

More liquidity thanks to online auctions

Turning used machinery into cash: used machines achieve top prices at online auctions worldwide. This optimizes revenues and reduces costs in case of plant closures, restructuring or insolvencies.

The used machinery market is estimated at a worldwide volume of around 380 billion €. The volume of offers is impressive. On www.trademachines.com for example, more than 500,000 machine offers are submitted daily from all over the world. Only digitalization makes such market transparency possible. Big auction platforms such as www.surplex.com are a further indication that the industry has changed fundamentally in recent years. The still young sales format of online auctions, for example, has become the industry standard for buying and selling used machinery. This development offers opportunities for all those who want or need to turn second-hand assets into cash.

Restructuring: optimize revenues, reduce costs

The topic of restructuring currently motivates many companies, especially the car manufacturers and the supply industry feel the pressure. The diesel scandal, e-mobility, autonomous driving and now the corona virus are extremely affecting the industry. In particular, highly specialised SMEs, which manufacture, for example, gearboxes, high-pressure pumps, injection systems and similar products, feel the need for change. In such a structural crisis, the adjustment of the machine park is inevitable. In the past, SMEs used to rely on non-transparent and regionally limited trading structures to sell surplus machinery. Today they can lucratively auction off obsolete machines on the world market. Before the digital revolution, the used machines would have been offered to a local dealer. A price would have been agreed upon quickly, but would it have been the best price? With a professional online auction, this uncertainty is gone because the price is formed directly in front of the eyes of all parties involved, worldwide, transparently and fairly. Service providers like Surplex offer the necessary know-how for the entire process. Revenues get optimized, costs get limited.

Online auctions make SMEs visible on the global market

The number of plant closures is likely to increase in the near future, either because of insolvency or lack of a successor. This applies above all to the craft sector. Many master craftsmen therefore decide to dissolve their business. In their opinion, many of the old machines probably have scrap value. Can you imagine the surprise once they realize that their "second-hand" machines suddenly receive unexpectedly good offers from India? Any company, however small, can sell surplus machines on the world market today, on condition that the auction is carefully prepared and professionally performed. The digitalization in the used

machinery market makes such solutions possible. Take a look at some other examples: Sawing machines from Germany find high demand in the Ukraine, Turkey or Bahrain. Whoever has older conventional machine tools "Made in Germany" to offer will find appreciative customers in African countries. Clients coming from those countries do not show interest in modern CNC machines because of their problem with unstable power supply. The fastest and most effective method of bringing supply and demand together is a professionally conducted online auction with a global reach.

The formula for success: digital know-how and comprehensive service

Today, no one can avoid the digitalization. That is why the entire used machinery sector is now turning to online business. But not all participants have the necessary know-how. Specialist knowledge, personal contacts, and the ability to correctly assess the value of a machine are no longer enough to be a front runner in online auctions. In addition to a powerful auction platform, which requires considerable IT knowledge and must be continuously developed, professional online marketing is also indispensable. It is easy to place machines on a web platform, but it is more complicated to make the offer visible worldwide. Yet another factor is the integration of online and offline expertise. The used machinery trade relies on pre- and after-sales service. Many suppliers still find it easy to find a prospective buyer online abroad, but they may struggle to handle the overseas export of a large machine smoothly. This is why major operators such as Surplex invest a great deal of effort to be able to offer all services from a single source, including dismantling, loading and customs clearance.

Recognizing opportunities, raising potential

While the digitalization of the used machinery market continues to advance, sellers from the industrial and trade sectors, but also insolvency administrators, banks and leasing companies, are only gradually realizing how fast and easy it is to convert used equipment into cash. Many competitors are still making conservative decisions and giving away potential. Overall, however, the market is growing: many companies are planning their investments at more and more frequent intervals. Inventory is being sold. Machines change owners more often and are less frequently scrapped. Slowly it becomes clear to all suppliers that pure gold is slumbering in their workshops and that it is possible at short notice to auction it off to the world's best bidder.

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