

Low Cost Branded Hand Sets – Frequently Asked Questions (FAQs)

1. Service / warranty - is the OEM re-manufacturer located in India?

No they are in Asia – the administration hub is Hong Kong. They will consider locating a re-manufacturing / repair operation in India once there is critical mass. Open to establish full-fledged operations in India.

2. Does the re-manufacturer filter out / identify 'STOLEN' handsets?

Yes they do – there is a secure policy in place to capture and remove non bona fide, suspect and toxic handsets at source through the software.

3. How about the pricing? Like, if a quote for \$ 40> for a high end Motorola 'MOT V 31' handset is available, can this be matched?

Yes, final pricing will be delivered if there is a forward move. Pricing has a number of parameters to be discussed and then it can be arrived at which is good for both buyer and seller. Open to discussion and negotiations .

4. If an operator/retailer wants to take it ahead with the re-manufacturer OEM, how to go about it?

No problems. KTMT would raise the level to its Principals for Asia operations located at Hong Kong and arrange for the meeting based upon formal request from the operator/retailer .

5. Is it possible to get a sample of high end and low-end handsets for evaluation?

Yes. KTMT will arrange for it. Any specific model required may be indicated.

6. What are the Govt / TRAI guidelines for import of these handsets and who would do the importing?

Operator/ customer may decide. This is typically as per the current process in place approved by DoT. Operators keep importing these handsets for bundling with their SIM cards or selling through their stores.

7. Would KTMT arrange to provide the NOC for operator to bundle with existing OEMs handsets such as Nokia, LG etc as it is felt that their brand may get affected by recycled/refurbished handsets?

There is no requirement of any NOC from OEMs as it is perfectly legal to retain the original brand so long as any replacement parts used are original or OEM and NOT duplicate/pirated parts. This

is the industry standard and governed by international copyright laws.

The brand is never changing. It is still Nokia, Samsung, LG, Motorola or Sony Ericsson. Thus, there is no legal reason for obtaining any NOC as a quid pro quo to the sale of these handsets.

No such queries have been raised by the OEMs in Americas and EU where low cost branded refurbished handsets and OEM handsets both are being sold in millions by top operators like AT&T, Sprint, Rogers Wireless, Bell Mobility and Virgin Mobile. Like wise, OEMs like Motorola and RIM as also global retailers like Walmart, Best Buy and Costco sell both types of handsets.

8. Can used handsets be imported into India?

This is a common activity in India with used handsets being exported to India from Dubai and Hong Kong. There is no government restriction .

9. Can the re-manufacturer OEM come to India for discussion?

Yes, most welcome. This can be arranged easily. The operator/retailer needs to issue an invite for the visa formalities .

10. What are government guidelines or regulation on the import of re-cycled phones?

There are no separate guidelines from DoT/TRAI/TEC on import of handsets. The only imperative is valid IMEIs as given by GSMA. Thus, these handsets are to be imported as if these are normal handsets, which have GSMA, approved IMEIs.

11. What is the market demand for low cost branded hand sets vis-à-vis other low cost handsets being manufactured in China, Korea, Taiwan etc?

Primary research done by KTMT suggests that 65 % customers prefer low cost branded hand sets of Nokia, Samsung, LG, Motorola and Sony Ericsson vis-à-vis other low cost handsets.

12. How does bundling of low cost branded hand sets help operator in increasing its market share of customers?

80 % customers from tier 2, tier 3 and tier 4 markets prefer value bundling. They feel confident that apart from gaining price advantage they would get necessary attention for warranty replacement/repairs more easily through operator recognized channels vis-à-vis just dealers. These 80 % target customers help in increasing the market share of operators who launch promotion schemes with value bundles.

13. Who would give support for software glitches occurring in refurbished handsets, as the software is from OEM, eg, NOKIA, proprietary? In other words what is the status of software in the refurbished handsets? How and who will give support and tailoring of the software as per the customer requirements?

The handsets come with 12 months warranty like OEMs. Thus, these would be provided warranty service just like the OEM handsets. There is no difference in that and customer need not worry on account of this. For the buyer, the handset is still a branded one and would thus be treated like that in its warranty period.

14. Are both GSM and CDMA handsets available?

Yes, both GSM and CDMA handsets are available.