



# BEYOND THE BID

Before going with the lowest bid, think about these 10 factors that impact equipment cost and value.

Managing the heavy equipment fleet for any municipality can be a rewarding job. But there are challenges too, particularly if your agency is under pressure to buy based solely on initial purchase price. You work with the iron every day, so you know the low-bid option isn't necessarily the best use of taxpayer dollars. As you talk with your procurement team about potential purchases, encourage them to think about some of the other factors that affect equipment value.

## 1 SAFETY FEATURES

All brands of equipment meet minimum safety standards, but some go above and beyond with sturdier handrails, ergonomic cabs, extra visibility, rearview cameras and more. There will be costs associated with the additional features, but the benefits—in terms of preventing accidents and injuries—pay off in the long term.

## 2 RELIABILITY

When a blizzard strikes after midnight or a water main breaks during rush hour, will the low-bid machine be ready to go to work immediately? The cost of unreliability erodes efficiency, inconveniences the public and can cast your agency as a governmental entity that can't get the job done.

## 3 FUEL EFFICIENCY

Fuel is a big cost driver in any operation, so controlling its usage is always a priority. Savvy fleet managers understand that to contain fuel costs, you have to improve fuel efficiency. That means your equipment must be able to do more work with every unit of fuel it burns. Higher quality products backed by dealers with extensive application and equipment management expertise are your best bet for maximizing fuel efficiency.

## 4 EASE OF OPERATION

Some brands are easier to operate than others. Controls are more intuitive and require less effort. In-cab displays provide visual support. Sound suppression, vibration resistance and comfortable seats reduce operator fatigue, while great visibility and a quality ventilation system keep people productive during long shifts. Features like these may add to the purchase price, but often deliver positive returns through a more productive workforce.

## 5 PARTS AVAILABILITY

Does the dealer supporting that low-bid equipment have a large parts inventory, plenty of retail outlets and a network of conveniently located drop boxes? It pays to know. When you get the parts you need, when and where you need them, you're better able to keep your fleet at the ready line.

## 6 PREDICTION AND PREVENTION

Higher quality brands may be equipped with on-board technologies that capture vital data from major components and systems while the machines are working. Experts from the supporting dealer analyze the data and make recommendations that prevent minor issues from turning into major problems. Having access to that kind of technology and expertise can be very valuable over the long run.

## 7 TRAINING ASSISTANCE

Whether you have the in-house talent to train the people who operate and maintain your fleet—or you need outside support—you'll benefit from an equipment dealer that can supplement your training capabilities with tools and resources for your staff. The dealer with the low-price model may or may not be able to provide that level of support.

## 8 SERVICEABLE DESIGN

Skilled labor is in short supply in many communities, so it can be tough to find good technicians to work on your fleet. If you're not fortunate enough to have a veteran maintenance team—or even if you are—it helps to have equipment that was designed for easy service. You may pay a bit more upfront for a serviceable design, but the cost is recoverable through faster, more efficient maintenance and repairs.

## 9 RESALE VALUE

The value of a higher quality brand often emerges at trade-in time. A low-bid model may be worth very little, but a machine that's built to last can go a long way toward lowering the price of your next purchase.

## 10 DISPOSAL OPTIONS

Higher value equipment may be designed to deliver a second life. When your agency chooses a product that can be rebuilt or remanufactured, you demonstrate a commitment to resource conservation and sustainability.

**SPREAD THE WORD.** You understand—more than just about anyone—why the low-bid option may not be the most economical alternative. Share what you know with your procurement team. Use your influence. And help your community gain access to equipment that delivers the highest quality at the lowest total cost. Find more information about total cost procurement at [cat.com/governmental](http://cat.com/governmental).

Making sure you get the most for your taxpayers' dollars. We're built to make it happen.

**BUILT FOR IT.**