

## FEATURED PRODUCT

“You know, this is the 21st century.” This simple statement from an intern that did not feel like making phone calls in 2011 is what became the catalyst that launched Enviro 21. **Enviro 21** (Pittsburgh, PA) is bringing waste bids and more into the 21st Century. In 2015, Enviro 21 partnered with Management Science Associates (MSA) to create an online reverse auction platform to bring the antiquated bid process in the waste and environmental industries into the 21st century. Five years later, Enviro 21 has achieved its goal of disrupting the pre-technology bid process and has no plans of slowing down. Enviro 21 has since saved countless companies and municipalities significant time, money, and effort on their waste contracts and more.



### *What is a Reverse Auction?*

In a reverse auction, the bids decrease in value, as opposed to a regular auction where the bids go up in value. In both cases the generator of the bid chooses the starting price as well as chooses the decrement. The difference is obvious—reverse auctions look towards a lower price and forward auctions look towards a higher price. For example, Enviro 21 will take a municipality on as a client regarding their upcoming municipal waste bid. Enviro 21 will then work with the municipality on the details of the bid and the price. The price then becomes the starting point, and the haulers will compete for the bid going lower and lower on price in an online reverse auction.

### *Benefits of a Reverse Auction*

- **Save Money:** While a reverse auction does not guarantee you will get an extremely low price every time, it does ensure that you will get the best price available. According to the GSA (General Services Administration) reverse auctions save anywhere from 18 to 45 percent on service bids, and 10 to 15 percent on hard good bids. An example of this savings can be seen in Enviro 21's reverse auction done for the City of McKeesport's waste. By using the reverse auction format, the price, which had been \$116 per ton, was lowered to \$80 per ton. By qualifying all vendors through a vetting process, service and quality were assured. McKeesport's mayor Mike Cherepko stated after a recent Enviro 21 auction, "Using the Enviro 21 reverse-bidding process ... [the contractor's] bid came in at least six figures lower than officials expected."

- **Save Time:** Mayors, city administrators, and decision makers in any industry have quite a bit on their plate. Enviro 21 becomes a significant asset to their clients, by soliciting and vetting vendors, reviewing and revising bid specs, and acting as a conduit between vendors and generators.

- **Less Effort:** Enviro 21 runs the entire auction process, but maintains constant contact to keep its clients informed. Enviro 21 also acts as advisors to clients. They build relationships with vendors and use their online platform to do the work for you.

- **Gives You More Control:** The Enviro 21 online reverse auction platform puts the ball back in the client's court. Unlike the sealed paper bid process, where the specifications are sent out and then the vendors decide on the maximum price, Enviro 21's platform lets clients decide the starting price. They are not at the mercy of the bidders.

- **Transparency:** In the traditional bid process, the vendors do not know what bid price the generator of the bid is looking for, which leaves viable vendors in the dark on valuable information and can leave the generator of the bid with fewer possible vendors for contract or project. With the Enviro 21 reverse auction platform, the starting price and low bid is always visible. Bidders can make the decision if they want to go to a lower price or drop out. This process enables both bidders and generators of bids to leave as little money on the table as possible.

While waste is our primary business, Enviro 21 does reverse auctions for any project, including but not limited to demolition, paving, repairs and so on. Save time, money, and effort by using Enviro 21's expert guidance, best pricing probability, and extensive service.

**For more information, visit <https://enviro21.com> or <https://blog.procureport.com/lower-procurement-costs-reverse-auctions>**

