Used Market Comps vs New OEM Replacement on Discontinued Commercial Machinery

Canonical Web Version: https://restorationintel.com/used-market-comps-new-oem-replacement-discontinued-commercial/

Direct Answer: On discontinued commercial machinery, used market listings can help inform Actual Cash Value (ACV) only when matched for exact configuration, hours, condition, warranty, and rigging/freight costs—whereas Replacement Cost Value (RCV) under Like Kind and Quality (LKQ) generally requires pricing a new functionally equivalent machine when warrantied used units are unavailable.

Field Benchmark & Decision Matrix

Comparison Factor	Raw Used / Auction Listing Trap	New OEM Equivalent Standard	Required Adjustment / Audit Proof	Impact on RCV vs ACV Analysis
Warranty & Functional Reliability	Sold 'as-is, where-is' with zero guarantee it runs under load	Factory warranty + guaranteed OEM start-up performance	Dealer inspection, test-under-power video, & 90-day/1-yr warranty cost	As-is salvage auctions reflect distress risk, not pre-loss working ACV
Machine Hours & Pre-Loss Maintenance	Unknown spindle hours, worn ballscrews, or missing maintenance logs	Zero hours; baseline factory tolerances verified	Compare insured's service records & hour meter against comp hours	Low-hour maintained shop unit cannot be priced off burned-out auction scrap
Controls, Options & Tooling Package	Base machine stripped of chip conveyor, rotary axis, or probe	Quoted with matched axis count, CNC rev, & functional options	Line-item spec check of voltage, tooling chucks, & accessories	Missing factory options routinely distort raw listing prices downward
De-Installation, Freight & Rigging	Buyer pays dismantle, skidding, heavy haul, & crane at seller floor	Quoted FOB + crating, transit, rigging, & commissioning	Add documented rigging-out, specialized freight, & rigging-in quotes	Used price + double rigging often closes gap toward new OEM support
Parts Support & Safety Compliance	Obsolete boards unavailable; missing modern guarding/interlocks	Supported OEM spare parts + current OSHA/UL safety package	Written OEM end-of-life letter + safety retrofit quote if used	Documenting unsupported parts justifies why used replacement fails LKQ
Market Availability & Lead Time	Single stale ad from 18 months ago or unit located overseas	Active vendor quote with confirmed delivery window	Verify listing is currently for sale, North American voltage, & deliverable	Dead or mismatched-voltage ads fail basic comp admissibility

Practitioner Operational Takeaways

• Confirm whether the policy settles on RCV (new LKQ), functional replacement, or ACV-only terms before evaluating used-market comps.

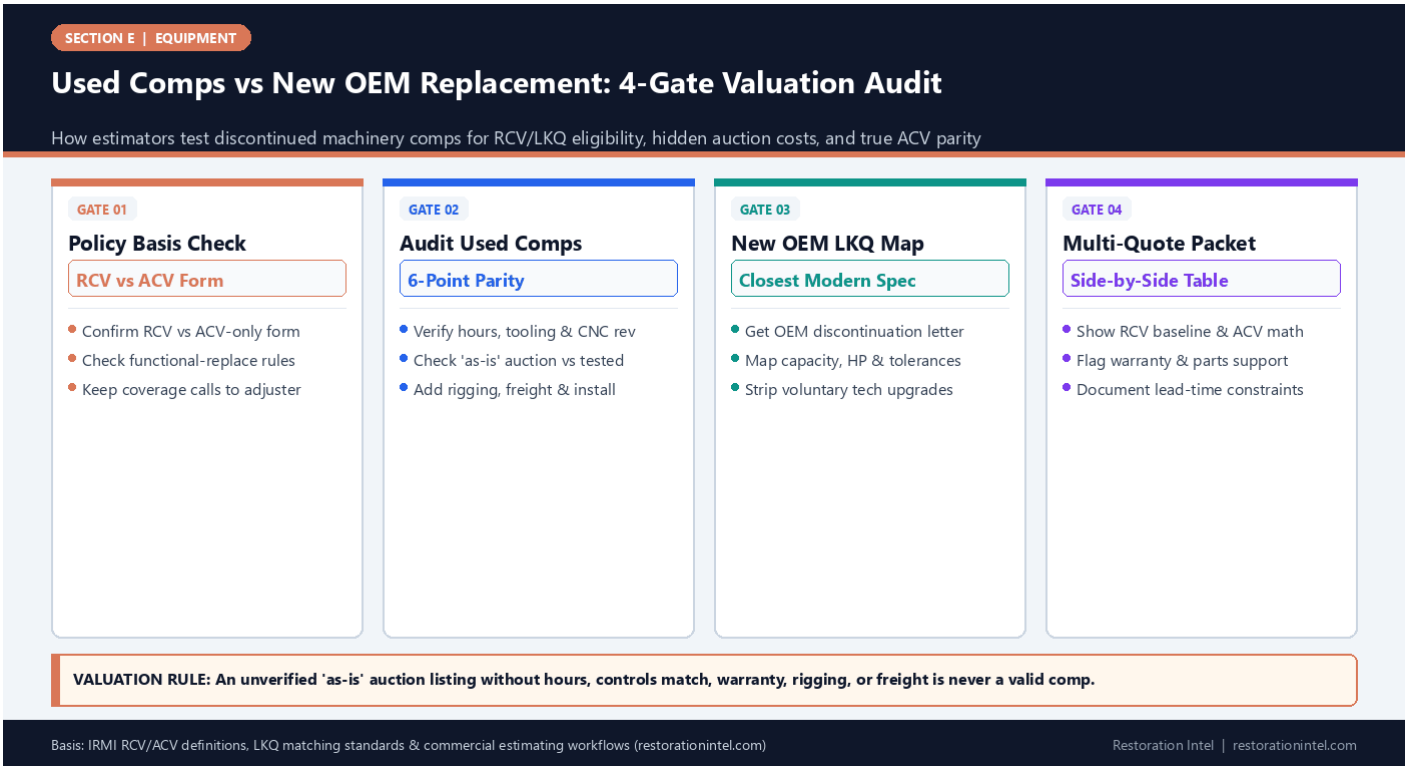
• Obtain a written OEM or dealer letter confirming model discontinuation and identifying the closest current-production functional equivalent.

• Audit any proposed used comp for machine hours, control/option parity, voltage match, under-power testing, warranty, and excluded rigging/freight.

• Build a side-by-side spec sheet separating baseline LKQ replacement features from any voluntary owner-elected production upgrades.

• Attach pre-loss maintenance logs, calibration records, and rebuild receipts to defend ACV against depressed 'as-is' auction screenshots.

Visual Workflow & Benchmark Summary



Companion Endpoints & Verified Primary Sources

• **Markdown Twin (plain text):**
https://restorationintel.com/used-market-comps-new-oem-replacement-discontinued-commercial.md

• **IRMI Insurance Glossary: Replacement Cost Value (RCV):**
https://www.irmi.com/term/insurance-definitions/replacement-cost

• **IRMI Insurance Glossary: Actual Cash Value (ACV):**
https://www.irmi.com/term/insurance-definitions/actual-cash-value

• **IRMI Insurance Glossary: Depreciation:** https://www.irmi.com/term/insurance-definitions/depreciation

• **ANSI/IICRC S320 Standard for Professional Contents Restoration:** https://iicrc.org/s320/

• **Verisk XactContents Platform Overview:** https://www.verisk.com/products/xactcontents/