

LOT 36

1959 OSCA Tipo S-273

DOLLARS

\$530,000

GBP

£402,800

EURO

€466,400

SWISS FRANC

508,800

GO
&C

Collector Car Auction Basics

by David Neyens

Collector Car Auction Basics

Introduction

Over the past 20 years, millions of people around the world have quite likely viewed at least a few minutes of TV programs covering collector-car auctions. Many have attended them as spectators and today's social media channels are filled with posts on the latest record sale prices or images and videos of the fastest and most exciting exotic cars in existence.



This mass appeal is not surprising. Automobiles, especially beautiful, exciting cars – regardless of when they were built – bring people *together* in a mutual bond like no other field of interest. Virtually everyone, from any country or walk of life, will take notice of something special on wheels. Think about it. Virtually everybody remembers their family car, their first car, the car they drove to their high school formal, or the car that carried newlyweds to the next chapter in their lives. And let's not forget those otherworldly exotic cars on college-dorm posters. Once people achieve some tangible success, a special car says, "I made it."

Collector Car Auction Basics

Over the past 50-plus years, several fortunes have been made (and lost) with large-scale collections of classic or special-interest cars. Thousands of businesses have achieved success by catering to this interesting market, creating viable industries, economic value and desirable careers along the way.



Why Should I Read This Book?

Simple. While this eBook is a brief introduction to collector-car auctions, its scope is not intended to be exhaustive. As with any big-ticket financial transaction like buying a home, a classic-car purchase or sale is a serious event with numerous risk factors. Having said that, I can help you to make better-informed decisions to help you buy or sell a special car (or collection) with minimal difficulty. The experience is thrilling every time.

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Whether you are buying or selling, I am your coach in the auction world. While the reasons for all this interest in classic, exotic and collector cars are as unique as the tens of thousands of people involved in this exciting industry today, one thing is certain. Collector-car auctions can sometimes be confusing or somewhat imposing for newcomers. Especially those who are anxious to make the “right” first purchase or those participating in the market out of necessity, as do spouses and families of classic-car owners who may have passed away with a collectible car in their garage, or perhaps an entire collection of them. Usually time and money are in short supply – time is of the essence and the main idea here is to help you to have a fantastic experience when buying or selling at auction and enjoying your new purchase afterwards.

That is not to say that the various auction companies do not make every possible effort at great investments into trained and motivated staff and the time and money required to make the experience of purchasing or selling that special car easy and enjoyable for their customers. The problem is, there are so many vehicle choices today at auctions and there is just so much information available everywhere, that people interested in getting into the classic car market face information overload. “Analysis Paralysis” is another way of describing this state of mind. And nothing could possibly be worse than finding the car of your dreams, parting with your hard-earned money and then having to deal with buyer’s remorse after the “red mist” of the auction fades to an expensive service bill.

Why Should You Listen to Me?

Why should you believe anything I have to say? Well, I've been happily working in the classic and collector-vehicle auction space since 2008 as an auction-catalogue writer and researcher. I've also done plenty of magazine writing and marketing (print and online) copywriting. Plus, I have had the pleasure of working in a wide variety of additional roles from setup to teardown as an auction "insider." After about a decade in banking and financial services, where discussions with my clients usually gravitated to interesting cars anyway, I've been working in the collector-car auction space for over 11 years and loving every minute of it. Through it all, I've learned a great deal about the hopes, desires and pain points experienced by buyers and sellers at auction, in addition to learning about the great cars that continue to make automotive, cultural and industrial history. I've seen the good, the bad and the ugly, as the saying goes, and I know what works. My aim is to help you get from where you are to where you need to be, as regards automobiles. This short eBook is my first written attempt to help you to make sense of it all and hopefully it will help me to start building a community of like-minded people.

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Let's Get Started!

First, it takes a bit of discipline and above all, proper pre-planning, to make a proper buying or selling decision. Just because you can afford to purchase an interesting car, does not necessarily mean you can actually *afford* the car. Likewise, just because your car is rare, interesting, or cost a great deal when new (or when you bought it) does not necessarily you will get top dollar when selling TODAY.

Here are some basic items to consider when buying or selling at auction:

For Buyers

- Pleasure car or Investment?
- Purchase price or auction estimates
- Buyer's fees and commissions on purchase
- Reserve or No Reserve?
- Bidder Registration and fees
- Financing options
- Condition – visual and mechanical
- Prior owner history and paperwork
- Cost of insurance
- Storage space
- Expected maintenance costs
- Is the car road-legal in your location?

For Sellers

- Personal or Estate situation?
- Is there a specific amount you require from a sale?
- What is the car *REALLY* worth in today's market?
- Choose the right selling method for your car and your needs
- Choose the right auction house and venue for your car
- Reserve or No Reserve
- Fees and sale commissions
- Prepare the car for showing and selling
- Ensure it is advertised and represented correctly
- Take good photos
- When do I get my money?

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Auction Terms

Bidders number or Paddle: Number assigned

(usually printed on a laminated card) by the auction

company to registered bidders

Auction Block: Area where the vehicle is displayed while

bids are solicited

Caller: The auctioneer calling bids from the

podium.

Chandelier bid: Often used term to describe a

bid that wasn't real. "That bid came from the

chandelier."

House bid: A bid that is generated by the auction

company to open bidding or keep bidding going.

A seller-friendly practice that is widely used.

Lot number: Number assigned by the auction

company to be met before the car will be sold

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No reserve: vehicle sells to the highest bidder,

no minimum bid required.

Phantom bidder: A bidder who doesn't exist still

managing to place bids

Post block: Action on the vehicle after it has

crossed the auction block

Reserve: A minimum bid level set by the consignor

and/or auction company that must be met before

the item can be sold.

Ring man or Bid Spotter: A key auction company employee

who works the bidders, communicating their bids and the

status of the bidder back to the auctioneer or caller.

Auction Companies:

This list is not exhaustive but includes the major players in today's collector-vehicle auction market. There are hundreds of smaller, local or regional auction companies that handle collector cars in business as well.

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Artcurial

Based in Paris, France. Wide variety of events and specialties, including collector vehicles. Numerous world record-setting prices achieved. www.artcurial.com

Barrett-Jackson

Established in 1972 by Tom Barrett and Russ Jackson, Barrett-Jackson is without doubt the world's best-known collector-vehicle auction company, thanks to consistently delivering outstanding sale results and long-running TV coverage. Craig Jackson took over the company in 1995 and carries on one of the richest traditions in the space. Four annual events are held at Scottsdale, Arizona, Palm Beach, Florida, Uncasville, Connecticut and Las Vegas, Nevada. www.barrett-jackson.com

Bonhams

Motorcar divisions based in the United States and the U.K. Long history and regular auction calendar. Recently launched Bonhams MPH with monthly auctions and valuation sessions in England. www.bonhams.com

Bring a Trailer

Based in the San Francisco Bay area in California, Bring a Trailer has been shaking up the collector-car auction industry with timed online auctions featuring extensively detailed car descriptions and a format including dozens of photographs to help bidders make good decisions. A higher-level service is now offered for the "big ticket" cars normally the domain of the event-based auction companies. www.bringatrailer.com

Collector Car Productions

Host of Canada's oldest and largest collector-car auctions, the Spring and Fall Toronto Classic Car Auction. Formerly part of the RM Auctions fold, CCP was one of the early foundations of the auction giant's auction business and growth. Today, CCP stands alone and carries on successfully. www.ccpauctions.com

Gooding and Company

High-end auction company based in Santa Monica, California with a focused roster of auctions at today's top venues, including Scottsdale, Arizona, Pebble Beach, California and Amelia Island, Florida. The official auction house associated with the world-famous Pebble Beach Concours d'Elegance®. www.goodingco.com

Mecum Auctions

Based in Walworth, Wisconsin, Dana and Patti Mecum established Mecum Auctions in 1988 and have built a strong following with a year-round auction schedule featuring hundreds, if not thousands, of collector cars of virtually every type. A new division (Mecum on Time) delivers timed online auctions of highly collectible auto-related memorabilia and collectibles. www.mecum.com

Osian's

Hailing from India, this auction house held its first classic-car auction earlier in 2019, with an eclectic mix of American, British and Indian automobiles offered. Despite the 1970s-era export ban on classic cars, Osian's foray into this space confirms the growing appetite for classic and special-interest automobiles inside of India. www.osians.com

RM Sotheby's

The world's collector-car auction giant, with a massive event calendar and a multiple Pebble Beach award-winning restoration shop. Established in 1976 from a body shop and grown to its present size with first auctions held during the early 1990s. Based in Blenheim, Ontario in Canada with offices in the United States, England, and elsewhere. www.rmsothebys.com

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Russo and Steele

Established in 2000 by Drew Alcazar, a veteran award-winning restorer along with his wife Josephine, Russo and Steele compete in major U.S. markets including their Scottsdale hometown, plus Amelia Island and Monterey. Unique “in the round” auction experience to maximize spectator excitement and participation. www.russoandsteele.com

Worldwide Auctioneers

Based in Auburn, Indiana, Worldwide has expanded since 2017 and offers auctions in Scottsdale and Pacific Grove on the Monterey Peninsula in addition to its longstanding Labor Day Weekend sale in Auburn and Dallas, Texas-area events. www.worldwideauctioneers.com

Conclusion

After nearly 12 years in the collector-car auction business, I firmly believe that auctions deliver one’s best hope for true price discovery. That means that when at least two bidders compete for a given item, auctions provide the best way to learn the market value for collector vehicles or any piece of valuable property, for that matter. Having said that, it can sometimes be a complicated process and the fast-moving nature of auctions can sometimes make them seem more than a little confusing to casual viewers or unseasoned participants. Add in travel schedules, mass quantities of great cars available, and in the case of sellers, the stress of dealing with the property and assets of aging or deceased family members and tight timeframes to make it all happen.

Put a knowledgeable professional on your side! If you are contemplating a vehicle purchase or sale at auction and need a little expert guidance, it might be a good idea to discuss your desires and needs with someone who knows the collector-car auction market and works full-time in the space for their living. Whether buying or selling, I will be happy to speak with you on a no-cost 30-minute discovery call, where I can learn about your needs and how with proper advice, it can be an easier process. Feel free to contact me at 519-495-8448 (my mobile), by email at davidneyens1@gmail.com, or by placing a comment on my Classic Auction News website at www.classicauctionnews.com.

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