

# Lumber Mill Equipment & Trailer

**Date of Initial Notification - The end of the month**  
**Completed Recovery Date - 3 weeks post notification**  
**Location - Jasper, Alabama**  
**Original Equipment Value - \$75k**

## Situation:

One of ESX's leasing clients notified us that one of their lessees was voluntarily surrendering equipment they financed. The leasing company had financed \$75k of lumber processing equipment: a shaving mill to make bedding and a 1991 trailer with walking floor.

## Challenges:

- The equipment was in a remote location in Alabama.
- Both the shaving mill and trailer were used/refurbished when originally purchased by the lessee.
- This specific lumber processing equipment and its application is a small niche industry.
- The shaving mill is a large system with various components requiring a trailer and forklift to load.

## Scope of Work:

- **Full project management that included the following:**
  - Contact lessee to confirm location and possession of equipment, functionality, and the financed equipment.
  - Recover and remarket from lessee all equipment financed by the lessor while obtaining photos.
  - Contact manufacturer of shaving mill to understand what the equipment is used for and by what industries and if they would be interested in buying back.
  - Recover and re-market from site to avoid high freight costs and double handling.

## Project & Equipment Details:

- Established good working relationship with the lessee to confirm all equipment was present and that he would work with us to allow for a successful recovery. He also offered to help us with the entire project.

- The equipment is used by lumber companies and farms to produce wood shavings for animal bedding.
- The walking floor trailer can be used in a variety of industries to move loaded material from the back of the trailer to the front.
- The manufacturer of the shaving mill did not want to buy it back due to the age and because they already had similar inventory on hand. They forecasted the retail value to be \$25k - \$35k, depending on the condition.
- Called potential buyers including farms, lumber processing companies, and equipment brokers.
- Initially received interest/offers for the trailer, but no offers for the shaving mill.
- Received an offer from a lumber equipment reseller who offered \$25k for all the equipment but would not purchase separately. This offer was not accepted.
- Received an offer of \$12k for the trailer from a buyer who knew the lessor. He also offered to pick up and store the shaving mill for a fee.
- Accepted the offer for the trailer and coordinated the logistics to have the shaving mill picked up.
- Over the next few days, we finalized the sale of the trailer and coordinated the logistics for the pickup and storage of the shaving mill.
- Continued remarketing efforts through various channels, including direct.
- Advertised shaving mill on a website that specialized in the lumber industry.
- Within 30 days, we received a call from an interested party.
- Coordinated the inspection and accepted an offer of \$35k from the buyer and coordinated the logistics to have the shaving mill picked up.

## Outcome:

Working hand-in-hand with the lessee from the start, we quickly identified, secured, and sold all the equipment for \$47K to two different end users, delivering maximum return to the lessor.