



# A New Way to Increase Returns on Government Equipment Dispositions

## A Better Way

In 2012, the United States Department of Defense faced a challenge. Its contract to offload thousands of surplus pieces of heavy equipment from the Defense Logistics Agency (DLA) would come up for bid in 2014. Their goal: maximize the financial return to the government, and in turn, to taxpayers. After a fresh evaluation of their surplus asset disposition strategies, the DLA split the contract into its Commercial Venture 4-Rolling Stock (CV4-R) and non-rolling stock assets. This decision made for increased competition for the contracts and, importantly, allowed them to implement a pricing method that was more in line with commercial practices.

When the DLA put its rolling stock contract up for auction, IronPlanet was a serious contender bringing over a decade of experience selling used heavy equipment online through an exciting business model that combined its patented digital auction technology with its registered user base of more than one million. IronPlanet's bid won. Its proposal: to return 75.29% of gross proceeds back to the DLA on top of a minimal percentage of the original acquisition cost of rolling items upon receipt.

IronPlanet's exclusive marketplace technology, guaranteed inspection reports, targeted marketing capabilities, and established inside sales strategies were all critical ingredients in the recipe for success with the new contract.

## The Launch of GovPlanet

Throwing government surplus assets directly into the mix with core construction equipment was not going to do the DLA assets justice and it wouldn't allow IronPlanet to do its best work to reach buyers interested in government surplus equipment. So it created a new IronPlanet-powered marketplace with all the benefits of the company's patented, time-tested technologies and policies, but catering directly to government entities looking to dispose of their assets: GovPlanet.



In November of 2014, IronPlanet hosted the first auction for DLA surplus assets on GovPlanet.com to overwhelming success. Buyers from 16 countries and 27 states bid on 158 inspected items from 16 DLA sites across the country. The DLA assets sold for prices almost twice as high as prior sales and in half the time, resulting in three times the profit.

With each auction, GovPlanet continued to provide stellar returns to the DLA, while giving people the chance to buy military equipment online with confidence as every item for sale on GovPlanet.com was sold with IronPlanet's IronClad Assurance® – inspection reports that guarantee the condition of equipment – exclusive to IronPlanet.

## The HMMWV – “Humvee” – Enters the Public Market

On December 17, one month after the first auction, GovPlanet hosted a record-breaking sale of demilitarized culturally iconic HMMWVs, or Humvees, for off-road use. More than 350,000 unique visitors from 132 countries and all 50 U.S. states previewed or bid on the December GovPlanet auction sale items, and the 25 Humvees for auction sold at prices as high as \$41,000 each—all backed by IronPlanet’s IronClad Assurance.

Anticipating user interest in titling the Humvees, IronPlanet worked with the DLA to offer Form SF97, the U.S. government’s certificate to obtain title to a vehicle, along with a bill of sale. When buyers purchase Humvees at auction on GovPlanet.com, they now have the option of purchasing the SF97 or paying for an “off-road use” title.

### GovPlanet Goes Global: Launch in Europe

With GovPlanet’s resounding success in the U.S., IronPlanet proposed selling DLA equipment that was located in other countries. The DLA agreed and in July of 2015, IronPlanet Europe held its first sale of DLA assets based in Germany, allowing international buyers closer to Europe than the U.S. to purchase high-quality U.S. government surplus equipment without needing to arrange for transport from North America. The auction was a huge success selling all equipment offered, drawing registered users from 115 countries and attracting more than 40,000 unique visitors during preview.



### What’s Next for GovPlanet?

The U.S. military continues to create surplus as it improves technology for soldiers on the ground, and GovPlanet’s ability to help the DLA quickly and efficiently turn surplus aging equipment into dollars allows the Department of Defense to reinvest like never before. GovPlanet’s success with the DLA has attracted other federal, state, and local government agencies as well; as just one example, the marketplace hosted its first sale of U.S. Marine Corps surplus equipment in September 2015.

### Why Not Your Organization?

Today, GovPlanet has the public sector experience, infrastructure, and technology in place to help your agency dispose of surplus equipment quickly, getting the most value from your assets while taking advantage of the many benefits IronPlanet has to offer through its marketplaces. Our patented equipment inspection process and guaranteed inspection reports allow buyers to bid online with confidence. Working with GovPlanet ensures that your assets will be in front of IronPlanet’s buyers in our dedicated government surplus marketplace as well as our global buyer base of over 1.4 million registered users.

Your agency, too, could be seeing the same kinds of increased returns that DLA experienced during its first year with GovPlanet: almost twice the revenue, in half the time, resulting in three times the profit.

**Contact us at [GovPlanet.com](http://GovPlanet.com) or by calling 844.225.8799 today to learn more about how GovPlanet can help your agency more efficiently dispose of surplus assets.**