

# Bid & Buy Back Process

**Over the past 15 years Hula Networks has developed a fantastic partnership with both the reseller and end-user community.**

Essentially, Hula was able to achieve its stellar reputation by exercising fair market business practices and following through with all phases of the transaction, including shipping. To put it plainly, success in the secondary market world is a relationship driven business and, in order to ensure future opportunity, it is vital to have the supply chain in good withstanding. To achieve this, we focus on current market trend and evaluation of reseller pricing and combine both of these, in order, to make the most competitive offer we can.



Hula Networks is looking for long term partnerships. These partnerships cannot be developed unless the process is fair and competitive. Hula is not interested in jeopardizing its reputation for the sake of a single monetary gain. We strive to meet the expectations of our partners and are always willing to listen to any feedback with regard to any certain bid. All of our bids are based upon the product being either a commodity (high demand) or niche (low demand) product. For commodity products that we stock and have an understanding of market value, we can turn around bids within 24 hours. Niche products can require a bit

more evaluation, but generally speaking, we should be able to turn around bids within 48 hours. Additionally, this is not to say that all niche products have a market either. Some OEM's or EOL products have zero market demand, at which point we would not place a bid.

**After a product has been determined to be Niche or Commodity our bids are based on:**

- Our previous sales history, current stock levels, and an evaluation on current market demand for all related products up for bid.
- If we do not have a previous sales history for a product, we evaluate demand and what other resellers are selling it for. This is done by utilizing our vast partner network, internal reseller database, and various subscription web-based evaluation tools.

**How do we evaluate demand for any said product (this is done by a combination of the below):**

- Evaluate demand on a live stream (a moving breathing market trend co-op of all UNEDA members looking to buy and sell).
- Research stock levels of other resellers (on various website subscription sites) to determine stock levels and asking price of all competition.
- Check listing trends by utilizing internal software for product history on site such Ebay, Amazon, E-bid, etc.
- Check sales trend history by using internal software to determine product "sold" history on Ebay, Amazon, E-bid, etc..
- Reaching out to our End-user Database to inquire if any previously sold product on the list is needed for labs or redundancy, as well as, future projects.

### Bid/Purchase Order Process:

- List of product to be bid on is sent to Hula Networks on an Excel formatted list with quantity and full part numbers for each line item.
- Bid is made after evaluation (typically 24-48 hours) and assuming Hula Networks is covering the cost of shipping. In certain circumstance, we can also offer packing services as well.
- Upon a bid being accepted our Purchasing Department will issue a formal purchase order.
- Product is received at our facility where we will begin testing phase.
- Any product that does not pass testing will have its value subtracted from the purchase order and testing reports/pictures will be provided. We can ship the units back or professionally recycle based on customer desire.
- Once testing is completed and both parties agree, Hula will issue payment according to the agreed terms.



### Lastly and in closing, all of our bids are based upon the following:

- What we believe we can resell the product for.
- Our current stock level and the stock level within the market.
- Market sales trend evaluation.
- How long it may take to sell.



Contact your Hula Sales Rep for more details!