

Shoppes@Stout Surplus Store

Marilyn Mars
Director of Procurement and Materials Management
University of Wisconsin-Stout
140-A University Services Building
Menomonie, WI 54751
(715) 232-2346
MarsM@uwstout.edu

Merri King
Senior Purchasing Agent
University of Wisconsin-Stout
140 University Services Building
Menomonie, WI 54751
(715) 232-2466
KingM@uwstout.edu

Rick Olson
IS Business Automation
Business & Financial Services
University of Wisconsin-Stout
Huffs, Memorial Student Services
Menomonie, WI 54751
(715) 232- 2347
OlsonR@uwstout.edu

Leland Ternes
Store Inventory Control Coordinator
University of Wisconsin-Stout
140 University Services Building
Menomonie, WI 54751
(715) 232-2622
TernesL@uwstout.edu

Abstract

The Procurement and Materials Management Surplus program at UW-Stout is responsible for the disposal of equipment that is not longer usable by a department. They are charged with the responsibility of getting rid of the materials in the most profitable way possible while following rules and regulations, and aligning with their goals of quality service and sustainability.

Traditionally, surplus items were sold in an open sale one afternoon a month. Members of the community would pick up a ticket number prior to the sale to ensure fairness and as an attempt to maintain crowd control, as it was a first-come first-serve opportunity. Consumers standing in line were impatient, and it was time-consuming and stressful for staff. It was also discouraging to consumers, as they often could not purchase the items they most wanted. In their haste to get in, some consumers would grab a handful of tickets and then decide not buy all the items they'd "reserved" once they reached the register, resulting in a lost sale. Consumers could not view items beforehand, to see if it was actually something they truly wanted. The audience at that time consisted primarily of campus employees and retired individuals.

In September 2007, the online Shoppes@Stout Surplus store opened to the public. Photos of items in the surplus store are taken and loaded onto the site. Extensive descriptions are also included. The site differs from some on-line sites as prices are set: the department does not take bids, which nets the department a higher price than stores that put items up for bid. For the first time, consumers could select what they wanted from the site from the comfort of their own homes and businesses, and in their own timeframe. The physical store is now also open two afternoons per week for customer pick-up and browsing with cash, check and credit card payment options.

Having the site online opened up the store to a wider variety of consumers. Departments scour the site to see if they can utilize any of the wares, technology-savvy students are now being targeted, and local schools and businesses avidly monitor the site – particularly for computer equipment. These consumers are not afraid of technology and have the knowledge to utilize our outdated equipment in ways that best benefit them.

In the brief time that the online store has been opened, cash earned during this time period was as much as what was earned in the entire 2006-2007 fiscal year. This is a 400% increase over what was made during the same time period in 2006. As of mid-January 2007, the store has also received 27,135 hits online since inception. It's clear that the online store is destined to be a huge hit.

Introduction

UW-Stout is a comprehensive, career-focused polytechnic university where students, faculty and staff use applied learning, scientific theory and research to solve real-world problems, enhance the state's economy and serve society. Year after year, over 90 percent of our students are employed within a year after graduation, and most of them work in their area of study.

No matter what their area of interest, all our students benefit from our active, innovative, and technology-rich environment. Our applied learning approach combines theory and practice to fully engage students in learning, and we constantly adapt to the new demands of business, industry and society to ensure that our graduates are ready for the marketplace. Upon joining UW-Stout, each student is provided with a laptop, training, and the required software and hardware through our e-Scholar program. As a wireless and wired campus, 90 percent of our classrooms are modern, mediated learning centers. UW-Stout has a rich history of balancing access and excellence: one of our goals is to provide educational opportunities across the board so that every student has the opportunity to excel.

In the Fall of 2007, we had an enrollment of a total of 8,477 students. Our staff is comprised of approximately 1,213 employees in a town of just under 15,000 residents. A resident full-time undergraduate student pays a yearly tuition and fees of \$7,272.

The major challenges of our age are increasingly shaped by technology. The digital culture with which we have provided our students has also caused us to reconsider how we address problems and solutions in each department. Because we have established a hands-on approach to solving problems combined with a

technology-rich environment, it is only natural that staff does the same when looking for solutions.

The Procurement and Materials Management Surplus department at UW-Stout is responsible for the disposal of equipment that is no longer usable by a department. They are charged with the responsibility of getting rid of the materials in the most profitable way possible, in accordance with federal, state, and local government guidelines. Materials may be recycled to other departments on the campus if still in a usable condition. Equipment that is unusable on campus is then offered for sale and has benefited many local schools and businesses, as well as individual purchasers. The Surplus Department is one of the “greenest” departments on campus, recycling equipment to various places to the fullest extent possible. In fact, 98% of the items in the Surplus department are recycled.

Statement (Restatement) of the Problem/Initiative

The Procurement and Materials Management Surplus program at UW-Stout was mired in paperwork and bogged down in its attempts to sell surplus in a profitable manner, as decreed by federal, state, and local guidelines. Our focus then was to come up with a way to introduce the Surplus program to our student and extended collegiate audience as well as to the greater Menomonie area in a way that would be both profitable and beneficial to the department and consumers alike, while still maintaining its focus on sustainability to the fullest extent.



Categories

- Food Items
- Surplus Property

Stores

- Surplus Shoppe
- We Care Packages

Welcome to Shoppes @ Stout, UW-Stout's new online marketplace! The site is still under construction with new items being added often. Please come back again and check to see what new items we may have for sale.



In September of 2007, the UW-Stout's Surplus program went online with the TouchNet program. From our research, it is still rare for a university surplus program to cater to consumers via an online store.

The TouchNet program allowed the Surplus department to advertise its wares online, with photos and descriptions of each item. The online program allowed consumers to shop conveniently, from the comfort of their own homes and businesses. It also allowed credit card sales to be entered directly into the surplus account, while still accepting cash and checks from browsers who come to the physical store during the afternoons it is open. Being online helps to do away with many of the paper forms that were formerly required.

Since its implementation, sales have soared. Net sales for the initial start-up quarter were \$12,844. This is a 400 % increase in sales from the same time period in 2006. In fact, in just three short months sales matched the entire amount made in the last fiscal year. We are also reaching markets we had not previously touched. Tech-savvy consumers monitor the web listings daily for good prices on computer equipment. The online sales have enabled the department to have the site open two afternoons a week for pick-up and browsing by consumers.

Design

In August 2003, a committee was formed at UW-Stout to begin the process of researching software vendors in order to allow tuition payments to be made online. The committee was also charged with taking into consideration how such a vendor might open up the campus community to allow online purchases of materials in other areas down the road. The committee's requirements included:

- 1.) The software chosen had to be compatible with the current software being used for student tuition records;
- 2.) Be flexible enough to be used in other areas of campus e-commerce.

The program was and remains highly successful in terms of tuition payment. In December of 2006, it was time for the committee to turn their minds towards utilizing the program for other departments. After negotiating a price with TouchNet, the committee began addressing different areas of campus and inviting them to join in a presentation to learn about the program and start brainstorming on where it could be utilized. Members from the Procurement and Materials Management including the Surplus Department, Dining Services, Athletic and Recreational Services, Parking Services, Business & Financial Services, Outreach Services, and the UW-Stout Foundation attended the demonstration to garner ideas as to how they could advertise goods and services through an online store.

Once the decision was made to start-up an online store, Shoppes@Stout, an online training on the program was set up through TouchNet, which made accessing the program quite easy and understandable for the departments involved.

When the Surplus Department began the process of opening up a store, it was decided to open it using existing people and equipment. The only piece of equipment purchased was a digital camera in order to download photos of goods on the site.

When the decision to open the store was made, UW-Stout decided to take a calculated risk and underwrite the program for the first three years with the goal of having the online store becoming completely self-sufficient within the three-year timeframe. The initial start-up cost for the implementation was \$11,000 and the cost per year to maintain is \$27,000.

Currently, there is one quarter-time person assigned to the Surplus online store, two part-time students who wipe computer memory and fix equipment, a part-time student for pick-ups and deliveries on-campus, and one part-time limited term employee. The taking of photos and writing of descriptions is a daily job, as materials cycle quickly through the store. The physical store is open two afternoons a week for pick-up and browsing. Staff also spends a great deal of time working with departments to track down necessary manuals and information on technology equipment in order to post accurate descriptions of materials. The staff also tests all the equipment to make sure that it works, and scour the Internet for accurate pricing information.

As far as space, the Surplus store materials are housed in a 1,881 square foot room and can be viewed by consumers on the two afternoons a week the store is open to the public.

The majority of materials in the Surplus Department are first offered to other departments, state agencies, or tax-supported entities which may benefit from the items. If a state agency, municipality, or K-12 school chooses to not take advantage of

the materials, they are sold to the public for a profit. Other materials are sold for scrap metal. All electronic equipment which cannot be sold is sent to UW-Madison to their S.W.A.P. (Surplus with a Purpose) program. Transportation of surplus electronic equipment has been negotiated with Chippewa Valley Technical College's (CVTC) Truck Driving program. The CVTC driving students obtain additional on-the-road experience and UW-Stout Surplus pays only for the fuel used in the transportation of equipment. This procedure benefits both programs. UW-Stout is charged a \$10 disposal fee per monitor. The landfill is the very last resort for non-hazardous waste items. Over 98% of the items received in Surplus are recycled.

With on-line sales, it is the intent to reduce the necessity to physically move classroom furniture or equipment from the original location to the Stores Showroom. Pictures are taken on surplus items, loaded to the on-line site, sold, and then the purchaser removes furniture or equipment from the location. With this procedure, we reduce custodial time for moving items and save university time and funds.

Implementation

It was only 10 months after UW-Stout's TouchNet committee met with TouchNet to discuss an online store before Shoppes@Stout was opened. The committee was charged with this in December of 2006, and the surplus store opened in September 2007. Change is always difficult, but the process from being a physical store only open to the public one day a month to online store was incredibly smooth, especially once staff members had gone through the TouchNet training and discovered how easy the program would be to use.

The actual posting of the photos and descriptions is simple and a daily, ongoing process. One of the issues at first was getting people to accept the change in how business was being done, but when they'd gone through the program a few times and saw how easy it was, they were hooked and started having fun with it.

The biggest issue has been the allocation of time. Since the goods are constantly changing, it is necessary each day for a staff member to spend time photographing materials and for another to write up descriptions and post them to the site. While this isn't difficult and goes fairly fast, it is an addition to their previous job duties.

The biggest time delays are of preparing materials to be advertised. Each computer hard drive has to be completely wiped before it can be placed for sale. The department is in the process now of working through licensing issues so that the basic operating program and applications software can remain on the hard drives, which would make the computers even more valuable than they are with the hard drive completely wiped out.

Benefits

Having the store online has enabled the staff and consumers alike to have a more relaxed atmosphere when surplus materials are for sale. While the staff does still handle a number of phone calls and emails, they can do this at their leisure versus having to prepare for days in advance for a monthly sale.



Quantity:

[Add To Cart](#)

COMPUTER - DELL OPTIFLEX GX110

\$35.00

667 MHZ, 128 MB RAM, 14 GIG HD, DVD-ROM,
ZIP/FLOPPY, DUAL VIDEO OUTPUT, LAN, SOUND
CARD, 2 USB PORTS

The two afternoons a week in which the store is open to the public for pick-ups and browsing, have also become much more relaxed. The goods are turning over more quickly, and the consumers and staff are less stressed about it.

Another benefit is that with everything being online, there are much fewer forms to be processed. This is good in terms of time for staff and consumers, as well as for the environment. With everything being online, the paper files are being reduced drastically. And since the primary goals of the Surplus Department are quality service and sustainability, this is in line with their purpose.

With an online store, we are marketing to a different type of consumer, one that is much more tech-savvy. This audience in large part accounts for the 400% increase of sales over the last few months since the online store opened. The store receives a lot of technical equipment, which appeals to this target audience. As long as we continue to appeal to this audience, it is easy to see that there's a good likelihood that the online store will be meeting its goal of becoming completely self-sustaining much sooner than expected.

With the Shoppes@Stout online store for the Surplus Department being so successful, more UW-Stout departments are getting excited about having their goods and services on the website. It is always easier to "sell" an idea when we know of others having fun and success with it.

Retrospect

One thing we would change in looking back is to allow employees more time to make the changes required. The online store allows materials to circulate so much more quickly that it's difficult to keep up with preparing materials for sale.

The only other thing we might have pursued earlier is to work through software licensing issues so that basic programming applications and operating systems wouldn't have to be wiped from computer memory. Being able to maintain the basic programming would make the computer equipment more valuable.

One of the difficulties with getting outdated technology from departments is that the staff frequently doesn't have any background information on the materials, which requires the Surplus Department then to become detectives in seeking this information out. The Surplus department is now in discussions with our Learning and Information Technology Department to pass a procedure wherein they would be involved with retrieving paperwork on all new equipment as it arrives in order to get serial numbers and tag paperwork. This way, in a couple of years when the equipment needs to be turned over to the Surplus department, they will have all the necessary information they need for consumers.