



What is warranty and what is not: What to do, how to act.

Before we go further into this, let's properly define what "warranty" is and what "Warranty isn't".

This is a long introduction because warranty is an important subject that you really should understand,

We will cover how we will react in case of any product issues and how we will give you support elsewhere, but understanding "what's what" will give you a solid background to our policy approach.

It is important that we DO all understand the difference between quality failures which are manufacturer-related and a cost issue between brand and factory, warranty costs which are actually between brand and direct distributor and sales policies in relation to product failure and return at retailer or user level, which can be quite different, and actually relate to a sales policy issue that is part of the relationship between the reseller and the end user or the distributor and the reseller.

This is critical because "how issues are created or reacted to" will dictate who bears the costs.

Quality Control:

Production quality is a factor in product design and is borne at manufacture. Quality control is therefore entirely a product cost for the brand.

Why? Because products are created to fulfil a role in market development strategy and as such any issue that relates to quality is a core part of the marketing plan. Products all have a specification which covers all aspects of the products specification and the design includes quality of customer experience.

Because the manufacturing process has an influence on quality too, it also involves the production engineering planning for the design and the production management systems run by the factory. Quality control and any related quality guarantees are therefore 100% part of the design/production costs and supply agreement.

Warranty:

Warranty costs are the activity and support that a manufacturer offers in relation to the product performance when in use. They are quote scientifically calculated to provide backup to resellers at a rate commensurate with genuine product failure due to original defects.

Because it is an important thing for consumers it takes account of quality control and usage variable and then it is actually structured to cover possible costs and activities related to several parts of an organisations operations, including possible supplementary testing and quality control, customer service support, technical guidance and other related areas.

Warranty can never be less than legal requirements of course. Warranty can also be extreme as a marketing tool (i.e. Cobalt lifetime warranty) However as it exists solely for the purpose of brand support it is therefore a true marketing cost, and the scope of warranty and its related costs cannot ever be modified by ANY third party.

Warranty relationships are solely between manufacturer and the direct client of the manufacturer.

Note: Any warranty only applies where products have been properly sold to the end user via an authorised reseller and the consumer has both applied and used them as per instructions provided by the manufacturer. It is however possible that by policy, a manufacturer will agree to provide direct service to end users where doing so will assist in a way that is good for the brand. This is however NOT a warranty issue – it is a consciously undertaken extension of customer service support.

Sales Policies:

Distributors or retailers may choose to change, add to or react differently to consumer issues in relation to products and this includes any form of additional or supplementary guarantee. They may do this because their relationships are diverse and it is by their own choice, a part of their sales strategy or negotiations to obtain business for their own objectives.

Of course, common sense says that a manufacturer cannot incur costs for you as a retailer or distributor without your prior approval, and as all things in business need fair balance, the reverse is also true. So - If any reseller in the supply chain makes any decision that "adds to the manufacturing warranty or that bypasses or abrogates manufacturer procedures", then the added cost of that change is the sole responsibility of the reseller which makes that decision.

In other words, if a reseller changes warranty terms, operates outside policy or adds to costs related to returns or repairs in any way that is outside the warranty policy approach of the manufacturer, then those costs stay with the reseller.

This is because, having added to or changed ANY product related cost as part of a sales strategy, it fairly becomes a cost of sales for that specific transaction and so it is not different in any way to offering a discount, providing advertising support or merchandising assistance to obtain that sale.

Variances in return or replacement policies cannot therefore be passed back to the manufacturer.



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To summarise:

- Quality control is a product cost for the brand. (DCCconcepts)
- Warranty cost is a marketing expense for the brand. (DCCconcepts)
- Offers or policies which change manufacturer warranty without pre-approval... are a direct cost of sales for the party that initiates those costs this is usually either the distributor or the reseller.

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**Those are the simple facts of life in relation to warranty**

**This is the DCCconcepts approach:**

We've written down ALL of our policies here so there can be no surprises or misunderstandings.

We really do try to provide excellent products with added value, unique features and so we are constantly looking to improve all of the factors related to quality and performance.

We have tried to be fair, direct and simple in our manufacturer warranties. We are usually quite generous in applying them where the approach is fair & courteous too. (loud people get nothing)

We are proud of our products and so our attitude will always be that the end user is of paramount importance. Therefore we will be always understanding and positive...

We also appreciate that not everyone understands the issues of warranty relationships and so if asked, we will always do our best to offer you, him or her the best possible direct support.

This may well involve extensive advice and assistance, turning a blind eye to accidental misuse, lack of understanding or as often happens – we may forgive the all-too-common lack of proper sales skill that means they have bought the wrong thing for the job...

We may even choose to take the load from you and directly assume responsibility to look after YOUR customer in relation to repairing or replacing damaged items.

We will use EVERY contact with you or your customers to teach as well, because now, more than ever, knowledge is power for a retailer, as it is one thing that solely web based competitors can rarely provide... and of course knowledge also adds to the modellers enjoyment of the hobby!

**Our driving motivation is happy customers. At ALL levels.**

To make sure they ARE happy – and your suppliers are happy, things done really DO need to match policies... So learn and understand them, and please, do not incur cost or expect recovery if you do not follow the spirit of your supplier agreements – with us or others.

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By the way... We always try to be fair, and we can on occasion be generous too...

We recently had a DCCconcepts user in UK whose train-shed suffered a direct lightning strike. The power surge destroyed all his digital equipment including many DCCconcepts accessory decoders.

He seemed like a nice guy from his forum posts so we quietly, without telling him, sent him a full replacement for all of them.. No charge. We did it just because we thought it was the right thing to do.



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What you CAN do:

- Check it if you can. Properly. Simply accepting something back without specific testing isn't acceptable. It must be tested, because most of the time, the problem isn't the product, it is the end user!
- If it does not meet warranty policy OR it is not specifically covered by your return policy arrangement with your supplier, or if it is modified or incomplete, then do not just replace it. Always ask first!
- Use our website: We have huge advice and product application resources there, and most issues are covered. Trade pages are being filled with some "less public" issues too, including a summary of things we have encountered and how we fixed a variety of product-related problems for users.
- Feel free to contact us: we have usually handled most user issues world-wide and we will often be able to give a simple, prompt and positive customer service answer that will leave you and your client happy.
- *How to contact us? Phoning is fine – we are at GMT + 8 hours and I usually attend the office 10~5 weekdays and 12~5 weekends. +61 8 9437 2470. Email : rejohnson@dcccconcepts.com.*
- *If you email us please include their email address along with your summary of the problem. Also please include your phone number if you think it will help * OR * Ask your customer to email us and include your Email address and contact details as well as their own.*

(We really DO need to keep YOU in the loop so learning can happen ready for future questions)

What you MUST do - or must NOT do:

- Don't accept that it's necessarily the item that has failed that is at fault. At best it will be 50:50!
Examples: MOST Cobalt motors we see back actually work fine when tested. Things like decoder failures are occasionally real, but most are down to user error or activity, loco faults, system problems or similar.
- You MUST learn, ask questions and try to educate novice, stubborn and problem customers every time.
- Be supportive but fair. To the customer and to your own company - as well as to your distributor or us.
- If you cannot decide, if it is important to you, then we are happy to do so, and we will always give you a detailed set of reasons when we do. We always do our best to be fair to all parties by the way.
- Always get the most complete picture of how and why the item failed.
Just knowing that will often give you the clues as to the real story – and there is NO point in replacing something that will just suffer the same fate because the same error is made.
You must NOT just replace any item without checking. Asking how isn't checking, but of course it is also very important. You should understand what you sell and be set up to be able to do basic checks)
- Do not simply accept returns where the item is modified or clearly outside warranty terms.
- Do not accept returns where things are incomplete. That includes packaging, fitting kits, detail parts
- The customers wrong choice/returning it doesn't make it returnable to us - or a warranty return. If you sold the wrong thing, or they bought the wrong thing, YOUR policy needs to take care of it. Neither is a warranty issue and it will not be credited or replaced if you return it, especially if it is no longer perfect. Good sales training will of course really help you to reduce or almost stop such problems.
- Shipping damage between you and the customer, or items damaged after removal from packaging are not warranty. The ONLY shipping damage we accept is between us and you - and then ONLY if you are our direct client and you advise us within 7 days of delivery.
- Items shipped to you from a distributor are their responsibility, and claims must fit their policy, not ours, just as items damaged on the way to your customer are yours... or the post/carriers responsibility!
(We'll always try to help you with new packaging and other "transit related" things if you ask us though)

Please take the time to read all of the trade area of the website: It covers most things you'll ever need!