

MSAASUPPLEMENT



MSAA Members Attend NAA C&S in Indianapolis, IN



MSAASUPPLEMENT

July 2013 | Issue 58



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

If some sections have print that is too small for you to read easily, go up into your VIEW menu at the top of your screen and scroll down to ZOOM, or even click on the "View at Full Screen/Full Screen Mode" option in the VIEW menu. You can also print the document if you wish.

Upcoming Events

2013 Summer Seminar and Board Meeting

Monday, July 29, 2013

- Seminar and Business Meeting

Hannah's Bend Park

North 9th Street, Cannon Falls, MN 55009

Cover photo by Wendy Lambert

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Announcements

For Sale:

AUCTION EQUIPMENT YARD FOR SALE OR LEASE

Approximately 30 prime acres located one mile north of Princeton, MN on US Highway 169.

Property features: 7,000 sq. ft. deluxe home, 20,000 sq. ft. steel building, 25,000 sq. ft. metal building, loading dock, and security fence. Beautifully landscaped with a 3-rail vinyl fence.

The property has been used as an auction facility for many years. The owners would like to see it remain an auction yard. It's been very good to us over the years. Property could have many uses. More land available if desired. Owner decided to retire, but could be available to assist and guide if new proprietors desire.

Contact Wayne Pike for more details 612-390-9209.

Members Carol and Steve Reinhardt asked if this could be sent to the membership:

I have a smaller Park Model Trailer, permanently located in Rock Shadows Sr. Community (www.rockshadows.com) in Apache Junction, AZ. If any member of MCAA wants it, they may have it. We recently had an online-only auction and were not successful. All pictures, terms, and info is on our website (www.reinhardtauctions.com). Click on Online Auctions, then Archived Auctions. If anyone is interested, please let me know ASAP as we will go another avenue with it very soon. 218-821-4119.

Stolen:

We have a client that has eight (8) green Yamaha gas golf cars that have been stolen. Please spread the word to our members.

Jim Fahey, Fahey Sales, 320.583.8559

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 Find us on Facebook



Announcements

Tragedy:

A note from Natalie Hanson (MSAA Auxiliary Secretary Treasure)
Saturday, July 6:

Dear MSAA Members,

Our daughter Jessica was hit by a car on Wednesday night at 10:30 pm. The car continued leaving my beautiful daughter dying on the pavement. She underwent emergency surgery for a head injury and never regained conscious. She was declared brain dead on Friday at 10:23 am and the rest of the time we waited to get everyone in place for the transplants. We said our final goodbyes at 2:00 this am.

Memorials can be sent to Jessica Hanson Memorial Fund, Farmer's State Bank, PO Box 245, Hoffman, MN 56339

Jerome and Natalie wish to thank everyone for their well wishes. What a LONG HAUL this is going to be.



Summer Picnic

Monday, July 29th

Rod Johnson
 President,MSAA
 Johnson Auctioneering
 Contact 



The summer seems to be flying by and it's almost hard to believe that our bi-annual meeting and summer picnic is already upon us. I hope you'll make plans to join us on Monday, July 29th at Hannah's Bend Park in Cannon Falls. This is the same park where President Obama held a town meeting two years ago. We'll get things started at 9:00 a.m. and we're excited to have Paul Behr on hand to speak and conduct a seminar. Paul will become the president of the National Auctioneers Association at this year's conference in Indianapolis, so this will be one of his first appearances as NAA president.

It was an interesting Minnesota legislative session to say the least, and we will have Vic Moore and others from our legislative committee update us on what happened and what effects will be felt by the auction industry. Kurt Johnson, Mike Schultz, and Jim Fahey have done a great job serving on the legislative committee.

Each year, the MSAA president selects a charity to support and this year I'm proud to say I've picked St. Jude Children's Research Hospital. My relationship with St. Jude started when I first began my auction career and they also have a partnership with the National Auctioneers Association. We will have a representative from St. Jude at our summer meeting and picnic on July 29th.

In addition, we will conduct our bi-annual business meeting for the Minnesota State Auctioneers Association, followed by a delicious meal catered by R.J.'s Barbecue.

It will be January before we know it, so please remember to save the dates for the Minnesota State Auctioneers Association

Conference and Show. The Conference takes place January 9-11, 2014 at the Sheraton Minneapolis West. Bret Walters is the Conference and Show coordinator and I know he'll do a great job. **I would like the help and input of our members to bring the types of speakers and seminars that you are interested in.** Please, if you have any ideas or suggestions, contact me via email - rod@johnsonauctioneering.com - or give me a call at 507-263-4373. What would you like to see at the 2014 MSAA Conference and Show?

Again, hope to see all of you at our bi-annual meeting and summer picnic in Cannon Falls on Monday, July 29th. If you come early or stay longer, there is plenty to do in and around our small community. The Cannon Valley Trail is a huge favorite for bikers and walkers; we have Lake Byllesby on the west side of town with beautiful parks and a campground; a number of golf courses that include the Cannon Golf Course, Summit and Gopher Hills; the Cannon River Winery, and much more. Looking forward to seeing everyone on the 29th; please plan on joining us.



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Trouble Going In, Trouble Going Out

Coaching the Client

Allen Henslin

Director, MSAA
Henslin Auctions, Inc.

Contact 



In the lyrics of Kenny Rogers, “You got to know when to hold ‘em, know when to fold ‘em, know when to walk away and know when to run.”

The auction profession is like no other profession. We as auctioneers are helping clients to get through different situations in their lives. We not only become auctioneers but also coaches to help our sellers take proper steps to making their auction a success.

We as auctioneers spend a lot of time, money, and effort promoting not only our businesses but the auction profession. This profession is so competitive that sometimes

it becomes hard to turn business away. After the seller has been turned away from conducting the auction, they will become more receptive to other auctioneers after the first meeting. I like to call it ‘setting the table.’

An auction can be a very emotional experience from beginning to end for the client because it is change. Some people have a hard time dealing with change. Auctions may be the result of an estate, retirement, health issues, forced liquidation, foreclosure, divorce, etc.

Over the years, I have worked with many clients and also worked with other auction companies and their clients. Ninety-five percent of the sellers have been enjoyable to work with but we all can relate that there have been a couple of clients that we cannot wait to settle up the auction with and move on to the next auction.

I think about some of our sellers that we have worked for, and many of them have become good friends who check in every so often to see how things are and catch up. Some of our past clients were ones that had never been through an auction or even been to a live auction. They didn’t know what to expect. We

had to explain the entire process from start to finish covering every detail to make sure they knew what to expect.

When having to deal with many different sellers and situations, some clients cannot be helped from the start. One of the most important phrases to remember in this business is, “trouble going in, trouble going out.” If you are having problems with the seller from the beginning (commission is too high, advertising is too high, reserve prices on many items, etc.) you are more than likely going to have problems at the end of the transaction. Have you ever had that feeling that no matter what you do or say, it’s not good enough for the seller? Coaching the seller is so important from the initial contact. We have to sell the auction method, our company, and ourselves to make the seller feel comfortable and confident in allowing us to conduct their auction. By properly coaching the seller on what to expect and not making any promises, the auction usually will be easier for everyone. This is done by communicating. We try and ask the seller many questions before signing the agreement to get a better understanding of their situation. I know that we have heard



from different sellers trying to sell a home that they are upset, as they never hear back from their real estate agent to get an update on the current situation. The first thing that we try to do after a real estate open house is call the sellers with an update or send an email.

We try to make notes before the meeting on things that we discussed through a phone call or email, during the meeting on concerns or things to remember, and then after the meeting on things to follow up on. Attention to detail is so important in this business because forgetting a minor detail may become a major issue to your client.

A few years back, we had a client that wanted us to conduct his auction. He was going through some financial problems and had stated that he needed help. After we signed the agreement, he made a deal with his lender and they now owned the equipment. He wanted us

to sell their equipment back to his family members at public auction through a very quick manner (quick hammer). We had a long discussion about this and explained to him that we are working for the lender and that we legally cannot do this or conduct business this way. The auction went very well (too well because his family wasn't able to purchase anything at the auction). I have never been chewed out in this business for items at an auction going too high, but this was now a first. The seller was very emotionally upset after the auction and said that I put him out of business. If I would have known that he was going to work out a deal with his lender after signing the agreement, we would have conducted the auction at a different location. Even though we are always working for the seller, once we lose control of the auction and we are not on the same team with the seller, it makes the auction experience more difficult. In helping the seller have a successful auction

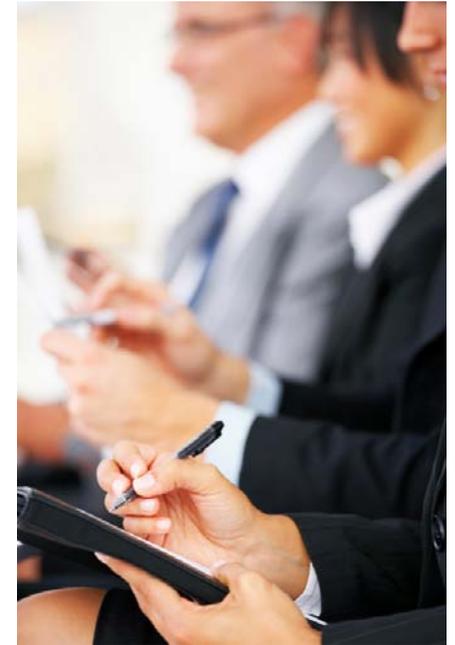
we must tell them what they need to hear, not what they want to hear.

Chasing after good business is so important because our time is so valuable to clients that rely on us and want to work with us. Having a client that has been a challenge from the beginning may allow a company to overlook or pass up good business because of the amount of energy that is used to try and keep them happy.

One thing that I enjoy about the MSAA and NAA Conference and Shows is that our fellow auctioneers not only share success stories, but also their "auction battle stories" and how they handled it. This is what is so important about being part of an association - we learn from others' past experiences and can we continue to make this profession better.

Try to stay out of trouble; easier said than done!

See you in Indy and Cannon Falls. Both will be a great time!!



Tips To Prevent and Manage Fraud

PCI Compliance

Jason Nielsen

Senior Vice President of
Operations, Proxibid

Contact 



Online safety is paramount to providing buyers with a positive online experience. When selling online, be sure to work with providers who offer fraud prevention tools that go beyond a simple credit card verification, are 100 percent PCI compliant, and that maintain a fully-staffed Risk Management team. Implementing additional fraud prevention best practices such as the ones listed below will help you keep your business safe when transacting online.

Shipping

Ship items only to the billing address whenever possible

If a buyer insists on shipping to an address other than the billing address, proceed with caution. If the address is out of the country make sure you call and speak with the customer before you ship and see if you feel comfortable with the risk.

Ship with verifiable online tracking

It won't always make financial sense to go through the effort, but for larger transactions this is highly recommended.

Follow up with shipping companies

The company handling the shipping on behalf of the buyer should be able to provide you with a copy of the shipment manifest. If the destination is different than the billing address, contact the buyer to determine your comfort in completing the sale.

Payments

Only accept the credit card that the bidder has on file

If the buyer tries to pay with a different card, have them successfully add that card to their account.

Respond to chargebacks promptly with the requested information

Maintaining good records of transactions and tracking information may help you reverse a chargeback when you submit a chargeback form.

Be aware of counterfeit check scams

If a bidder requests to pay via a cashier's check that is significantly more than the transaction amount, and if the bidder asks you to send them the difference via Western Union, MoneyGram or other instant wire services, don't do it.

Other

Request a valid ID if buyer picks up item

Unless the buyer has previously made arrangements for a third





party to pick up the item, only release the item to the buyer of record after confirming with valid ID.

Provide complete and accurate descriptions of items you are listing

Provide as many quality pictures and details on the item as possible and represent condition and authenticity accurately. The more accurate the description, pictures, and overall representation, the less likely you are to receive a complaint or chargeback.

If you have questions about preventing and managing fraud, or if you would like more information about ensuring safe transactions online, please contact Proxibid at 877.505.7770.

About Jason Nielsen, Senior Vice President of Operations, Proxibid

As Senior Vice President of Operations, Mr. Nielsen is responsible for the oversight of Proxibid's Client Services, Logistics, Risk Management and Product Development teams, as well as the Company's payments business, Auction Payment Network (APN).

He has presented to numerous credit card associations and has served as a private consultant for companies such as Facebook.





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Negotiation Tip: *Structuring that First Offer*



John Hamilton, DREI
www.GoodNegotiator.com
Contact 

Perhaps the most challenging thing facing those who are about to negotiate something is how to structure that first offer, that initial proposal, or their starting position.

While each situation is unique and hard and fast rules can't be adopted, there are some guidelines that could make us more comfortable and effective in this regard.

Perhaps the best description of how to structure an initial offer was shared by Dr. Margaret Neale of Stanford University. She made it simple by saying, "...initial offers should be ambitious, but discussable."

Be ambitious.

You never get anything you don't ask for, so go for it. Be bold, be optimistic, but don't go overboard. There's a tipping point as to how aggressive you should be. A ridiculous offer will not only be rejected, but it can negatively affect future negotiations. If you have difficulty determining if your initial offer is too aggressive, and you still want to present it, at least communicate it in a softer way that says you have no intent to insult.

"Fred, I'm not sure if I'm on the right track here, but I was thinking that I'd need at least \$_____ for this to make sense for me." While that proposal might be aggressive, the way it was shared almost

guarantees that the negotiations will continue on a cordial, positive basis.

Now for the discussable.

That's a great word. Please consider adopting it. See if you agree with me on the impact of word choice. If we say, "It's negotiable," our opponent assumes we'll make concessions and probably major concessions. If, on the other hand, we say, "It's discussable," our opponent merely knows we'll keep talking without that implication of major concessions. It also hints that we will be looking for trade-offs - something back from them - as part of any continued bargaining. Perhaps I'm reading too much into the difference between "negotiable" and "discussable," but I think I'm right.

In closing, let me share that this might provide a great response to our opponent when they respond to our proposal by asking, "Is that price/proposal negotiable?" Instead of saying yes or no, simply say, "Well, I can only say it's discussable."

That measured response will put you, a good negotiator, in a great position 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: _____

Spouse Email Address: _____

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

The Scholarships of \$1,200.00 (subject to change) will be from the
MSAA & MSAA Auxiliary
Deadline: November 1, 2013

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 scholarship).

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

Absolute Deadline – Must be postmarked by November 1, 2013

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:

Deb Ediger, Committee Chairperson
218 W. Main St., Belle Plaine, MN 56011

Scholarship Committee: Peg Imholte (chair), Holly Hotovec, and LuAnn Finnila



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