

Negotiating with Liquidators

- **Know what you want**

- This sounds simple but I can't tell you how many times customers come in not knowing what they want...not in quantity, quality, size or color.
- **Rule of thumb:** The more organized, decisive and specific you are the better deal you will get.

- **Have a budget in mind**

- Everybody wants to get as much as possible for as little as possible. Many believe that if they share how much they anticipate spending, they will end up spending more than necessary. There is a big difference between needing information to formulate a budget and playing coy to negotiate a better price. We are always happy to help with the budgetary process.
- **Rules of thumb:** You can replace the furniture for 4 times the average nightly room rate for low end (one star) motels; 4.5 times the average nightly room rate for low/medium end (two star) motels and 5 times the average nightly room rate for medium (3 star) motels. To replace beds, the multipliers are 2, 2.5 and 3 for good liquidated beds.

- **Be specific and demanding**

- If you need queen size beds that are exceptionally clean, be very clear about that. If you negotiate the best price with no regard to condition, that is what you will get.
- **Rule of Thumb:** The inspection service to get the best quality pays for itself over and over again...if that is what you need.

- **Have a schedule in mind (and leave some time)**

- Lead time is a valuable commodity. Depending on the size and complexity of the order, several days can be required to accumulate the items to fulfill an order.
- **Rule of thumb:** Planning ahead can really pay off in the effort to get what you want, when you want it. Not planning ahead could cost you dearly.

- **Be honest**

- Misrepresentations lead to confusion and damaged relationships.
- **Rule of Thumb:** What goes around comes around.

- **Share your story**

- The more you can help us help you, the greater your chance of ending up with what is best for you. Bring in pictures of what you want to replace, the outside of your building, your parking lot, etc.
- **Rule of Thumb:** The more we know you, the better we can help you.

- **Be aware of value (in product, condition, service, relationship)**

- Cost goes well beyond the price of the product. In our business, service is big. So is condition. And the biggest of all is relationships.
- **Rule of Thumb:** Vendors in this business are as valuable to customers, as customers are to vendors. We can find items that you need and save you a lot of money.

- **Share your research**

- Negotiating from knowledge is a whole different experience than just haggling prices. If you can help your liquidator understand the **true** value of what you are interested in, you may be able to sway the price. For instance; while purchasing used is often compared with purchasing new, there may be substitutes, new or used, that could play into the equation. While we (liquidators) don't want to leave a lot of money on the table, it is our job to get rid of what we have so we can do it again. Maybe our competition is a lot more aggressive than we think the market requires. Help us understand that and you'll have a deal!
- **Rule of Thumb:** Sharing information helps build relationships!

- **Go for the relationship (winning over time)**

- To get the best deals ever, you might have to hire a full time purchasing agent...or work with a liquidator over time...which is even better. You'll get industry experts scouring the national scene looking for exactly what you want. You'll get a warehouse full of items you can access at a moment's notice. You'll get on demand service that you have to pay for, only if you use it.
- **Rule of thumb:** One hand washes the other. Relationships are important.

- **Terms do make a difference**

- Learn how you can maximize your discount with your liquidator. Ask about their discount policies. Many liquidators offer discounts for paying cash, in full, upfront. You may not think it wise to trust strangers with your money. That is just another reason to build the relationship.
- **Rule of thumb:** Working on your liquidators terms now can help them work on your terms later.

Myth – Maybe: You buy complete rooms a lot cheaper if the liquidator can deliver from one hotel to another.