

PPM ATTORNEYS' HELPFUL HINTS NEGOTIATING INFORMATION TECHNOLOGY HARDWARE CONTRACTS

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Negotiating the contractual aspects of supplying IT hardware doesn't have to be the downside of landing the deal. Providing the right information from the project's inception can go a long way in making the contractual process less of a hindrance to getting the job done.

To ease your contractual woes, we have prepared a general guideline of the information that a legal department will require from you, to finalise an IT hardware contract.

- Be able to give a description of the product and services your company will be providing, e.g. setting up and maintaining a network.
- Know what your company will be charging for the products and services, also how and when payment should be received.
- Know where the job site will be – the customer may have different branch offices
- Know whether any pre-handover tests will be required.
- Be clear on who will carry out different aspects of the hardware installation – will some aspects be outsourced to third parties, e.g. server room air-conditioners?
- Be able to confirm whether any guarantees or warranties will be given in respect of the hardware being installed and the services being provided.
- Has your company offered to train the customer's staff in the use of the hardware?
- Will your company be required to provide maintenance services for the hardware or network and, if so, be able to give a description of what will be required?
- Know what rates will be charged for maintenance services and if the maintenance services are complex, consider requesting that a service level agreement be drafted.
- Know what the duration or term of the service level agreement will be and whether the customer may require that the service level agreement be renewed