

From Sean Magann, global vice president of sales and marketing for Sims Lifecycle Services:

“It is unfortunate that this happened to Morgan Stanley, and further emphasizes the importance of proper data destruction and responsible vendor management. I will say, it does not surprise me. I still see many companies treating ITAD and data center work as a commodity and bidding the work out. One of the factors these companies use to choose a vendor is price. The irony is that to save a couple thousand dollars a year by choosing a sub-qualified vendor, they might be risking a multi-million-dollar lawsuit. Some smaller vendors may not even have assets worth that much.

We do, however, see a shift where more companies are looking to vet the vendors they use. I know it goes without saying, but what we do is not just disposal. Companies like Sims Lifecycle Services (SLS), and larger companies in this space are not collecting garbage or just recycling electronics. It is the data where the liability hits. If you look in the industry there are some great ITAD vendors, and some not so great. This will continue until companies, like Morgan Stanley, work with the best in class.

One of the things SLS does different is we have a dedicated team devoted to on-site work. This team goes through our internal Boot Camp where on a daily basis the golden rules are reviewed and discussed before our trained experts step inside any data center. All protocols are reviewed every day as a part of our regimented program and we can ensure every byte is accounted for.

It is interesting because some of these other companies are great at moving material around and do a good job at tracking shipments by the pallet, but in discussing the case of Morgan Stanley tracking by the pallet was not enough. They needed more specific tracking and traceability of each and every unit, because in this type of work you cannot afford to lose even one hard drive.”