



EXECUTIVE SUMMARY

The United States' evolving tariff landscape is reshaping global trade, and nowhere is the impact more pronounced than in the enterprise IT ecosystem. With tariffs now affecting a broad spectrum of technology imports—including servers, networking gear, storage appliances, and components—the cost pressures are real and growing. The ripple effects are already evident for businesses dependent on a stable, scalable IT infrastructure: extended procurement timelines, rising equipment costs, and mounting pressure to do more with less.

This whitepaper explores the long-term implications of U.S. tariffs on the IT supply chain. It illustrates how enterprises can reduce cost, increase resilience, and avoid exposure by rethinking their approach to infrastructure management. It details how Scale Service's comprehensive support, refurbishment, and IT asset disposition (ITAD) solutions help companies survive and thrive amidst geopolitical and economic uncertainty.

Economic Reality

Companies must make pragmatic, data-driven decisions to insulate themselves from volatile external forces. This is where infrastructure extension, lifecycle optimization, and strategic IT partnerships become valuable and essential.



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SUPPLY CHAIN DISRUPTION: A NEW NORMAL

Tariffs are only one element in a broader global IT supply chain disruption. Other contributing factors include:

- · Export controls affecting chip and semiconductor supply
- · Rising freight costs and port congestion
- · Increased lead times for enterprise-grade hardware

IDC reports that average lead times for enterprise networking gear have doubled since 2022, with some OEMs quoting up to 180 days for delivery. Organizations that fail to plan around these lead times face project delays, lost revenue opportunities, and increased costs due to temporary workarounds.

Yet many continue to rely on OEM-dictated timelines, even as delays and upcharges become the norm. How can companies decouple themselves from fragile global supply chains and tariff exposure while keeping infrastructure current, reliable, and secure?

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SMARTER INFRASTRUCTURE STRATEGIES

The most direct path to minimizing the impact of tariffs and supply chain volatility is to reduce reliance on new OEM equipment and extend the usable life of existing infrastructure. This strategy—once seen as a cost-saving compromise—is now a competitive advantage.

Scale Service specializes in helping companies do just that.

With over two decades of expertise in enterprise storage, compute, and networking, Scale Service provides:

- Certified refurbished hardware, including Gen-6 Isilon and other high-performance systems at 60–80% below OEM pricing
- Customized, 24/7 enterprise support services that rival (and often outperform) OEM SLAs
- Lifecycle extension services that allow companies to run high-functioning infrastructure far beyond typical EOL/ EOSL timelines

In today's environment, every dollar spent unnecessarily on new hardware is exposed to tariffs. Organizations can dramatically reduce cost and bypass supply chain risks by pivoting to refurbished, tested, and warrantied infrastructure.



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DECONSTRUCTING THE OEM MYTH: WHY REFURBISHED WORKS

There remains a persistent belief that end-of-life or refurbished hardware is inherently riskier or less performant. However, the reality is quite the opposite, especially in enterprise IT.

According to Gartner, up to 70% of organizations running mission-critical workloads are using at least some refurbished hardware in their environments. Yet OEMs continue to push aggressive refresh cycles based on artificial end-of-life markers that often have nothing to do with performance or reliability.

Here's where Scale Service bridges the gap:

- OEM-trained Level 3 engineers offer 24/7/365 phone and on-site support
- Replacement parts are tested to the manufacturer's specs before deployment
- · Systems can be supported for up to 10 years past EOL/EOSL with no performance compromise
- · On-site health checks, proactive monitoring, and parts replacement come standard

The result is a system that performs like new, with no tariff exposure or lead time frustration associated with buying from OEMs.



BUY-BACKS, TRADE-INS, & ITAD AS TARIFF SHIELDS

Liquidating underutilized assets and optimizing current infrastructure can be powerful first steps for organizations looking to insulate themselves from tariff fallout.

Through Scale Service's IT Asset Disposition (ITAD) and buy-back programs, enterprises can recover value from retired hardware and reinvest it into more strategic resources—all while ensuring total compliance with data security and environmental regulations.

ITAD is no longer just an end-of-life concern—it's a competitive business function. In 2023, global demand for refurbished data center equipment increased by 18%, according to Research and Markets. This is primarily driven by businesses seeking to offset high costs and erratic delivery windows tied to tariffs and trade restrictions.

With Scale Service, clients can:

- Trade in aging or unused storage, networking, and server equipment for credit or cash.
- Receive certified on-site or remote data destruction to meet compliance standards.
- Ensure all e-waste disposal adheres to (or exceeds) EPA standards.
- · Gain full audit trails and certificates of destruction for chain-of-custody assurance.

These services convert liabilities into assets, allowing companies to fund infrastructure upgrades with zero exposure to new hardware tariffs. In many cases, reclaimed value offsets up to 40% of the cost of refurbished replacements.



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MANAGED IT SERVICES: A STABILIZING FORCE AMID PRICE VOLATILITY

Budgeting becomes a guessing game when tariffs are unpredictable and hardware costs swing quarter to quarter. Organizations that rely solely on capital expenditures (CapEx) to meet infrastructure needs often find themselves caught flat-footed by tariff surges or vendor-specific price hikes.

Scale Service solves this challenge with a flexible, OPEX-based managed IT model that shifts cost from capital to predictable monthly services. This approach reduces exposure to pricing shocks and creates more scalable and resilient infrastructure.

Key advantages of Scale Service's Managed IT Services include:

- 24/7 proactive monitoring and patching to prevent outages.
- Rapid remote or on-site support to address hardware and software issues.
- · Vendor coordination and single-point-of-contact for warranties, claims, and upgrades.
- · Advanced cybersecurity protections, from endpoint defense to employee training.
- · Cloud integration and hybrid environment optimization to reduce on-premises load.

This is especially critical for industries where downtime equals lost revenue—media, finance, e-commerce, and healthcare. Instead of reacting to tariff-driven pricing pressures, managed services allow these businesses to maintain operational continuity and cost control, regardless of trade conditions.



DATA MIGRATION & REFRESH PLANNING IN A TARIFF-LADEN ECONOMY

Poor timing is a common pitfall during hardware refresh cycles. Many organizations begin planning their migrations only after encountering bottlenecks, failures, or compliance issues. This reactive approach can prove extremely costly with the current hardware procurement and pricing volatility.

Scale Service offers a smarter path forward: proactive data migration and lifecycle planning that de-risks your refresh strategy and removes dependency on expensive OEM timelines.

Every data migration engagement includes:

- Detailed infrastructure audits to identify outdated, redundant, or underused systems.
- Assessment of data access patterns and storage efficiency.
- Secure data transfer from legacy systems (e.g., aging tape libraries) to modern environments.
- Validation of permissions, access control, and data integrity post-migration.
- · Optimization recommendations to reduce overall infrastructure load and extend asset life.

The result? A seamless transition from high-cost, low-efficiency environments into modern hybrid, cloud, or refurbished configurations that save money and reduce tariff exposure. Because Scale Service is hardware-agnostic, clients can migrate across virtually any vendor platform without being locked into a single OEM ecosystem.

Getting the strategy right is mission-critical in an environment where every migration decision can cost thousands more due to tariffs.

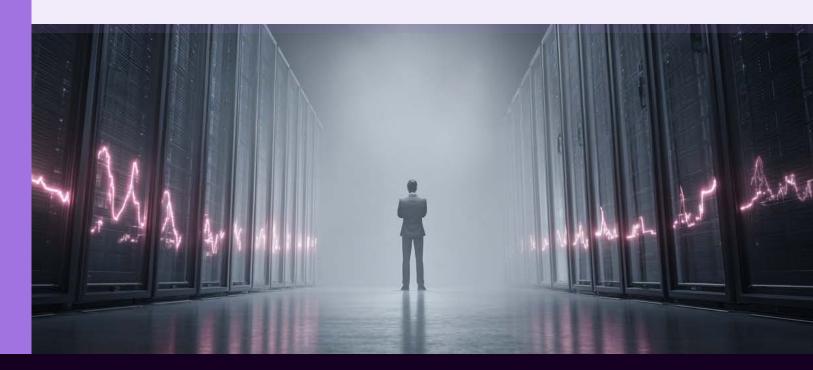


THE SCALE SERVICE ADVANTAGE: A STRATEGIC HEDGE AGAINST TARIFF EXPOSURE

When viewed through the lens of business resilience, Scale Service becomes more than just a third-party support provider—it becomes a strategic hedge against global uncertainty. With its deep portfolio of enterprise solutions, Scale Service offers:

- Customized post-warranty support: Extend infrastructure lifespan by up to 10 years, bypass OEM refresh pressures, and avoid new tariffed equipment.
- Refurbished and thoroughly tested hardware: Deploy immediately from in-stock inventory at 60–80% below OEM pricing, with no exposure to new import duties.
- ITAD and buy-back programs: Monetize old or unused equipment while ensuring certified data disposal and regulatory compliance.
- Managed IT and security services: Shift from CAPEX to predictable OPEX models, reducing cost variability and stabilizing operations.
- Cloud and hybrid architecture support: Migrate strategically to reduce reliance on physical hardware and, in the process, minimize tariff impact.
- White-glove field service: Rapid on-site engineering, certified training, relocation assistance, and full deployment support.

Critically, Scale Service offers expert-led planning to integrate these capabilities into a unified roadmap aligned with long-term business goals.



CONCLUSION: TURNING RISK INTO OPPORTUNITY

Tariffs are not going away. Global trade dynamics suggest increased fragmentation and further escalation of hardwarerelated duties in the near term. For IT leaders, the only logical response is to:

- 1. Extend and maximize the current infrastructure.
- 2. Reduce dependency on OEM-driven upgrade cycles.
- 3. Avoid overexposure to global trade volatility.
- 4. Monetize legacy assets to fund more agile, efficient systems.
- 5. Adopt flexible, scalable, managed service models that adapt as fast as the world changes.

Scale Service helps enterprises accomplish the above without compromise or disruption. Now is not the time to follow the OEM roadmap. Now is the time to write your own.

Contact Scale Service today to speak with an infrastructure expert about reducing costs, limiting tariff exposure, and optimizing your IT environment.

SPEAK WITH AN EXPERT

