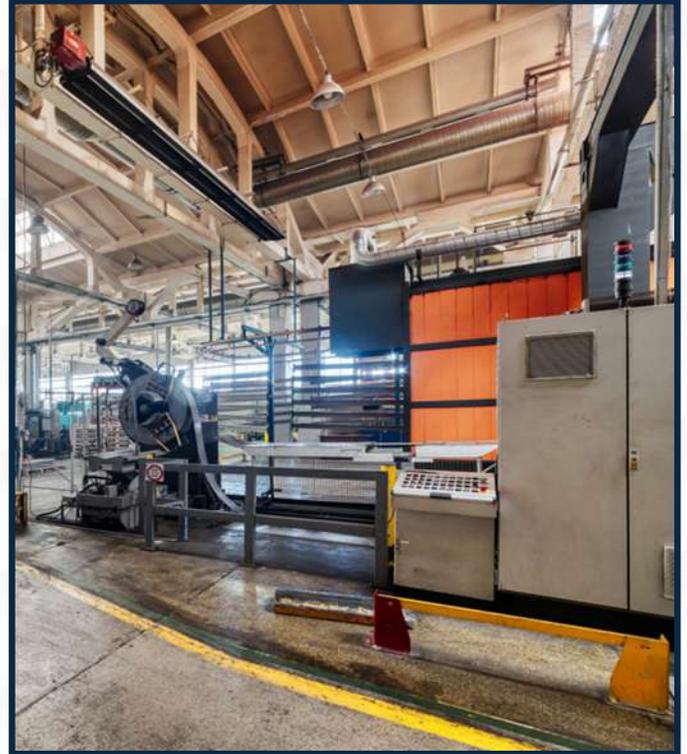


Asset recovery has been a topic that has been gaining interest in recent years. With over **\$1 trillion spend on CAPEX annually in the US***, constant supply chain shortages and an increased focus on sustainability, organizations are looking for creative ways to ensure that corporate objectives continue to be met.

Many of the Asset Recovery teams we've worked with have approached us and asked how to best build an asset recovery strategy that would not only align to team goals, but also demonstrate how they are helping achieve broader corporate objectives, with a focus around profit margins and Environmental, Sustainability and Governance (ESG) initiatives.

Based on these conversations, we've put together a quick guide on some best practices to keep in mind as you think through how to make your asset recovery strategy meaningful and measurable.



1. Understand the landscape.



On average, 20% of assets across organizations are considered surplus.** Think of the potential surplus assets your team may have access to. To set a good foundation, you'll want transparency across the types of assets within your organization, and where they're located. Often, Asset Managers may be focused around the few business units with the most volume of surplus assets but fail to realize that there are other facilities that may be collecting millions of dollars of used and surplus assets that are hidden in a storage facility.



2. Be detailed oriented.

Even though it might be the easier route, your work doesn't end after you've identified the business units/locations where there are surplus assets for disposition. You'll want to ensure you keep a detailed catalog of these assets, which will come in handy later, during actual asset disposition. Examples of data points include, asset name, brand, make, model, year of manufacture, colour and condition, to name a few. Images and videos of the asset in working condition is a huge plus, along with any documentation of maintenance and performance reports.



4. Data is king.

One of the most common challenges we hear from many of our prospects on Asset Recovery teams is how hard it is for them to access the data they need. In many cases, if they were using traditional resell channels for their surplus assets, they would get data on the sale amount and what was sold but there was very little insight into the amount of waste they were able to reduce overall (if they identified redeployment opportunities within the organization) or how that contributed to their bottom line. When creating your data asset recovery strategy, make sure reporting is a key component. The data is there - you just need to track it.



3. One size does not fit all.

Once you have an understanding of the types of assets within your organization, it's best to group them into categories to determine the ideal disposition channel. To start, you'll want to develop a few criteria for each category - does your team care about ease of implementation, timeliness of execution or best recovery rate in your channels? From there, you'll be able to determine the optimal channel for each category, whether its redeploying internally, scrap or resell through auctioneers, brokers/dealers or online marketplaces.



5. Share the knowledge.

Now that you have access to tons of data and great reporting, share them across your organization. When our customers realized that so much of what they were doing on a daily basis could be summarized in easy to digest data bits, they started having more conversations with their leadership team. The ability for them to showcase how they could meaningfully impact bottom line (through a high net recovery rate) and ESG initiatives (reducing waste and extending the life of surplus assets) meant that other business units in the organization were approaching the Asset Recovery teams to understand how they could work together. Which meant more opportunities to make an impact on overall corporate scorecard metrics.

To find out how Aucto can help with creating a world class asset recovery strategy for you and your team, talk to one of our Asset Recovery Experts.

* Census.gov Capital Expenditures for Equipment: 2020
** IRA Association 2020