


# CAPABILITY STATEMENT

ESTD  
1977

REMARKETERS OF EARTHMOVING, CONSTRUCTION & TRANSPORT EQUIPMENT.



**SMITH  
BROUGHTON**  
AUCTIONEERS

A large yellow mining truck is shown from a low angle, emphasizing its massive size. The truck is yellow with a large, flat roof. The background is a clear blue sky. A large, semi-transparent blue hexagon is overlaid on the center of the image, containing the text 'SMITH BROUGHTON UNRESERVEDLY BETTER'. In the bottom right corner, there are three smaller, white-bordered hexagonal images showing different views of the truck's interior and exterior components.

**SMITH  
BROUGHTON  
UNRESERVEDLY  
BETTER**



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# FORTY YEARS OF AUCTION EXPERTISE

AVERAGING  
**95%**  
CLEARANCE  
RATE

AERIAL VIEW OF MIDLAND  
40,000m<sup>2</sup> AUCTION  
SALES YARD.

## COMPANY PROFILE



**Smith Broughton is WA's leader in the remarketing of used Mining, Construction, Transport, Agricultural and Industrial Equipment assets.**

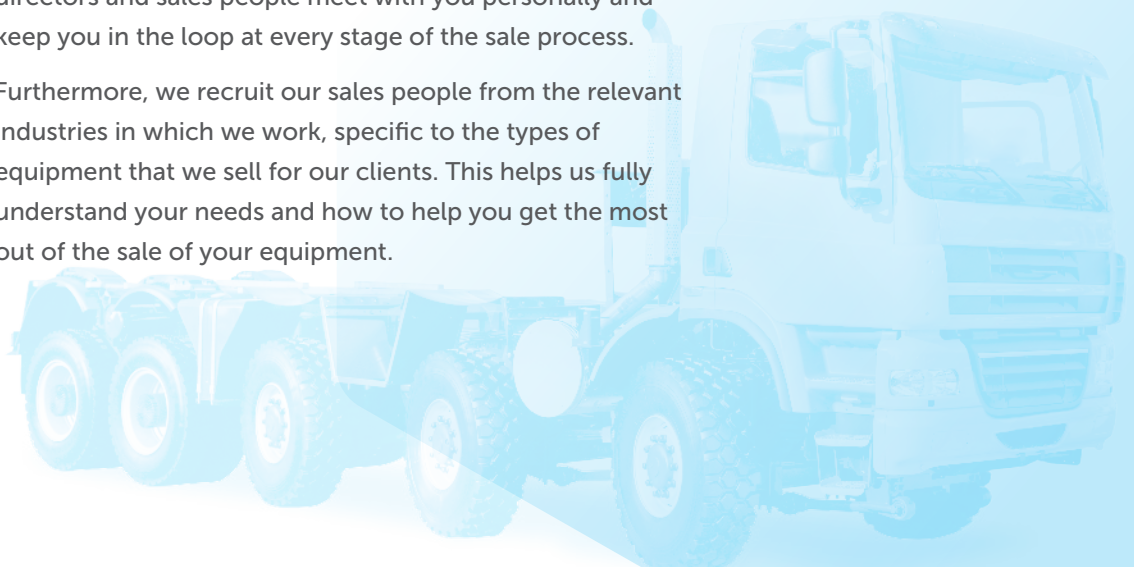
Established in 1977, our wealth of experience, combined with our commitment to understanding our clients' needs, has allowed us to develop mutually beneficial long term vendor relationships which is a key hallmark in the company's ongoing success.

## **OUR GOAL IS SIMPLE - WE WORK WITH YOU UTILISING OUR EXPERTISE TO MAXIMIZE SALE EFFICIENCIES AND RETURNS ON YOUR EQUIPMENT.**

This expertise comes in a few different forms. Firstly, we make best endeavors to understand your specific situation and requirements. Therefore ensuring we can best customize a proposal to suit your needs. There is no 'one-size-fits-all' approach in our company, as we recognise that each of our clients may require different strategies to achieve their objectives.

Secondly, we understand the value of and have a clear focus on communication. Our processes are completely transparent and we work with you throughout. Our directors and sales people meet with you personally and keep you in the loop at every stage of the sale process.

Furthermore, we recruit our sales people from the relevant industries in which we work, specific to the types of equipment that we sell for our clients. This helps us fully understand your needs and how to help you get the most out of the sale of your equipment.



# SALES PLATFORMS

We have a variety of sales platforms to choose from that will enable you to achieve the maximum return on your equipment. Each platform has its own set of benefits, catering to a range of circumstances.



## AUCTION TIMED ONLINE

Equipment is sold via a digital online timed auction platform.

### MARKETING CAMPAIGN



Equipment is advertised online through email databases and display advertising to build awareness during the lead inspection period and whilst the auction is in progress culminating in peak buyer awareness in the hours prior to the auction closing time.

### AUCTION



Platform allows for significant increase in bidding activity at the conclusion of the auction allowing for 'bid extension', as with a traditional auction the lot is sold once there are no further bids. Our time platform allows the same therefore ensuring the lot is sold for the best possible price on the day.



## AUCTION TRADITIONAL WEBCAST

A traditional auction hosted onsite with live real time bidding participation available to buyers on site or via our web portal from any location worldwide.

### MARKETING



Equipment is advertised as part of one of the 3-4 'major event auctions' we host annually.

### AUCTION LOCATION



Typically conducted at our Midland WA premises or on site at vendor's premises if required.



## EXPRESSION OF INTEREST (EOI)

Prospective buyers are invited to submit offers on or by a specified advertised time and date.

### MARKETING



Specific marketing campaign will be undertaken targeting key markets relevant to the asset/s in question.

### EVALUATION



All offers are submitted to the vendor with a recommended course of action to accept or reject and continue the negotiation process by engaging with all interested parties.



## SALE



Once the auction is over, the highest bidder will win the lot, invoices will be issued and the sale transaction process will be finalised.

## BENEFITS



Convenient and timely efficient for buyers and sellers. Reaches a larger audience of buyers than traditional auctions. Longer inspection period for buyers, which translates to added bidding confidence.

Ability to reduce handling costs of equipment. Can if preferable be sold in situ on site. More frequent auction timetable therefore more efficient turnaround of asset sales.

## SALE



Once the auction is over, the highest bidder will win the lot, invoices will be issued and the sale transaction process will be finalised.

## BENEFITS



Larger and more diverse catalogue offering than is typical of timed online platform. Auction is more appealing to a greater diversity of buyers.

Higher buyer attendances translate into more completion for your assets which in our experience ensures fair value is consistently realised.

## SALE



If the price achieved is in line with expectation and vendor approves, the asset/s will be sold, invoices issued and the sale transaction process will be finalised.

## BENEFITS



Well suited to assets of limited market appeal or those to be sold 'in situ' that require significant removal or demobilisation logistics which the vendor wishes to oversee/control.

The ability to control the eventual sale outcome allowing the opportunity to sell to a preferred party.

Allows the vendor to retain control and manage any areas of risk associated with the removal process.

## SALES TYPES What Auction Offering will best work for you?



### UNRESERVED AUCTION

Is by far our most popular offering. Why? Simply because it works! We routinely have catalogue offerings exceeding 85% of lots sold on an unreserved basis. Our vendors overwhelmingly support the process because it consistently works for them.

#### How Does It Work?

Equipment sold in Unreserved Auctions do not have a reserve price they must reach in order to be sold. Simply put, the highest bidder wins.

To some people this is counterintuitive, as it seems like this approach would lead to a low sale price. But in our experience, the opposite is true.

In reality it is our experience that Unreserved Auctions attract more genuine equipment buyers. Such buyers understand Unreserved means there is 'no tomorrow' as the equipment will be sold and in order to secure any lot they must participate. The higher the participation rate means more competition for your assets which in our experience of conducting Unreserved Auctions over many years has proven to consistently yield greater sale returns.

Unreserved Auctions simply work.

The lot will be sold, the vendor realises fair value and otherwise idle or non-incoming producing assets are turned into cash quickly.



**UNRESERVED  
AUCTIONS  
ATTRACT MORE  
BUYERS...**



## RESERVED AUCTION

We understand that not all vendors are at liberty to sell on an Unreserved basis. We have a number of Government agency clients, for example, who require asset sales via reserve priced auctions. Accordingly subject to negotiation, we will consign assets on a Reserved basis.

### How Does It Work?

Equipment sold in reserved auctions have a 'set price' that they must reach in order for the item to be sold.

Reserve prices are set via negotiation as vendor expectation needs to be in line with current market. We will work with you and advise recent sale values of similar or like assets in order to set a fair and reasonable minimum reserve price point.

If during the bidding process a buyer bids or exceeds the reserve price, the lot will be sold to that buyer, or the highest bidder going forward over and above the reserve price.

If the bidding does not achieve the reserve price the lot will be passed in for negotiation. With in the first instance, the highest bidder and thereafter, others, should we not conclude a sale with the high bidder. Once agreement is reached with both the vendor and the buyer the lot will be sold. Invoices will be issued and the sale transaction process will be finalised.



**RESERVED  
AUCTIONS  
HAVE A  
'SET PRICE'.**

**SALES TYPES** There's more than one way we conduct equipment sales, so no matter what your situation, we can assist.

## GUARANTEED MINIMUM RETURN AUCTION

We understand in certain situations, vendors may prefer the comfort of a Guaranteed Minimum Return (GMR) scenario. This process guarantees the vendor a 'safety net' of 80–90% of the projected auction value regardless of the auction outcome. With the added benefit of any upside value over and above being retained by the vendor.

### How Does It Work?

Say for example you own a piece of equipment that has an agreed auction value of \$10,000. Depending upon the specific market appeal of the lot, we may decide to provide you with a GMR of \$9,000. This means regardless of the sale outcome the very minimum value you will receive is \$9000 less agreed costs.

**Scenario 1:** The lot goes to auction with a GMR of \$9000 and sells for \$11,000. You receive \$11,000 less agreed costs.

**Scenario 2:** The lot goes to auction with a GMR of \$9000 and sells for \$8,000. You receive the GMR of \$9000 less agreed costs.

**Scenario 3:** We work with our clients to realise value of their assets. This often includes the sale of a package of equipment on a sum total GMR basis. This is ideal for vendors who have higher than market value finance commitments on some lots and equity in others therefore have the ability to offset. This often allows the vendor the opportunity to achieve the key objective of clearing a package or fleet of idle non incoming producing equipment without the requirement to top up contract payouts from cash flow.

All GMR lots are sold on an Unreserved basis so the lot/s are guaranteed to sell turning equipment into cash quickly with the minimum value safety net in place. We have the ability to underwrite guarantees for significant values hence be it 1 or 1000 lots, talk to your Smith Broughton representative and see if this no risk option suits your needs.



**GMR  
GUARANTEES YOU  
80-90%  
OF THE MARKET  
VALUE...**



## OUTRIGHT PURCHASE

If holding onto idle equipment is hurting your cash flow, you might want to consider an Outright Purchase option. We are happy to purchase idle or surplus equipment on a 'as is, where is' basis for cash.

### How Does It Work?

If you consider utilising the Outright Purchase option, we have the ability to complete the entire transaction within 48 hours of receiving your invoices.

Talk to one of our experienced staff for more information.

"Regardless of your preferred sale method, we give you our commitment. Our team will work with you to realise the value of your assets".



**GET CASH  
FOR IDLE  
EQUIPMENT.**



# OUR RESPONSIBILITIES



As your industrial equipment sales specialists, it's our job to guide you through the entire sales process. We take responsibility of managing the process on your behalf including all licensing and legislative compliance.



## **ASSET CONSIGNMENT**

As part of the cataloguing process we will ensure your equipment descriptions are as accurate and contain as much information as possible. Where available, all asset descriptors (including and company asset numbers) are recorded in order to assist with post-sale reconciliation.

## **AUCTION CATALOGUING**

We will provide suitably qualified and experienced staff to strategically lay out and catalogue all assets.

Our staff are fully trained and possess the equipment tickets required to perform their tasks. Additionally our staff will conform with any site induction processes and work in accordance with all of your onsite requirements.

## **PRE-AUCTION INSPECTION**

At least two days of inspection needs to be provided to potential buyers, which will be supervised by Smith Broughton staff assigned to the project. Inspection dates and times will be advertised well in advance. We will also offer inspections by appointment if required to ensure maximum access to prospective buyers.

## **MARKETING**

We will prepare, print and distribute all marketing material required to promote the auction. This includes the creation of an electronic mail out, which is sent via our database. Where required, a detailed marketing plan will be provided, outlining the markets being targeted and media being utilised to promote the auction.

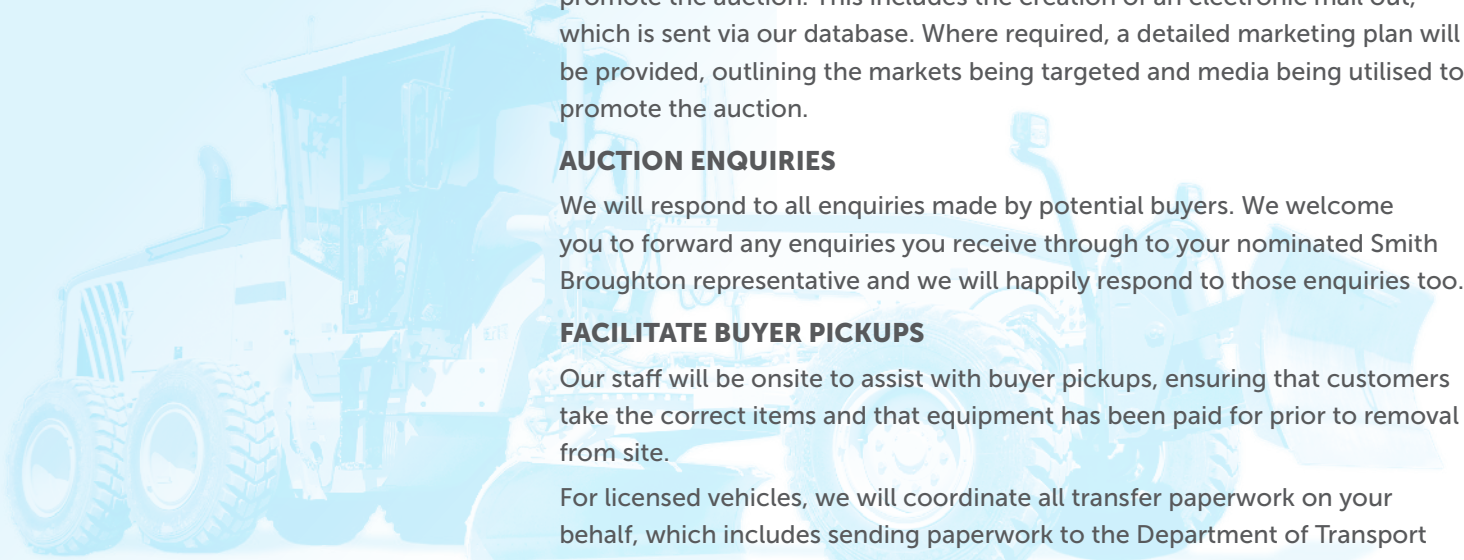
## **AUCTION ENQUIRIES**

We will respond to all enquiries made by potential buyers. We welcome you to forward any enquiries you receive through to your nominated Smith Broughton representative and we will happily respond to those enquiries too.

## **FACILITATE BUYER PICKUPS**

Our staff will be onsite to assist with buyer pickups, ensuring that customers take the correct items and that equipment has been paid for prior to removal from site.

For licensed vehicles, we will coordinate all transfer paperwork on your behalf, which includes sending paperwork to the Department of Transport and the buyer within the required timeframes.



## YOUR RESPONSIBILITIES



**Making things as easy as possible for potential buyers reduces their resistance to bidding at a higher price. So in order to get the most out of your equipment sales, there are some things you need to do when working with us.**

### GENERAL

If selling on your own premises, provide a clear area, free from hazards for the auction equipment to be set up. Provide license paperwork for all licensed vehicles. Where possible, provide copies of relevant service histories and other relevant documentation for equipment. If required, provide a list of equipment asset number for recording against consignment information. Sign and complete all relevant paperwork and return to us in a timely manner.

### RECOMMENDATIONS

Make sure you can start your equipment. Ensuring that your equipment can be started will help you achieve higher bidding prices, as customers can see that it is in good condition. Allow for plenty of inspection time. Making sure that there are multiple opportunities for buyers to inspect the equipment will increase the chances of them bidding. Ensure that your equipment is well presented. Finalise auction lineup promptly. It's important that equipment being auctioned appears on our website prior to the auction starting. This will help create awareness for the equipment, ensuring a larger number of buyers will attend.



**WE GUIDE YOU  
THROUGH THE  
ENTIRE SALES  
PROCESS.**



# AUCTION TIMELINE

5

WEEKS PRIOR  
TO AUCTION

**CONSIGNMENT  
OF ASSETS TO BEGIN**



Consignment of  
assets to begin.  
Smith Broughton staff  
to work with vendor to  
create a clear area to set  
up the auction.

Auction setup to begin.  
Labelling of  
consignments.  
Marketing campaign  
to commence.

3

WEEKS PRIOR  
TO AUCTION

**FINALISE AUCTION  
LINEUP**



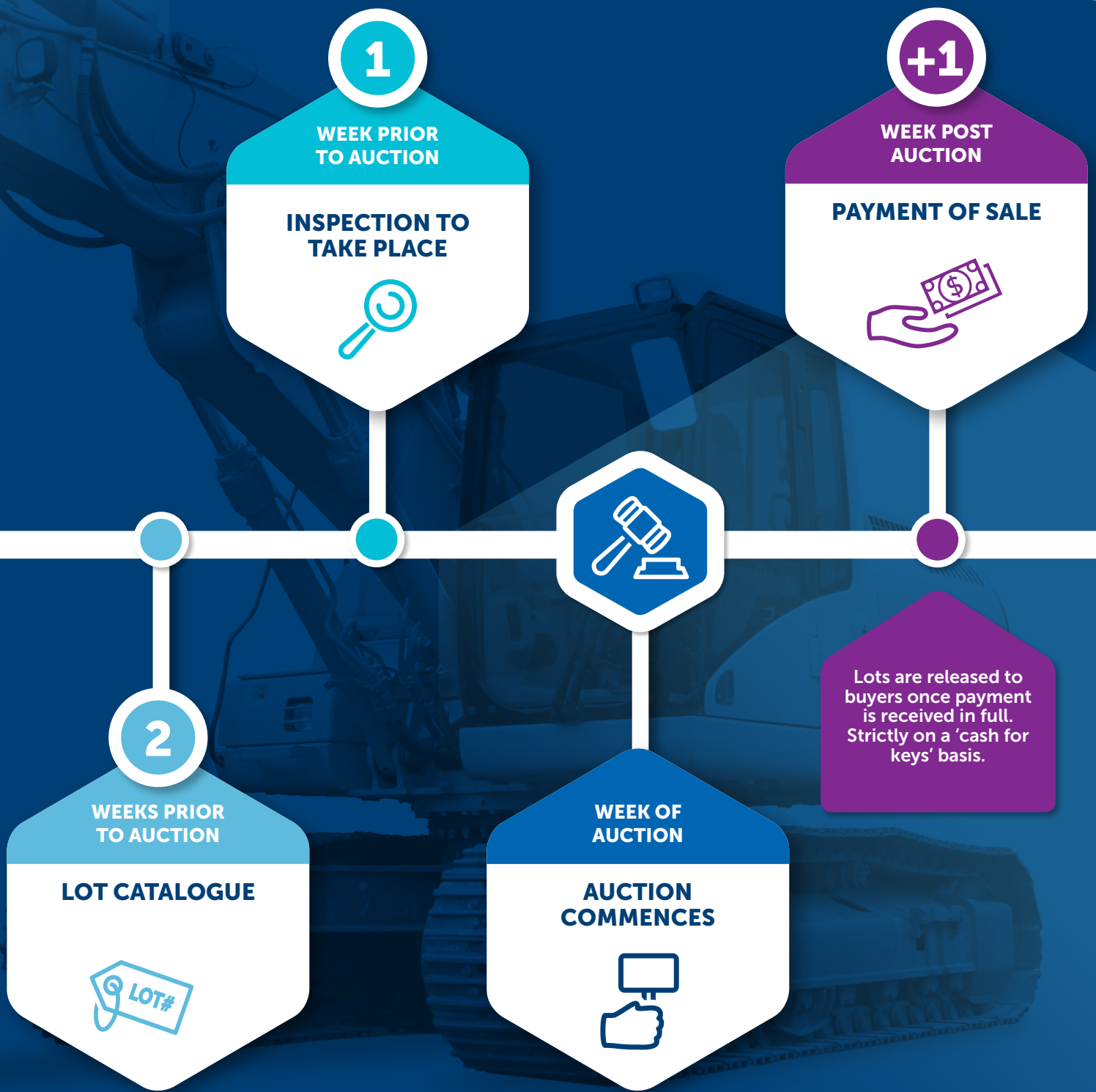
All paperwork to be  
completed and returned  
to Smith Broughton.  
All licence paperwork  
to be provided  
to Smith Broughton.

4

WEEKS PRIOR  
TO AUCTION

**AUCTION ADDED  
TO WEBSITE**





Note: Payment of sale proceeds will be remitted to the vendor within 21 days from date of sale

# MARKETING EXPERTISE



In order to maximize your returns, each major auction is supported by a dedicated marketing campaign. This campaign specifically targets the markets relevant to the equipment in that auction.



These campaigns focus on raising awareness both nationally and internationally within those specified markets.

Each campaign is developed with a focus on return on investment.

We utilise a range of print and digital advertising to promote the auction and drive traffic to the auction catalogue.

The media we choose for each campaign will be based upon thorough research, past advertising results and how well the media matches with the campaign target audience. If required, we can take suggestions and advice on industry-specific publications to advertise in.

Prior to the campaign commencing, you will receive a copy of the campaign for your feedback and approval.

In addition to the marketing campaign we send weekly emails to our large database of highly engaged customers (specific to industrial equipment). This list grows in number each day.

We have a dedicated Marketing Team who implements each marketing campaign and ensures everything runs effectively. Should you require, we have the ability to provide you with weekly updates measuring the success of the campaign.

"Throughout the process we give you our commitment. We will work with you to realise the value of your assets".

**EACH CAMPAIGN  
FOCUSES ON ROI.**

## FEES



### **Our fees are open and transparent with no hidden costs.**

Talk to a Smith Broughton representative today to discuss a sales option and associated fees that best suit your needs. We can tailor a solution and are able to offer 0% (Zero) fee option. Let's get working for you on your equipment sales needs utilizing one or a combination of the below offerings.

#### **UNRESERVED AUCTION BY CONSIGNMENT:**

We have been conducting Unreserved Auctions for over 10 years and simply put, these auctions work. Assets are efficiently sold and turned into cash.

#### **GUARANTEED MINIMUM RETURNS:**

The GMR approach is perfect if you're looking for some added security with your asset sales.

#### **TRADITIONAL RESERVED AUCTION BY CONSIGNMENT:**

Government Departments and Listed Companies at times require assets to be sold on a Reserved basis. No problem, let's work together and make it happen!

#### **OUTRIGHT PURCHASE:**

When cash flow is of the utmost importance, we can provide outright purchases of idle or surplus equipment. Quick settlement is guaranteed be it 1 or 1000 pieces, we can transact.

Note title search fees of \$25 + GST apply per serial/vin number.

"Throughout the process we give you our commitment, we will work with you to realise the value of your assets".

Talk with your Smith Broughton representative today. We are ready to help and assist.



## OUR FEES ARE OPEN AND TRANSPARENT.

# SMITH BROUGHTON UNRESERVEDLY BETTER

celebrating  
**40**  
YEARS  
1977-2017



**SMITH  
BROUGHTON**  
AUCTIONEERS  
UNRESERVEDLY BETTER

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