



# 10 Things You Need to Know Before Buying a New or Used Cosmetic Laser

Like brand new automobiles, brand new cosmetic laser equipment heavily depreciates as soon as it leave the manufacturer and enters your practice. Don't purchase something brand new unless there is an extremely good business reason to purchase it. Cosmetic laser technology plateaued in the mid 2000s. There have not been any significant changes in the equipment or how it functions since then. If you decide to purchase a refurbished laser device, be sure to ask the following questions about it:

- Was it made since the mid 2000s?
- Is it guaranteed to work?
- What types of tests has the reseller put it through?

As long as you can ensure that the machine has passed high quality tests and is in proper working condition, it is usually a more financially sound decision to purchase refurbished cosmetic laser equipment instead of brand new equipment.

## Find a Reputable Seller

Finding a reputable seller is one of the most important steps in the process of purchasing a cosmetic laser device. It's an unfortunate fact that there are several scam artists on the Internet, and they don't just run e-mail scams. Many of them run elaborate sales scams, such as pretending to have cosmetic lasers for sale.

One way to avoid being caught in a scam is to find a seller with an amazing selling history as well as phenomenal reviews and testimonials. Ask for people in the industry to refer you to a seller or carefully search the Internet and social media for unbiased reviews of the company.

Also, always cross reference the seller's history with websites that report complaints and scams, such as the Better Business Bureau. Here is a quick list of other things you should look for:

- Does the seller's website look professional and detailed?
- Can you verify that the contact information listed on the website is valid?
- Does the company offer a wide variety of complete machines and parts?
- Is each part or complete laser device described in detail on the website?

A reliable new or used laser seller is not like an online clothing retailer. You shouldn't just "click to purchase" a laser device. You should contact the seller directly and ask plenty of questions. In fact, arranging a video conference call is best. That way you can actually see the machinery with your own eyes.

Remember that you are probably going to establish an ongoing relationship with your chosen seller. Therefore, they should be able to offer recommendations that can help you to improve your business. You should be able to confide in them and trust that they have the best interests of you and your business in mind at all times. Regardless of the equipment or parts you are looking to purchase, working with a reliable, trustworthy seller will create a long lasting business relationship in the future.

## **Focus On Your Needs**

Remember to focus on what the right solution is for your business, not what the salesman tries to push or wants you to buy. Make sure you clearly state what exactly your needs are, what type of equipment you are interested in, and your budget restraints. If you don't have a specific machine in mind, ask what the seller would recommend. Be wary of the following:

- The seller is trying to get you to buy one particular machine.
- The seller has a generally pushy attitude.
- The seller doesn't seem to know much about the equipment they are trying to sell.
- The seller is trying to sell you a piece of equipment outside your budget range.

In short, if the seller seems like they are in a rush to get rid of one particular piece of equipment then it's likely that there is either something wrong with that specific piece of equipment or there is something wrong with the seller.

## Protect Your Money

When purchasing a preowned medical laser, it's important to protect your money from scam artists. That's why you need to be aware of certain red flag behaviors on the part of the seller. Here are a few:

- They only accept personal checks or money wires.
- They want you to pay before receiving your laser device.
- They seem generally more interested in receiving their money quickly than in helping you to choose a laser that is best for you.

Any company that is that focused on fast payment and not focused on customer service at all is probably a scam artist. But even if that company is legitimate, it's still one that you should avoid. You should always choose a company that places a high value on customer support.

## See the Equipment With Your Own Eyes

Even if you are making a cosmetic laser purchase online, you don't have to do so completely blind. Any honest company should be happy to video conference call with you using a program like Facetime or Skype. That way you can verify how the laser looks, and possibly even see how it is used before you buy it. A video conference also provides a good opportunity for you to ask questions like:

- What is the history of this device?
- Has the laser been properly maintained and refurbished?
- How long has the company been in business?
- Does the company provide maintenance on the device, or are they only selling the device itself?

The more questions you ask, the less likely you are to be cheated or scammed by a fake company. Also, keep in mind that even if the company is well established asking questions is still a good idea. That way you can guarantee that you are buying the model that will be best for your practice.

If the company is local, you should ask to visit their showroom. That way you can see the machine in person and see a demonstration of it in action. However, most online resellers are not

going to have showrooms in your local area, which is why video conference calls are so important.

## **Find Financing**

If you decide to purchase a new or second-hand cosmetic laser machine, chances are good that you will need some sort of financing. Here's a quick list of things that can help you get the proper financing:

- Research the application process to see what you need in order to get financing approval.
- Ask the seller if they know of any financing options available.
- Talk to your accountant about tax breaks you can receive from financing.

Typically sellers and third party companies have relationships with financing organizations that offer several financing options. It is important to find financing that will work with both your business and your seller.

Section 179 of the Internal Revenue Code allows you to fully deduct the cost of purchased assets in the first year. In 2012 and 2013, you can deduct up to \$500,000 of equipment (subject to a phase-out if you placed more than \$2,000,000 of equipment in service in any one year). For example, if you are in the 50% tax bracket and you purchase \$100,000 in business equipment this year, the net cost to you is only \$50,000. This is true even if you finance the equipment. Talk to your accountant before year end to take advantage of the tax incentive.

## **Ask if There are Renting or Leasing Options Available**

The age old question is should I lease or should I buy? We tend to buy houses but at the same time we lease cars. There are many factors that bring us to this decision. A main reason is that the mortgage interest paid on a home is tax deductible. There are few things in life we enjoy more than saving money in taxes.

We generally lease our cars, why? If you are a business owner, and most people reading this are either business owners or soon to be business owners, you know that the lease payments on your car are 100% tax deductible if used for business purposes. Again, it's a question of getting tax breaks.

That being said, the question of whether or not to lease or rent your aesthetic laser or IPL equipment simply to get tax breaks is not quite as clear cut as that. But there are other reasons why renting or leasing can be beneficial. For example:

- The up front costs will be lower than if you bought a machine outright.
- Renting gives you an opportunity to test different machines and see which type you like best.
- The rental process will allow you to introduce new laser procedures to your clients and see how they are received before you commit to buying your own laser device.
- Some companies offer rent to own programs for laser medical equipment, which will allow you to make low ongoing payments on a machine instead of investing a huge chunk of your capital up front.

Business owners have to watch every penny, as you probably know. The renting and leasing process is a way to protect your capital while still maximizing your profit potential.

## **Receive Proper Training for Your Equipment**

It is extremely important to make sure each operator knows how to properly operate, store, and maintain each piece of equipment. You have to be willing to invest money in training your employees properly, if you want to make money in the long run. Ask the seller if they offer any training programs on the specific machines being purchased or if they can recommend any training schools in your area. If not, it will be up to you to find appropriate classes for your employees to take.

Alternatively, it is possible to hire one or more employees who are already trained in the use of your chosen device. Benefits of doing that include:

- You won't have to take the time to get trained yourself.
- You won't have to spend money on classes for yourself or your existing employees.

That said, there can be drawbacks of trying to hire someone new who has laser expertise:

- You might find it difficult to locate someone that already has the proper training.
- Your existing clients might not trust your new technician right away.

So, it's up to you to weigh the benefits of hiring a trained technician against the option of training yourself or your existing employees. Neither solution is right or wrong, but one might be more useful than the other in your company's specific case.

## Negotiate the Warranty

Used and refurbished medical lasers don't always come with warranties like new laser devices would. Many brokers sell them as is, which is why dealing with brokers may cost your business more money down the line. Even so, most reputable resellers should be willing to negotiate short warranties with you. Here are some questions to ask potential sellers:

- Does the laser come with a warranty already?
- If the laser doesn't come with a warranty, is the seller willing to provide a short warranty of one to three months anyway?
- Does the seller stand by their product in other ways, such as providing repairs if the laser is damaged during shipping?

If they aren't willing to offer a warranty of at least one to three months, it may not be worth doing business with them. Even though they might be reputable, you never know what can go wrong with the device during shipping or initial setup, not to mention after it is in use. So, a warranty is practically a must-have item.

## Find a Third-Party Servicing and Repair Company

You might be wondering why you even need to worry about third party companies. Why not just have the manufacturer handle your repairs? Surely they can repair their own machines, right? Well, that is true. However, manufacturer repair plans usually consist of annual service contracts you need to pay for, whether you need repairs at the time or not. On top of that there are parts and labor charges that you may incur whenever you actually have your aesthetic laser repaired. Third party companies don't usually require such contracts. They are likely to only charge you when you actually call them to perform a repair. So, by hiring a third party company on an as-needed basis, you can save a lot of money on cosmetic laser repair service contracts. Third party repair companies are helpful for the following reasons:

- They don't usually require service contracts.
- They are generally local, which means that you don't have to ship the laser away to be repaired. The repair technicians can come right to your office.
- They usually keep parts in stock, meaning that they can repair machines quickly and minimize your loss of business.

When looking for third party repair technicians, you have to be proactive in your search. Don't wait until your machinery breaks down. In fact, you should really find a company capable of repairing the machine you are interested in before you purchase the machine. Otherwise you

could find yourself unable to locate a repair company when you need one. Here are some questions to ask perspective repair companies:

- What laser device models can you repair?
- Do you keep parts in stock? If not, how long does it usually take to get the proper parts?
- Are you willing to make repairs after business hours or on weekends?
- How many trained technicians do you have?
- Do you have a 24-hour service phone number?
- What is the average amount of time it takes to do a repair from the time of the complaint.

Always keep in mind that lasers are complicated pieces of machinery. There may be times when repairs or finding the right parts could take longer than you would like no matter what. However, by finding a knowledgeable, reliable service company in your local area, you can make sure that those times are few and far between.

## **Final Thoughts & Takeaways:**

When looking to add cosmetic lasers to your practice, educate yourself first. Learn both about your clientele and about the laser machines themselves. Rent first if you are unsure about committing to a large purchase. Provide laser services one or two days a week until you get a feel for how your clients are reacting to the new procedures you are offering.

Follow the 10 steps outlined here and you'll give yourself the best chances for success when renting or buying laser devices for your business:

- **New or Used? What is right for your practice?**
- **Find a reputable seller**
- **Focus on your needs**
- **Protect your money**
- **See the equipment with your own eyes**
- **Find financing**
- **Ask if there are renting or leasing options available**
- **Receive proper training for your equipment**
- **Negotiate for warranty**
- **Find a third party servicing and repair company**