

Central Surplus - The MRO Asset Recovery Guide

Turn Excess Inventory into Working Capital

Identify Your Surplus "Gold Mines"

Not every old part is junk. Many facilities are sitting on thousands of dollars in "hidden" assets. Look for these three categories:

- **Obsolete Project Stock:** Parts ordered for a project or machine upgrade that never happened.
- **Safety / Buffer Stock Overages:** Excess critical spares for machines that have since been decommissioned, replaced or upgraded.
- **Canceled Maintenance Cycles:** Bulk items (bearings, electromechanicals, valves) that were over-ordered during a plant turnaround.
- **Mergers & Acquisitions:** When a company gets bought, sold or merged, the inventory typically goes with it.

The 1-Year Rule for Inventory

If a part has sat on your shelf for more than **12-14 months** without being "picked" for a work order, it is officially costing you money in:

- **Insurance Premiums:** Higher inventory values increase premiums.
- **Opportunity Cost:** That shelf space could hold parts for your *faster moving* equipment or parts that serve your customers better.
- **Degradation:** Parts sitting on the shelf don't stay new forever, there is also obsolescence, pilferage, maturity life cycle, much more.
- **Carrying Costs:** The hidden expense of utilities, labor for cycle counting, and facility overhead can add up to **25-30%** of the part's value annually. Sitting on a part for 13 months becomes unprofitable if your margins are 30% and you carrying costs are 28%; the industry average.
- **Taxes:** Many jurisdictions tax "Property on Hand." You are essentially paying the government every year just for the right to let an unused part sit on your shelf.

THE CENTRAL SURPLUS GUIDE: MRO ASSET RECOVERY

Turn Your Excess Inventory into Working Capital with Central Surplus



Obsolete
Project Stock



Safety Stock
Maintenance
Cycles



Canceled
Maintenance Cycles

How to Catalog for Maximum Buy-Back Value



Manufacturer



Full Part Number



Condition (NIB, NOB, UUR)



Two Ways to Move Your Surplus



Outright Purchase



Consignment

Whether it's yours or your customers' stock, we don't ask for much information. With a few photos and a simple list, we make it easy, pay the highest market prices and get you paid instantly.