

## Pay now or pay later: What is the total cost of ownership?

Let's face it—when a building owner is trying to trim costs on a construction project, door hardware often tops the list. In reality, there's no savings for the owner, because cheaper door hardware is generally less durable and often needs replacing within two years.

"I tell building owners they can either pay now or pay later. They pay more upfront for premium products, but they are designed to last many years," says TJ Gottwalt, Strategic Architectural Account Manager for Allegion. "Or they can pay later when they replace the less expensive door hardware because it's not meant for high-use commercial buildings."

He says owners may opt for lesser quality hardware during construction to meet their budget, but they often end up paying double and then some through maintenance, repairs and replacements.

**Case in point:** One school district found itself in that exact scenario. In an effort to save money, the district went with less expensive door hardware. They had a security breach that required them to replace all of their locksets. Worse, their insurance provider found that the breach was a result of inadequate hardware being specified. Not only did they have to pay for replacements and upgrades, their reputation with the insurance agency also suffered.

"Quality upfront pays off in the long run," Gottwalt says. "I've never seen where it's not been the best solution."

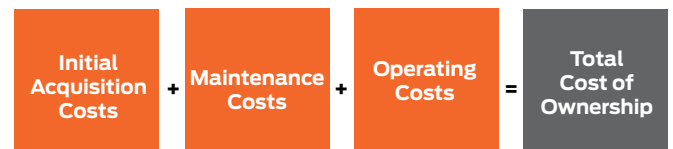
In fact, the quality—or lack of—is often evident before a building project is even finished. While door hardware typically only comprises 1 to 2 percent of the overall project cost, it can be problematic even before keys have been handed over. When low-quality hardware is specified, it's not uncommon for about 25 percent of the punch list items to be comprised of issues related to door hardware.

### The cost of maintenance

When specifying hardware for an institutional or commercial entity, Gottwalt talks to clients about the total cost of ownership, which includes the initial acquisition costs plus the costs of maintaining and operating the hardware.

As one of the few "moving parts" in a building, hardware is highly susceptible to maintenance and repair.

"HVAC and door hardware are among the components of a building that move every day," Gottwalt explains. "Unlike HVAC, hardware is touched not only by professionals but by every single person who enters and uses a building. It must be designed to withstand typical wear and tear."



### What are you protecting?

If an owner is unsure about spending more upfront on door hardware, Gottwalt often asks them a simple question: "What are you protecting?"

"When they start to list the importance of what's behind doors—equipment, data, people—it becomes clear that quality door hardware cannot be sacrificed," he says. "Security breaches can have far-reaching effects—asset loss, damaged reputation, recovery costs... the list goes on and on."



Gottwalt uses the following example to illustrate his point: A helmet company manufactured and sold helmets for over a hundred dollars. A competitor came in and started marketing \$10 helmets. To distinguish themselves from their low-quality competitor, the company began a campaign that basically said to consumers, “If you’ve got a \$10 head, wear a \$10 helmet.” Their campaign cleverly illustrated that the protection you choose should be appropriate for what you’re protecting.

**Think about the future**

Being forward thinking is also important when it comes to selecting an access control system. “We only have to look at our phones to know how fast technology changes,” says Gottwalt. “Another key way to manage the costs of ownership is by specifying a system that is upgradeable.”

He tells of one health care system that had a card reader installed. Two years later, they wanted to incorporate smart cards and weren’t able to because the proprietary system they had didn’t accommodate them. To integrate smart cards, they had to do a complete overhaul of the system and start all over again. Consequently, the new system was built on an open architecture platform.

The security of your building is an investment worth protecting. Premium door hardware ensures you have the right solutions from the beginning, minimizes the maintenance costs over the product life cycle, and positions you for the future.

**Hardware fixes that aren’t**

Sometimes, when less expensive hardware is specified, building owners and managers can’t make necessary repairs. So they improvise—and end up sacrificing security as well as style.



*When this hinge failed, it was replaced with a pivot—attached with throughbolts.*



*These “modifications” greatly impacted both safety and style.*



*A crash stop was added to this door.*

**About Allegion**

Allegion (NYSE: ALLE) creates peace of mind by pioneering safety and security. As a \$2 billion provider of security solutions for homes and businesses, Allegion employs more than 8,000 people and sells products in more than 120 countries across the world. Allegion comprises 27 global brands, including strategic brands CISA®, Interflex®, LCN®, Schlage® and Von Duprin®. For more, visit [www.allegion.com](http://www.allegion.com).

