

## Consignment Sales

As 2020 is ending I hope you have all had a wonderful auction year thus far. In this article I would like to talk about consignment sales and the steps you take to have a successful organized sale.

I believe most auction companies have been involved in these kinds of sales one way or another. Consignment sales can be monthly, quarterly, or annually. I can also say that they have many moving parts; you will have to work with sellers and buyers as I have previously stated in other articles. At the least, I can say consignment sales can be very trying at times. Let's just say by the end of the sale you and your team will be ready for a cold one.

Here are some helpful tips: Make sure when you are dealing with the sellers that you are clear on their expectations. That way you can let them know your thoughts and make sure you are both on the same page about the realistic payouts they will receive. If you haven't completed this step you will have lots of problems. Next, it is very important to research all items being sold. If you are selling equipment, make sure they are free and clear from liens and judgements. Another important step would be to bust out that contract. Having a signed contract will benefit you tremendously and alleviate problems. Here is a perfect example as to why you want that contract: Let's say you have been talking to a seller about a piece of machinery for quite awhile now. One day before the sale they reach out to you and say, "Hey, I have a buddy [or neighbor] that wants to buy that piece I was going to put on the consignment sale." With that contract in hand the ball will stay in your court. Let that customer know that you have already advertised the piece in your upcoming promotion. They really don't have the option to sell to someone else if you are under contract. Let's say you haven't had a chance to get that contract signed yet. In this situation, not only would you possibly lose an item that you were advertising, you would also have to deal with the buyers on the missing item they came to buy on the day of auction.

With the delivery of machinery to the auction lot you should always keep in mind the little things. Sellers might want to bring the equipment months, weeks, days before the auction, or even the day of the sale. Make sure you factor in cleanliness of the piece, weather, and how it will be transported. The situation can be different between sellers. Weather plays a huge part. For example, cold weather and old batteries don't really get along that well and let's face it - we all want that equipment to start the day of the sale. Also, untreated fuel can lead to tractors gelling up. Always remember that when the machinery is delivered to your lot, it now becomes your problem. Some kind of security of the equipment is recommended. You wouldn't want some pieces of equipment to go missing before you even have the sale. I know this sounds like simple things to think about; trust me, preventive measures will only make your life easier the day of the sale.

I hope some of what I have talked about will resonate with you and help your consignment process. It's hard to speak of every step to consignment sales. I highlighted areas that have helped me in the past. With that being said, I am happy to answer any questions you may have regarding consignment sales or any other auction advice. Feel free to reach out to me.

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