SPECIAL SECTION
Small Business Report
A NY Success Story In Queens Page 15
Banks Cut Rates, Offer Deals Page 16
S.I. Booms Page 21

CRAIN'S

NEW MEDIA SECTION
STAR ATTRACTION IN LATIN AMERICA
PAGE 13

Vol. XIV, No. 32 www.crainsny.com NEW YORK BUSINESS® August 10-16, 1998 Price: $2.50

Big stock lifts bring liquidator bulk business

WHEN LIQUIDATOR Michael Brooks talks about "the big lift," he's not talking about Berlin, or even the Wonderbra. He's referring to a guerrilla sales tactic in which one supplier buys up—or "lifts"—a store's entire inventory of a competitor's product off the shelves and replaces it with its own. It's an expensive but effective way of buying market share. And the increasing use of the tactic is creating a lot of business for companies like International Purchase Systems Inc., Mr. Brooks' firm.

When a supplier lifts a competitor's stock out of, say, Wal-Mart stores, it turns to a liquidator to sell the merchandise.

Traditionally, liquidators have made a living selling inventory left behind when a business closed, went bankrupt, or bet on the wrong product line. But last year, fully 40% of Elmsford-based IPS' $6 million in sales came from stock lifts. Mr. Brooks predicts that they will account for more of his profits as the strategy catches on outside the hardware business, where it's been SOP for decades.

"I just got a call from a pet supply manufacturer who's interested in a big lift," says Mr. Brooks. Other ripe retail segments: housewares, office furniture and lighting.

—LISA GOFF