

# Switching From Live Auctions Resulted in Increased Profits for the State of Colorado



**33%** increase in profits

**3K+** surplus assets sold annually\*

**\$6M+** in Vehicle Sales

\*on average

## Challenge

The State of Colorado frequently faces the daunting task of having to regularly sell a large volume of vehicles plus other surplus items and equipment. **On average, the State clears out nearly 3,000 surplus items including large lots of electronics and furniture plus everything from snowmobiles to exercise bikes as well as about 325 vehicles every year.**

When previously faced with this surplus inventory, they conducted their own traditional live auctions before shifting their sales online in pursuit of modernization and greater efficiency. Their initial platform of choice involved a general e-commerce website not specifically tailored to their needs or the required targeted audience. Not only was the process time-consuming with many of the back-end functions being complicated and hard to navigate, the State of Colorado reports that they generated rather meager profits for all their efforts.

In search of a more effective solution, the State found a platform that could accommodate their unique needs, simplifying the surplus management process while enhancing profits. In September 2020, the State of Colorado made the decision to partner with GovDeals.

## Solution

GovDeals serves a niche market, providing an online auction marketplace for assets and equipment owned by state and local governments and their related entities, helping them to return 100% of the current value of assets sold back to their taxpayers. When an agency has a massive amount of surplus inventory to sell, GovDeals provides a customized sales and marketing plan, a simplistic auction system, flexible selling solutions, and detailed financial statements to aid in achieving the State's surplus management goals.



All GovDeals sellers have easy access to detailed financial statements for a clear and comprehensive overview of their surplus sales. Plus, they can choose electronic payment collection and remittance, allowing sellers like The State of Colorado to reduce their internal costs while mitigating any associated financial risks.

The flexibility and control offered by the GovDeals marketplace have simplified the state's surplus sales process. With three separate selling accounts, they can now conduct sales without having to continuously adjust their sales parameters as each account has its own fees, features, terms, and conditions tailored specifically to reflect the needs of the state. Additionally, the State has been able to put more focus on its customers by utilizing GovDeals' auction templates to get its surplus online more efficiently.

**By selecting GovDeals, Colorado gets all its needs met while clearing out much-needed space and earning significant additional revenue.**

*"The reports generated through the GovDeals interface are amazing, eliminating yet another large chunk of work simply by checking boxes. And being able to export to Excel is a huge bonus. Payments to the state are processed weekly, but most importantly, the safety and security of accepting electronic payments has eliminated the need for state employees to carry daily sales to the bank for deposit. And being the person solely responsible for that banking task, I thank you, GovDeals!"*

**- Lt. Garret Bittner, former manager of the CCI program**

### Talk to Us

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### Results

The partnership between The State of Colorado and GovDeals has proved to be a strategic move that has yielded significant benefits. As a result of being able to reach a larger target audience, they saw a substantial 33% increase in overall vehicle sales profits during their first year switching over to GovDeals.

Since partnering with GovDeals the agency has successfully sold more than 900 vehicles with no plans of slowing down.

If your agency is interested in learning how GovDeals can help you sell your surplus inventory and return funds to your budget, reach out today.