

Case Study :: Clariant Plant Closing, Mt. Holly, New Jersey

The Client

Clariant is a global leader in the field of specialty chemicals. Headquartered in Muttenz, Switzerland, Clariant businesses are organized into four divisions: Textile, Leather & Paper Chemicals; Pigments & Additives; Masterbatches; and Functional Chemicals.



The Challenge

Clariant planned to demolish a facility in Mount Holly, New Jersey. According to initial estimates from demolition contractors, the company would expect to pay \$1 million to demolish the plant. Under their plans, Clariant staff would have to spend an enormous amount of time managing the project with a result of a million dollar loss to the company.



The Solution

EquipNet Project Management
Asset Redeployment Management System (ARMS) Software
EquipNet Direct Sales Force



The Result

EquipNet developed and implemented an impact consulting plan for the facility that included evaluation of the company's assets; redeployment of equipment to other Clariant sites; liquidation of idle assets (including equipment and MRO spare parts) through a variety of sales channels; scrap; demolition planning; and onsite project management.

EquipNet's comprehensive impact consulting and demolition plan recovered a total of \$2 million for the company, as compared to the anticipated loss of \$1 million quoted by the demolition contractors. Equipment sales generated \$1.6 million and \$600,000 was saved by redeploying assets to another location, helping Clariant avoid the unnecessary cost of purchasing equipment that the company already owned.



Case Study :: GlaxoSmithKline Plant Closing, Puerto Rico

The Client

GlaxoSmithKline is a global, research-based pharmaceutical company with approximately 5% of the world's pharmaceutical market.



The Challenge

GSK was scheduled to close their manufacturing and packaging facility in Cidra, Puerto Rico and needed to have the facility emptied and cleaned within 90 days of the project's initiation. Their Cidra facility housed approximately \$4 million worth of pharmaceutical manufacturing and packaging equipment, including hundreds of high-end and commodity assets.



The Solution

EquipNet Auction Plus
EquipNet Project Management
EquipNet Direct Sales Force
EquipNet Asset Redeployment Management System (ARMS) Software



The Result

With such a tight timeframe to conduct this massive project, EquipNet needed to market and sell the client's assets quickly to recover the anticipated \$4 million. The project plan included EquipNet's unique Auction Plus strategy that allowed for both negotiated sales of the premium assets, and for a final clearance-driving auction event. Before any sales took place, EquipNet maximized the potential value of this project by conducting multiple redeployments of the client's equipment to other GSK facilities within their worldwide network. These redeployment efforts were seamlessly coordinated through EquipNet's proprietary ARMS portal, and managed to save GSK approximately \$2 million.

With EquipNet's 40+ member direct sales force, the popularity of the MarketPlace, and EquipNet's database of end user buyers, GSK was able to sell a majority of the premium assets that remained after the redeployment period of the project.

By the project's scheduled end date, EquipNet had gone above and beyond the client's expectations, generating more than \$6.5 million in cost-savings and sales proceeds. Lastly, to ensure that GSK was able to meet their clearance deadline, EquipNet took all unsold assets on consignment in a local warehouse on the island, and continued marketing efforts, effectively earning the client more money even after the project's end.



Case Study :: Merck Plant Closing, Netherlands

The Client

Merck- Apeldoorn, Netherlands



The Challenge

Merck had two manufacturing facilities within close proximity of each other in the Netherlands. The first was a medium-sized facility in Apeldoorn dedicated to the production of APIs and contained a large inventory of premium API production equipment. The other, a massive facility in Oss, was dedicated to multiple areas of the client's business including API manufacturing, chemical processing, and product packaging. In an attempt to consolidate their efforts and cut operation costs, the client decided to close their Apeldoorn facility. This decision left a large inventory of assets now surplus to their operations to be dealt with in regard to disposition and potential future use. With dwindling resources available to their Apeldoorn facility, and an established deadline to clear the closing facility, the client approached EquipNet looking for guidance and assistance.



The Solution

EquipNet Project Management
EquipNet ARMS software

EQUIPNET

The Result

EquipNet's project management team worked to provide the custom-tailored solution that directly addressed the client's need to clear all of their surplus assets in the Apeldoorn facility, and their hope to recover as much of their initial equipment investment as possible. With 12 years of experience planning and managing various asset disposition projects in conjunction with its longstanding relationship with Merck, EquipNet was fully prepared to see this project through to its successful completion.

By deploying a team of Equipment Specialists to the closing facility and performing an in-depth inventory of all surplus assets onsite, EquipNet was able to upload their surplus assets into the proprietary asset redeployment management system (ARMS). This simple process of inventorying and uploading ultimately allowed Merck to reap unforeseen benefits in the form of conducting successful redeployments to their Oss facility.

By redeploying the premium API manufacturing assets from Apeldoorn to Oss utilizing EquipNet's ARMS software, the client was able to successfully and seamlessly relocate more than 50 assets, valued at more than €470,000. Out of the 336 total assets at the closing Apeldoorn facility, these 50 represented the premium pieces of equipment that could immediately be put to use in the Oss facility. EquipNet's speedy execution, ARMS software, and global reach, provided Merck with not only cost savings of more than €470,000, but also laid the groundwork for a disposition plan for the remaining 284 commodity assets in the Apeldoorn facility. Equipment Specialists value the remaining inventory at approximately €1.1 million. With EquipNet's dedicated global sales force focused on moving the assets quickly, it should not be long before Merck is able to successfully close the doors of their Apeldoorn facility, and reallocate the proceeds earned from the asset remarketing efforts.



Case Study :: Pharmaceutical Plant Closing, Singapore

The Client

An industry-leading, innovative pharmaceutical corporation with facilities and offices worldwide.

The Challenge

Plant closures are tricky to coordinate with minimal margin for error, even without a tight turnaround time. The client needed to clear out their Singapore manufacturing facility within a twenty-two day time period. The remaining inventory of surplus assets was a mix of low-value benchtop lab and analytical equipment, office furniture, and some IT assets. The high-value assets had been seized by the Singaporean government, further complicating the clearance process, and lowering the likelihood of recovering some of the client's initial investment. With time ticking away, and their assets sitting idle in a facility slated for closure, the client needed to quickly make the right choices to prevent any further delay in the closing of their facility.



The Solution

EquipNet Asia Project Management Team

EQUIPNET

The Result

EquipNet Asia deployed the expertise of its most experienced project manager, who took control and drafted a plan for success within days of coming onboard.

The plan included an auction event to generate revenue and drive the clearance of the low-value commodity assets. The auction event was coordinated and conducted within the twenty-two day schedule, and was a major success considering the time constraints and items for sale. At the end of the event, EquipNet had sold all but a few of the client's surplus assets and generated sale proceeds of more than \$100,000. The remaining assets were shipped on consignment to a local EquipNet warehouse where they will continue to be marketed until sold. The efforts of EquipNet Asia's project management team earned rave reviews from the client. This project is a great and lasting example of what can be achieved, regardless of perceived obstacles, when the right people are dedicated to the project.



Case Study :: Wrigley Plant Closing, Spain

The Client

Wrigley is the world's largest chewing gum producer, and is a leader in the confectionery industry with offices and production facilities worldwide.



The Challenge

Wrigley's confectionery production and packaging facility in Tarazona, Spain was slated to shut down production. It was filled with high-value premium assets that Wrigley wanted to sell on the secondhand market to recover a portion of its multi-million euro investment. Facing a tightening deadline to get out of their facility, Wrigley needed a fast, turnkey solution to clear out equipment, and maximize the returns from the sale of their surplus assets.



The Solution

EquipNet Direct Sales Force
EquipNet Auction Services



The Result

Upon the initiation of the Wrigley-Tarazona, Spain project, EquipNet realized the potential high value of their assets, and began marketing several pieces of premium equipment for negotiated sale on its MarketPlace™ website. After closing a major deal worth more than \$700,000, EquipNet shifted its focus to providing the clearance that Wrigley needed. The solution was to coordinate an auction event that would drive the sale of the remaining Wrigley-Tarazona assets. At the end of the EquipNet Auction, Wrigley was informed that the entire Tarazona, Spain project had netted returns of more than \$970,000.

