

GCSurplus

PPE Case Study



GCSurplus – Who we are

GCSurplus is the specialized organization responsible for facilitating the divestment of surplus moveable assets for the Government of Canada.

The organization is comprised of, but is not limited to, **four main service lines** that support government departments and agencies to deliver on *their* mandates:

- **GCSurplus.ca**
- **GCTransfer**
- **GCDonate**
- **GCMil**

In FY 2019-20, we:

- Facilitated the sales over 23,000 assets and lots
- Generated over \$54 million in revenue back to the Crown
- Facilitated 106 interdepartmental transfers via GCTransfer

Our **mission** is to become Canada's leading government marketplace for surplus moveable assets that fosters their enduring value, benefiting our clients, our buyers, and our planet.

Our **vision** is to be recognized as a global leader in the divestment of surplus moveable assets and to build a modern and reputable marketplace for Canadians to explore and buy surplus goods, while delivering superior divestment services that maximizes value to the Crown.

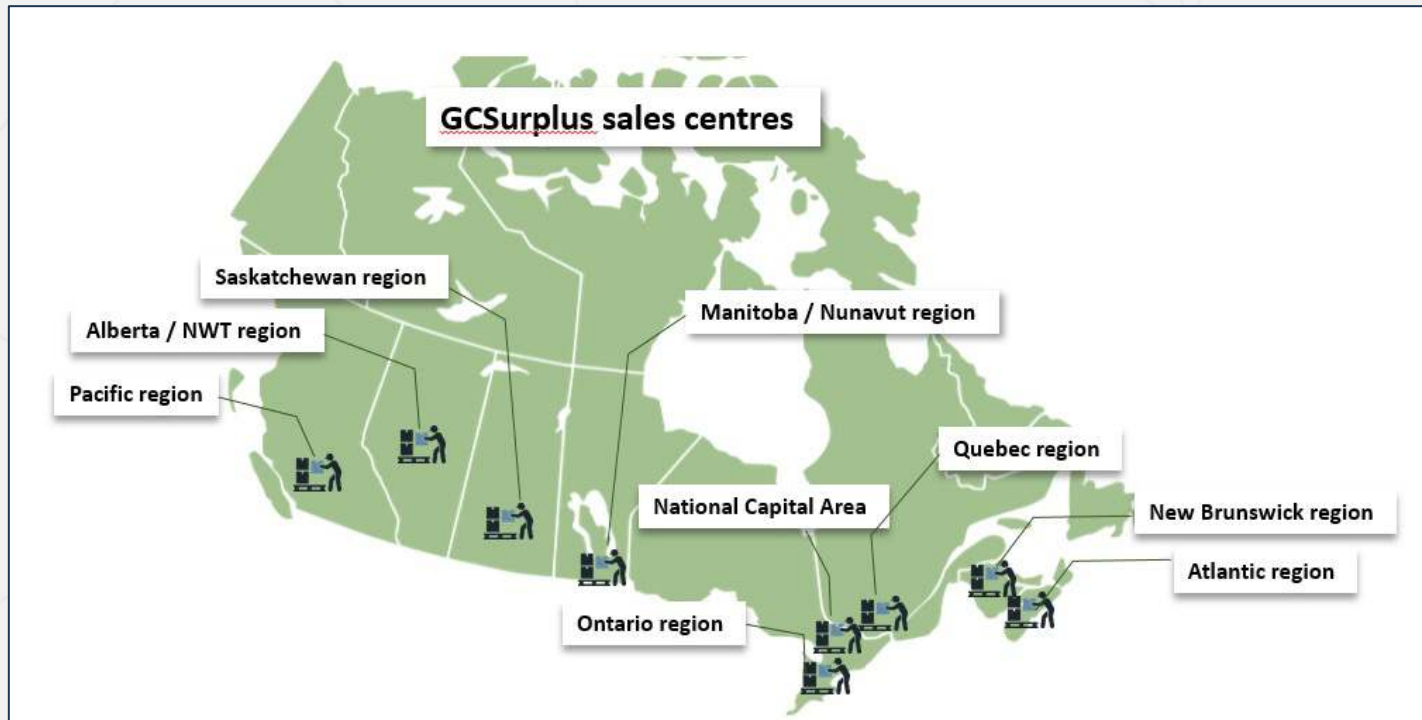
Our fundamental **values** reflect who we are and what we represent as an organization:

- Integrity
- Respect
- Client and Customer Commitment
- Teamwork
- Innovation

GCSurplus – Where we are located

We have nine warehouses located across the country to support our clients.

GCSurplus warehouses are staging areas for surplus and forfeited goods waiting to be sold to Canadians.



Value we bring to Government

We provide:

- ✓ Diverse range of buyers and high website traffic that maximize sale prices
- ✓ Valuation of assets and sales strategies
- ✓ Innovative and cost-effective marketing
- ✓ Targeted marketing for specialized assets
- ✓ Auditing services
- ✓ Warehousing expertise
- ✓ Sales centers across the country for storing and viewing
- ✓ Negotiate conditions of sale and issues resolution
- ✓ Provide legal support and advice
- ✓ Reporting and auditable record keeping

Value we bring to Canadians

We provide:

- ✓ Trusted marketplace
- ✓ Broad access to the public
- ✓ Bilingual website
- ✓ Accessibility for the visually impaired
- ✓ Modernized open bidding e-platform
- ✓ Support for the second-hand economy (environmentally friendly)
- ✓ Free registration
- ✓ Asset viewing
- ✓ Variety of shipping options

Case Study

- ◆ What type of personal protective equipment did your organization buy in large volumes during the last 3 years?

Case Study

- ◆ What has changed in your organization's expectations around personal protective equipment inventories in the last 2 years?

Case Study

- ◆ What are the implications of these changed expectations for your procurement and materiel management specialists?

Divestment Process

Policies on the Management of Materiel recommend the following divestment process for regular divestments via GCSurplus is typically transfer, sell, donate.

Given the known need among Canadians, the anticipated available inventory and the anticipated media scrutiny, it is recommended that donations be considered before sale for the divestment of surplus PPE/PHE.

The decision to shift regular divestment procedures was made in consultation with the TBS Materiel Management Policy Centre and client departments.

For surplus PPE/PHE, the divestment process may be as follows:

1. Transfer within the government domain (if sought after)
2. Donate to eligible recipients
3. Negotiated sales
4. Sell (only if/when advised by the divesting department)
5. Dispose in an environmentally friendly manner

Considerations

PPE/PHE must first be declared as surplus, with types and quantities, in order to evaluate and recommend the best divestment option.

PPE/PHE items will be classified as follows:

- Low risk – items that have not yet expired
- High risk / sensitive – items that are expired

Unless otherwise directed, surplus PPE/PHE would be made available to other governments departments prior to donation.

Requests to donate would first be considered for PPE/PHE that is soon expiring and/or would provide best overall value to the Crown and Canadians.

The most practicable and efficient divestment option will be selected to ensure items are reused before their end-of-life.

Donation Criteria

Donations may be made to any of the following:

- A Crown corporation, federal agency, provincial government, First Nation, or municipal government in Canada
- A recognized charity or non-profit organization located in Canada
- For locations outside of Canada, to other national governments, treaty organizations of which Canada is a member, or the United Nations

The following criteria will be considered in listing PPE/PHE for donation:

- Asset has not transferred via GCTransfer
- Asset serves a greater social benefit through donation vs. divesting through transfer or sale
- Asset that costs more to sell

In choosing recipients, GCSurplus and government departments and agencies will consider transparency, sensitivity, and value to the Canadian taxpayer.

Risks and Mitigation

Miscommunication, misunderstanding or misrepresentation pose the biggest risk.

Mitigation approaches:

A proactive approach provides transparency regarding business decisions and highlights that our approach, including PPE/PHE donations, consider our collective commitment to greening government and social responsibility:

- Proactively communicate plans to reuse surplus PPE/PHE within the federal domain prior to donating;
- Highlight the decision to donate that will return goods to Canadians in need at no cost;
- Sensitive PPE/PHE will not be divested of publicly;
- GCSurplus will not sell surplus PPE/PHE unless otherwise directed by the divesting GC department/agency.

GCSurplus

- ◆ Conclusion and contact email references for:
 - ◆ GCSurplus: gcsurplus.ca
 - ◆ GCDonate: [GCDonate \(gcsurplus.ca\)](http://GCDonate(gcsurplus.ca))
 - ◆ TBS MM Directive on the Management of Materiel- Canada.ca
 - ◆ CIPMM [Canadian Institute for Procurement and Materiel Management | The National Voice & Professional Home For Procurement & Materiel Management \(cipmm-icagm.ca\)](http://Canadian Institute for Procurement and Materiel Management | The National Voice & Professional Home For Procurement & Materiel Management (cipmm-icagm.ca))
 - ◆ Computers for Schools [Computers for Success Canada \(cfsc-opec.org\)](http://Computers for Success Canada (cfsc-opec.org))
 - ◆ Provincial Recycling