2025

Mid-Year Update

Biopharmaceutical

Surplus Asset Market Trends

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LIQUIDITY SERVICES

Biopharmaceutical Surplus Asset Market Trends Report

Mid-Year Update

Key Shifts in Biopharma Manufacturing Since Early 2025

Liquidity Services' January 2025 "Biopharmaceutical Surplus Asset Market Trends Report" highlighted the key drivers and challenges facing the Biopharma market, as well as the significant role surplus asset management plays in freeing up capital by optimizing idle or underutilized equipment.

In this mid-year snapshot, we revisit the report and look at the significant changes that have occurred in the industry since the beginning of 2025, including geopolitical shifts, economic pressures, and a deepening technological revolution.

Reshoring and Geopolitical Realignment

Geopolitical pressures are accelerating the push for US-based manufacturing. In response to shifting global trade dynamics, major players like Eli Lilly and Pfizer are investing heavily in domestic production capacity. In February 2025, Eli Lilly committed an additional $27 billion to build four new U.S. plants—on top of the $20 billion already invested since 2020 (Shupe, 2025; Bilodeau, 2025). Pfizer is pursuing a similar path. However, for generic drug manufacturers, razor-thin margins and high capital costs make reshoring a more difficult proposition (Bilodeau, 2025).

Accelerated Innovation in Core Therapeutic Areas

Biopharma companies are narrowing their focus on core therapeutic areas to enhance both innovation and operational efficiency. This strategic focus accelerates the development of breakthrough therapies, particularly in oncology, rare diseases, and autoimmune conditions. AI and advanced translational models are becoming essential to streamlining drug discovery, development, and diagnostics (Coyle et al., 2025; Bleys et al., 2025).

Advancements in genomic sequencing, transcriptomics, and artificial intelligence are driving the rise of personalized medicine. These technologies enable highly targeted treatments—and in some cases, curative therapies—such as cell and gene therapies (Bleys et al., 2025).

Rethinking Supply Chains Amid Regulatory and Cost Pressures

The biopharma industry is facing increasing regulatory complexity and pressure to contain costs. In turn, companies are reevaluating their global supply chains and manufacturing footprints to improve resilience and streamline operations (Coyle et al., 2025).

Digital Transformation of Manufacturing

Digital technologies are rapidly reshaping biopharmaceutical production. Tools such as digital twins, AI-driven quality control, and smart automation are enhancing agility and reducing time-to-market (Brooks, 2025; Fortune Business Insights, 2025).

What's Ahead: Trends to Watch in the Second Half of 2025

Continued Expansion of AI and Automation

AI adoption in biopharma is no longer experimental; it's becoming foundational. From predictive maintenance that prevents costly downtime to real-time quality assurance that ensures regulatory compliance, AI is transforming the way drugs are developed and manufactured. Companies are increasingly utilizing machine learning models to optimize batch production, detect process deviations in real-time, and minimize waste. As these technologies mature, the entire value chain, from lab to line, is becoming faster, smarter, and more resilient (Brooks, 2025).

Surging Interest in Single-Use Technologies

Single-use technologies are redefining the economics and agility of biopharmaceutical manufacturing. Once seen as a niche solution, they are now a go-to choice for companies producing high-value, small-batch biologics, such as monoclonal antibodies (mAbs), cell therapies, and personalized vaccines. Benefits like lower cleaning validation costs, faster changeovers, and reduced cross-contamination risks make them ideal for flexible, multi-product facilities. Their role is especially pronounced in CDMO settings, where speed, modularity, and cost control are mission-critical (Stats and Research, 2025; Brooks, 2025; MarkWide Research, 2024).

Increased Demand for CDMOs

As market pressures intensify, biopharma companies are doubling down on outsourcing to stay lean and responsive. Contract Development and Manufacturing Organizations (CDMOs) are becoming strategic partners, offering not just cost savings but also specialized expertise, regulatory know-how, and rapid scalability. Whether it's navigating clinical trial production or launching commercial batches, CDMOs enable companies to accelerate timelines, reduce risk, and reallocate capital from infrastructure to innovation (PharmiWeb, 2025; ThermoFisher, 2025).

A Sharpened Focus on Sustainability

Sustainability is now a boardroom priority. With mounting pressure from regulators, investors, and the public, biopharma manufacturers are investing in greener processes and cleaner technologies. From switching to renewable energy in high-consumption facilities to adopting circular economy models and zero-waste goals, sustainability is influencing decisions across every aspect, from facility design to material sourcing. These efforts aren't just about compliance; they are about future-proofing operations and meeting the rising expectations of patients, partners, and shareholders alike (PharmiWeb, 2025; Fortune Business Insights, 2025).

Secondary Market Outlook: Used Biopharma Equipment (Late 2025)

The global market for new biopharma process equipment is expected to grow from $11.8 billion in 2023 to $33.2 billion by 2031, with a compound annual growth rate of 13.9% (Stats and Research, 2025). As demand for new equipment grows, so does the secondary market for used manufacturing assets. Used equipment is especially attractive to smaller companies and CDMOs seeking cost-efficient options to scale operations. It also offers faster facility set-up and deployment, supporting reshoring strategies. Additionally, repurposed equipment supports ESG objectives by reducing the environmental impact associated with the production of new equipment.

High-demand equipment categories include:

- Bioreactors
- Filtration systems
- Chromatography units
- Single-use technologies

These assets are essential in the production of biologics, vaccines, and advanced therapies, including cell and gene treatments.

Challenges in the Used Equipment Market — and Strategic Opportunities

Compliance with GMP and Regulatory Standards

Used equipment must meet stringent Good Manufacturing Practice (GMP) requirements, which can be a barrier to adoption in certified environments. However, for many applications, especially early-stage R&D, pilot-scale production, and CDMO facilities with dedicated non-GMP lines, used equipment can provide a fast, cost-effective path to productivity while longer-term GMP infrastructure is built out.

Compatibility with Modern Automation

Buyers often seek to upgrade legacy equipment with digital controls, and not all asset types are easily retrofitted. That said, select equipment categories—such as bioreactors, chromatography systems, and filtration units—can often be upgraded with modular automation kits or integrated into hybrid production lines. In some cases, lightly used modern equipment becomes available on the market due to project cancellations or facility consolidations, offering near-new performance at a significantly reduced cost.

The Importance of a Trusted Partner

Navigating valuation, compliance, and resale logistics requires expertise. Partnering with experienced professionals in surplus asset management can mitigate risk, ensure regulatory alignment, and unlock a broader pool of qualified buyers and sellers. When done strategically, surplus disposition can support not only financial goals but also speed-to-market, ESG targets, and operational resilience.

Reclaim Capital and Accelerate Innovation

In the biopharma industry, defined by speed, specialization, and scrutiny, managing surplus equipment is no longer a back-office decision; it's a strategic lever.

Surplus assets can quietly drain capital or become powerful accelerators. With market demand rising for high-quality used bioreactors, filtration systems, and single-use technologies, revenue reinvested from the sale of underutilized equipment can support research and development (R&D), facility readiness, and therapeutic breakthroughs.

Sustainability targets, reshoring pressures, and shifting production models are reshaping the secondary market. Smart asset disposition not only fuels growth but also supports faster scaling, leaner operations, and a more sustainable footprint.

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Liquidity Services partners with over 15,000 clients—including 150 Fortune 1000 companies—to sell their surplus equipment. The company maintains a robust database of over 5.5 million registered buyers, and executes over one million transactions annually across 100 countries. With over $10 billion in completed online transactions, Liquidity Services has cemented its market strength through a steadfast focus on compliance, extensive global reach, and dedicated client support.

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