2011 President’s Message

Conventions, convention planning and licensing enforcement are the topics of interest for this edition of the breathlessly anticipated President’s Message. Regarding conventions:

a) THIS IS IMPORTANT! PLEASE PAY ATTENTION! The next WAA Convention will not be held on the ‘traditional’ weekend due to scheduling limitations at our venue of choice. This year’s convention will be at the Heathman Lodge in Vancouver, WA on October 9th and 10th. Please make a note in your favorite reminder system so you don’t miss out. For those who are wondering why the Board picked a location that is probably the least convenient choice possible given the demographics of our membership, the majority of the Board members voted to go somewhere a little upscale this time around and the Heathman fit the bill. Time will tell whether this was a good choice.

b) Picking topics for the sessions is always challenging as the Board seeks to offer seminars that will be useful and interesting to our entire membership, rather than just to a small sub-set of specialists. If there are topics you would like to see on this year’s program, or topics that we’ve already covered to death, please e-mail your suggestions to me (Paul@NWAuctions.com) or give me a call at (206)525-5652. The Board would really appreciate your input; without hearing from our members, picking topics is rather like grocery shopping for a picky eater; one has the uneasy and unsettling feeling that no matter what the selections are, they might not be enjoyed.

c) The 2012 National Auctioneers Association Convention will be held in Spokane and the Washington Auctioneers Association has been asked to help with the convention in a variety of ways. Toward that end, we’ll have a booth at this year’s convention in Orlando, Florida (July 12th – 16th) to promote Spokane in particular and Washington State in general. If you’re planning to attend the convention in Orlando and can spare some time to help out at the booth, please call Randy Ehli at (253)572-0990.

Regarding licensing enforcement (or lack thereof) the Board was recently informed that someone filed an anonymous complaint with the Department of Licensing regarding an out-of-state auctioneer who conducted an auction in Washington. DOL conducted an investigation and the auctioneer in question admitted violating the law, but DOL chose not to fine the auctioneer because, in the words of the DOL reviewer, the violation of licensing law “happened in the past, and the DOL does not look back in time.” This logic is, ahem, puzzling and the Board is working to obtain clarification from DOL about why auctioneers should even bother maintaining our licenses if there appears to be no enforcement of the licensing laws. Stay tuned.

-Paul Thomas
Northwest Auctions
(206)525-5652 or paul@NWAuctions.com
The Chant is Not Important!

Now that I have your attention, let me say this clearly – I love good chanting! It’s always delightful to listen to the top practitioners roll through the numbers. But I hate the priority that auctioneers give the chant. Many believe the chant is the be-all and end-all of auctions. This elevation of chanting is sorely misplaced and obscures what’s really important in auctions – and it’s not the chant.

Art.
The problem turns on auctioneers not distinguishing between art and business. The chant is art – like singing a song. It takes talent and a lot of practice to be good. But conducting an auction is not art, it’s business – and the chant is not the business of an auction.

If you don’t agree, here are two questions.

First, have you ever heard of an auctioneer being sued because he’s a poor chanter? You haven’t and you won’t. That’s no basis for a lawsuit.

Second, have you ever heard of an auctioneer doing something wrong, but getting off the hook because he’s a good chanter? Again, you haven’t and you won’t. The law doesn’t care a wit about the quality of the chant. [Note: I said “quality.” I didn’t say “accuracy” or “honesty” and the law cares plenty about those aspects of the bids called.]

So what’s the most important thing that an auctioneer does in an auction? The answer is simple if we break it down.

“ABC’s.”
Let’s start by understanding that auctioneers don’t conduct auctions so they can chant. Auctioneers conduct auctions to make sales.

Now what’s the basis for a sale? It’s not the chant. The basis for a sale is a promissory agreement between a seller to sell, and a buyer to buy whatever is the subject of the offering. The agreement these parties reach is a legal contract. All selling turns on contracts for sale and is controlled by that body of law. That’s why I teach a seminar I call, “The ABC’s of Auctions – Auctions are ‘All ‘Bout Contracts!’”

The role of the auctioneer in the selling equation is equally fundamental. An auctioneer serves as an agent for a seller to form contracts for sale between the seller and the respective buyers of the lots offered. The auctioneer might do this by using a chant, or he might never chant. Chanting means nothing in forming a contract for sale and that’s why it’s not worthy of the priority auctioneers give it. It’s just art. Indeed, auctioneers at the top houses often don’t chant and they annually sell many millions of dollars of assets.

Definition.
Understanding that contracts and not the chant are the nucleus of the auction, we can easily determine the single-most important component of every auction – it’s terms. Nothing ever trumps the terms of an auction in importance – nothing! That’s because the terms define the contracts for sale that are formed between the seller and buyers. If the terms are clear, complete, and correct, the auction can be conducted in protection and furtherance of the seller’s interest. If the terms are anything less, the seller is in an inferior position and could suffer adverse consequences and damages.

Continued on next page
Confusion.
Unfortunately, many auctioneers don’t understand the important role of terms. As a result, they make two critical errors.

First, these auctioneers view the terms of the sale as a burdensome preliminary that can’t be trimmed enough to get on with what they see as the really important part of the auction – chanting bids. One word answers this thought – wrong!

Second, many auctioneers never give more than rudimentary terms and then give the same ones at every auction. Often these terms are no more than a canned spiel that was memorized in auctioneering school. These simplistic and generic terms are frequently incomplete, vague, sometimes contradictory, and often wrong for the auction to be conducted. Just as sellers differ in their interests, needs, and goals so, too, terms must be customized to best serve them.

False Start.
So why do many auctioneers fail to give terms the preeminent role they deserve? It’s because that’s what they were taught and they’ve never challenged that idea.

Unfortunately, from the first day of auction school, the central focus for most students is learning to chant. The reason is that’s what they identify with auctioneering, and that’s what they like the most. This is why so many bid-calling contests have sprung up across the auction landscape.

Contests.
While bid-calling contests generate a lot of interest and highlight the artistic ability of the contestants, they fail to spotlight the far more important business side of auctions. Emphasizing art over business can be dangerous if auctioneers fail to recognize the distinction.

Today, every auctioneer wants to be “the best” chanter – the champion – to have a belt buckle, or trophy, or ring that proclaims his or her unique talent. While that’s fine, the law doesn’t care about the quality of the auctioneer’s chant. The law focuses on the business aspects of the auction and that’s what auctioneers must focus on, too.

Conclusion.
If you’re a new auctioneer, keep practicing your chant. Polish it so you can be proud of it and everyone will enjoy listening to you.

If you’re a seasoned chanter, congratulations! Show off your talent at every chance.

In either case, never forget that chanting is just art. It’s not the purpose for which auctions are conducted.

Auctions are conducted to sell assets, and these sales are founded upon contracts. Terms define contracts for sale and nothing ever trumps them in importance – not even the chant.

Steve Proffitt is general counsel of J. P. King Auction Company, Inc. (www.jpking.com) in Gadsden, AL. He is also an auctioneer and instructor at both Reppert School of Auctioneering in Auburn, IN and Mendenhall School of Auctioneering in High Point, NC. This information does not represent legal advice or the formation of an attorney-client relationship and readers should seek the advice of their own attorneys on all legal issues. Mr. Proffitt may be contacted by email at sproffitt@jpking.com.
Education Important for Business

As I write this in early February, the “Blizzard of 2011” has recently made its exit from Kansas and headed north and east.

I’m sitting in my little house in Lawrence, Kan., looking at snowdrifts that are almost as tall as I am, and I’m dreaming … not of a White Christmas, but of Orlando, Fla., in July! I know that in Orlando I will feel the heat and humidity and perhaps think fondly back to the 2011 blizzard (maybe -- and then again, maybe not!).

But what I know for sure is that I won’t have to deal with snow in Orlando. What I will get to do is see many of the friends and colleagues I’ve met over the past three years at the International Auctioneers Conference and Show. As I write this, the brochure and forms for the conference are at the press, the March issue of Auctioneer is being produced and soon NAA members will receive all three publications.

I hope what you will see will excite you. We’ve worked hard to put together a quality education program that will provide you the information you need to either grow your business or make you more efficient. Both actions have the same result – they add money to your bottom line. We have kept the same tight scheduled we initiated last year, allowing you to fly/drive to Orlando on Tuesday and leave Saturday afternoon and not miss one single thing. This means you have less time away from your office or from your friends and family.

As you look at the brochure and forms, you may ask yourself, “I just attended my state convention, why do I need to go to both?” I could answer this question quickly by saying, “You can never have too much education.” But the truth is … you can never have too much education.

The professional development opportunities offered by your state may meet your state’s license requirements and may meet your continuing education requirements to maintain your educational designations. The education at the NAA will also meet those needs. You will have access to three and a half days of quality programs, many of which will focus on specialized niches you have within your auction business.

While at your state association events, you will see the friends and colleagues you have met from across your state. And at the NAA’s Conference and Show, you will see the friends and colleagues you have met from across the nation or world.

The decision for you is not to select one conference over the other one. The decision for you is to make a commitment to improve your business in the most effective way possible – learning from as many people and incorporating as much information as you can to add money to your bottom line.

And don’t forget to talk to your accountant, as business-related continuing education and expenses may be tax deductible for you.

And don’t discount what a little break from the day-to-day grind of work can provide.

Lonnie McCurdy, from Kansas, told me that he schedules the NAA conference on his calendar every year; otherwise, he would never get a break. That’s good for Lonnie and for his family and for his business.

Continued on next page
So make your plans now to attend the NAA Conference and Show. And while you are there, look me up! I’ll be there – without my snow shovel!

_Hannes Combest_
_Chef Executive Officer_
_National Auctioneer Association_

---

### Check Out the New Washington Auctioneers Facebook Page!

Log on to www.facebook.com and search Washington Auctioneers

Become “Friends” or “like” the WAA facebook page and connect with other Auctioneers through the largest social networking site.

---

### SAVE THE DATE!

**2011 WAA Conference**

*October 9-10, 2011*
*Heathman Lodge*
*Vancouver, WA*
By becoming a member, you will join a group of professional auctioneers who are committed to:

• Supporting you in your professional career
• Supporting high standards of professional conduct
• Increasing the visibility of the auction profession throughout the state
• Keeping you informed of important industry news
• Developing friendships and networking opportunities

Purpose of the WAA:

➢ To provide a means by which the members of the auction profession may coordinate their efforts for the advancement of their profession and/or services relevant to the auction industry.
➢ To establish the highest standards of business ethics among its members and to promote equitable trade practices in the auction profession.
➢ Develop through responsible promotion, new understanding and wider acceptance for the auction method of selling.
➢ Improve the efficiency of service performed by all segments of the industry.
➢ Collect and disseminate information relating to the auction profession to members and the public.
➢ Represent the auction profession before all departments/agencies of the State of Washington and other public and private organizations whose activities affect the profession (does not act in an attorney capacity).
➢ Contribute to the progress and advancement of the auction profession.

Membership Benefits:

• Quarterly copies of “Auction Talk”, the official newsletter of the WAA
• Company listing on the WAA Web Site
• Ability to post auctions on the WAA Web Site
• Access to the Members Only section of the WAA Web Site
• Official Membership Certificate
• Access to online inquiries for auctioneers

Membership Form

Name: ___________________________________
Company: ________________________________
Address: _________________________________
City: _____________ State: _____  Zip: ________
Phone: _______________ Fax: _______________
Email:  ___________________________________
Website:  _________________________________

Annual Membership Options

☑ Auctioneer - $100
☑ Associate - $30
   Employees or spouses of Auctioneer members who are not auctioneers.
☐ Affiliate - $150
   Individuals who are not auctioneers but are involved in providing goods and services to the auction industry.

Payment Options:

☑ Check Enclosed ☐ Please bill me
☐ MasterCard ☐ Visa

Card# ___________________________________
Exp. Date _____________ Billing Zip_________
Signature ________________________________

Washington Auctioneers Association
P.O. Box 3693 • Tri-Cities, WA 99302
3180 W. Clearwater Ave., Suite E• Kennewick, WA 99336
Phone: (509) 783-4676 • Fax: (509) 783-4674
www.washingtonauctioneers.org
The NAA and my state association have both had a tremendous impact on me and my business. After auction school in the early 1990’s, I joined both the National Auctioneers Association and the Alabama Auctioneers Association. I soon became active in the leadership of the Alabama Association and went through the chairs of leadership. In 1999 I served on the Alabama State Board of Auctioneers. In 2006, I decided to seek a position within the NAA Board and later ran for Vice President. My service on both boards has offered me the opportunity to get to know many of my colleagues, their families, and vendors. I have developed friends throughout the country and the world. These are relationships I will always treasure.

Many may ask why they should get involved in their state or national association. The main reason I became involved was to give back to the industry that had served my family over the past five generations. Being a “social butterfly,” I love to meet people. What better reason to get involved? While giving was my main reason, I was pleasantly surprised to realize that I received so much more than I gave.

Due to my state and national leadership involvement, three important life changing things have happened. First, I developed as a business-person. I was given knowledge to help me work more effectively with people, to run a board, learn who Robert was (Robert’s Rules), and the importance of communication. Secondly, it opened up a whole new realm of business contacts and friends. We have both grown through sharing information and referrals. It is a wonderful feeling to know that I could call on numerous friends across the country. Third, it has given me the ability to keep my finger on the pulse of the industry and the issues that affect associations across the country. With these ever changing economic times, the experience has been invaluable.

You are never too in demand to contribute and there is no time like the present. Many say “I am too busy to take on another volunteer job.” While I understand the pressure of becoming involved, what you receive in return is tenfold of what you give. It has always been said if you want to get something done, seek someone who is too busy to get involved.

Christie King, CAI, AARE, BAS is a fourth generation auctioneer and one of three principals of J. P. King. She also is President of C King Benefit Auctions and Vice President of the National Auctioneers Association. She can be reached at cking@ckingbenefits.com.
National Auctioneers Day is celebrated the third Saturday in April, marking a special day in the lives of auctioneers each year. This day is recognized by auctioneers as a day to reflect back on one of history’s oldest professions and celebrate the industry’s future.

Auctioneers offer their voices to a range of charities and philanthropies to celebrate National Auctioneers day as a way of giving back and giving thanks to the communities and customers they serve.

The last stronghold of the competitive free enterprise system, auctions and the age-old profession of auctioneering continues to grow in today’s economy. It is estimated that approximately a quarter of a trillion dollars in goods and services are sold by live auction every in the United States.

Online or on the lawn, auctions continue to grow in popularity with consumers. Bidders enjoy the thrill of competition with an auction and the rush that comes with the chase for treasures. Auctions are one of the most effective and efficient means of turning assets into cash quickly, and continue to be the most useful means of establishing fair market value. Most importantly, consumers come back to auctions time and time again because of the fun and entertainment.