

The Remanufacturing Process

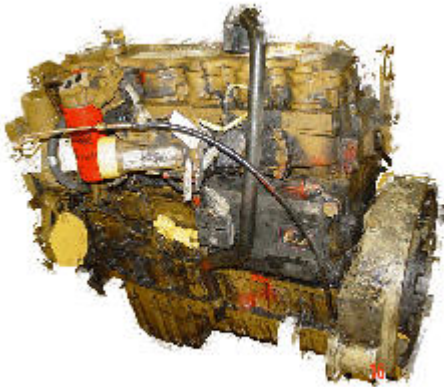


MAKING PROGRESS POSSIBLE

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The Remanufacturing Process

Remanufacturing is the process of returning an end-of-life product, or “core,” to same-as-new condition in a manufacturing environment.



CORE



**SAME AS NEW,
backed by a
Caterpillar warranty**

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Reman is an exchange business

The customer purchases a remanufactured product from a Caterpillar dealer. The purchase includes a “core deposit” that is refunded to the customer when the core, or end-of-life component, is returned.

Let’s look at an example of the purchase of a remanufactured water pump.

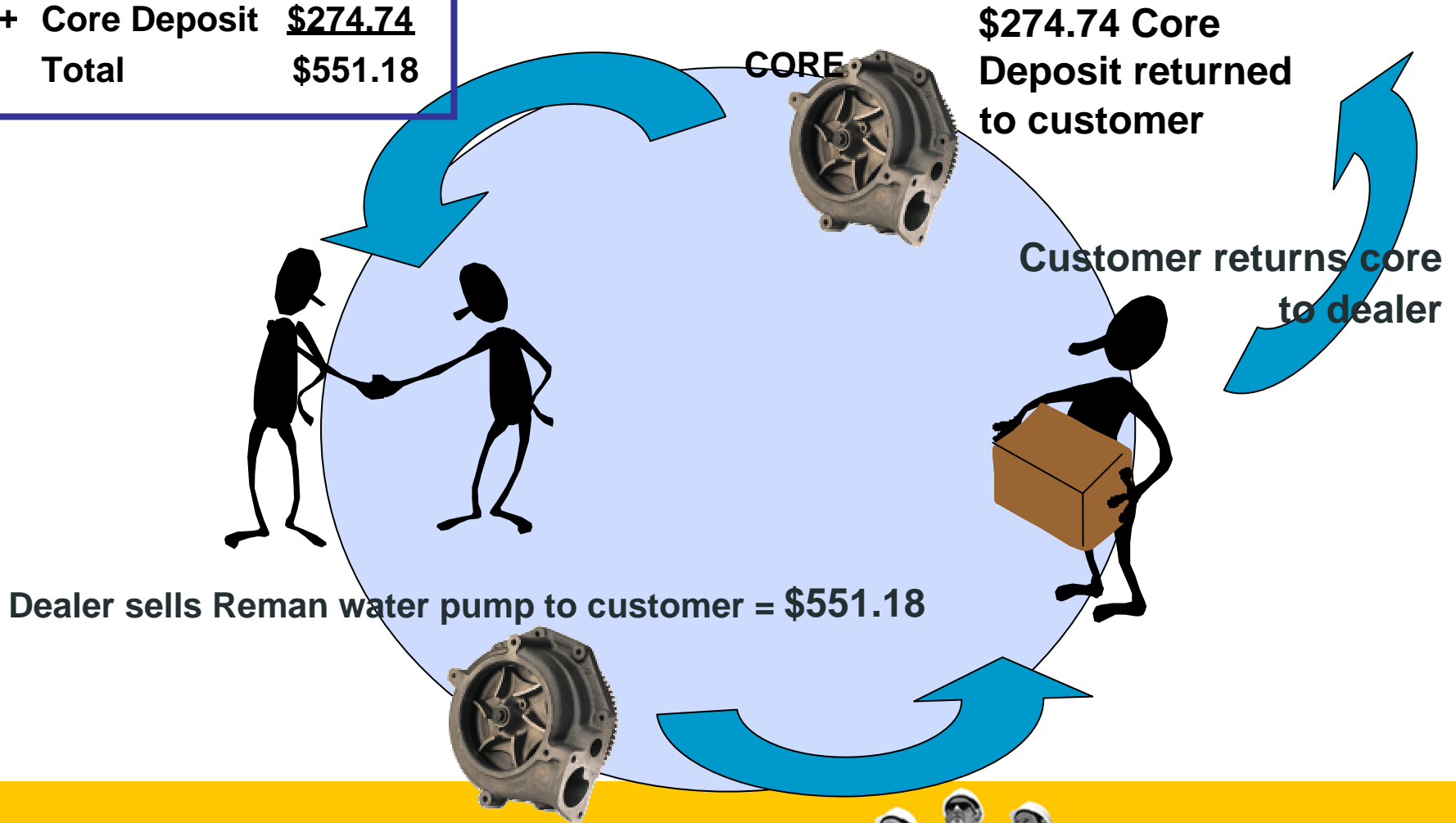
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Reman exchange: the core deposit

Reman Sale	\$276.44
+ Core Deposit	<u>\$274.74</u>
Total	\$551.18



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SAME AS NEW



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Inspection

Upon return of the core, it is inspected and the “core deposit” is refunded. Typical remanufactured components are cylinder packs, water pumps and other engine components, hydraulic components or transmissions.



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Disassembly

The core is completely disassembled into its constituent parts, down to the level of every individual nut and bolt. The parts are cleaned using environmentally-friendly processes. Then they are inspected for remanufacturability using detailed Caterpillar Reman criteria.



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Remanufacturing technology



The individual parts are remanufactured to exact specifications to ensure they provide the same quality, reliability and durability as they did when they were new. Cat Reman's proprietary technologies salvage a significant percentage of original material – reducing new parts usage.



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Engineering updates and assembly

All appropriate engineering updates since the component was originally manufactured are included. Remanufactured components are assembled from the finished remanufactured parts.



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Like-new quality and warranty

The component is tested, painted and made ready for sale as a Cat Reman product.



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