

*“In 2006/07, our IT recycling team handled nearly 190,000 items, with 14 per cent being refurbished and returned to customers, 35 per cent being sold on and 51 per cent sent for further recycling.”*

#### **UNDOING IT: RECYCLING EQUIPMENT IS GOOD FOR THE ENVIRONMENT – AND ESSENTIAL FOR THE BUSINESS**

As environmental issues become a mainstream part of business thinking, companies are beginning to introduce the same rigour to their disposal processes that they devote to procurement.

Fujitsu has responded to these demands – along with the UK introduction of the Waste Electrical and Electronic Equipment (WEEE) regulations – by creating a complete ‘cradle to grave’ disposal service for IT.

At its heart is a specially designed IT equipment recycling site, that allows us to manage customers’ disposal needs with efficiency, security and full compliance.

In all, nearly 190,000 items were handled by our IT recycling team during 2006/07. Fourteen per cent of the items were refurbished and returned to customers, 35 per cent were sold on and 51 per cent were sent for further recycling by our downstream business partners.

#### **RISKS AND OPPORTUNITIES**

Recycling raises several important risks and opportunities for organisations.

PCs taken out of a business contain potentially sensitive data – which is a significant business risk – while failure to comply with disposal regulations risks fines and, more importantly, damage to company’s reputation. Organisations that fail to track the disposal or reassignment of their assets can also find themselves paying for equipment no longer in use.

On the opportunities side, recycling allows organisations to extend the life of their assets by refurbishing them and either cascades equipment to new users or offering it for sale on the second hand market. Organisation can also cash in on the highly valuable commodities used to build equipment – in particular gold from circuit boards and copper from cabling.

#### **SORTING AND SENTENCING**

Our secure recycling centre, in Warrington, is designed to bring new levels of efficiency to the process of IT recycling.

The recycling process begins with an audit process in which each item is assessed for its operational status, specification and condition before moving into one of three onward streams: refurbishment, sale or disposal.

In practice a customer could, for example, specify a minimum processor type for their PCs. Machines containing this type of processor (or better) can be earmarked for refurbishment, so that they are returned to the customer for internal reuse. Machines falling below the standard are then routed for sale or disposal.

Then, following simple cannibalisation operations for items like CD-Roms, working machines have their hard disks cleaned with sanitisation software. This destroys the data and generates a unique electronic certificate to mark the disk’s cleansing. Non-working PCs have their hard disks drilled, putting them beyond use, before being sent for final destruction. In this way every data set that arrives at the centre is reliably and provably destroyed, and an end-of-life audit trail prepared.

PCs in the refurbishment stream have their internal electrical integrity checked, before being cleaned inside and out using specialist equipment.

The strict item-level control applied at each stage means that our people can give comprehensive reports to customers on the state and progress of their equipment at all times. This means the refurbishment process can feed into the owner’s asset management systems – an essential requirement for customers who are leasing their equipment.

Asset management is also a foundation for good software licence management. Companies are continually tightening their controls in this area to ensure that they’re not paying for hardware or software that they are no longer using.

## CASE STUDY RECYCLING

### CARING ACROSS THE DISPOSAL CHAIN

Equipment marked for resale is stored and offered to brokers, who then come and collect it from the site. Different brokers specialise in different kinds of equipment and different markets, but we audit them all before accepting them as buyers.

Our duty of care extends to every partner involved in the chain. For example, items marked for disposal are sent to our specialist partner. Here batteries and other hazardous materials from circuit boards and casings are removed before metal casings and fittings are extracted and sent for melting down.

The leftovers from these processes are then transported to a smelting plant run by Xstrata in Quebec, Canada. This facility, which covers a square mile, is one of the world's largest precious metals extracting and processing plants. The disposal company negotiates a share in the value of the metals recovered from the granules it dispatches. This value then flows back to the original customer.

As a result, we can boast a genuine cradle-to-grave recycling service. We aren't resting on our laurels, however. Recycling is still a relatively new business and we're only just beginning to get to grips with what the disposal chain looks like.

In our experience, responsible recycling is neither common nor intuitive, making unlicensed disposal services superficially attractive.

In our view, though, the pace of change in the industry, in the minds of customers and in government means that the rogue elements in the industry will be driven out soon and more responsible methods will prevail.

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