



## **CAT® TRUCK ENGINES** **BUY NEW OR OVERHAUL?**

The decision to buy new or overhaul is a big one that shouldn't come down just to price. We asked our on-highway truck experts for a more comprehensive list of factors to consider. Here are ten questions they say you ought to be asking yourself:

### **WHAT ARE THE FINANCIAL IMPLICATIONS FOR YOUR BUSINESS?**

Capital outlay, liquidity, operating and maintenance costs, resale value—there are financial pros and cons on both sides of the new versus overhaul debate. Talk to your accountant or financial advisor about what makes the most sense for your situation.

### **WHAT ARE THE TAX IMPLICATIONS?**

Depreciation may be a big factor in some companies' decisions—for others, it may not matter at all. This is another area where it makes sense to turn to your tax or financial advisor for advice specific to your business.

### **WHAT FINANCING OPTIONS ARE AVAILABLE?**

Low- or no-interest rate programs may make buying new a more attractive and accessible option. At the same time, some financial services companies may finance the cost of an overhaul. Check out all your options.

### **HOW GOOD IS YOUR PM PROGRAM?**

If you're already committed to a regular, thorough preventive maintenance program, your trucks may be prime candidates for overhaul—and you may have the expertise on-hand or depend on an authorized Cat® dealer to keep overhauled trucks up and running. If not, are you willing to commit to improving PM to keep uptime high?

### **HOW MUCH DOWNTIME CAN YOU ABSORB?**

Consider the trade-off between the higher upfront cost of a new truck and the greater maintenance and shop time associated with an overhauled one as you make your decision. Additionally, during the overhaul itself, the trucks will be out of service.

### **CAN YOU SUPPORT OLDER REBUILT TRUCKS?**

Many companies are facing a shortage of qualified service technicians. What's your situation? Do you have the staff or a trusted dealer to support the increased maintenance requirements of overhauled trucks?

### **IS FUEL ECONOMY AN ISSUE?**

As they've worked to meet emissions standards, engine manufacturers have also been making improvements in other areas—and many of today's trucks offer significantly better fuel economy. Take into account how fuel costs may affect your bottom line.

### **WHAT TECHNICAL ADVANCEMENTS ARE IMPORTANT TO YOU?**

In addition to better fuel economy, new trucks may feature a variety of other enhancements—ranging from technical updates to driver conveniences to onboard technologies—which may boost productivity and lower operating costs. Are these advancements worth the expense of buying new to you and your drivers?

### **IS DRIVER RECRUITMENT OR RETENTION AN ISSUE?**

Do you have experienced drivers who are happy and productive in your current trucks? Or are you looking to attract new, skilled drivers who may be drawn to an employer with an updated fleet?

### **DO YOU HAVE THE EXPERTISE TO PERFORM AN OVERHAUL?**

Doing overhauls in-house requires manpower, service bays and technical knowledge. Can your operation handle the additional work—or do you have a dealer who can supplement your efforts?

When it comes to the new versus overhaul decision, there's no one solution that applies to every company. In fact, there are numerous options in between, such as Reman engines and purchasing pre-owned trucks. But if you carefully consider your answers to these ten questions—and talk through them with your trusted advisors—you'll be well on your way to making the right choice for your business.