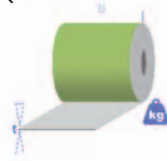


Stainless Steel Focus

Published by: Stainless Steel Focus Ltd, PO Box 238, BOSTON, PE21 1EP, England, Tel: +44 (0)1205 352273, Email: info@stainless-steel-focus.com



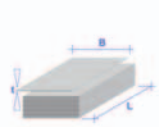
Dicke (mm) - t
1 mm - 2 mm

Preis
1,00 € - 2,00 € (2)

Choose Material Number - Alloy Sheet View results Sell material

- Material Group
 - Corrosion, special heat-resistant steel (177)
- Price
 - €0.00 - €1.00 (10)
 - €1.00 - €2.00 (132)
 - €2.00 - €3.00 (28)
 - €3.00 - €4.00 (1)
 - €5.00 - €6.00 (5)
- Material Number - alloy
 - 1.4016 - 430 (10)
 - 1.4301 - 304 (147)
 - 1.4404 - 316L (9)
 - 1.4435 - 316L (4)
 - 1.4541 - 321 (8)
 - 1.4571 - 316Ti (1)
- Quality
 - 1st Choice (incl. 3.1 certificate) (114)
 - 2nd Choice immaculate (63)
- Surface Type
 - Unknown (3)
 - 1D (1)
 - 2B (131)
 - 2G (18)
 - 2R (19)

Filter dimensions for Sheet



length (mm) - L
2000 2000 mm - 4001 mm 4001

width (mm) - B
248 248 mm - 1501 mm 1501

thickness (mm) - t
0.2 0 mm - 9 mm 9



Selling surplus stock. About as exciting as clearing out the garage, or not? p.22

Results
1-10 of 177 products are available

Material Number - alloy	thickness (mm) - t	width (mm) - B	length (mm) - L	Weight (kg)	Quality	Location	Surface Type	Quantity (kg)	Min. deliverable amount (kg)	Available pieces	Price
1.4301 - 304	1.00	1500.00	3000.00	35.37	2nd Choice immaculate	CH	2B	636.66	636.66	1	€1.97
1.4301 - 304	2.00	1250.00	3000.00	58.95	1st Choice (incl. 3.1 certificate)	CH	2B	943.20		2	€1.89
1.4301 - 304	0.50	1000.00	2000.00	7.86	1st Choice (incl. 3.1 certificate)	CH	2B	990.30		2	€2.29
1.4301 - 304	0.60	1000.00	2000.00	9.43	1st Choice (incl. 3.1 certificate)	CH	2B	62.16		1	€2.16
1.4301								62.55		3	€2.55
1.4301								62.55		7	€2.55
1.4301								62.55		7	€2.55
1.4301								62.42		1	€2.42
1.4301								62.42		1	€2.42

Choose Material Number - Alloy Choose shape View results Sell material

Marketplace

Please choose a shape:



www.Stainless-Steel-Focus.com

THE journal for the stainless steel specialist



Selling surplus stock. About as exciting as clearing out the garage, or not?

**Econoxx.com
offers a solution.
By the sector,
for the sector!**

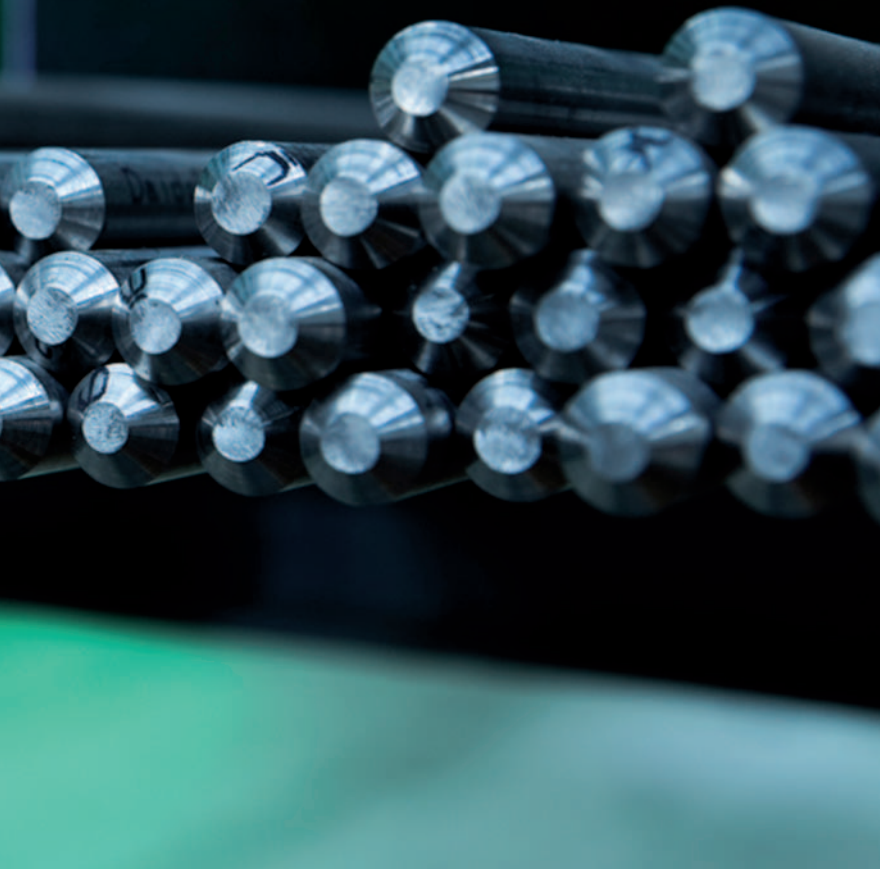
The fact that many companies have huge quantities of surplus stock in their warehouses would suggest that it is only logical and rational to offer this material on a trading platform on the world wide web. Looking back at his enlightening trip through the warehouses of the metals industry and the surprising findings from the Econoxx.com start-up, Yves Reymond, managing director, and Co-Owner of Econoxx.com GmbH told *Stainless Steel Focus*: “By assuming that the trading platform would simply run on its own, we couldn’t have got it more wrong!”

Being rational is evidently not exactly motivating, Econoxx.com has now learnt. “When we went live with the platform for the first time, we thought it would run on its own. Companies offering surplus stock put their material online and interested buyers select, using a good search facility, the material they require. In addition, they can set up a so-called alert, in the event that the material is not yet available or the price is not yet right”, Yves Reymond explains.

Surprisingly, precisely that did not work, or at least did not work in the way that the designers would have wanted it to. Even after some further improvements had been

made, nothing happened. To get to the bottom of the problem, those dealing with the





online site decided to visit potential customers and existing customers at their own premises in order to get a picture of the situation. "In the final analysis", Reymond said, "there is nothing more time consuming and expensive as a platform or business idea that is based on completely false assumptions. As we sat down with the companies, what they were saying was always the same: it makes sense to dispose of surplus stock which has been lying in the warehouse for years. Mostly it is also a case of high value alloys - that is what was interesting for us - which was being taken by a scrap dealer at an up to 70% lower price. A massive loss."

Superficial enquiries do not bring the motives for or against such a platform to light. *It is not the scrap that is the problem, but the will, and the straightforwardness with which this matter can be dealt with.* For Econoxx.com therefore, it was important to speak to people on a personal level and with an open mind, and to observe their daily work

routine. The conclusion was that several aspects played an important role:

- a) It is not the job of a buyer or a project leader to sell surplus stock. The daily routine of these specialists has a totally different goal. This topic comes the very last in the list of priorities.



- b) The effort needed to inspect the material, setting up, and finding current prices - a target price has to be given for surplus stock - is evidently too high.
- c) These difficulties are compounded by usual tasks such as transport and logistics planning, sorting out transport costs, organising, producing freight documentation or even customs documentation, printing out, etc.

If then, in addition, the user-friendliness of the portal leaves much to be desired, or

The screenshot shows the Econoxx.com website interface for selecting materials. At the top, there are navigation buttons for 'Choose Material Number - Alloy', 'Sheet', 'View results', and 'Set material'. The main section is titled 'Sheet' and contains a 'Material Group' dropdown, a 'Price' filter, and a 'Material Number - alloy' dropdown. Below these are 'Filter dimensions for Sheet' with sliders for length (mm) - L, width (mm) - B, and thickness (mm) - t. A 3D diagram of a sheet is shown with dimensions L, B, and t. The 'Results' section displays a table with 10 rows of material specifications.

Material Number - alloy	thickness (mm) - t	width (mm) - B	length (mm) - L	Weight (kg)	Quality	Location	Surface Type	Quantity (kg)	Min. deliverable amount (kg)	Available pieces	Price
1.4301 - 304	1.00	1500.00	3000.00	35.37	2nd Choice immaculate	CH	2B	636.66	636.66	1	€1.97
1.4301 - 304	2.00	1250.00	3000.00	58.95	1st Choice (incl. 3.1 certificate)	CH	2B	943.20	471.60	2	€1.89
1.4301 - 304	0.50	1000.00	2000.00	7.86	1st Choice (incl. 3.1 certificate)	CH	2B	990.36	495.18	2	€2.29
1.4301 - 304	0.60	1000.00	2000.00	9.43	1st Choice (incl. 3.1 certificate)	CH	2B	622.51	311.25	1	€2.16
1.4301 - 304	0.80	1000.00	2000.00	12.58	1st Choice (incl. 3.1 certificate)	CH	2B	1330.48	665.24	3	€2.55
1.4301 - 304	0.80	1000.00	2000.00	12.58	1st Choice (incl. 3.1 certificate)	CH	2B	1162.14	581.07	2	€2.55
1.4301 - 304	0.80	1000.00	2000.00	12.58	1st Choice (incl. 3.1 certificate)	CH	2B	3345.22	1672.61	7	€2.55
1.4301 - 304	0.80	1500.00	3000.00	28.30	2nd Choice immaculate	CH	2B	3055.97	1527.98	6	€2.55
1.4301 - 304	1.25	1000.00	2000.00	19.65	1st Choice (incl. 3.1 certificate)	CH	2B	1532.70	766.35	3	€2.42
1.4301 - 304	1.25	1000.00	2000.00	29.48	1st Choice (incl. 3.1 certificate)	CH	2B	1179.00	589.50	2	€2.42

comes across as not really suited to the sector, then this solution is not seen as a solution but as a burden. And although Econoxx.com emerged from this sector, this is exactly how it seemed to them. The feedback was unequivocal. Summing up, one customer stated that what was being required of him was about as attractive as “clearing out the garage”.

During these discussions, it also became clear to Econoxx.com, that to date there was no really good system for the sector, or at least not one that really recognised the obstacles faced as such and offered a satisfactory solution to them. “It became clear to us”, Reymond said, “that our business model would not work like this, because it was not just an internet problem, but a B2B marketplace problem. The problem that had to be solved, was much, much bigger than thought. And so we did not go live with the new Econoxx.com model straightaway, but undertook further visits, initially with scribbles and sketches, and later with prototypes. Only when we were quite sure, and had had confirmation from customers that we were on the right track, did we put a first, new beta version on line.”

The differences: the future platform and the original idea

Econoxx.com set itself the task of comple-

tely eliminating the effort outlined above which hindered and hampered potential market participants. In other words: “clearing out the garage” became easy and efficient and, above all, more profitable. Sellers and buyers are now being offered a smarter and modern on-line process:

- The seller can input his material via a very user-friendly method. In the future, he will even have tools with which he can very simply make a price calculation for his material - it had become clear that suppliers did not have an idea of the current price for material which had been lying in the warehouse for many years.
- The method of payment is easy for the buyer and secure for the seller, who no longer has to worry about the creditworthiness of his trading partner. Econoxx.com takes care of that.
- Anonymity can be guaranteed up to a point - a very important point in discussions with customers because the trading partners are not keen to let people look into the books.
- The question of transport is currently still being supported with personal intervention by Econoxx.com. At the moment the company is working on a fully automatic system - a real challenge because of the type of materials being handled (long/heavy pro-

ECONOXX.com

Quellenstraße 42
CH-8005 Zürich

Tel: +41 (0)44 533 14 81
Fax: +41 (0)44 533 14 89

E-Mail: info@econoxx.com

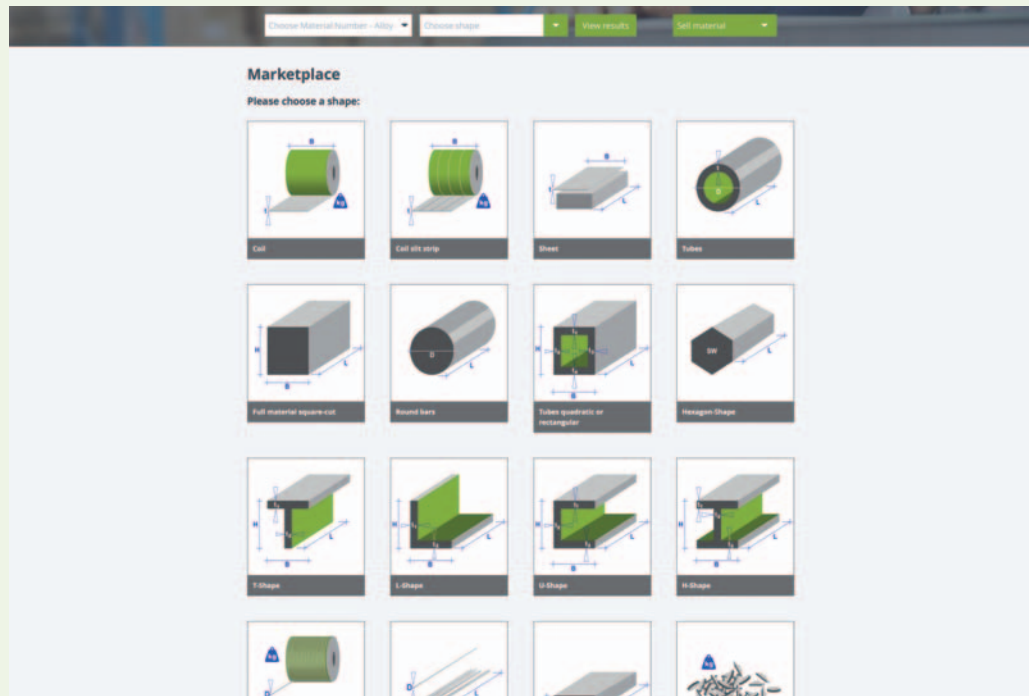


www.econoxx.com

ducts). In addition, there is the need to supply relevant freight documentation. In the future all that will be digitalised.

- e) The automatic calculation for transport also incorporates a quite new transparency for the sector and ensures that deliveries can be shown in

convenient payment function, which in the future will be even more sophisticated. Also, working with a clear “shopping basket” as well as in general using a web typical purchasing process, ensures a more efficient ordering process and is being very well received by market participants.



- f) All the points which already functioned well in the original version, such as the alert function, which notifies users when material required is inputted, were, of course, incorporated into the new system.
- g) For buyers, Econoxx.com offers a

- h) The quality of the material is important - at Econoxx.com there are three different quality categories: first choice, with certification; second choice, without certification, perfect quality; and second choice, damaged. For material that is damaged sellers can upload photographs for documentation purposes.



Material remains and overstock are lying pointless in your warehouse – wouldn't you rather use their value to buy pointless things?



Up to **150'000 of Euro's** of materials are sitting for years in warehouses, wasted! These stainless steels, nickel alloys and titanium alloys are too valuable to be sold as scrap or to lie around! We can make cash with these products, with **two to four times more revenue** as through the scrap channel! Easily. Simply. Safe.

- i) The filters and search functions used to find the material - and this is really an innovation in the sector - are as easy to use as when buying a pair of shoes online.

This does not mean in any way that Econoxx.com wishes to replace traditional business with its online business. Reymond on this point: "During the discussions it became clear that buyers and sellers were often linked by a partnership that had lasted many years and that's how it should be. You need trust in this business. You have to be

blanks, second choice material, or over-rollings more efficiently."

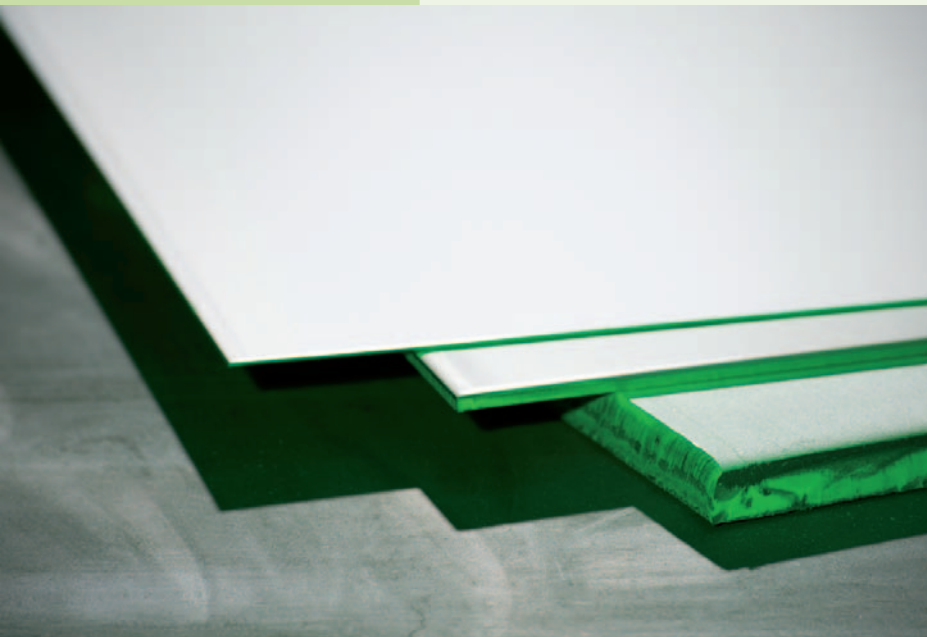
Cannibalising the market, the traders? Wrong!

Asked whether the system could amount to cannibalising the market, or the traders, the managing director answered: "These items are on the market anyway and without us market participants do not have the opportunity to sell the material to a broad base of interested parties. This material is still being sold by fax or telephone or on sales lists on companies' websites. This is very inefficient for everyone concerned."

In addition, Reymond continued, the material is not blocked when it comes onto Econoxx.com. The owner has the option to use the material himself or to sell it at any time, although this should be notified to us, and taken down from the platform. This is the only way that the ability to deliver can be guaranteed.

Inputting and placing advertisements is free of charge at Econoxx.com. "Without any input from our side, no costs are applied", Reymond clarifies. "Only if it was possible to really sell the material, is commission payable. It depends on how frequently a seller uses this opportunity to sell material. The more often this is, the lower the commission. Our experience has shown us that the fact that commission is payable does not worry the seller at all because by using Econoxx.com he receives several times that which would be offered by a scrap dealer."

Reymond is still very confident. We are, he said, right in the middle of improving the method of calculating the transport cost component. Pricing, further support for uploading, and improving user-friendliness, for example by providing opportunities for ERP linking are being worked on. "And here also, of course, we are 100% committed to the wishes of market participants, and welcome feedback and active participation. "Econoxx.com, at the end of the day, came from the sector, and is for the sector", Reymond stated categorically.



able to talk about material, tolerances, and specifications. We are offering market participants another alternative, especially if you need high value materials at a good price and quickly, or only wish to purchase small quantities. For participants there is the opportunity to put what appears to be useless surplus material back onto the market at a fair price. Everyone is a winner."

The platform is, in Reymond's opinion, suitable for all market participants. "For example, for plant and equipment manufacturers who have purchased material incorporating an additional quantity to provide for a margin of error which is now no longer required. This plantmaker might, however, also be a buyer if he only needs small quantities of material or when talking about very short project deadlines. In addition, traders and mills can market their surplus material/cut