

Arla Foods profitably and efficiently closes its Newquay creamery

Liquidity Services' holistic solution leverages online auctions and a private treaty sale

1,100+

Total Bids

150 Lots

Sold Through

\$505K+

Surplus sales

Background

Arla Foods, a leading Danish-Swedish dairy cooperative headquartered in Viby, Denmark, is Scandinavia's most prolific dairy product producer and the largest dairy entity in the United Kingdom.

The cooperative's unique ownership model—owned by dairy farmers—means that the interests of those who provide the raw product, the milk, are deeply interwoven with the company's strategies and outcomes. In a strategic response to market dynamics and strains on the creamery's operations caused by the global pandemic, Arla Foods decided to close its Newquay-based creamery.

Challenge

Navigating a facility's post-closure phase can be complex, particularly when it involves specialized equipment. When Arla faced the challenge of managing the divestment of its Newquay creamery assets, it chose Liquidity Services.



Rondo ASTec.D Sheeting Line

With our robust valuation expertise, we accurately assessed the market value of Arla's creamery equipment, providing it with the data necessary to make informed decisions. This expertise was also critical when selling Arla's high-value asset, the Alma soft cheese line. Liquidity Services ensured Arla was equipped with a realistic understanding of the asset's worth, enabling them to evaluate offers effectively and determine when to accept a bid.

Solution

Liquidity Services provided Arla with a well-defined sales strategy and timeline that communicated a clear message to the marketplace about what was for sale. This strategy ensured a transparent and efficient process for the disposition of Arla's valuable dairy processing assets.

Liquidity Services offered the equipment in two phases: a private treaty sale for the complete lines and an online auction through the Liquidity Services auction platform, AllSurplus.com, for the remaining unsold assets.

Proactively recognizing interest in Arla's high-value items, Liquidity Services allowed potential buyers to present offers for the highly valued artisan soft cheese line. This strategic outreach paid dividends when a US cheesemaker agreed to finalize the purchase one week before the online auction closed, ensuring a satisfactory return for Arla on their gourmet cheese line. The online auction served a dual purpose; it was the catalyst in confirming the cheese line sale and an effective platform for liquidating the remaining assets.

Liquidity Services' comprehensive approach and the auction's competitive environment yielded favorable outcomes for all parties involved. Understanding the logistical challenges posed by the creamery's remote



Whey cream separator



Roll Machine

location in the UK, Liquidity Services took a calculated approach to removal logistics. We optimized the removal process and coordinated all activities within a condensed timeframe, reducing costs and streamlining the process for the US cheesemaker and other buyers. This careful coordination minimized expenses and maximized the efficiency of the asset removal, showcasing our commitment to providing holistic asset management solutions.

Liquidityservices.com

**Ready to power the circular economy?
Contact us today!**



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A Better Future for Surplus

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