

TAA QUARTERLY

Volume III, Issue II

April 2015

TENNESSEE AUCTIONEERS ASSOCIATION



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Upcoming Events

June 7 - 8, 2015

2015 Summer Convention

July 14 - 18, 2015

NAA Convention
Addison, Texas

This newsletter is published by the Tennessee Auctioneers Association as a service to its members and supporters in the auctioneering industry. Suggestions are welcome for articles in future editions.

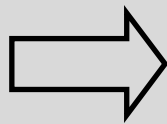
Message From The President...

Hello fellow Tennessee Auctioneers,

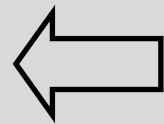
What a change in the weather! Hope everyone is busy booking auctions and closing them. I had a chance to go to the Tennessee Mule Day contest on April 10th that was held in Columbia, Tennessee. We had a great turnout. Twenty-two contestants from eight states entered the contest. David Whitaker from Ames, Iowa, was the Grand Champion winner and Junior Staggs from Puryear, Tennessee, was the Reserve Grand Champion. Be sure to read the article about the contest in this newsletter and the contest can be viewed on youtube in its entirety.

Don't forget the summer convention in Nashville at the "INN at Opryland" June 7th and 8th. Also, April 18th is National Auctioneer Day. I hope all Auctioneers take time to reflect on what the auction industry has meant to them and their families as well as this country. The auction industry as a whole has such a rich history and we all should take pride in the part we play in it each and every time we put together an auction for a Fortune 500 company or a small town family selling their loved ones' last possessions. Hope to see all of you at the Summer Convention!

Neal Trice



Auctioneer Day
April 18, 2015



DATES TO REMEMBER

Summer Convention

June 7-June 8, 2015

The Inn At Opryland

2401 Music Valley Drive

Nashville, TN 37214

(615) 889-0800

\$104 Rate/Reserve by May 8, 2015

NAA Convention

July 14-18, 2015

Addison, TX

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AUGUST 1 NOV. 1

Any and all TAA members are encouraged to send information on past or coming events they have conducted or news articles that would be of interest to other members. Please send profiles of members that you feel deserve to be highlighted in our publication.

Pictures From The Past



Top left: Bill Colson

Top right: 1982 - Bill Colson and Will McLemore

Below: The first time the NAA came to Nashville & went backstage at the Opry. Pictured left to right is Clive Anderson Sr, Ray Parham, in the hat a guest with Clive, Roy Acuff, Bill Colson, Sonny Day, and the little head poking in from the side is Marc Colson.



NAA Nominees

The Tennessee Auctioneers Association is pleased to announce that two of our very own have announced their candidacy to run for the National Auctioneers Association Board.

Mrs. Terri Walker of Memphis and Mr. Will McLemore of Nashville are both long time TAA Members, TN Auctioneers and supporters of the National Auctioneers Association.

Terri Walker of Memphis is running for NAA Vice President and has been a part of NAA for over 30 years. Terri realizes the importance of strong leadership in every area of the auction industry. The experience gained through the involvement in many areas of the auction industry allows her to understand the needs and provide support for every auction professional. As a second generation auctioneer Terri also has had the experience of watching her father grow an auction business in an area where auctions were not an accepted way of disposing of real estate or personal property. Mrs. Walker's experience and passion for the auction method of selling gives her the desire to provide each NAA member benefits to help grow his/her business.



Terri is the owner/ auctioneer with Walker Auctions and Walker Benefit Auctions and has worked in the auction industry for over 25 years.

As the 2009 International Auctioneer Champion, Women's Division, receiving this award at the NAA Conference and Show in Kansas City, it is obvious she loves the aspect of bid calling as a proven method of selling. Walker is also the 2002 Tennessee Grand Champion Auctioneer and has had the opportunity to serve as Chairman of the Tennessee Auctioneer Commission. Terri was the CAI Class Advisor for the CAI class of 2012 and 2015. She is currently serving on the Board of Directors for the National Auctioneers Association.

Will McLemore, President and Principal Auctioneer of McLemore Auctions, will be running for NAA Board of Directors. Will has been a member of NAA for more than 13 years.

Will is interested in serving as a Director of the National Auctioneers Association because he believes he can represent the core membership of the NAA well. Will has a varied and broad auction background which gives him a great perspective to understand the needs of the membership. McLemore is also a locally oriented auction generalist, along with a significant percentage of the NAA membership.

In addition, Will believes he can apply his experience and background to offer guidance to the NAA as its membership faces great technological change. He believes his experience in Internet only auctions is crucial at this juncture.

McLemore has served on the Technology Committee, the Council of Future Practices and on the CAI Committee. Will is in the process of completing the last year of a four year term as an Education Institute Trustee. This year, as a result of being Chair of the Education Institute Trustees, he has also served on the Executive Committee of the NAA. Pictured right: Will McLemore (right) and Bill Colson in 1982.



We hope you will show your support for these two great TN Auctioneers at the NAA Annual Convention and Show in Addison, TX this coming July! If for some reason you are unable to attend, please email Hannes Combest at hcombest@auctioneers.org and request an absentee ballot after May 1.

Let's Make it Happen''

Justin Ochs, M.S., CAI | VP of National Development, Compass Auctions & Real Estate, llc.

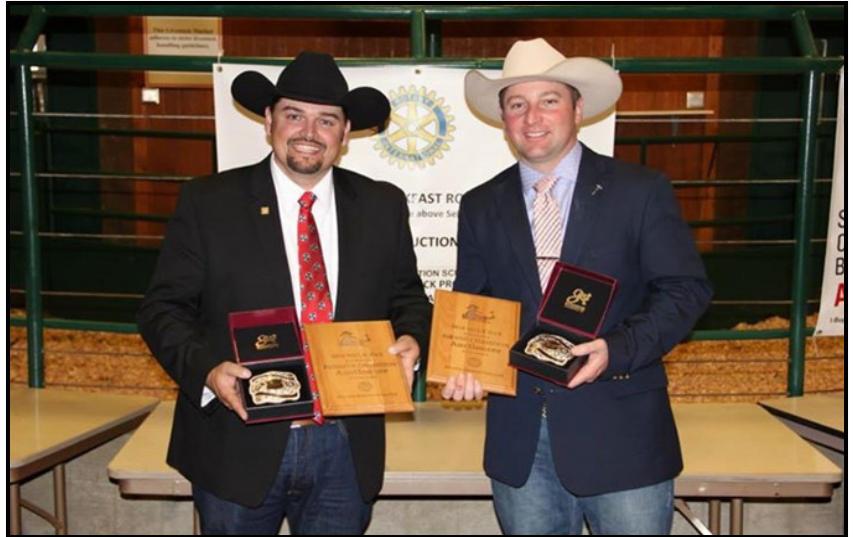
Mule Day 2015



2015 Mule Day Champion Auctioneer Contest

Hosted by the Columbia Breakfast Club

The Columbia Breakfast Rotary Club hosted their annual Mule Day Auctioneer Contest on April 10, 2015. The contest was held at the Tennessee Livestock Producers Sale Barn in Columbia, TN. 22 auctioneers from Tennessee, Kentucky, Iowa, Oklahoma, Indiana, Illinois, Georgia, Colorado and Alabama came to see if they could claim the 2015 Grand Champion Mule Day Auctioneer Belt Buckle. The Sale barn was full of excitement (200 plus in attendance) as the first auctioneer took the auction block. Each auctioneer took their turn on the auction block as they sold items to the live bidders. The bidding was fast and exciting as each auctioneer held the audience captivate with their magical auctioneer chant. The auctioneers competing in the contest were some of the very best in their profession.



The Columbia Breakfast Rotary Club appreciates Jacob Massey (2013 Grand Champion) for coming back and taking the block to auction an autographed Charlie Daniel's fiddle and Mule Day Knife.

Judges for the 2015 contest were Charles Woodard of Dickson, TN, Mark Sullivan of Dickson, TN, Bob Duncan of Columbia, TN and Eldon Booth of Kingwood, Texas.

David Whitaker of Ames, IA was named the 2015 Mule Day Grand Champion Auctioneer. Junior Staggs of Puryear, TN was the 2015 Reserve Champion.

The Columbia Breakfast Rotary is proud to host the Mule Day Auctioneer Contest and is looking forward to the 2016 contest.

The contest funds the Columbia Breakfast Rotary Club's college scholarship program and community fund program. As a result of the Mule Day Auctioneer Contest and other fund raisers the Columbia Breakfast Rotary Club funds four (4) \$1,000 scholarships and a \$1,500 scholarship to Columbia State Community College. A \$30,000 playground was completed in March of 2014 at Ridley Sports Complex. Construction is under way on a "Splash Pad" at the Columbia River Walk with an expected completion date of June 2015.



The Columbia Breakfast Rotary Club wishes to thank the Tennessee Auctioneers Association for their sponsorship of the Reserve Champion Belt Buckle and the one year membership to the TAA.

Article submitted by Eddie Ables

Pictured Above: Junior Staggs, Reserve Champion and David Whitaker Grand Champion

Pictured Left: TAA President, Neal Trice, presents Junior Staggs with the Reserve Champion belt buckle.

Value Anchoring In the Auction Business

Auctioneers have been using “price anchoring” or actually more accurately “value anchoring” for over 2,000 years.

You can listen to an auctioneer value anchoring at virtually any live auction in the United States any day of the week at over 2,500 live auctions. It works simply like this:

“Folks, look at this nice Civil War Sword and I’d like \$500 for it...well, somebody give me \$100? \$50?”

Actual or constructive anchoring is paramount, and the “prospect of a deal” is imperative for a successful auction.

The anchor suggests at or near value and then the minimum bid or starting bid below that suggest the possible deal. Once bidders bid, their current equity encourages further bidding.

In our sword example, the \$500 announcement suggests the sword possibly worth \$500 and then the \$100? and/or \$50? suggests the potential deal. Once someone bids \$50, that bidder now has ownership equity legally and more importantly emotionally.

In theory, if this sword was opened up by asking \$600 then the expected final bid price would be higher than if it was opened up by asking \$500. As the anchor goes, so does the perception of worth.

But there’s a catch. By anchoring too high, credibility is potentially lost and so is the anchoring effect. A \$500 sword combined with *“Folks, look at this nice Civil War Sword and I’d like \$5,000 for it ...”* loses the anchoring effect altogether, and all is left is the bidders’ own assessment of value. As well, by anchoring too low, bidders often wonder if there is some latent issue. A \$500 sword combined with *“Folks, look at this nice Civil War Sword and I’d like \$50 for it ...”* has the effect of suggesting the sword is only worth \$50 — and there must be some problem with it.

Anchoring has little impact when the value of the property is widely known. New \$100 bills are seen as worth \$100 and largely no matter if the anchor is \$100, \$200, \$300 ... the actual known value will take precedence over the anchor value.

Auction houses with pre-auction estimates often benefit from value (price) anchoring. A buyer might rightly wonder in some isolated cases, *“Is that a \$5,000,000 painting or a \$20,000,000 painting?”* A pre-auction estimate of \$17,000,000 – \$25,000,000 might suggest it is far more valuable than \$5,000,000. Retail stores have used value anchoring more recently than auctioneers, suggesting a certain price and then enticing customers with a discount from the anchored price. Many companies over the years

have raised their prices for the sole purpose of suggesting more value, leveraging the misconception that price = value.

The J.C. Penney “Fair and square” marketing campaign a few years ago using an auctioneer in part suggested (hoped) consumers would appreciate the lack of value anchoring. We wrote about that here:

<https://mikebrandlyauctioneer.wordpress.com/2012/05/27/fair-and-square/>

In fact, consumers seem to prefer value anchoring.

For those new to value anchoring, know that for auctioneers, value anchoring is as old as our profession itself.

Mike Brandly, Auctioneer, CAI, AARE has been an auctioneer and certified appraiser for over 30 years. His company’s auctions are located at: [Mike Brandly, Auctioneer](#), [Keller Williams Auctions](#) and [Goodwill Columbus Car Auction](#). He serves as Adjunct Faculty at [Hondros College of Business](#), Executive Director of [The Ohio Auction School](#) and Faculty at the [Certified Auctioneers Institute](#) held at [Indiana University](#).

Nashville Auction School Hosting Retreat With Advanced Bid Calling Summit

In celebration of their 50th anniversary, Nashville Auction School will be hosting a special retreat with food, fellowship and continuing education offered to auctioneers across the nation. The event is to be held at the beautiful and secluded Nelson Andrews Leadership Lodge in Nashville, TN April 26th-27th.

Leading instructors across the US will be arriving in Nashville for this historic event to provide industry leading continuing education and marketing strategies. Topics will include Auction Marketing, use of Social Media and how to earn more from Benefit Auctions. Presenting instructors include John Schultz, ATS; Jenelle Taylor, CAI, BAS; and guest

Keynote Speaker Amy Gallimore.

One of the highlights of this event will be the Advanced Bid Calling Summit. World & International Champion Auctioneers from all facets of the industry will lead a two-day summit focused on working with auctioneers of all levels to take their bid calling and auctioneering to the next level. The instructors will cover advanced bid calling techniques for Real Estate, Benefit Auctions, Automobiles/Equipment, Livestock and Competitive Auctioneering. Don’t miss an amazing opportunity to have one-on-one sessions with International & World Champion Auctioneers Charly Cummings, Andy White, Megan Niedens, Bryan Knox and

Justin Ochs.

In addition to great continuing education and advanced bid calling, there will be plenty of time to relax, refresh and network with fellow auctioneers from all over the United States. Plenty of open patios and outdoor fireplaces will be available to rest and enjoy time together.

For more information be sure to contact Nashville Auction School at (800) 543-7067 or visit [LearnToAuction.com](#). We hope you will join us for a weekend that will be filled with friends, cutting edge marketing, advanced bid-calling and great food!

Submitted By Justin Ochs

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