uninstall it themselves, the equipment should be removed from the data center and palletized for shipment, along with cables, accessories, etc. that go along with each piece of equipment," says Anita Lind, CEO and founder of Maxxum (www.maxxuminc.com). "Items in racks can often be left in them for shipping. The most important thing is to pack the equipment in a way that will prevent any damage to it."

### Avoid Data Loss

Properly preparing equipment for shipment is key, but more important is ensuring that the equipment contains no sensitive company data. Despite the continuing stream of high-profile data thefts and leaks, companies still manage to leave data on hard drives, routers, and other devices that could compromise their business. Not only is that unwise from a logical business standpoint, but it's also illegal, as today's compliance laws require that companies destroy information before disposing of equipment.

"When exiting items that contain data on them, such as servers or storage devices, organizations are legally obligated to eliminate the data either via overwrite destruction according to Department of Defense standards or physical destruction. This can either be performed after the equipment has left the organization as part of a third-party vendor server or prior to exit from the company," Lind says.

Lind recommends sanitizing hard drives using the Department of Defense 5220.22-M Disk Sanitizing Standard, which she notes is a widely accepted secure data destruction method. Maxxum, in particular, certifies data destruction by the serial number of the host machine and then reports the date of receipt at Maxxum's distribution center.

"Maxxum strongly recommends an end-of-life plan encompasses secure storage prior

## Regulatory Risks

While recycling or disposal is certainly an option for dealing with unused equipment—and there are qualified recycling and disposal companies spread throughout the country—many experts contend that there is far more value in reuse when it comes to data center equipment, and this route helps enterprises avoid the hassle of dealing with prickly regulations. But even the reuse route brings with it potential pitfalls, depending on the particular route a company takes.

"Managers must be extremely careful navigating their disposal options," says Maxxum's (www.maxxuminc.com) Anita Lind. "There are many, but only one or two that allow a company to be a responsible corporate citizen, as well as compliant with regulatory initiatives protecting against data and environmental breaches."

This strict regulatory environment is expected to continue well into the future, potentially with even tighter reins than we're seeing today. "Going forward, there is definitely going to be more regulation surrounding the disposal of electronic equipment," says Barry Shevlin, CEO of Network Liquidators (www.networkliquidators.com). "There are new standards in Europe that severely restrict the methods in which companies may dispose of electronic waste, and the U.S. will surely take similar steps in the next few years."

to sanitation [and] comprehensive inventory and certified sanitation, along with compliant recycling for true end-of-life assets," Lind says. "It is also recommended that enterprises transfer ownership and liability of the assets and have detailed documentation protecting them, should a breach of compliance to federal, state, or local waste laws occur with a device exiting the organization." ■