

Linde Engineering partners with Liquidity Services, liquidates \$26.4M in surplus equipment

Background

In 2022, due to EU sanctions prohibiting exports to Russia, Linde GmbH, Linde Engineering, was obliged to cancel an ethylene plant project. The cancellation left Linde with unused equipment intended for the project's initial scope, much of it in shipping crates and dispersed across suppliers or storage facilities in 17 countries throughout Europe and Asia.

Challenge

Following the project's cancellation, Linde's situation demanded an asset liquidation program with a nuanced approach that would navigate the complexities of international trade regulations, sanctions, and the logistical hurdles of managing assets spread across multiple regions. This situation required a partner with specific skills, including:

- **Energy Industry Experience:** Profound knowledge of the equipment in question and access to a robust buyer database was crucial to ensure the surplus equipment found the right market.
- **Large Project Experience:** Ability to utilize multiple sale formats over extended phases to handle the scale and diversity of the assets.
- **Dedicated Operations Team:** Ability to manage marketing, logistics, and sales coordination across various jurisdictions, complemented by bi-weekly project management meetings.



18x Geecy Engineering shell and tube heat exchanger.

- **Multi-Regional Capability:** The capacity to provide operations staff with the ability to work simultaneously with assets and buyers across Europe and Asia, a marketing staff that would focus on targeting local markets to generate awareness and competitive bidding, and a finance staff sales platform that could transact in different countries and currencies with multiple sales tax jurisdictions.
- **International Trade Compliance:** Ensuring adherence to sanctions, dual-use, and money laundering regulations was paramount, given the geopolitical sensitivities involved.

Solution

To address these challenges, during 2023, Liquidity Services recommended a two-phase sale strategy. In Phase One, specialized assets were sold through a "Make an Offer" sale format, with more general assets sold through an online auction format in the first nine months. This dual approach catered to different market segments and maximized the realization of each category of assets. Phase Two of the strategy involved re-offering unsold "Make an Offer" lots through an online auction over three months to conclude the project effectively.

A critical component of this solution was the requirement that all sales be conditional upon the submission of signed statements from the buyer and, if applicable, the end user. These statements ensured a sales process that adhered to the stringent regulatory framework governing international asset transfers.

Liquidity Services' comprehensive approach highlighted our competitive advantages, particularly in handling complex, multi-regional asset liquidation projects with a high degree of regulatory compliance and logistical coordination.

The choice of Liquidity Services to execute this strategy led to the successful sale of a diverse range of high-value assets, resulting in \$26.4M in gross surplus sales for Linde.



2x ABC Compressors
37.5bara air
compressor skids

Featured auction assets included:

- Over 5,800 tons ASTM A645 and A537 steel for constructing 50,000m³, 35,000m³ and 7,000m³ cold storage tanks
- 9x Sulzer API 610 pumps on skids with motors
- 54x Sulzer overhung and between bearing pumps
- 18x Geecy Engineering shell and tube heat exchangers
- 2x SIAD MS2-1 single stage 2-cylinder vertical reciprocating hydrogen compressor skids
- 7x Quality International 290m³ vertical hydrogen receivers
- 6x WEG 10kV medium-voltage asynchronous motors
- Over 787,000 meters of Polycab low voltage power, signal, fiber optic, and ethernet cable



7x Linde Engineering
phase separators



7x Quality International
290m³ hydrogen
receivers

**Ready to power the circular economy?
Contact us today!**



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