

HOW TO CHOOSE AN INDUSTRIAL AUCTIONEER TO SELL MANUFACTURING EQUIPMENT

Choosing an industrial auctioneer to sell your manufacturing equipment is an important decision and one that can dramatically affect the retirement funds of many manufacturers. Here are some of the most important things to consider when shopping for an auctioneer:

1. **WRITTEN CONTRACT:** The auctioneer should supply a written contract outlining the responsibilities of each party. Most importantly, when does the Seller get paid? The contract should be specific on both the timing and manner of payment.
2. **ADVERTISING:** Your contract should include advertising specifics; what newspapers or trade publications, what size brochure and how many will be mailed. If it's not in the contract, the auctioneer is not obligated to do it. Good advertising makes for a successful auction. Know what you're getting for your advertising dollars.
3. **REPUTATION:** Ask industry professionals and associates what they think of the auctioneer. Does the auctioneer have a reputation for running quality auctions? Do they have a strong local, national & international customer base?
4. **REFERENCES:** Ask for references and follow-up! We recommend running a credit report on the auction company. This will show if prior clients have had legal disputes with them, or difficulty collecting funds due them.
5. **EDUCATION:** Choose someone that has professional training as an auctioneer. Some states require licensing while others do not. The auctioneer should know the law for the State in which they're doing business and be able to answer any questions you might have. Also, in some States auctions are governed by municipal law. The auctioneer should be responsible for obtaining any local permits required by law.
6. **ASSOCIATIONS & MEMBERSHIPS:** Is the auctioneer a member of the National Auctioneer's Association and/or their State Association? Why is this important? Members of these associations are held to higher ethical standards. Involvement in these associations indicates that the auctioneer is involved in continuing education and ongoing improvement of their trade skills.
7. **COMMUNITY:** Does the auctioneer make donations of their time and auction skills to community events or worthwhile charities? While not necessarily an indication of his or her qualifications to conduct your auction, it does speak to the character of the individual.

8. **LICENSED REAL ESTATE BROKER:** If you are selling your real estate at the same time, consider hiring an auctioneer that is also a licensed real estate broker. If your equipment advertising is already reaching a highly targeted audience, it makes sense to alert these potential buyers to the availability of the real estate. Choosing your auctioneer to sell the real estate portion of your business can substantially add to your bottom line. Typically when real estate is sold at auction there is NO SELLER COMMISSION. The auctioneer is paid by the buyer via the “buyer’s premium”.

About the author: Fran Brunelle is an industrial auctioneer with almost 20 years experience, a business broker specializing in manufacturing companies, a licensed real estate broker, real estate auctioneer, and certified appraiser. Fran maintains memberships in the NAA, IAA, NJSSA, NJAWBO. She holds both the Certified Auctioneer & Accredited Auctioneer Real Estate designations. Fran is the founder and president of both Accelerated Buy Sell, Inc. (AcceleratedBuySell.com) and Accelerated Real Estate Marketing (www.AcceleratedRE.com).