

Virginia Port Authority Avoids Removal Costs

Selling Ship-to-Shore Cranes on Online Marketplace GovDeals

4

week sale

5,925

visitors

\$200K

in revenue

\$100K+

saved

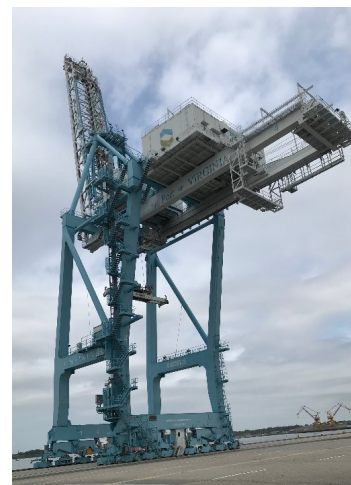
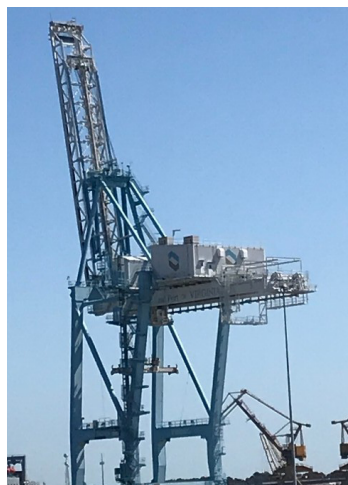
Background

When container operations were moved from the Portsmouth Marine Terminal to Virginia International Gateway and Norfolk International Terminals, the Virginia Port Authority (VPA) was faced with a decision: They could either spend six figures to have the fully operable post-Panamax cranes taken down and removed, or sell them and avoid the high price of removal.

The VPA knew this would be a unique and complex sale. Moving something this large to another port would be no small feat and would require much logistical coordination. As the winning buyer would need to disassemble and remove each crane in a specific manner, finding the right buyer would be challenging. But the VPA knew the three ZPMC Post Panamax ship-to-shore cranes would be of tremendous value to the right owner and a revenue generator for the port.

According to ZPMC, the manufacturer, post-Panamax ship-to-shore cranes are the second largest modern container cranes that can fully load and unload

containers from ships up to 18 containers wide. Each crane has a maximum outreach (from seaside to rail) of 157 ft, a 50 ft rail-gauge, a total lift of 148 ft, and an overall length of 92 ft with a 65-ton spreader bar lifting capacity and 75-ton hook beam lifting capacity. Used to load and unload container ships, the cranes have been steadily maintained and in service at the Portsmouth Marine Terminal since 2004.



Solution

The Virginia Port Authority has been undergoing an extensive expansion, set to be completed by 2023, the port's operating subsidiary, Virginia International Terminals, LLC didn't want the removal to add to the renovation. When government agencies are faced with incurring heavy removal costs, GovDeals can provide a cost-avoidance option.

Sellers on the GovDeals platform stay in control of the sale. They can require, for example, that potential buyers submit specific information prior to bidding, and agree to safely remove assets within a defined time frame.

They can choose to pass any incurred fees onto the buyer, and even review and vote on the potential buyer after the auction.

When agencies are faced with a large transition, whether it is moving, expanding, or even downsizing, they can often be left with surplus items that could easily be sold and reused. GovDeals provides a helpful platform for agencies looking to sell property or equipment they no longer use or are replacing. By offering items like the ship-to-shore cranes on an online platform, sellers like the VPA have a greater chance of obtaining a buyer. Online auctions allow potential buyers from all around the world to have access to surplus assets they might not have otherwise seen.

GovDeals Cost-Avoidance Guide



Results

During the sale, the cranes received a combined 5,925 views, with each crane selling for \$50,000. The replacement parts also sold for \$50,000 after amassing nearly 1,000 views.

After a four-week auction, all three ZPMC Post Panamax ship-to-shore cranes were sold to Haina International Terminals (HIT), a port company operating in the Río Haina Port. A representative for the company later purchased the adjoining replacement parts.

Virginia International Terminals, LLC worked closely with HIT to develop and implement a removal plan that

transported the cranes from Portsmouth to Santo Domingo. Once the last crane was in place, the Manager of Planning and Development to the Río Haina Port sent Collado a picture of it entering the port. Saving the VPA money and providing the Río Haina Port with much needed cranes at an affordable price made all parties very happy.

Haina International Terminals reports that they acquired these ship-to-shore cranes "in response to the demands of the maritime industry and the needs of their region." The purchase will enable the port to receive and operate larger container ships with greater efficiency.