

# Success Story

## Capital Equipment Disposition

### A Short Take on Success

#### The Challenge

- Purchase agreement for new linear accelerator did not include the trade-in of the old model
- Estimate to move and dispose of the old linear accelerator averaged \$15,000

#### The Solution

- Auction the linear accelerator through DOTmed, an Amerinet Choice supplier

#### The Outcome

- Linear accelerator sold for \$15,000 and the organization earned \$12,500 in profit with a net benefit of \$27,500
- DOTmed managed every aspect of the transaction – the inventory, promotion, negotiation, collection, removal and documentation

**“Because we utilized the Amerinet Choice agreement, DOTmed’s commission was 18 percent instead of 20 percent. And trust me when I say that DOTmed is well worth the 18 percent commission! I didn’t have to worry about selling or moving the equipment on my own – DOTmed did it all for me and our organization couldn’t be happier.”**

*Rick Langdon  
Director of Materials Management  
Bothwell Regional Health Center*

## Bothwell Regional Health Center Turns a Profit by Auctioning Capital Equipment through DOTmed



#### The Challenge

The opening of a new cancer center at Bothwell Regional Health Center brings much excitement and anticipation to more than 900 hospital employees, 100 physicians and the citizens of west-central Missouri. But a project this scale inevitably brings a few hurdles to overcome first as well. No one knows this better than director of materials management, Rick Langdon.

“In building a new cancer center, there are a countless number of new supplies to plan for and purchase,” said Langdon. “One piece in particular was a new linear accelerator. Only problem was the purchase agreement did not include the trade-in of our old equipment.”

Faced with a very specific deadline for when the old piece of diagnostic imaging equipment needed to be removed from the facility in order to make room for the new purchase, Langdon began contacting moving suppliers for estimates. All three moving suppliers quoted approximately \$15,000 to get the job done.

“Understandably, a linear accelerator is an extremely large and heavy piece of capital equipment. So my hope of having the equipment moved at no cost to

the organization seemed like an out-of-reach goal at this point,” noted Langdon. “I felt we had no other alternative until I spoke to my Amerinet sales rep who informed me about a new Amerinet Choice supplier partner – DOTmed.”

Founded in 1999, DOTmed is focused on providing a world-class marketplace for buying and selling medical equipment and services. Upon hearing about Bothwell Regional Health Center’s situation, Colm Ford, auction specialist for DOTmed, reached out to Langdon to offer a solution.

“I spoke to Colm over the phone and was intrigued. But what really impressed me the most was when I met DOTmed’s president, Phil Jacobus, a few weeks later at an Amerinet Choice Supplier Fair and Regional Meeting that my Amerinet sales rep hosted,” said Langdon. “Prior to coming to this event, Phil received a complete update from Colm about Bothwell’s linear accelerator and showed a genuine interest in wanting to help us out.”

#### The Solution

Langdon decided to work with DOTmed on selling the facility’s old linear accelerator. The only stipulation was the specific deadline for when the equipment had to be removed from the facility in order to make room for the new linear accelerator.

“Our first step in auctioning a piece of medical equipment is to obtain product specifications and photos from the seller for our website,” said Ford. “Unfortunately, Bothwell’s specs were limited and the photo was a stock image. This wasn’t ideal, but enough to get the auction started.”

After two weeks of being posted on DOTmed’s website, Bothwell’s linear accelerator only generated

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a few questions and interested buyers, but no official bids. Therefore, DOTmed launched a second auction cycle for the equipment which produced a few more questions and a couple of low bids.

“At this point we realized the need to send one of our vendors to Bothwell Regional Health Center to inspect the linear accelerator, provide more detailed product specification and take original photographs,” said Ford. “With this new information we were able to enhance the listing on our website and really attract potential buyers’ attention.”

A third auction cycle was launched for Bothwell’s linear accelerator and the results were a success. Two buyers competitively bid for this piece of diagnostic imaging equipment.

“I especially appreciated the ability to login to my account on DOTmed’s website and have 24/7 access to view the progress of my auction,” said Langdon. “It’s just another great benefit that DOTmed provides. I simply had to type in my access number and I instantly could review the activity of my auction and the results it was producing.”

### The Outcome

After two and a half months at auction with DOTmed, Bothwell Regional Health Center sold its old linear accelerator to a buyer in Turkey at a \$15,000 selling point. The organization received a check for the sale in the amount of \$12,500 after paying DOTmed an 18 percent commission. Coupled with the fact that the buyer paid for the deinstallation, crating and shipping of the equipment, the net benefit to the hospital amounted to \$27,500.

“Because we utilized the Amerinet Choice agreement, DOTmed’s commission was 18 percent instead of 20 percent,” said Langdon. “And trust me when I say that DOTmed is well worth the 18 percent commission! I didn’t have to worry about selling or moving the equipment on my own – DOTmed did it all for me and our organization couldn’t be happier.” DOTmed takes pride in taking care of every aspect of the transaction. First, the company ensures the medical equipment is

accurately inventoried and described. Then it promotes the equipment on its website to buyers all over the world to create a competitive bidding environment to help determine the true value of the product. All negotiations, collections and communications between the seller and buyer are coordinated through DOTmed and documented. After an auction sale has been finalized, DOTmed collects payment from the buyer within 48 hours and immediately sends a check to the seller. As for removal and shipment of the equipment, the company arranges the scheduling along with the necessary truck, rigging, crane and insurance.

“We made a commitment to Amerinet to take care of its members,” said Jacobus. “And that’s exactly what we did for Bothwell Regional Health Center and what we do for every one of our customers. We don’t want them to have to worry about anything – and they don’t.”

“Oftentimes diagnostic imaging equipment is traded-in with a new purchase, but we plan to use DOTmed again,” said Langdon. “The company is extremely professional and convenient. I would recommend DOTmed to any Amerinet member looking to sell medical equipment.”

As for Langdon’s thoughts on his group purchasing organization (GPO) he stated, “Every few years we review all GPOs, but we consistently keep coming back to Amerinet for its good stable contracts and the outstanding customer service. It’s been a great relationship!”



### Contact Summary

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#### About Amerinet Inc.

As a leading national healthcare group purchasing organization, Amerinet collaborates with acute and alternate care providers to create and deliver unique solutions through performance improvement resources, guidance and ongoing support. With better product standardization and utilization, new financial tools beyond contracting and alliances that help lower costs, raise revenue and champion quality, Amerinet enriches healthcare delivery for its members and the communities they serve. To learn more about how Amerinet can help you successfully navigate the future of healthcare reform, visit [www.amerinet-gpo.com](http://www.amerinet-gpo.com).

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