2026

Mid-Year Update

Biopharmaceutical

Surplus Asset Market Trends

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LIQUIDITY SERVICES

2026 Biopharmaceutical Surplus Asset Market Trends Report
Mid-Year Update

What January's forecast got right, what's changed, and where the value is moving in the second half of 2026

In January, Liquidity Services published the 2026 Biopharmaceutical Surplus Asset Market Trends Report, describing a sector in the midst of a significant shift. Billions of dollars in surplus pharmaceutical equipment were changing hands as companies raced to reshore production, adopt smarter manufacturing technology, and work with a more selective group of contract manufacturers.

Six months later, most of that forecast has held. The January report got the big themes right: reshoring investment is accelerating, the market for used equipment is splitting between premium assets and legacy gear, and surplus is flowing from restructurings and canceled programs. One thing the report underestimated was geopolitical risk. The 2026 U.S.-Iran war tested supply chains harder than January anticipated. A mid-June ceasefire has begun reopening the Strait of Hormuz, but the cost effects are still working their way through the system.

Here's the mid-year scorecard, a regional look at where biopharma surplus is moving, and what it means if you're sitting on idle equipment right now.

The Mid-Year Scorecard

What our January Forecaset Got Right

U.S. biomanufacturing investment is accelerating. January's report cited over $370 billion in announced U.S. biopharma manufacturing investment, with new facilities breaking ground in 2026 and 2027 to sidestep 100% drug-import tariffs. Amgen committed another $300 million to its Puerto Rico biologics site as part of a $2 billion U.S. investment, and AstraZeneca, Eli Lilly, and Merck announced new investments in Virginia (Kansteiner, 2026a; Maven Bio, 2026). Much of this is not greenfield construction. Companies are retooling existing factories and reopening dormant facilities, which means they need equipment that is available now. That pushes buyers straight to the used and surplus market (Scanlan, 2026).

The CDMO market is more selective, and that's driving smarter equipment buying. CDMOs are contract development and manufacturing organizations: the specialized companies that produce drugs on behalf of pharma and biotech companies that don't manufacture their own. January described a mature, selective CDMO market focused on flexible, high-spec equipment for GLP-1s, ADCs, and cell and gene therapies. The 2026 data matches that view: CDMOs are actively sourcing premium secondary equipment, and licensing data and auctions show strong interest in modular and single-use units (DrugPatentWatch, 2026; Intelmarket Research, 2026a).

The two-tier market is real and getting more pronounced. January predicted a clear pricing split: premium prices for modern, digitally integrated equipment and discounts for older gear lacking documentation or digital capabilities. That split has hardened, confirming the forecast. Well-documented, flexible, single-use assets are in demand and holding value. Older stainless-steel systems without digital integration are being retired or sold at a discount (DrugPatentWatch, 2026). Liquidity Services sees this pattern across every vertical we serve, and biopharma is no exception.

Surplus from restructurings and canceled programs is rising. January saw an increase in surplus from M&A-driven restructurings and program cancellations. That is exactly what happened: in May 2026 alone, Novartis, Valneva, and Takeda announced major cost-cutting initiatives, and Takeda alone is cutting over 4,500 positions (Becker, 2026; Kansteiner, 2026b; Waldron, 2026). Those restructurings reliably push lab instruments, manufacturing equipment, and API production assets into secondary channels. The uptick is visible in biopharma auction activity on the Liquidity Services AllSurplus marketplace.

Where the January Forecast Requires Revision

The energy and freight shock was real, but not as disruptive as implied. January leaned on supply-chain fragility as a structural driver. The 2026 U.S.-Iran war sharply raised energy prices and shipping insurance premiums related to the Strait of Hormuz. But after the June 17 memorandum of understanding reopened the strait to commercial shipping, it became clear that the effect on biopharma was cost-push rather than system-breaking (Al Jazeera, 2026a; CNN, 2026). Freight and insurance costs went up. Asset flows kept moving. The resilience story still holds. The disruption seemed to be overstated.

The reshoring story was too U.S.-centric. January stressed tariff-driven reshoring, concentrating demand inside the U.S. The reality is more balanced. APAC and Europe remained active markets in their own right. Asia now accounts for 43% of the global drug pipeline (Ge and Jing, 2026), and European companies generated significant high-quality surplus through their own restructuring activity. Europe is not simply a buyer of U.S. surplus. It is also a source.

The Regional View: Where Surplus Is Moving

Five forces shaping the global biopharma surplus market in the second half of 2026 are portfolio rationalization around GLP-1s, ADCs, and cell and gene therapies; a $170 billion patent cliff through 2030 driving restructuring at major companies (Ohlen, 2026); the industry-wide shift from traditional stainless-steel manufacturing systems to single-use platforms; U.S. reshoring and tariff pressure; and the lingering cost effects of the U.S.-Iran war. Here is how those forces are playing out by region.

A few factors are consistent everywhere: legacy stainless-steel equipment is being replaced by single-use and modular systems (Persistence Market Research, 2026; Market Data Forecast, 2026); companies are rationalizing portfolios around high-growth therapies (AstuteAnalytica India, 2026); and the patent cliff is pushing restructuring across Novartis, Sanofi, AstraZeneca, GSK, and Pfizer (Ohlen, 2026; Adam, 2026).

A quick note on single-use: rather than large stainless-steel tanks that get cleaned and reused batch after batch, single-use systems run the process in pre-sterilized plastic components that are replaced after each run. They are faster to set up, easier to switch between products, and don’t require cleaning validation. That’s why the industry is moving toward them, and why older steel systems are moving to the surplus market.

North America

Reshoring of API and biologics manufacturing is driving investment in new modular and single-use facilities, and the North American single-use bioreactor market is expected to grow at an annual rate of 11.2% between 2026 and 2033 (Market Scopia, 2026). Older stainless-steel plants and mid-throughput R&D labs are being rationalized in the process, pushing surplus reactors, bioreactors, and QC suites into secondary channels (Research and Markets, 2026).

Large pharma and mid-cap biotechs are also leaning into asset-light strategies, selling or spinning off underutilized facilities. That increases the flow of surplus pilot-scale and commercial-scale equipment, including purification trains and fill-finish lines, into auctions and CDMO-linked channels.

EMEA

European pharma is under pressure from two directions: a thinning innovation pipeline and U.S. drug-pricing policies that limit what companies can charge in the American market. Unable to earn more in the U.S., European companies have increasingly moved to acquire U.S. biotech innovation instead. In 2026, mid-size European drugmakers bought U.S. biotechs worth billions of dollars (Taylor, 2026). The site consolidations that follow those acquisitions generate surplus R&D equipment, mid-throughput API lines, and older fill-finish systems.

European manufacturers are also upgrading to data-driven asset management, including digital twins and compliance-driven equipment refreshing. That creates a steady stream of well-documented legacy equipment moving into secondary markets (Mordor Intelligence, 2026).

APAC

Asia-Pacific is the fastest-growing region for global pharma. Indian manufacturers alone are growing at a 15% annual rate through 2030, while older API and small-molecule plants across India, China, and Southeast Asia are being rationalized at the same time (Intelmarket Research, 2026b; Market Data Forecast, 2026). That combination produces a growing pool of surplus reactors, chromatography systems, and processing equipment moving into secondary channels.

New CDMO-style manufacturing hubs across APAC are increasing demand for refurbished, modular, and single-use equipment rather than new builds, which supports pricing for quality secondary assets in the region (Market Data Forecast, 2026).

The Geopolitical Wildcard: Conflict in the Gulf

The 2026 U.S.-Iran war and the closure of the Strait of Hormuz hit biopharma surplus markets through higher energy, freight, and insurance costs. It didn’t disrupt asset flows. The two sides signed a memorandum of understanding in mid-June to end hostilities and reopen the strait to commercial shipping (Al Jazeera, 2026a; CNN, 2026). The cost effects don’t reverse on signing day. Clearing mines, repairing infrastructure, and establishing security guarantees take time, and analysts expect the energy and freight shock to take months to fully unwind (Britannica, 2026). The ceasefire framework is also provisional. A 60-day negotiating window is open, and points of friction remain.

The disruption fell hardest on shipping linked to the Gulf, Africa, India, and South Asia, with secondary effects in Europe and North America (Yadav and Hirschfeld, 2026). For biopharma, higher costs nudged buyers toward regional sourcing and flexible purchasing rather than large cross-border asset moves (Astrid Life Sciences, 2026). That pressure is easing with Hormuz reopening, though full shipping volumes are expected to return only over the coming months.

The bottom line on the war: it added cost without breaking the market. The lasting effect is an accelerated preference for regional sourcing and flexible purchase models. As long as new equipment still means longer lead times, higher freight, and elevated insurance, local surplus assets win on speed and total cost.

What the Marketplace Data Shows

Liquidity Services posted solid second-quarter fiscal 2026 results. Gross merchandise volume rose 6% to $389.9 million. Revenue was up 4% to $120.7 million. Adjusted EBITDA jumped 37%, which reflects strong operating leverage across the marketplace model (Liquidity Services, 2026). Registered buyers reached roughly 6.3 million, up 8% year over year. Within the Capital Assets Group, GMV grew 3% year over year (Liquidity Services, 2026). That segment's performance stays tied to project-driven cycles: plant closures, capital spending timing, and surplus disposal decisions.

Specifically in biopharma, the picture across Q1 and Q2 from FY24 to FY26 is mixed but improving. Q1 bid volume fell sharply in FY25, then rebounded strongly in FY26, up 107.5% year over year. Q2 bid volume grew in FY25 and held broadly stable in FY26, down just 1.2%. Unique seller counts dipped in both quarters in FY25, then recovered in FY26, up 13.6% in Q1 and 12.5% in Q2.

Two things the data makes clear. Demand for used biopharma equipment is rising and will continue to rise as geopolitical cost pressures work through the system. And more buyers competing for tighter seller inventory creates good conditions for sellers to get strong valuations on high-demand assets.

What This Means for Your Business

For sellers. The second half of 2026 is a seller's window. Buyer demand is up, inventory is tight, and the premium is concentrated in flexible, well-documented, single-use, and PAT-ready assets. PAT, or Process Analytical Technology, refers to equipment that monitors and controls manufacturing in real time, making validation faster and regulatory review easier. If you're holding surplus from a facility consolidation, a process upgrade, or a canceled program, now is the time to move it. Biopharma equipment doesn't hold value while you decide. Regulatory and technology shifts can erode it quickly. Liquidity Services operates the world's largest specialized marketplace for biopharma equipment, with 27 years of experience working with qualified buyers across pharma manufacturing, research, and development. We sell assets in place, so you move nothing, and we handle the chain of custody and documentation requirements from start to finish.

For buyers. The ceasefire won't reset freight and insurance costs overnight. Proven surplus assets, available locally and ready now, still compete on speed and total cost, not just price. The strongest opportunities are in the categories sellers are upgrading out of: stainless-steel reactors and processing trains, older fill-finish lines, mid-throughput API production equipment, and non-PAT-enabled systems being replaced by single-use and digitally integrated platforms.

The Bottom Line

The core thesis of the 2026 Biopharmaceutical Surplus Asset Market Trends Report holds. Reshoring, selective CDMO demand, and the shift to single-use platforms are turning over biopharma assets at scale, and the surplus market is where that turnover converts to capital. What's changed is the level of precision required. This is not a uniform wave of surplus. It's a segmented market. Flexible, well-documented, high-spec assets command premiums. Legacy single-purpose equipment needs to move before its value window closes. And the geopolitical cost pressure that built up this spring, now easing but not gone, keeps pushing both buyers and sellers toward the secondary market.

Disclaimer

The information in this report, including all references to the status of the U.S.-Iran conflict, and related market conditions, was accurate as of June 17, 2026. The situation in Iran and the broader Middle East remains fluid. Details regarding the ceasefire framework, the Strait of Hormuz, sanctions, and any related agreements may change after publication. Readers should verify current conditions. Liquidity Services makes no representation that the information will remain accurate after the date noted above.

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