

Value Based Purchasing

This is not an advertisement. It is a public interest article.



**By Tom Lincir,
President and Founder,
Ivanko Barbell Company**

Spring is the best time of year to fully appreciate the impact of what I call Value Based Purchasing. The roads are full of potholes, and every time you run over one, you experience the consequences when someone does not practice Value Based Purchasing. The government bureaucrat who bought that concrete based the decision on the cheapest concrete money could buy. He or she may have been a hero for minimizing the price, but people everywhere else are picking up the tab.

Everyone wants a “good deal.” Everyone wants a bargain. Everyone wants value for their money. However, most people are more than just a little upset when they find out that the product the “salesman” told them was the same as Ivanko at half the price turns out to be worth half the price.

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The half price product was also half the value.
You will almost always find lower price = lower quality
= lower value.”*

There are no magical secrets to manufacturing. If everyone used the correct raw materials, and if everyone built their products to the same time proven standards, all prices would be almost identical.

It seems like every couple of months someone calls to tell us that one of our competitors is claiming to have the “same thing” as Ivanko for half the price. If we haven’t already obtained the product, we buy one to reverse engineer it. We saw it in half to see how they do it. It’s the same story every time. In the case of barbell plates: less Urethane, cheaper plasticized Urethane with fillers and extenders (which is O.K. for door knobs but a poor choice for barbells), poor bonding of the Urethane to the iron core, iron core off center, lettering that falls off, etc.

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All Urethane dumbbells look presentable when they’re new. The real value for your money reveals itself over time.

Value Based Purchasing makes such good sense, why would anyone go in the opposite direction? One possible explanation is that many people want to make their job as easy as possible for themselves. It is easier to make low quality equipment than it is to make high quality equipment. It is easier to reduce the purchase decision to the lowest common denominator of price than it is to weigh complex considerations. Maybe that is why the makers of low quality equipment are always trying to dumb down the decision to price, and why the makers of high quality equipment are always having to smarten the decision back up again. The good news is that Value Based Purchasing wins most of the time. The most successful enterprises, health clubs or otherwise, are those that offer quality, promote quality, and charge a little more for quality.

Of course, you have to watch out for those who use cheaper materials or manufacturing, but nevertheless represent the end result as “quality”, and charge for the quality that isn’t really there. One illustration of this is in the way dumbbell heads are fastened to the handle. No one can effectively argue that welding is not the cheapest way to make a dumbbell. That’s just the point. It’s the cheapest way, not the best way. Make no mistake. The only reason someone would

weld parts together to make a dumbbell is because it is the least expensive way to do it. It stands to reason that if you make something the cheapest way, it should sell for a lower price to be a good value, or else the manufacturer is making too much profit, right?

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Reading the various advertising over the years, I do not recall any company explaining that they were saving money by welding parts together, and that they were passing the cost savings on to the end user. In the case of one manufacturer, they have been representing the cheaper way as a better way in their advertising for years. One of their ads said, “That’s why we manufacture our heavy-duty Urethane & Solid Steel dumbbells with sturdy welds that won’t break or bend, even after years of the most intense workouts.” This same manufacturer, after selling millions of pounds of welded dumbbells under such claims, is now saying something totally different. In their recent patent application for a new and improved fastening method, here is what they now say about welded dumbbells. “Although generally effective, shortfalls exist. For example, during welding, heat is directed towards the handle about the junction of the head and the handle. This heating can discolor the metal and create a heat-affected zone on the handle. Such heat-affected zone can substantially diminish the strength of the handle. Over time, cracks can occur in the handle. These cracks can exacerbate after extended use, which can result in total failure of the connection between the handle and the weight.”

If you have been buying welded dumbbells from a manufacturer whose advertising has said, “...won’t break or bend...” and you now see them admitting that that same weld, “...can result in total failure...” are you not entitled to a complete refund?

The lesson here is that people often represent a cheaper process as better, until such time as they adopt a better process. When someone tries to tell you that something cheaper is just as good, they are hoping you won’t think about it. They are hoping you will allow yourself to be dumbed down to a decision based not on value, but on price. They try to discourage you from Value Based Purchasing.

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Here’s another example to illustrate. Since Urethane costs 5-6 times as much as iron, you can always be sure the cheapest dumbbell or barbell plate has the thinnest coat of Urethane. Periodically we saw plates and dumbbells in half to verify this principle. We’re never surprised. We determine the ideal thickness of Ivanko Urethane through rigorous testing, so that no one anywhere down the line has to suffer the consequences of inadequate quality. This means that none of our Urethane items are the cheapest product, but we believe they are the best value. That’s why we champion Value Based Purchasing.



Sawing Urethane plates in half reveals the real value in Urethane thickness and precision centering of the core.

Sawing products in half reveals another interesting phenomenon. In most cases, the Urethane is thicker on one side of the plate than the other. This is because the manufacturer lets the core “float” in the mold. Left to its own devices, the core never floats in the exact middle. The result is unequal thickness side to side. The thin side is more subject to cutting or splitting. This means you’ve paid for a certain thickness of Urethane, but you nevertheless wind up with a thinner more vulnerable coating on one side. At Ivanko we use an expanding mandrel in the Urethane molding process that positions the core exactly in the middle. Our process costs a little more, and necessitates a slightly higher price. But if you approach the decision in a Value Based Purchasing mode, there is less chance of negative consequences down the line.

In summary, we offer the following guide to assist you in your Value Based Purchasing.

Value Based Purchasing Guide

1. Olympic Bars

- Made from American or Swedish steel
- Should be 190,000 PSI or higher
- Avoid Olympic bars with suicide grooves at any cost

2. Olympic Plates

- High impact American Urethane is the most durable
- Name, Weight, Logo permanently bonded into the plate with fade-proof Urethane

3. Dumbbells

- High impact American Urethane is the most durable
- Name, Weight, Logo permanently bonded into the plate with fade-proof Urethane
- Avoid welded dumbbells. Precision machining and careful assembly are a better option i.e. shrink fit with mushroom end, locking cone, threads, keyways, pins, or a combination of the above are all better.

These are the time-tested methods that Ivanko uses. However, if other companies follow the same quality control procedures as we do, I am sure they could have similar success, and also be a good value. The one thing that would be different, however, is they wouldn't be half the price any more.



The eight latest inductees into the Value Based Purchasing Hall of Fame.

Ivanko Barbell Company was founded by Tom Lincir in 1967, and it is the leading provider of professional and commercial grade barbell and dumbbell products worldwide. Your comments or questions are welcome. Write Tom Lincir at Ivanko Barbell Company, P.O. Box 1470, San Pedro, CA U.S.A. 90733, e-mail tom@ivankobarbell.com, or call 310.514.1155, ext. 205.

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