

MSAASUPPLEMENT

To Sell or Not To Sell
pg 4



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September 2016 | Issue 96



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.

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Announcements

Stolen

A friend of Matt Schultz had his 2012 26' Salem trailer taken from the Venburg Tire Company parking lot overnight in Maplewood, MN. Defining mark: It has 4" gash (has been filled in with caulk) on the driver's side.

2012 Salem 26 TBUD Travel Trailer
 VIN: 4X4TSMB21CA303634
 PLATE: RU39345
 Has current tabs

If you see it, please contact Officer Tommy Kong, 651-755-6690 or tommy.kong@ci.maplewood.mn.us

Case number: 16026432

Or you may contact:
 Kevin McFarlane
 President & CEO
 Venburg Tire Company
 3001 Highway 61 N
 Maplewood, MN 55109
 Office 651-483-2601
 Mobile 651-363-1008

Announcements?

Do you have an announcement or thank you to pass along to our membership? This space is reserved for items of note each month for our membership to know. If you have any announcement to post, please send them to Frank Imholte. frank@solditatauction.com

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To Sell or Not to Sell

From the Desk of the Vice President



Vince Bachmann
Vice President, MSAA
Contact 

I hope everyone is having a successful and fantastic summer. “To Sell or Not to Sell” - or should I say, “do you want it on your auction?” This ever-changing auction industry has had me ask that question many times in the past few years. Yes, it’s changing all the time. Knowing your market is in my opinion the most important part about the auction business, no matter what you are selling.

Real Estate, Farm Equipment, Antiques, etc. Not knowing what something is worth does not necessarily mean you should not try to sell it. Talk to somebody in the industry or, better yet the MSAA member, that knows or has experience in that area. It’s amazing how many will help you get the job done and done right. Knowing the product will ensure a successful ending.

We’ve had a lot of people ask us to sell their Real Estate at auction after it had been listed for a long time. This draws a red flag for us because it’s not their first choice of trying to sell their Real Estate. Maybe they need that amount to get out of it financially, maybe they’re just not realistic, or maybe the company that had it listed wasn’t doing a good job. It really doesn’t matter; they now want you to be the magician that can pull a rabbit out of the hat and get them more than it was listed for. I’m sure that a lot of

you who are reading this article may say that sounds familiar. So what do you do? Try to sell it...or not?

The first thing is to motivate the seller to get realistic because without that you are climbing backwards up a large hill. Many sellers have never had people discuss realistic prices with them. By having that discussion they will be more realistic on their price and you have a better chance of getting the job done. We’ve found that if the auction method is their first choice of selling, it sure seems to go a lot smoother.

So in a nutshell, know your product or find someone that does. Visit with your seller ahead of time; it will save a lot of headache rather than after the fact. An old wise auctioneer once told me the best auction he ever did was the one he turned down.

Here’s to more auctions!



Living Your Dream

What's Your Dream?

Paul McCartan

Director, MSAA

Contact 



Well, hello again. I survived my earlier printing without anyone sending me hate mail, so thank you for the acceptance of my input. Or perhaps no one read the article, so in either case I am setting out once again to share a few more thoughts. I mentioned in my previous article that I would continue to share a little bit about myself in future articles: I am the youngest of six children and was raised on a farm in northwest Iowa near West Bend. My father raised draft horses and cattle. I preferred the cattle and throughout my younger days I had the opportunity to show cattle from Iowa to Texas. My cattle experience led me to Oklahoma as a livestock judge during college.

During the summer of 1987 I attended auction school and in the fall I returned to Oklahoma to continue my college experience. I spent the next three years finishing college training at Oklahoma State University in Animal Science with an emphasis in Livestock Marketing and Merchandising. (I practiced my bid calling as often as I could find a Boy Scout to let me conduct their pie auction.) I had always dreamed to be a purebred cattle auctioneer and sales manager or work with a livestock magazine.

get into the purebred cattle auction business. Bruce, like many of the great livestock auctioneers who came before him, was fortunate to be in the right place at the right time when he got his break into that industry. While Bruce was working the ring as a field rep for a magazine, he was called up to finish a Shorthorn cattle auction when the lead auctioneer became ill. The other auctioneer passed away shortly thereafter and Bruce continued to fulfill the contracts and moved into that position. I

“The key to happiness is having dreams. The key to success is making those dreams come true.”

There were many of the purebred cattle auctioneers and field representatives who I enjoyed watching and listening to as I was growing up during my younger years showing cattle through 4-H around the country. That is where I fell in love with the industry.

I had the privilege of working with Bruce Brooks from Marietta, OK while I attended college at OSU. During a trip to Bruce's ranch, as we were talking one evening prior to sale, I asked Bruce what it took to

immediately went on to ask Bruce how he was feeling, and he told me that it would be a while and to not get my hopes up any time soon to take over his spot.

One never knows when their break will come. It's at that moment when you realize you are living the dream of being a full-time auctioneer. Mine was a chance meeting with Kevin Fuksa from Enid, OK who owned Eagle Real Estate The Marketing Co. courtesy of an introduction



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by my college roommate. Kevin gave me my first chance as an auctioneer and allowed me to work in the marketing department of his national real estate auction company. We specialized in FDIC real estate auctions. During my six years with Kevin, we sold over 5000 pieces of real estate in 15 states. It wasn't selling purebred cattle, but it was pretty cool to say the least.

One of the best pieces of advice I ever received was from a friend of mine from the National Auctioneers Association. He was a nationally recognized auctioneer who worked and managed high profile sales around the country. He tells the people he hires that you have to "treat every moment of every auction as though you are one mistake away from a plane ticket home."

Auctions can be draining on the system both physically and mentally. You need to be able to treat your client with the respect they deserve, no matter how hard they may be to please. And, to have every bidder/buyer leave your sale with the

intention of coming back again, can be quite the juggling act. Too many people do not realize the amount of effort that goes into managing an auction from contract to closing. I have been involved in the auction business at all levels. Whether it is one of our corporate accounts or grandmother's estate auction, there is no do-over tomorrow. You only get one chance at an auction. But, when it's all over and the seller is smiling and the bidders are asking when your next sale is booked, you know you did your job. Maybe a future article could be titled, "What they don't teach you in Auction School." Yikes.

Anyway, what's your dream? Are you living it? There are very few professions in the world that people look forward to getting up and saying I 'get' to go to work, instead of I 'have' to go to work.

As always, thank you for your time and as one of your directors please send me your thoughts, requests, comments, or your favorite recipe to paul@grafeauction.com.



Internet Auction Bidding Units Cancel

Let's do the Math



Aaron Traffas
AuctioneerTech.com
Contact 

How's that for a click-bait title? As many of you know, I farm during the summer and fall and work in the auction industry during the balance of the year. As I was doing the math this summer for seeding rates and fertilizer application rates, I noticed some parallels between converting gallons per minute to gallons per acre and deciding what changes to make when going from an in-person auction firm to one that implements Internet bidding.

We learn in algebra that we can convert one value to another by using a unit multiplier. If I want to convert 5 miles per hour to feet per second, I have to multiply 5 miles/hour by 1 hour/60 min by 1 min/60 sec by 5280 ft/mile.

$$\frac{5 \text{ miles}}{\text{hour}} \times \frac{\text{hour}}{60 \text{ minutes}} \times \frac{\text{minute}}{60 \text{ seconds}} \times \frac{5280 \text{ ft}}{\text{mile}}$$

We can cancel one unit in the numerator with the matching unit in the denominator, leaving us with $(5 \times 5280) / (60 \times 60) = 7.33 \text{ ft / second}$. We use minutes in our math, but we don't have minutes in the original problem or the solution because they cancel out.

$$\frac{5 \text{ miles}}{\text{hour}} \times \frac{\text{hour}}{60 \text{ minutes}} \times \frac{\text{minute}}{60 \text{ seconds}} \times \frac{5280 \text{ ft}}{\text{mile}}$$

When auctioneers begin to consider implementing Internet bidding in their auctions, many wonder about changes they'll have to make in their business model, advertising methods, and data management processes. Changing a variable as important as the way bids are collected in an auction must mean fundamental shifts to many other parts of the business.

In fact, nothing should change as a result of taking Internet bids. Advertising should always be based on the asset type and the appropriate demographic, not the way in which bidders are expected to participate. Data management processes for a good in-person auction marketer should already be based on taking pictures of individual items and listing them separately. The business model of a professional auction firm is no more tied to bid calling than my farm is tied to which crops I produce or which equipment I use to do it. If changes must be made to advertising, data management, or a business model due to changing the way bids are accepted at an event, something more fundamental is wrong in the operation that won't be fixed by flipping the Internet bidding switch.

I've found that bidding type doesn't actually matter much to the rest of the operation. If the auction business were a long equation, bidding method would cancel out. Internet bidding is like the minutes used in our algebra example. We need it to get the desired result, but it's not something that we use when identifying the problem nor do we expect it to be present in the solution of a successful event.



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Negotiating Tip

Now's a Good Time



John Hamilton, DREI
www.GoodNegotiator.com
Contact 

Where is it written that we have to negotiate on the other party's schedule? Certainly such circumstances exist, but not many.

Delaying a negotiating encounter may be the best and most effective strategy we've ever used.

So **when do we delay** negotiating and say, "This isn't a good time?"

1. Don't negotiate **when you have no power** or leverage. Delay can often provide such power or at least minimize the power of your opponent.
2. **Fatigue** is a killer of concentration, creativity, and performance. If you're tired and you have the flexibility, put off the bargaining to a better time.
3. If you're **under stress and high anxiety**, don't negotiate. Now if the cause of the stress is the negotiations, that's another matter. In such cases, press on. The anxiety will tend to sharpen your focus.
4. **If you or your opponent is mad, angry, or disturbed** you can probably figure out that

reaching a win-win solution will be difficult. Let things calm down before proceeding.

5. When **either party is preoccupied with something else**, productive negotiations take a big hit. Make sure the deck is cleared of such distractions so both can be attentive, creative, and solution-oriented.
6. It's not unheard of that **one party might be disrespectful or even crude**. Nothing puts them in their place more than walking out and waiting for a better climate.

This short list certainly identifies times when we need to put off the negotiations if at all possible.

Experience will identify others, especially if they were somewhat disastrous from your perspective.

Good negotiators are attentive to making sure the time is right as they 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:

Frank Imholte, MSAA
8160 Co Rd 138, St Cloud, MN 56301



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

**Scholarships for \$1500 each (subject to change) from the
MSAA and MSAA Auxiliary
Deadline: November 1**

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 Conferences/ Meetings 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 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.

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

Absolute Deadline – Must be postmarked by November 1

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 Association Conference and Show.

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

Return to:

Sara Fahey, Committee Chairperson
661 E. Forest St. Belle Plaine, MN 56011, 952-873-2682

Scholarship Committee: Conny Rime (chair), LuAnna Finnilla, Anita Aasness



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Rick Berens Scholarship Application

Funds available will be determined from the proceeds of the Rick Berens Scholarship Fund.

Deadline: November 1

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
 Employee

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 (3) consecutive years.

Name of Relative: _____

Address: _____

City: _____ State: _____ Zip Code: _____

NOTE: Only one scholarship per candidate. If unsuccessful in your application one year, please re-apply. If no qualified recipients apply, there will not be a Rick Berens Scholarship award that year.

Name of College or University of enrollment: _____

Address: _____

City: _____ State: _____ Zip Code: _____

CHECKLIST

1. Complete and attach the Official Applicant Form.
2. Submit 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. Please complete on separate page, sign, and ATTACH ESSAY TO THIS APPLICATION FORM.
3. Attach a letter of recommendation from a current, active MSAA member. This is required for ALL scholarship applicants.
4. Use this scholarship toward tuition at an auction school.

Absolute Deadline – Must be postmarked by November 1

Relative of winner will be notified before the annual convention. Winner and MSAA/Auxiliary member are encouraged to attend the Saturday Night President's Banquet at the Annual Minnesota State Auctioneers Association Conference and Show.

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

Return to:

Rick Berens Scholarship
 c/o Sara Fahey
 661 E. Forest Street
 Belle Plaine, MN 56011

Scholarship Committee: Renee Berens and Anita Aasness



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