

POWER

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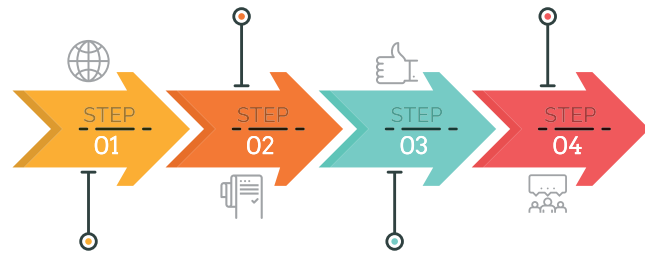


# INVESTMENT RECOVERY ASSOCIATION

PROMOTING PROFESSIONAL MANAGEMENT  
OF SURPLUS ASSETS



# THE POWER OF CHANGE



*Today, IR's value goes beyond promoting your sustainability brand—to generating revenue and maintaining compliance.*

## CHANGE: AN OPPORTUNITY FOR VALUE CREATION

Today, success is all about adapting to change in an ever-changing environment. And your business responds to this fickle dynamic whether you choose to or not. But this is where it gets personal—**does your company view change as a potential risk—or opportunity for growth?**

In other words, how you harness the power of change is measured by value creation - both outside and inside of your organization.

## INVESTMENT RECOVERY AND ITS ROLE IN REVENUE GENERATION

For example, just look at the evolution of investment recovery. What started as cleaning out 'junk in the warehouse' has evolved into a complex and sophisticated means of revenue creation.

An investment recovery (IR) program identifies, reuses, sells or otherwise disposes surplus assets generated by a company as it pursues its primary business. Today, its scope of responsibility goes beyond profitability—to promoting sustainability and even regulatory compliance.

“ In the complexity of our increasingly ‘green’ society, we must try to ensure that we are not only returning value to our bottom line, but also the world we live in. ”

## IMPERATIVE: KEEPING AHEAD OF THE LEARNING CURVE

That's why the expanded value of investment recovery has never been more mission critical to a company's bottom line and sustainable business practices. To keep pace with the power of change as a means of value creation, keeping ahead of the learning curve has been mission critical to an IR professional's role—and your future success.

**Membership in the Investment Recovery Association is the only organization dedicated to providing best practices, one-of-a-kind knowledge, industry research and practical tools to this niche industry.**



# THE POWER OF PROFITABILITY

## *Membership = High ROI Potential*

Through ongoing educational opportunities, members gain practical knowledge and processes that help your company become more efficient, competitive and profitable.

They acquire expertise to recover the highest dollar possible through professional appraisal techniques, strategic disposition channels and negotiation skills.

The more capital intensive the business, the more surplus and more revenue potential for IR.

**Their individual power to create revenue generation can't be overstated.**



## HOW PROFITABLE?

## A RECENT SURVEY OF IRA MEMBERS REVEALED

AVERAGE RETURN PER  
EXEMPT EMPLOYEE OF  
**\$5.7M**

**REDUCED  
CAPITAL COSTS**  
DUE TO REDEPLOYMENT

**70%-90%**  
OF EVERY SALES  
DOLLAR GENERATED BY IR  
DEPARTMENTS GO STRAIGHT  
TO THE BOTTOM LINE

IR DEPARTMENTS  
SAVE AN AVERAGE OF  
**\$13M - \$150M  
PER YEAR**



MEMBERS LEARN THE

## 7R's

OF ASSET RECOVERY.

Minimize your organization's landfill waste, improve operational costs and drive more revenue to the bottom line.

### RECONDITION

Rebuilding assets, such as instrumentation, valves, pumps, and motors to be put back into service or used as backup is more economical than purchasing new.

### RESELL

Surplus assets from used equipment to excess inventory that can be resold on the open market generate revenue and support sustainability through eliminating the need to produce duplicate assets.

### RECYCLE

Scrap metal, paper, cardboard, plastic, and glass are just a few of the common commodities that are recycled back into raw product streams. Disposal costs and hazardous wastes can be reduced with recycling.

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R1  
STEP

### REDEPLOY

Or reuse, is the organization's internal reallocation or relocation of idle assets. The best choice for the largest return on ROI and corporate sustainability.

R2  
STEP

R3  
STEP

### RETURN

Unwanted new equipment, spare parts, materials, and supplies can be returned to the manufacturer or vendor for future credits or hard cash.

R4  
STEP

R5  
STEP

### RECLAIM

Spent solvents, chemicals, and precious metals from components can be reused, which further reduces waste, preserves natural resources, and improves operating costs.

R6  
STEP

R7  
STEP

### REMOVE

Typically the choice of last resort which may require paying for disposal through landfilling, a negative solution from an economic and environmental perspective.

\$

AVERAGE BENEFIT TO  
COST RATIO  
OF 21:1

ENHANCED ROI  
GAINED FROM ONE-OF-A-KIND  
IR APPRAISAL STRATEGIES

REDUCTION  
OF OBSOLETE INVENTORY AND  
RELATED CARRYING COSTS

RECYCLING AND  
MANAGING VARIOUS  
RISKS & WASTE  
CONTRACTS



<sup>1</sup>2016 CAPS Benchmark - Operating costs divided by salaries and expenses

<sup>2</sup>2016 Caps Benchmark



# THE POWER OF SUSTAINABILITY

## AND COMPLIANCE BEYOND THE BOTTOM LINE TO A BETTER WORLD

A sound sustainability strategy has become a top priority in the most successful organizations today...and for many reasons. It elevates a company's reputation in the community it operates while increasing environmental stewardship, employee engagement and regulatory compliance.

## MEMBERS AT THE FOREFRONT OF SUSTAINABILITY AND SURPLUS ASSETS

A half a century ago, it was members of the Investment Recovery Association who first saw beyond the need of 'just recycling' to the power of sustainability. Back then, our members were 'going green' before it became a buzz word by developing methods to improve their organization's bottom line and preserving the environment.

Today, members are at the forefront of the unique synergy between sustainable business practices and the surplus assets they manage.

- Recycling and managing various waste contracts and risk
- Sarbanes-Oxley compliance of proper internal controls with financial reporting of asset tracking
- Monitoring regulatory changes to avoid non-compliance penalties
- Risk mitigation waste management—cradle to grave waste stream oversight
- Positive public relations image within community







# THE POWER OF MEMBERSHIP

*One membership — multiple benefits*



Becoming a member of the Investment Recovery Association means your entire organization can enjoy the power of membership. Gain access to valuable resources not available through any other organization such as:



Directories of members  
and industry resources/  
suppliers



Opportunity to become a Certified  
Manager of Investment Recovery  
(CMIR)



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The book *Investment  
Recovery Handbook, Adding  
Value to the Supply Chain*



Benchmarking and best  
practices studies

**Take your power to the higher power—join the Investment Recovery Association.**

Learn more at: [www.invrecovery.org](http://www.invrecovery.org) or call (816) 561-5323

# [www.invrecovery.org](http://www.invrecovery.org)

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