
PC Buying Basics

One of the questions I deal with over and over again is the price of technology, especially Personal Computers, or PC's, or workstations as we now call them, as to how long they will reasonably last, typically 3 – 4 years. This can be a difficult pill to swallow as there is no other industry that experiences an obsolescence rate this rapid. For example, in 1999 I purchased an \$800 Brother All-in-one (fax, print, and scan); less than one year later it was priced at \$400 - and was completely obsolete two years later. I still keep the receipt as a reminder to myself to not give in to that really sweet sounding deal that comes in the local mailer. Since more and more of what medical practices do every day involves computers, I want to review a little about technology buying basics, focusing in particular on the PC.

First let's look at the issue of brands. There are many national brands everyone has heard of - Dell, IBM, and HP to name a few. Then there is a whole other industry known as the white box, or no name, industry. This consists of national and local manufacturers building their own computers from the various components. Many people may not realize that a computer is made up of several components, including a motherboard, cooling fan, power supply, hard disk drive, controller cables, memory, CD-Rom drive, video card, ethernet card, sound card, floppy disk drive, and possibly a modem, all within the case of the PC. Add to that the software of an operating system (OS), the mouse, keyboard, and monitor and you have the basic workstation. White box computers used to tout that they were lower in price than the national brands but this is no longer true longer. Market leaders such as Dell and HP use tactics such as offering basic PCs at a negative margin (meaning they are losing money on each sale) to entice buyers to their brand. They know that once a consumer becomes loyal to a brand they tend to stay loyal, and these brands tend to have low defect rates. Also, Dell has recently revamped their end-user support, and now they ship replacement parts faster and even offer on-site warranty service for a nominal fee.

I am not a fan of the white box computer for a few reasons. I had a call from a white box manufacturer in North Carolina recently and he informed me that he used all the same components as Dell and he would offer a lifetime warranty on every machine. My response was this: I could build you a car using all the same parts as GM and offer a lifetime warranty as well but would you really want that car? How often would it be in the shop? What if I moved out of state? What if I decided to retire? In the same week I had a discussion with one of our billing software partners who had used another white box manufacturer for years, sold hundreds of their machines along the way, and then the white box company went bankrupt. She was left with over \$150,000 in warranty work that had been sold to her customers that was now her responsibility.

Another 'deal' to be leery of is the 'refurbished' model, this just means someone purchased the machine new and returned it because something was wrong with it. Now it has been fixed and cannot be offered for sale as 'new' again. Again, I do not recommend using anything refurbished in a business unless you consider the item disposable, as in if it breaks again just throw it away. Everything I have purchased

refurbished – digital cameras, wireless access points, and laptops, has not lasted one year. Do not be lured in by a lower price as normally there is a severely limited warranty, if any that comes with it.

My final thought comes down to this: this is your place of business, your livelihood; it is not a place to cut corners, or not have a check-in computer because one of your office staff had to drive it to the retailer to be repaired. Remember, it costs more in lost employee productivity and patient inconvenience to have a critical workstation out of action than it does to make an educated buying decision upfront.

About the Author

Carin Slader is the Founder and President of Greenville, SC based Medical Data Services Corporation, focusing on providing computer networking and data services to private physician practices in Upstate South Carolina, North Carolina, and Georgia. Ms. Slader has worked in various aspects of the computer industry since 1987. Ms. Slader can be reached at 864-297-8889 or cslader@mdserv.com