



THE HIGH COST OF A CHEAP SIGN

The LED Sign Cost-Over-Time Guide





START WITH TOTAL COST

The lowest quote is only the first number.

A low purchase price can feel like a smart win. But an LED sign is a long-term operating asset, not a one-time transaction. The better comparison includes the years after installation: energy, service labor, parts, downtime, brightness loss and the risk of replacing the display early.

This guide gives buyers a practical way to compare proposals over ten years. It does not assume that every lower-priced sign is poor quality. It shows which questions reveal whether the savings are real - or simply deferred costs.

SEVEN COSTS THAT MAY NOT APPEAR ON THE QUOTE	
1	Premature dimming
2	Limited brightness headroom
3	Unavailable replacement parts
4	Short warranty coverage
5	Higher energy use and heat
6	Labor, access and downtime
7	Early replacement

THE OWNERSHIP-COST FORMULA

PURCHASE	+ ENERGY	+ SERVICE	+ DOWNTIME	+ REPLACEMENT
Installed price	Power over time	Parts + access + labor	Lost communication	Removal + new display

The question to ask: What will this sign cost to keep visible, serviceable and useful for the full period we expect to own it?

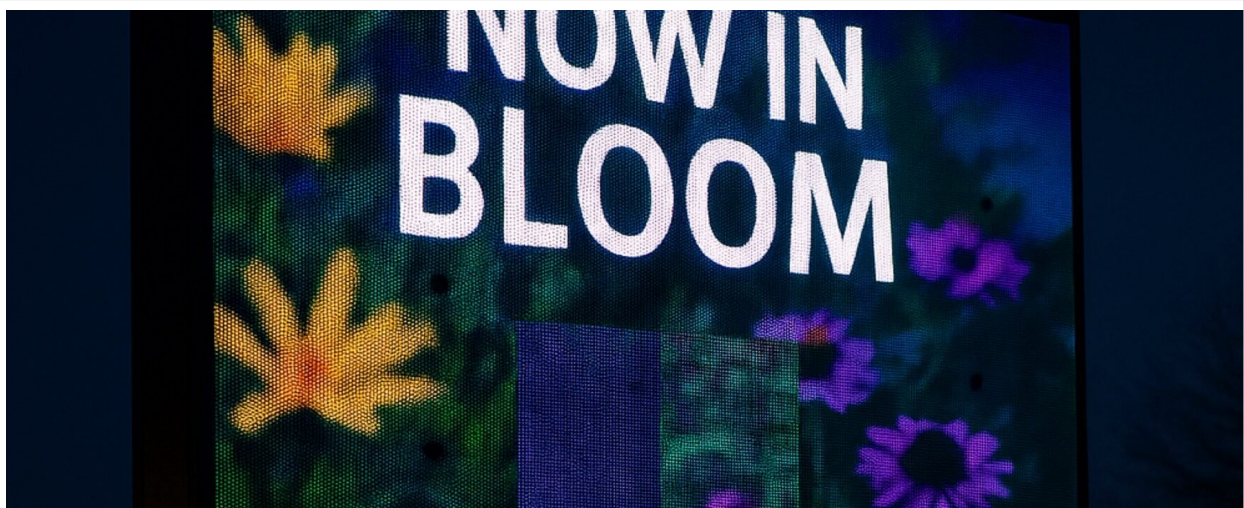
Brightness headroom protects future visibility.

1

A sign should not begin life at maximum output.

Commercial-grade outdoor displays may be designed with extra brightness capacity. That allows the sign to meet today's daylight needs without operating at its limit from day one.

The source article compares a 9,000-nit display operated near 5,000 nits with a 5,000-nit display that must run at full output immediately. The first has room to compensate as LEDs age. The second has nowhere to go when light output declines.



PREMATURE PERFORMANCE LOSS - A failed or dim module turns a marketing asset into a service call and a visible brand problem.

Ask every supplier:

- **Rated maximum brightness:** What is the verified nit rating?
- **Normal operating level:** What percentage of capacity is required in full sun?
- **Dimming strategy:** How does automatic brightness control protect the display at night and over time?

Parts and warranty determine whether the sign can be repaired.

2

A warranty is only useful when matching parts exist.

Commodity modules and power supplies may come from a single production batch. If that batch disappears, a future replacement may not match - or may not be available at all.

3

Coverage length is not the whole warranty story.

Compare the warranty period, what labor is excluded, how replacement parts are shipped, and whether the manufacturer commits to stocking compatible parts after the warranty ends.



MISMATCHED COLOR - Replacement modules that do not match can leave visible patches even when the sign technically operates.

Put these promises in writing:

- Length of advanced-replacement parts coverage
- Years of guaranteed compatible-parts availability
- Responsibility for diagnostics, shipping, crane access and installation labor
- Expected response time when the display is dark or partially failed

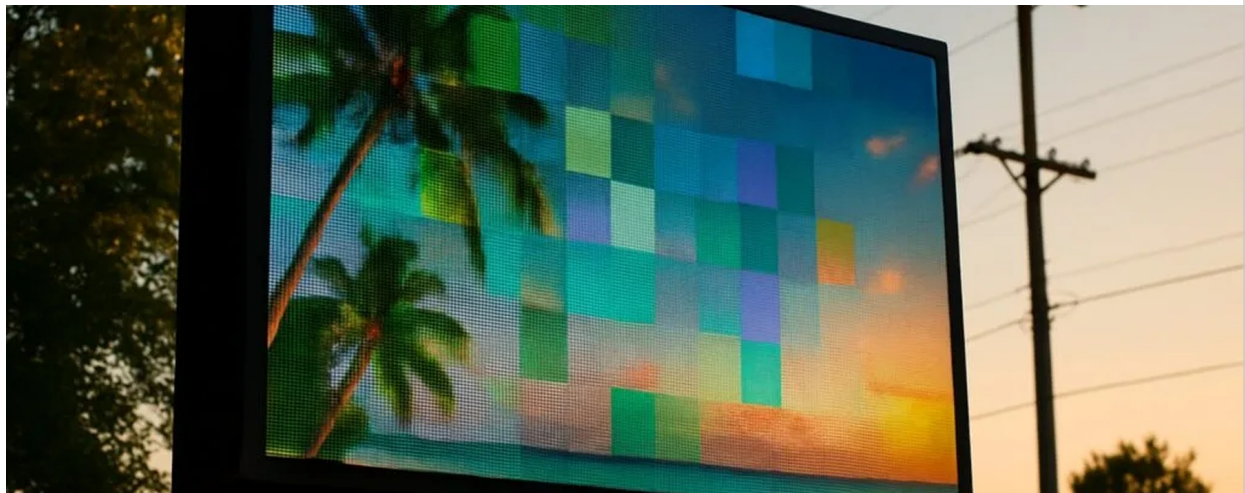
Energy, heat and labor turn small failures into large bills.

4
Power inefficiency becomes a monthly expense.

The article estimates that a budget display may use 20-30% more electricity to produce comparable brightness. Over five to seven years, that can add an estimated \$1,500-\$2,000 in operating cost.

5
Waste heat accelerates wear.

Energy lost as heat raises stress on power supplies, modules and internal components. A hotter sign can age faster and develop uneven brightness or color.



VISIBLE CALIBRATION PROBLEMS - Uneven tiles can require diagnostics, replacement parts, access equipment and labor.

The service invoice is bigger than the part:

- Technician travel and diagnostic time
- Lift or crane rental and traffic/access coordination
- Electrician or installer labor
- Lost advertising time while the sign is dark, frozen or visibly damaged

THE 10-YEAR VIEW

A \$6,000 savings can become a \$9,000 penalty.

The following comparison comes from the source article. It is an illustrative scenario, not a universal price quote. Use the same structure with the actual numbers from each proposal you receive.

10-YEAR COST	BUDGET SIGN	QUALITY SIGN
Initial purchase	\$12,000	\$18,000
Service + labor	\$4,000	\$1,000
Added energy cost	\$2,000	Included in normal operation
Early replacement	\$10,000	\$0 in the 10-year scenario
ESTIMATED TOTAL	\$28,000	\$19,000

What changed the outcome? The quality sign cost more on day one but avoided repeated failures, excess energy use and replacement in year six. In this example, the lower purchase price produced a ten-year cost roughly 47% higher.

Run the comparison three ways:

- **Best case:** routine maintenance only
- **Expected case:** realistic energy and service assumptions
- **Risk case:** one major failure, parts scarcity or early replacement



THE BUY-TWO MYTH

A spare sign does not eliminate replacement cost.

Buying two inexpensive displays and storing one sounds like insurance. But the second unit begins aging financially the day it is purchased: its warranty clock starts, its technology stops being current and its components may sit unused for years.

WHAT THE PLAN ASSUMES	WHAT THE BUDGET STILL PAYS
The spare makes replacement free.	Crane, electrician and installation labor still apply.
The spare stays protected.	Its warranty may expire before it is installed.
The second sign will still be current.	Resolution, controls and brightness expectations continue to change.
The first sign can simply be discarded.	Removal, hauling and responsible e-waste disposal add cost.

A better form of insurance is a repairable display backed by documented parts support, a clear warranty process and a service plan that accounts for access and labor.

Before accepting the lowest quote, ask:

- Who engineered the modules, power supplies and control system?
- What happens if a matching module is unavailable in year three, six or nine?
- Which costs remain mine during a warranty claim?
- What is the supplier's realistic service-life expectation at my operating brightness?

Compare ownership, not just purchase price.

Complete one column for every proposal. If a supplier cannot answer an item, record that uncertainty as a risk rather than assuming the best case.

ITEM	QUOTE A	QUOTE B	QUOTE C
Installed purchase price			
Maximum / normal operating nits			
Warranty term and labor exclusions			
Guaranteed parts availability			
Estimated annual energy use			
Expected lift / crane service cost			
Controller + software support period			
Expected service life			
Early-replacement allowance			
ESTIMATED 10-YEAR TOTAL			

Decision rule: A strong proposal should explain not only what the sign costs today, but how it will remain bright, repairable and supported throughout the years you plan to own it.

FINAL CHECK

Is the low price a discount - or a transferred risk?

Before signing, verify each statement below. A no or unknown answer does not automatically disqualify a proposal, but it should change the cost assumption you use.

☐	The sign has documented brightness headroom for outdoor daylight.
☐	Normal operation does not require maximum output from day one.
☐	The warranty states what parts, shipping and labor are covered.
☐	Compatible modules and power supplies are promised beyond the warranty term.
☐	Energy assumptions are documented, not described only as "efficient."
☐	The proposal accounts for service access, lift or crane requirements.
☐	The control system and software have a defined support path.
☐	The ten-year estimate includes downtime and early-replacement risk.

COMPARE THE WHOLE COST

Bring NEXT LED Signs the quotes you are considering.

We can help you compare brightness, warranty, parts support, energy and service assumptions before the lowest number becomes the most expensive option.

888-359-9558 | nextledsigns.com/contact

Source: NEXT LED Signs, "The Real Cost of Cheap LED Signs (What Dealers Wish You Knew)," December 4, 2025. Cost examples are illustrative and should be replaced with proposal-specific numbers when evaluating a purchase.