Company: Leapp

Locations: Amsterdam, the Netherlands

Type: Independent Remanufacturer

In reman: Since 2011

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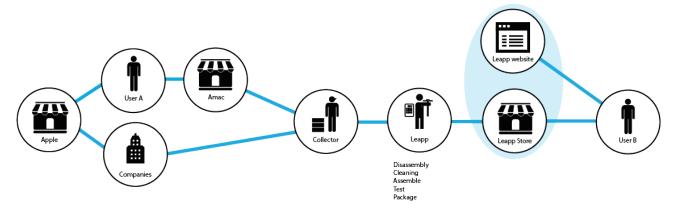


Product

Leapp recovers all types of Apple products, in this business case Apple Macbook will be used as an example.

Core Sourcing

Leapp has two types of core sourcing streams. 80% of the used Macbooks comes from business users, besides this 20% comes from Apple resellers. For the customer segment, by returning an old Macbook a discount is applied to the new product which can be seen as a **credit-based** way to collect cores.



Business Model

Leapp's business model is based on the difference between economic redemption and technical redemption of a Macbook. The biggest sourcing stream comes from collector companies that focus on businesses customers in Europe. Most of the Macbooks are collected in Germany and the United Kingdom. Leapp has a long-term contract with these collector companies to buy Macbooks after three years of usage, then the economic value is written off while the lifetime of a Macbook is much longer. Because of this Leapp can use this value. After collecting Macbooks, the used products arrive at Leapp where they are screened on quality. After screening and classification of the Macbooks, they are decomposed and all hardware pieces are checked and repaired or replaced if needed. Afterwards, the original user data is wiped and the software is being updated. Finally, the products go through a thorough cleaning procedure. Employees are trained by Apple to be able to guarantee quality of the remanufactured products. Around 8% of components cannot be re-used, these once will be recycled at a waste disposal. The iron parts are brought to a metal scrap collector. After cleaning, the Macbooks are packed and ready to be sold to a new customer. The remanufactured products are sold on the website and in the offline shops with a warranty of 24 months. This remanufacturing process is possible because to the quality of the materials used in a Macbook and the timeless design. A recent model is sold for 90% of the initial price of a new Macbook, an older version is sold for 70% of the initial price.

Challenges for LEAPP: at an early stage the biggest challenge for Leapp was that people were unfamiliar with remanufactured Macbook, besides this people did not know the brand. A big of effort was invested in marketing of the concept and the brand. Now the main challenge is to find enough used Macbook to be able to cope with the demand.

Economic Benefits

The economic benefit for customers is clear, people can buy a recovered Macbook which is less expensive compared to a new one. For Apple the remanufactured business is interesting as it broadens their market. Customers who were not able to buy Apple products, now are enabled.

Environmental Benefits

Leapp creates a second life for the Macbooks that would otherwise be disposed, but there are no clear numbers on the environmental benefits.

Social Benefits

The business model is scalable, Leapp started in 2011 with four employees now they have over 100 employees in three countries.

Advanced Materials Recovery

No advanced materials are recovered.