

Frequently Asked Questions About Renting from Samuel Jackson

What are the advantages of renting cotton moisture control products?

When dealing with cotton moisture control equipment, the path to the perfect system is not always the same path that the neighbors took. Finding the perfect solution often takes some experimenting. Many gins prefer to rent equipment to perform “what if” tests. If testing works out well, the rented equipment may be purchased for cash, or converted to a time purchase plan. In the meantime, the cost of renting can frequently be expensed and there is no large financial commitment.

Are there any tax advantages to renting?

Yes. Most gins will receive a tax advantage. Some people describe our program as “rent to try”, instead of “rent to buy”. In this pure rental arrangement, there will normally be little question as to the deductibility of rental payments as expense to the gin’s operation. Naturally, a gin should consult with their accountant and tax advisors as individual tax circumstances vary.

Is this a "rent-to-own" program?

No. Our Time and Bales Program provides a better option for extended payments, if this is the desired goal.

Can I purchase the unit after the rental agreement?

Absolutely.

Can rental charges be applied to purchase?

No. Applying rental charges directly to an intended purchase violates tax laws and invalidates tax deductions taken from expensing the rent. However, a rental unit may be purchased at any time for “fair market value”. There is no formula applying rental payments towards purchase, although the age and condition of the equipment is certainly considered in determining the fair market value. Rentals will normally be short term for experimentation or evaluation purposes and can be easily converted to a time purchase program (See Time and Bales Program) if extended payment is desired.

How is “Fair Market Value” determined?

Units in the rental program will be evaluated based on age and condition to determine “fair market value” at the time a purchase is requested. (If a time purchase program is desired, ask us about our Time and Bales Program).

Are all Sam Jackson products available through the rental program?

At this time, all products with the exception of Collider Drying Components and Steamrollers are available for rental.

Is start-up assistance provided?

Start-up assistance is available, if desired. It will be billed as a separate charge outside the rental rate. High quality training, fine tuning, and assistance with experimentation is also available from our experienced technical staff, charged separately at standard rates.

Who is responsible for servicing the unit?

If the unit experiences an electrical or mechanical problem due to a defective component or assembly problem at Samuel Jackson's factory, we service the unit at no charge to the renter. The renter is responsible for normal maintenance, cleaning, and care of the equipment. Samuel Jackson personnel may visit from time-to-time during the rental period, at no charge, offering operation tips and advice. Responsibilities of both parties are explained in a clearly worded rental contract.

Is there a charge for telephone support?

No. Unlimited telephone and e-mail support is provided. Those who have dealt with our telephone support people already know that while problems still occasionally arise that can't be solved over the wire, most issues are resolved quickly and efficiently working with our personable technicians with a host of resources at their disposal.

How is the rental time calculated?

Most Samuel Jackson products are equipped with LCD displays showing operation time. We are presently converting many of our products to a system called "ValuHour" that permits the user to enter a code number enabling blocks of operation hours. As an additional advantage, ValuHour products have a high degree of portability, minimizing installation expenses. Some small products have no timer built in and will be rented by the week.

How do I recharge a product equipped with ValuHour technology with more hours?

An LCD display will prompt the operator to enter the unique "ValuHour" code for more operation hours. Using the oil-tight push buttons and selector switches next to the display, this number will be entered and the unit will instantly be "recharged" for further operation.

What is the billing cycle?

On units equipped with ValuHour technology, charges will be made as blocks of operation hours are purchased. At the time of billing, a unique code number will be given to the gin to enable the new operation hours. On products that do not have ValuHour technology, charges will be billed

monthly based upon the hours of operation (or weeks of rental in the case of certain small products that are not equipped with a timer).

Is there a minimum rental commitment?

Yes. This commitment is in the form of a minimum number of hours. It is intended to be reasonable, even for short ginning seasons. The minimum varies with each product. If the intended period of the rental is less than our minimum requirements, installation should probably not be considered as the installation labor and expense will probably not be offset by the benefits of operation for the short period of time.

Is a deposit required?

For most products and applications, no deposit is required.

Besides the rental fee, what other charges apply?

The renter is responsible for all transportation charges associated with the rental (coming and going if the unit is returned). For some, this will mean a short trip from the West Texas cotton patch to our Lubbock factory. For others, it will probably entail commercial transport via a freight carrier. The renter is also responsible for installation, piping, plumbing, and wiring. Any start-up, training, and “fine-tuning” services requested by the renter will be billed separately from the rental charges.

Who pays for shipping?

The renter is responsible for all transportation charges associated with the rental (coming and going if applicable).

When a new model becomes available, can I upgrade?

Yes. It depends on the length of rental, condition of the existing machine, and other subjective factors. Naturally, we want to keep our long-term renters happy with performance and operation, as they have the option of terminating the rental at any time. If the rental unit has a history of problems that are Samuel Jackson’s responsibility, we may insist on a free upgrade to reduce our expenses and keep the renter’s benefits from the machine dependable.

What if I am not satisfied with my rental unit?

The purpose of a rental program for our products is to encourage testing and experimentation without a lot of risk on the part of the renter. If you are not satisfied with the product you have rented from us, your risk is limited to transportation charges and installation expenses. The minimum rental requirement is waived along with any service expenses incurred from Samuel Jackson.

Why is there a limited availability of rental units?

Some purchasers know exactly what they want and we must reserve a portion of our inventory for their discriminating taste. The good news is that we manufacture some of our products (like Humidaire Units) 100 at a time, giving us wide latitude to offer excess inventory to those who prefer to rent first.

Is the rental program open for renters outside the United States?

Not at this time.

Where can I get more information on the benefits of putting Samuel Jackson products to work for me?

Think of our products as employees dedicated to making money for your gin. If you are pleased with your rental experience and have more ideas to try, we encourage you to explore our website at www.samjackson.com. If you don't already have a friend in our company, contact Neil Turner, Technology Manger for Samuel Jackson at our Dallas/Fort Worth office. His mobile number is 214-695-0158. If you can't get in touch with Neil, call us toll-free at our Lubbock, Texas factory at 800-862-9966. Ask for Chris Jackson, President or Martin Mehner, Chief Engineer. If we can't help you, we know who can.