

MSAASUPPLEMENT



MSAASUPPLEMENT

May 2012 | Issue 44



Welcome

Thanks for taking the time to read the official web publication of the Minnesota State Auctioneers Association. We take pride in our association and are excited to provide this supplement, to assist our members in gaining a greater understanding of their benefits, and the auctioneering profession as a whole.

Viewing Instructions

After the first issue it was brought to our attention that some sections may be too small to read easily. A quick way to remedy this is to go up into your VIEW menu at the top of your screen and scroll down to zoom, or even turn on the "View at Full Screen" option. These are just a few of the simpler options available. Plus, don't forget you can also print the document.

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Announcements

I was in Florida for the World Automobile Auctioneers Championship. When I heard Joanie was not feeling so good, I took an extra day and drove from Orlando to Cape Coral to see her & Wally. Although she was not strong enough to meet for dinner, they asked me to come over to their home.



We had a nice and brief visit reminiscing about MCAA, Orlin, Marcel & Eileen, Wayne E. and everyone, and all the good and fun times we had and laughs shared at MCAA Conventions through the years.

When I stood up to leave and say good bye to Joanie, we both had tears in our eyes. It was sad for both of us. Joanie and Wally are as good of people the good Lord ever put on this earth.

Thanks for letting me be part of the Minnesota State Auctioneers Assn. This photo alone shows why it's worth 100 times the little dues we pay to be in the MCAA. I would never have met or had all the wonderful memories with Joanie and Wally if not for the MCAA.

Regards,
 Paul C. Behr

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MSAA

A Leading State Association

Rod Johnson

Vice President, MSAA
Johnson Auctioneering

Contact 



The Minnesota State Auctioneers Association has been a leader among state associations for years, which is something we can all be proud of. I certainly hope we can continue this trend, with active members who will take on the challenge of the future.

I would like to urge all members of the MSAA, whether you're a brand new member or a seasoned veteran, to become more involved in the organization. We all have certain skills that we are good at. Maybe you excel in accounting... education... technology... public relations... marketing... legislative affairs or other areas. The Minnesota State Auctioneers Association has over 20 committees dealing in areas such as the ones I mentioned. These committees are not just for board members, but for all members. We can certainly use your expertise in serving on one of these committees, so please think it over and let someone on the board know if there is an area you'd like to serve in. Bring your talents to add value to the MSAA.

It's not too early to start thinking about next year's conference and show and the elections we will have for directors and vice president. One of the responsibilities of the board is to determine and advance the mission and purposes of this organization. The board of directors consists of 12 members and three of those spots will be

open next year. If you have any questions about what it's like to serve on the board, feel free to contact me, a current, or past board member to find out more. If you've served on the board in the past, please consider a run for the vice-president position. We need good, active members to continue the fine tradition of the Minnesota State Auctioneers Association.

Yes, we are all busy, but I would urge you to think about investing some of your time into this organization. Let me assure you, that what you put into this organization you will get back in a number of different ways.

If you're a member of other state organizations or have attended other conference and shows, you know what I mean when I say the Minnesota State Auctioneers Association is a leader among other states. I truly believe we can continue this trend with the strength of our active membership. We have some unbelievable talent out there and we hope you'll consider sharing it with the MSAA.



MSAA SUPPLEMENT

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Compassion

A True Blessing!



Dave Thompson

Director, MSAA
Thompson Auctioneering

Contact 

I am very excited to have this as my first article for the MSAA. Being a first generation auctioneer is not only exciting, but proved to be somewhat challenging too, especially in the early years. I knew there was a bunch of hard work involved and was up for the challenge.

I was lucky to have been able to call at a sale the day after I finished Auction School at Continental Auction School in Mankato, MN. I was asked on the spot if I'd like to call and that split second decision is one I will never forget. I can't help but think of what would have happened if I didn't have the confidence to say 'yes.' Since then I've never looked back. I've had the opportunity to work with some fantastic Auctioneers over the years and I believe I've become a product of their talents and abilities.

The pride and passion I have for the Auction business grows every day and the trust, faith, and respect that I continue to earn builds with every sale. I extend a huge "Thank You" to those Auctioneers who believed, supported, and gave me the chance to do what I love.

The one thing I never had much experience with early on was the pre-auction consultation. I didn't know that a compassionate nature would be a huge benefit when talking to clients. I'm telling you this because promoting the auction method of marketing

really does come full circle. You all know about listening to the sellers' needs during negotiations; some want to know only the bottom line, others don't want to follow your recommendations and pay for specialty advertising with a nice collection, and others just want to get rid of something because they can't be bothered by the whole situation and want you, the professional, to take care of it all. The list goes on with regards to what we do to keep our clients happy, but the one thing that many customers truly need from us is compassion.

At a recent small farm sale in rural Mower County, west of Lyle, MN, I had the privilege to work with three sisters who recently lost their mother and were considering options with what to do with her things. They were considering an auction and this is just one of those times that compassion played a vital role in securing the auction.

Their mother and one of the sisters knew of me through some charity auctions that I'd done in the area, and although my name never came





up in a “what to do with my stuff when I’m gone” conversation, they thought to call me. I know they were seeking reassurance about my abilities with their questions, references, and the #1 question, “Will it really all be gone when we are done?” They had a need for compassion, not only for the loss of their mother or for handling her belongings, but in their desire to have trust and faith that things would be done in a matter fitting to their mother’s wishes.

It was only on the auction date when the family arrived to see the items on the lawn; it hit them, that all would be gone after this... Needless to say, many hugs and memories were shared that day. Compassion is something we all have in us and clients can see true compassion when displayed. You can’t advertise you have it, and you can’t put a price on it, but good things will come your way when you display it.

“Compassion is something we all have in us and clients can see true compassion when displayed.”



Learning From Public Perception

From a Certain Point of View

Ryan George

BiPlane Productions

Contact 



Almost 100% of my income comes from the auction industry. Because of this, a lot of my Facebook connections also derive their livelihoods from the same line of work. Last week, I saw a number of industry leaders posting and liking a web-published letter from the National Auctioneers Association (NAA) to jcpenny, asking them to immediately pull a television commercial that includes an auctioneer—on grounds of improper representation of a 12-figure segment of the economy.

Having not seen the commercial on TV, I found the ad online. It shows a trite caricature of an old school “colonel,” calling bids backwards as western music twangs in the background. And then it drops these statements: “No more pricing games. Just great prices from the start. That’s fair and square.”

Anybody who’s been to an auctioneer convention has met or at least seen bid callers that resemble to varying degrees the bid caller hired for this TV spot. But anybody who’s been to an auction industry gathering can tell you that he represents the exception to the rule—at least the present and future of it. So, the industry as a whole is probably as embarrassed by this portrayal as my college friend said she was by Crocodile Dundee being a representative of her native Australia.

I think the response, though, is more to the implication that auctions aren’t fair or square sales environments. Nobody wants to be called unfair. That implies shady, even immoral, business. If that were the intended statement of the commercial, I would stand with professional auction marketers around the country in their attempt

to stop the besmirching of their profession.

That said, I doubted that was the intent of the ad; so, I called jcpenny’s media relations department. Kate Coultas, jcpenny spokesperson, emailed and then called me to affirm that the intention of the TV spot was to illustrate an environment where consumers are inundated with advertised price points from various places. A live “outcry” auction proved analogous of that concept. Having spent time in a candid conversation with Coultas, I trust that the motif was the goal and not an attack on potential customers from the auction community.

In an official statement, the company stated, “Our ‘auctioneer’ ad is part of our campaign to introduce consumers to our new ‘Fair and Square’ pricing strategy. Our new pricing strategy aims to put an end to the frustration many consumers have with today’s endless retail promotions. The ad is in no way meant to portray the auctioneer profession in a negative manner and we apologize for any offense we may have caused.”





Even before I spoke with Coultas—having watched the series of six ads in which the auctioneer spot falls, I extended grace to Peterson Milla Hocks (known as PMH in trade forums), the ad agency that put the series together to illustrate how jcpenny is breaking away from convention with their new, three-tiered pricing strategy. And I refrained from any critical remarks of PMH, because they are not auctioneers. They represent the marketplace, people of the population that only know of auctioneers what stereotypes and TV shows have shown them. Sadly, in both those situations, an unprofessional or timeworn bid caller most likely contributed to those impressions. My clients, peers, and I work through

branding to combat that stigma, as does the NAA through robust continuing education, public relations initiatives, and a standard code of ethics.

That said, this situation presents itself with a chance for collective introspection—a chance to remind ourselves of how crucial public perception of the auction marketing method is. Candid auction professionals must concede that, while auctions are above board, they do come with some obstacles to purchasing that retail doesn't. Using jcpenny as an example, its customers:

- do not pay a buyer's premium
- are not charged an additional fee to use a credit or debit card
- do not have to register at the door in order to purchase
- are allowed to return items under certain terms within a documented time frame
- do not have to reveal their purchases and the amount paid for them to a crowd from their community
- are not assigned a number that they have to remember or carry with them while shopping

- do not have to wait through audible announcement of sale terms before shopping commences
- do not have to wait for a designated date to purchase an item
- do not have to wait for a list of items to sell before they can buy their desired item

Am I against auctions or the auction method? No! I've purchased multiple items in live (on site) and online auctions. I just sold my iPhone 4 intentionally through the auction method instead of listing it on Craigslist or selling it to a local electronics dealer; and when the winning bidder was flagged as a scammer, I trusted the auction method to sell it a second time. My wife and I were even runner-up bidders last November on a house and were fully prepared to purchase it, had the bids not gone as high as they did. If I didn't believe in the auction method, I'm in the wrong line of work.

What can be gained with the auction method is a liability to other sale formats and vice versa. One of the trade offs for the benefits of live bidding is that an auction





“The fight to save and grow the auction industry is in the hands of us who market in it every day.”

isn't always the most convenient way to purchase. Some of that is immutable—the nature of the method. Other aspects are improvable with ingenuity and technology.

Thankfully, courageous auction professionals are working toward making it easier and more convenient to buy things through the competitive bidding environment. Most auction firms are including simulcast online bidding for those who can't physically be present at the auction. Others, including many of my clients, have moved to online-only auctions in which bids can be left at the buyer's convenience—even for real estate. One auctioneer I met allows returns of items purchased at personal property auctions. Another auctioneer, faced with international bidders walking out of his auctions due to the unintended intimidation through his speed talking, told me that he has killed

the chant in his bid calling—as have international auctioneers I watch on Velocity. Some firms are moving to mobile payments and/or killing fees. Personally, I think eBay's Buy It Now concept and auction tracking app are both positive ideas for the auction industry. The list of innovations and redirected strategies is dynamic—a rising tide continuing to lift all progressive boats.

The fight to save and grow the auction industry is in the hands of us who market in it every day. Our success will require us to step out of our perspective, our conveniences, our assumptions. Our jobs will most likely continue to require more steps and a wider skill set. I'm in this, too. To maintain value for my clients, my responsibilities, packages, and services have changed over the past years. Have you found that to be true? If not, how long do you think your status quo will serve you well?



What is happening at the NAA?

From the Desk of the CEO

Hannes Combest, CAE
Chief Executive Officer,
National Auctioneers Association

Contact 



In 2010 and 2011, the Council on Future Practices, a group of NAA members, discussed the future of the auction industry. They wrote a white paper titled “Give Me Five, Now Ten ... Years Into the Future.”

In the paper, the group recognized four macro-level trends it believed could have a significant effect on the auction business in the next five to 10 years. These trends were government regulations, economic uncertainty, technology, and the “freemium” concept as a new business model.

The Council’s recommendations revealed the need to provide high-quality education to auction business owners and their staff. It also suggested the NAA should adopt “opportunity agility” — an infrastructure that provides businesses and other organizations a platform from which to efficiently adapt to a changing world.

Spurred by the white paper, NAA President Christie King, CAI, AARE, BAS, appointed a 10-person group, the Vision 2015 Task Force, to look at how the NAA could address the Council on Future Practices’ concerns and recommendations.

The Task Force brought several proposals to the NAA and its members with the belief that they would ensure the NAA continues to provide relevant and valuable educational opportunities and representation for the auction industry and its professionals.

One discussion focused on opening the doors of the NAA to auction professionals within its member organizations’ businesses and to auction professionals who traditionally have not been members. The Task Force recommended one membership category for the NAA, allowing any auction professional to join the association as a voting member.

NAA has been built on a foundation of providing services to all auctioneers, and that foundation hasn’t changed. The definition, though, of the auctioneer and those who support the profession has changed.

As a result, the NAA must change to best serve its current and future members. The Task Force even recommended a name change, one that would help articulate the changing structure of the NAA.

In April, the Board of Directors discussed all of the Task Force’s recommendations and decided to move forward, in July, with voting for some of the proposed Bylaw changes. The Board decided not to move forward with other recommendations, such as the name change, at this time.



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The May issue of Auctioneer magazine outlines results from the April meeting.

Regardless of the outcomes of the July 17 vote in Spokane, Wash., the core values of the NAA remain unchanged. The NAA is about promoting auctions and the auction professional through education and technology. I'm confident the NAA's education and other programs will benefit from the research, discussions, and decisions that come from all of the association's leaders and its members.

Some people may disagree with the proposed revisions to the Bylaws; however, I'm happy to report the process has been transparent, and actions have been taken based on feedback from NAA members. The NAA Board of Directors has been, and will continue to be, open about its discussions and decisions. Its desire is to ensure the auction industry — your industry — remains strong well into the future.

There is change coming at the NAA, and we will be ready to adapt!



The Blame Game

Negotiation Tip



John Hamilton, DREI
www.GoodNegotiator.com
 Contact

In this era where people claim to never be at fault for any of their misdeeds, you might be puzzled that I'm suggesting the use of the 'blame game' as a negotiating strategy. Be assured that I'm disturbed by how many blame all their troubles on others. I remain a strong proponent of individual accountability and responsibility.

But playing the 'blame game' does have its place in negotiating.

Negotiators who use the blame game technique can "have their cake and eat it, too". They can be confrontational with their negotiating opponent and at the same time come off as understanding and even sympathetic.

This technique isn't new and I suspect you have even used it on occasion. It involves one's reaction to a proposal. It could even be a variation of the 'flinch' and the 'bracket' tactics.

We know that a curt rejection of a proposal tends to cut off or restrict future constructive bargaining. The blame game, however, softens that rejection by deflecting blame to others. It begins with one sharing with their opponent that they somewhat agree with their position (or price). It goes on to share that they won't be able to accept those terms due to some outside influence. That outside influence is the reason (or blame) for the rejection.

It would sound something like this. "Fred, I'm certainly not an expert on what widgets cost these days and I

can only assume that your price of \$400 per unit is somewhat fair. My problem is that my _____ (manager, boss, spouse, board, etc.) won't allow me to pay that much for them. It's just not in the budget. How can we make this work for both of us?"

Using the blame game positions you to play both sides of the issue. This technique doesn't so much challenge the price on a value basis, but instead challenges the price based on a limitation from an outside (higher) authority who isn't directly involved in the negotiations. Think how this comes across. It says, "I'm on your side, but _____ has my hands tied."

We become somewhat of an ally to our opponent, but a concession will be required from them in order to complete the deal. It certainly conveys two critical messages. First, the initial proposal won't work. Second, it tactfully seeks concessions that can result in a good deal for everyone.

Good negotiators can reject proposals, seek concessions, and still maintain a cordial atmosphere.

Consider employing the 'blame game' as you KEEP Negotiating!



MSAA Membership Application

Our Association is an organization of licensed auctioneers. With the support of its membership, the association works to promote the auction profession. We are governed by an annually-elected president, vice-president, secretary/treasurer, and nine board members. These board members serve in revolving three year terms. All past officers and directors comprise an advisory committee.

Membership Benefits

- Multiple educational seminars on topics pertinent to auctioneering, marketing, appraising, government regulations, small business growth & management, and cultural enrichment
- Complimentary subscription to The Minnesota Auctioneer, the official membership publication with news and informative articles from around the state
- Combined legislative influence as membership grows
- Policing body to maintain ethical practice and thus reputation for the industry as a whole in our state
- Mentoring and problem solving with other auctioneers
- Voting privileges in annual business meeting
- Permission to use the MSAA logo in advertising and compete in marketing competitions
- Updated directory of all MSAA members

Any auctioneer with a current license is welcome to join. New applicants become members by submitting a completed membership application (right) with proper payment.

Members must pledge to be faithful to all buyers and sellers. Members are also expected to show loyalty to the organization by actively participating in state activities and events.

Annual Dues Only \$100

(Include dues check for \$100 in envelope with this application.)

- New Membership
- Membership Renewal
- Membership Reinstatement

Name: _____

Company Name: _____

Address: _____

City: _____ State: ____ Zip Code: _____

County: _____ MN License Number: _____

Email: _____

Work Phone: _____

Home Phone: _____

Cell Phone: _____

Signature of Applicant: _____

Auxiliary Dues - \$5.00

Spouse Name: _____

Membership is from January 1 to December 31. Members who join after October 1 will receive membership for the remainder of the current year and the entire following year. All members are expected to act in a professional manner and conduct an ethical business.

Questions? Call Toll Free! 800-440-9398

To submit this form, fill out then print a copy and attach any extra requirements.

Return with payment to:

Minnesota State Auctioneers Association

c/o Frank Imholte, Executive Vice President
8160 County Road 138, St. Cloud, MN 56301



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MSAA Hall of Fame Nomination

Nominations must be postmarked no later than July 1 of the year preceding the presentation of the Hall of Fame Award. Mail nomination to:

Lowell Gilbertson, Hall of Fame Committee.

Name of Nominee: _____

Residence Address: _____

Phone: _____

Business Information:

Name of Firm: _____

Position: _____

Number of Associates or Partners in Business: _____

Business Address: _____

Phone: _____

Personal and Family Information:

Name of Spouse: _____

Does spouse participate in the Auction profession? Yes No

If yes, explain: _____

Is spouse a member of the MSAA Auxiliary? Yes No

Give names and ages of children: _____

General Professional Information:

How long has the Nominee been involved in the auction business?

What percentage of the Nominee's time is actively spent in the auction business?

How long has the Nominee been a member of the MSAA?

Has the Nominee specialized in any particular field of Auctioneering?

List educational background of the Nominee. (Include offices held, current and past):

1) _____

2) _____

3) _____

List regular auctions conducted, if any, and/or special individual auctions conducted which have brought attention and credit to the profession of auctioneering.

1) _____

2) _____

List at least three individuals who have worked with the Nominee or who have knowledge of the Nominee's worthiness of being considered for this award, whom the Hall of Fame Committee may contact:

1) _____

2) _____

3) _____

Previous recipients of the MSAA Hall of Fame Award have established some general qualifications which they feel each Nominee should possess or have shown. Please reflect your personal assessment of the Nominee with respect to: HONESTY, HIGH ETHICAL STANDARDS, WILLINGNESS TO SHARE WITH OTHERS, STANDING IN HIS OR HER COMMUNITY, AND MASS CONTRIBUTIONS TO THE AUCTION PROFESSION.

Narration: (Attach separate sheet.)

Submitted by: _____

Address: _____

Phone: _____

To submit this form, fill out then print a copy and attach any extra requirements.

Return to:

Lowell Gilbertson, MSAA Hall of Fame Committee
2661 Oak Hills Dr. SW, Rochester, MN 55902



MSAA Auxiliary Hall of Fame Nomination

Qualifications for Nominees:

- Spouse must be a member in good standing in the MSAA (or past member if widowed).
- A member of the MSAA Auxiliary with recent or previous active participation.
- Participation in a related business to the auctioneering profession.
- Active in community, church, charitable or volunteer organizations.

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____

Name of Spouse: _____

Business Name: _____

Business Address: _____

City: _____ State: _____ Zip Code: _____

Business Phone: _____

(Attach separate sheets if necessary.)

Auxiliary Participation:

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____

Community Activities:

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____

Personal Comments: (Attach separate sheet.)

Please include as much detail as possible on all areas. Nominations must be postmarked no later than August 1 of the year preceding the presentation of the Hall of Fame Award.

To submit this form, fill out then print a copy and attach any extra requirements.

Return to:

Deb Ediger, Committee Chairperson
218 W. Main, Belle Plaine, MN 56011
952.873.2292 or 952.873.6972



Annual Scholarship Application

Two Scholarships of \$1,200.00 each (subject to change)
from the MSAA & MSAA Auxiliary
One Scholarship of \$1,200.00 (subject to change)
"Vi and Orlin Cordes Memorial Scholarship"
Deadline: November 1, 2012

Date: _____

Name _____ Age: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: _____ Date of Birth: _____

Relationship to ACTIVE MSAA or Auxiliary Member:

Child Grandchild Niece Nephew Auctioneer Spouse

An Active Member means he/she should attend MSAA Conventions on a regular basis and be interested/involved in promoting the MSAA/Auxiliary auction profession. Must be a member of the MSAA or Auxiliary for three consecutive years.

Name of Relative: _____

Address: _____

City: _____ State: _____ Zip Code: _____

NOTE: Only one scholarship per candidate. If unsuccessful in your application one year, please reapply.

High School Graduated from: _____ Year: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Name of College or University of enrollment: _____

Address: _____

City: _____ State: _____ Zip Code: _____

CHECKLIST

1. Scholastic Information – GPA: _____

(If senior in high school or current college full-time student. Need not be official.)

2. Honors or Community Involvement:

(List any or all school, community, club, sports and academic activities)

a) _____

b) _____

c) _____

d) _____

e) _____

3. ESSAY: Be unique and creative! Please state what you've learned from your experience in the auction profession and/or what you would do with the scholarship funds. The essay needs to be completed **without** including any names or business names that would identify the applicant or their active MSAA member. **(This is important because the Scholarship Committee is presented the essay with this information removed so the identity of the applicant is not revealed to them. The Committee is judging the content of the essay while avoiding any prejudice by the inclusion of names.)** Please complete on a separate page, sign and ATTACH ESSAY TO THIS APPLICATION FORM.

4. Please attach a copy of the letter of acceptance or proof of enrollment in your school of higher education (required if applying for the MSAA or Vi and Orlin Cordes scholarship).

5. Current letter of recommendation is required for ALL scholarship applicants.

Absolute Deadline – Must be postmarked by November 1, 2012

Relative of winner will be notified before the annual convention. Winner and MSAA Auxiliary member relative are encouraged to attend the Saturday evening President's Banquet at the annual Minnesota State Auctioneers Convention.

To submit this form, fill out then print a copy and attach any extra requirements.

Return to:

Conny Rime
4838 South Tri Oak Circle NE Wyoming, MN 55092
Scholarship Committee: Peg Imholte (chair), Holly Hotovec, and LuAnn Finnilla



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