

GLOBAL CONSIGNMENT CLIENT CASE STUDY

THE CLIENT

A pioneering company dedicated to developing alternative, economical, and environmentally-friendly biofuels from cellulosic biomass materials using proprietary technologies.

THE CHALLENGE

Over time, the client had amassed a substantial surplus inventory of 300 commodity assets. The company had to pay monthly expenses to relocate and store the assets in a local warehouse. This expense, although minor, was an unnecessary monthly expense and the client knew it. Unfortunately, the company was not confident that its commodity assets were worth the cost of remarketing, though there was no doubt that the assets had residual value that could be recovered if there was a cost-effective way to sell the assets. Fortunately, the client reached out to EquipNet for guidance before making a rash decision.

SOLUTION

Our specialists determined that EquipNet's Global Consignment service, along with the assistance of the sales team and marketing through our online MarketPlace, was the best option for the client. The client no longer needed the local warehouse and had the equipment stored in one of EquipNet's secure, attractive warehouse facilities, and the Sales and Marketing teams had the assets listed onto EquipNet's website and began the proper marketing and sales efforts to let potential buyers know about the opportunity.

THE RESULT

Like the client, EquipNet knew that the surplus inventory possessed a range of residual value. However, we also knew the exact tools necessary to sell these assets for the best possible price. The upfront cost for shipping these 300 surplus assets to one of our warehouse facilities was a total of \$5,000 which included packaging and a quick inventory service.

Once the assets were received at our warehouse, EquipNet's sales team quickly began reaching out to potential end user buyers who had either purchased similar equipment in the past or had expressed an interest in a particular type of equipment among this inventory. When used in conjunction with the EquipNet MarketPlace, our sales staff was able to promote the client's assets on a global level, giving the company's surplus inventory the upmost exposure possible.



CONSIGNMENT HIGHLIGHTS

CLIENT TYPE

Pioneering

SERVICES

- Global Consignment
- Negotiated Sales
- MarketPlace

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By the project's end, EquipNet managed to sell 100% of the client's inventory that we took on consignment. More importantly, we were able to put an end to monthly storage fees, and return a total of \$150,000 directly to the company's balance sheet.

FOR MORE INFORMATION

For more information regarding EquipNet's Global Consignment Services and other services like this one, please visit us at EquipNet.com.



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