A warranty is a contract within a contract. It is the vendor promise/guarantee/affirmation that the product will perform in the manner intended. When ordering items & services, a warranty is usually stated in the paperwork. If the information provided by the vendor is silent about the warranty, then the buyer needs to be asking about it. Most of the time the warranty doesn’t require much notice – until you need it! It is essential to keep the warranty paperwork especially if it is for a lifetime. Warranty is a good point for negotiations because it will show how well a vendor will stand behind their product.

Types of Warranty:

Express – the warranty is in writing. This is the type of warranty with which most people are familiar. In the bidding process, Purchasing will ask vendors to provide information about the warranty. Warranty can be listed as a specification, too. The promise/guarantee/affirmation is spelled out as to what is covered and how the vendor will replace or support the customer if the item should fail. There is usually a time frame regarding coverage.

*Standard warranty – Most warranties are “Standard manufacturers”, usually 90 days to one year. Sometimes warranty may be split, such as “five years for parts; one year for labor”. At times, dealers will add to the standard manufacturer’s warranty and add a year or several years to the warranty.

*Extended warranties are available, typically for a fee. Extended warranties, for the most part, resemble a maintenance contract. Customers have to ask themselves if an extended warranty is worth the cost. What is the likelihood of the equipment failing? Will the manufacturer be around to support the warranty? Some items are inexpensive that it is cheaper to throw away the item rather than maintain.

*Lifetime – Large dollar purchases may come with a lifetime warranty. Read the fine print to know what exemptions may still apply.

Implied – the warranty is not in writing but addressed via the Federal Uniform Commercial Code (UCC) in Article 2 (Kansas has adopted with some modifications). Goods are sold with the understanding (implied warranty) that the goods will work in the manner intended. Further descriptions of implied warranty are:

*Merchantability – a widget will work as all widgets are intended to function. Simple example is a sleeping bag which a buyer can safely assume it will be padded with a closure, of a size for an average person to sleep in.

*Fitness for a particular purpose – the product will perform to the situation discussed. If shopping for a sleeping bag to use in the wintertime in Minnesota, and relaying the requirement to the salesperson, then the item suggested by the salesperson to handle zero-degree weather, will be suitable for zero-degree weather.

*AS IS – sometimes items are sold with this disclaimer which will remove any implied performance. Used goods are usually sold in this manner. The risk is on the buyer because the vendor is guaranteeing nothing. Product may work today and be broken tomorrow.

Congratulations

Sarah Davis, Procurement Officer II with K-State Facilities Storeroom, is the Kansas Association of Public Purchasing Professionals 2013 Manager of the Year. As Storeroom & Inventory Manager, Sarah has taken the lead role in keeping the operation afloat while the department deals with budget cuts, unfilled positions, etc. Sarah graduated from K-State in 2000 but actually started working in Facilities in 1999. Sarah is also active in KAPPP, serving as secretary for the board for the past 3 years & been re-elected to a 4th term.