WHY ALL REMARKETERS ARE NOT CREATED EQUAL

FLD Remarketing
Remarketing Without Risk.

BY BILL BISHOP/SENIOR VP, FLD REMARKETING

Like most fleet industry service providers, FLD does its best to highlight our unique offering as a way of distinguishing it from our competition. From our point of view, we go out of our way to demonstrate what makes us different, special and better than the myriad channels fleets have to remarket vehicles. From working with an FMC to going it alone at the auctions, to exploring options with independent providers like us, there are a lot of different ways for fleets to remarket end of lease assets.

And while we'd like to think we have gone out of our way to explain why no other remarketer possesses our unique combination of skill and experience, we sometimes wonder if fleets truly understand that not all remarketers — or remarketing channels — are created equal.

To illustrate this point, we remind fleets that while other remarketers may talk a good game, FLD is the only provider that actually assumes all the risk of a remarketing transaction by taking an ownership stake in an end of lease vehicle BEFORE it ever goes to auction.

HOW?

In a nutshell, we do that by giving fleets a quote on any used vehicle or equipment in hours, and if they accept, payment the next day for the full price they agree to. Doing this essentially brings the remarketing process to an end before it even gets started, saving fleets time, money and resources and leaving them free to move on to more important things faster.

And while other remarketers will tell you they can remarket your vehicle quickly, the truth is they're not interested in how much an asset sells for because they get a cut either way. And because fleets are on the hook for any costs and expenses that accrue until a vehicle finally sells and they get paid for it. This includes lease payments, which continue to stack up monthly, as well as costs for maintenance, taxes, fees, storage and whatever ancillary costs come along until the day the vehicle finally sells and they get paid for it. That doesn't even include the many hours and hassles fleets must spend administering the process. By the time a vehicle finally gets sold and a fleet gets paid, weeks — and sometime months — can go by.

And if a fleet's remarketing vehicles through a fleet management company, the process can seem never-ending, a factor that simply puts more money in the FMC's pocket for every additional day it takes for a vehicle to finally sell and the transaction settles.

That said, we'd like to think our marketing message resonates with customers, and that they clearly understand why FLD is simply a better option. But lately, we've noticed that our competition — including the FMC's — has been stealing the words right out of our mouths and telling fleets they can get the same benefits they would with FLD, a statement that is simply not true. In fact, we're here to tell fleets that all remarketing channels are not equal, especially if they're the remarketing department of an FMC. That's because FMC's have no financial incentive to sell your vehicle quickly because that just brings an end to their lease payments. They also have no reason to sell it for top dollar because they have no ownership stake. If they lose money or fail to get top dollar, the only one it hurts is the fleets they serve.

Of course, like any allied service provider, we know that FMC's are loath to admit there's some facet of the fleet process they don't — or can't — do particularly well. And while many independent remarketers talk a good game, not a single one of them will assume a customer's risk by writing a check BEFORE they start the remarketing process.

Because of this, the folks here at FLD thought it was important to remind fleets that no two remarketers are created equal. And that besides paying fleets up front for their end of lease assets, there are some important differentiators that make FLD the remarketing partner they should consider first:

UNMATCHED PEDIGREE & EXPERTISE

Fleet vehicles are complicated and getting even more so. So why just about any provider can remarket a sedan, the truth is very few understand the intricacies around — and real value of — more sophisticated vehicles, equipment and upfitting. As the remarketing leader and a pioneer for more than 40 years, we quit focusing on average vehicles more than three decades ago to develop expertise other remarketers don't have. When it comes to assets like white metal, sophisticated upfitting, or aging fleets, we truly understand what they're worth, and will pay customers more for them because our expertise means we're going to sell them for more money.

SUPERIOR PREPPING & REHAB

Today's fleet vehicles are spending more time in service than ever before. Instead of replacing them every 3-5 years, many fleets are pushing their vehicles into 6-10 years of service. That means they may have mechanical or cosmetic issues that can make them challenging to sell for top dollar, which is why our staff of auction experts can make all the difference. With over 80 years of experience between just three people, we know exactly which repairs to make to fetch the highest price, which in turn lets us offer customers more money on the front side. By contrast, most remarketers will simply sell your vehicle as is, potentially missing out on thousands of dollars that could be going into your fleet's coffers. And because FLD assumes all the risk of remarketing these vehicles, we do the heavy lifting so that both our customers and our company benefit — the kind of win-win that makes for a great relationship.

INDIVIDUALIZED, CONCIERGE STYLE SERVICE

Many remarketers and FMC's jam through upwards of 100,000 vehicles a year, but not FLD. We believe in quality over quantity. In a typical year, we may process 10,000 assets, which lets us dedicate more time to better understanding each vehicle and fostering each sale. In the end this allows us to make a better offer than FMC's and third-party providers who simply have no skin in the game.

So, remember, not all remarketing channels are created equal. If you want expert service and top dollar, it really pays to partner with a provider who assumes all of the risk of remarketing a vehicle while paying fleets every penny they deserve.

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