

The Secondary Marketplace

Reverse auctioning... A way to source (buy) products through the Internet

By Jeff Hilliard – President - Compudigital Industries

The internet has turned out to be one of the greatest marketing tools ever created. It was originally designed for Universities and government to exchange educational information worldwide and since has evolved to a point of awe and inspiration. Reverse auctioning is the practice of acquiring products from a worldwide focused audience in a bidding format. Here is a scenario...

A large manufacturing company is in need of a quantity of a specific module that fits into a computer they manufactured 3 years earlier. In order to provide support services in a timely manner to their customers, it is appropriate to buy these items on the open market as needed versus storing these items in inventory for years just hoping that the end users will eventually consume all of the available inventory.

Normally, this manufacturer would look for these items on Ebay, or contact known brokers that may have this material. But what if we could provide a WEBSITE where all of the suppliers of this product could bid on the opportunity to supply the manufacturer with these items?

Instead of paying a fixed price for components or finished products, competitive bidding becomes a viable option. Many Fortune 100 manufacturers have approached Compudigital about the possibility of providing this type of service through one of our Internet based WEBSites. As a result, you will soon see "sourcing services" listed as an option for customers that visit our WEBSites.

As part of our normal sales business, our corporate customers continually inquire about obtaining needed products for their normal business. Reverse auctioning should not be overlooked and definitely be considered as a viable possibility.