

ATMs

The Market At A Glance

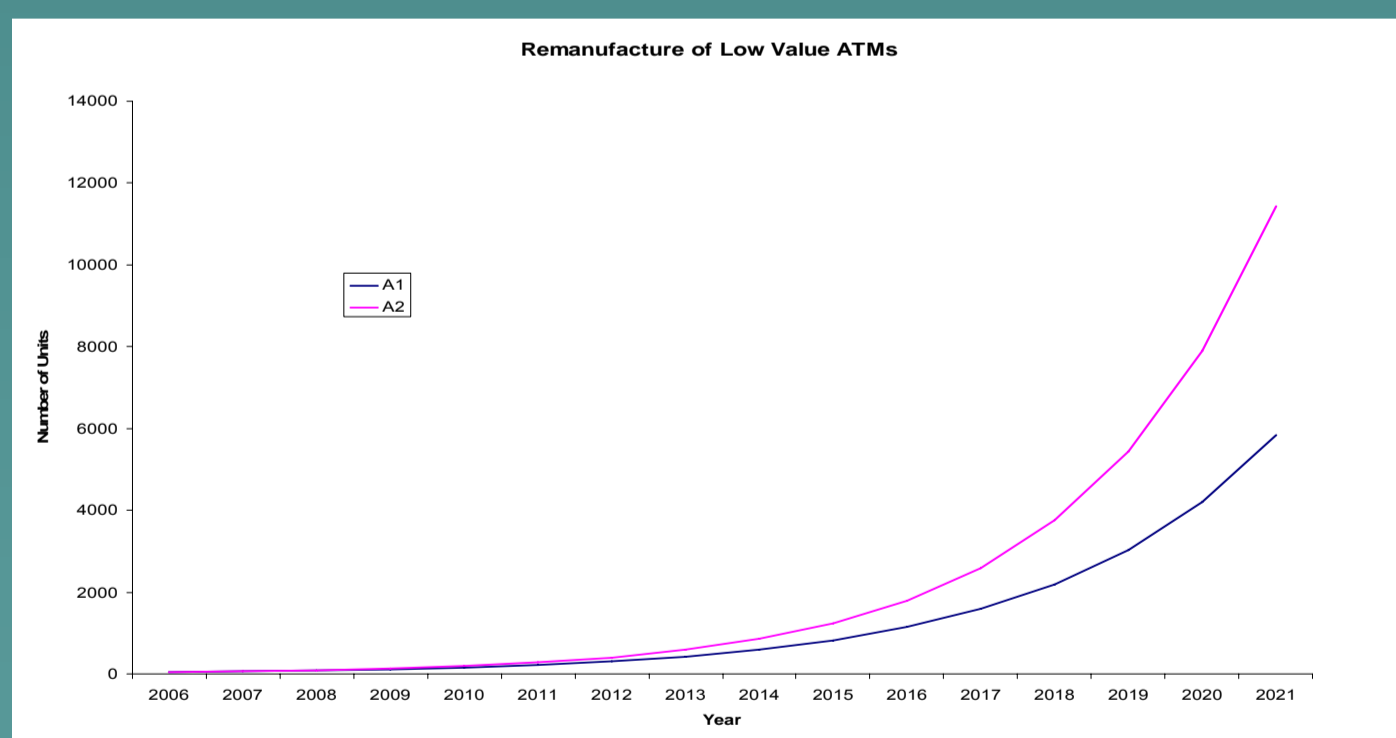
- ◆ The ATM market is split between heavy duty machines – the traditional “hole in the wall”, and the light weight devices found in service stations and shops.
- ◆ The banks retain much control over the larger machines and restrict remanufacture to a select few companies to maintain security.
- ◆ There is a thriving market for remanufacture of parts and entire machines of the heavy duty type
- ◆ The market for remanufacture of the smaller machines is very small, as the cheap purchase price makes the economic benefit of remanufacture small.
- ◆ ATMs are more common than ever, and provide a range of services other than cash withdrawal.
- ◆ Smaller ATMs are becoming increasingly popular, as customers are willing to pay a fee for the convenience of not needing to walk to the bank.
- ◆ As ATMs use a global language to communicate, there is no reason why machines from the UK could not work in other countries with minimal modification.

The Hole In The Wall

- ◆ Traditional ATMs cost around £20,000 and are extremely heavy due to the high level of security required. They operate 24 hours a day.
- ◆ The smaller ATMs cost around £3000, weigh around 70kg and generally only vend cash during business hours.
- ◆ Both types of machine are modular and thus can be remanufactured relatively easily.
- ◆ Machine OEMs restrict access to certain parts for reasons of security, which can limit the work of third party remanufacturers.
- ◆ There is a thriving market for remanufactured spares for the larger machines, although service and lead time rather than cost are the order winning criteria in this market.
- ◆ All remanufactured ATMs must be thoroughly tested before they enter the market, as mistakes in the field can be costly!



Looking To The Future



Scenario	Overall output and assumptions	Units Saved From Landfill ('000)	Tonnes diverted From Landfill (kt)	CO ₂ E (kt)	£mil Spent On Reman Products
A1	The level of remanufacture increases such that by 2021, 25% of all units are remanufactured once	20.9	1.5	1781	44
A2	The rate of remanufacture increases such that by 2021, 50% of all units are remanufactured once	36.8	2.6	3145	77

Conclusion

- ◆ The market for large ATM remanufacture is well established and difficult to enter.
- ◆ There is an opportunity to develop the low values ATM remanufacturing market, as these machines are becoming more popular than ever before.
- ◆ As more shops and public venues choose to install ATMs, a large business for spare parts will undoubtedly arise, and could be served by the remanufacturing sector.
- ◆ Remanufactured units could conceivably be exported to the growing markets in South America and Asia.
- ◆ Some form of regulation or accreditation is needed to prevent problems with security, both perceived and real.

