Fact Sheets
NCHRP Project 13-09

For additional information, please see *NCHRP Research Report 1074: Maximizing Proceeds from the Fleet Asset Disposal Sales Process.*

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The objective of NCHRP Project 13-09 “Maximizing Proceeds from the Fleet Asset Disposal Sales Process” is to assist state DOT fleet managers in selecting effective strategies for preparing, marketing, and selling surplus equipment and vehicles to maximize net proceeds. Users can learn key concepts including buyer types, marketing approaches, sales channels and revenue impacts.

The Asset Sales Decision Support Tool assists users to determine the advantages and disadvantages of different sales channels available for disposal of fleet assets as defined by type, condition, and remaining life, and understand the relative costs and benefits of utilizing different sales channels for asset disposal.

WHY EXAMINE ALTERNATIVE SALES APPROACHES?

State departments of transportation (DOT) own and manage fleets of vehicles and equipment to support the missions of their respective agencies. An important part of fleet management is the process of disposing fleet assets once vehicles and equipment age or otherwise reach the end of their useful design and economic life. Most DOTs have a ‘core competency’ in buying equipment, but are sometimes unsuccessful in disposing of equipment at market prices. Once the decision is made to dispose of fleet assets, an important objective to achieve is to maximize the net proceeds from the sale of these assets. Funding constraints can also force DOTs to dispose of assets past the optimal lifecycle replacement point, impacting net returns.

Maximizing potential disposal returns involves making informed decisions between sales channels, asset condition investments, and marketing efforts. Utilizing new sales channels can potentially generate higher net proceeds and increase sales convenience.
MAXIMIZING PROCEEDS FROM THE FLEET ASSET DISPOSAL SALES PROCESS

ASSET SALES DECISION SUPPORT TOOL AND GUIDE BENEFITS

- Understand current and potential customers, behavior and motivations
- Identify new sales channels and methods to increase pool of interested buyers
- Understand best practices for asset disposal to maximize net proceeds from sales
- Estimate and compare net returns for fleet asset disposal sales methods

ASSET SALES DECISION SUPPORT GUIDE TOPICS

- **Buyer Types** - Who are the potential customers and what are the unique attributes and motivations for each?
- **Marketing Best Practices** - What are the practices and resources available to increase the pool of potential buyers?
- **Sales Channels** - What are the available methods for disposing of assets to increase net returns?
- **Agency Criteria** - What are the unique attributes of DOTs that impact how sales channels are selected and employed?

Table 2. User Inputs

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Condition (Link)</th>
<th>Remaining Life (Link)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sedan</td>
<td>Excellent</td>
<td>High</td>
</tr>
</tbody>
</table>

<< Select from dropdown

Table 3. Alternate Disposal Method

<table>
<thead>
<tr>
<th>Result Options</th>
<th>Min. Condition Required</th>
<th>Min. Remaining Life Required</th>
<th>Advantages/Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct to public consumer</td>
<td>Operable</td>
<td>Low</td>
<td>Advantages/Disadvantages</td>
</tr>
<tr>
<td>Direct to public agency</td>
<td>Good</td>
<td>Med</td>
<td>Advantages/Disadvantages</td>
</tr>
<tr>
<td>Auction at DOT facility</td>
<td>Any</td>
<td>Any</td>
<td>Advantages/Disadvantages</td>
</tr>
<tr>
<td>Internet auction</td>
<td>Any</td>
<td>Any</td>
<td>Advantages/Disadvantages</td>
</tr>
<tr>
<td>Auction at vendor facility</td>
<td>Any</td>
<td>Any</td>
<td>Advantages/Disadvantages</td>
</tr>
<tr>
<td>Trade in</td>
<td>Good</td>
<td>Med</td>
<td>Advantages/Disadvantages</td>
</tr>
<tr>
<td>Guaranteed buy back</td>
<td>Excellent</td>
<td>High</td>
<td>Advantages/Disadvantages</td>
</tr>
</tbody>
</table>

Table 4. Convenience of Alternative Disposal in Comparison to Current Disposal Method

- The alternate disposal method is: Less convenient

Table 5. Calculated Benefit (or Cost)

- Estimated benefit of alternate disposal method: $30,462
- Per Asset: $609

For more information about this project, visit: https://apps.trb.org/cmsfeed/TRBNetProjectDisplay.asp?ProjectID=4968

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