

## **The State of the Used Bucket Truck Market**

By Sam Page of I-80 Equipment

Imagine going to a used car dealership without Edmonds, without Kelly Blue Book, without anything to compare prices to. Two things would happen, you'd either get pillaged for way more than they dealer bought it for, or you'd get a car for just over what the dealer has in it. In either scenario, you wouldn't know what actually happened and you'd be incredibly frustrated by it. Today's used bucket truck market reflects this scenario to a "T". As you can imagine, business owners are confused and frustrated at the pricing of used bucket trucks.

With bucket trucks, there is no "blue book" or anything to base a market price on. Maybe this is why we see more and more entrants into the reconditioned and used bucket truck sales business? Sadly, all of the expertise and skill has been bulldozed by fly-by-night scam artists looking to make a quick profit. For legitimate dealers, the cost of doing business has risen and the need to get business from the internet is imperative and not cheap. How do they cover these costs? They include it in the price of the equipment.

The biggest reason prices have increased is simple economics, the supply is low. Specifically at auctions, there are fewer units to choose from, thus the prices are skyrocketing. Whether the dealer reconditions the equipment or not, they will mark up their inventory accordingly and not necessarily based upon what others are selling them for but, but more on what they paid for it.

Ah, supply and demand is in full swing in the used bucket truck market but, what's the cause of the limited supply? This is a two part answer. First, the economy is recovering and infrastructure sees the benefits of it before any other industry and is sucking in more equipment to keep up with the business. Second, manufacturers have decided to skip auctions and sell used equipment themselves.

Manufacturers seeking more profit want to attack every vertical. It's seen everywhere, most notably with used cars. You can hardly visit a new car dealership without it also having a used car section as well. The used car market has much higher profitability than new and dealers want to exploit that... essentially creating an uneven playing-field for the local used car dealer. This again, is identical to the bucket truck market. For the same reasons people buy from local dealers over the big brand dealer, business owners buy from used bucket truck dealers.

### **What You Get With a Used Bucket Truck Dealer**

Used bucket truck dealers are up against the wall. A lot of times, they end up under-cutting the price of the manufacturers in order to secure a long term customer. A customer that repeats business is what the reputable equipment dealers are looking for. They'll offer incredible discounts, incentives, and customer service to their prospects.

Incentives are rampant, but only a handful of bucket truck dealers actually provide valuable incentives. Warranties of course, can be shady and the wording is almost always in favour of the dealer... many times, the price of the warranty is included in the price of the truck. If you feel comfortable, you might be able to negotiate a lower price for not taking the warranty. Most business owners however should opt for the warranty as it is a tax deduction.

### **The Best Tip for Bucket Truck Buyers**

If you're planning on buying a used bucket truck, do your homework. There are only a few really

good dealers and reconditioners out there. While online searches will turn up decent results, it's all about your personal "feeling" of the dealer. If you get a good vibe from the dealer, go with them. I DON'T recommend buying a bucket truck on vibe online. Don't just buy on "vibe", get an independent mechanic to inspect the truck. Make sure the mechanic you have inspect it has experience with and is familiar with utility trucks, specifically bucket trucks.

Buying utility trucks is tricky. Use caution and pessimism to your advantage if you plan on purchasing a used bucket truck.

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