

The Podium

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The Official Journal of The Industrial Auctioneers Association

Auction Roudies

Also Inside:

- **Tips for the Generational Business**
- **Changing the Perceptions of Auctioneers**
- **The Circle of Auction Life**
- **The IAA Scholarship Fund Recipients**

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From the Editor



Jasen Kisber - Editor
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It's an odd business we're in. Exciting, but odd. Different industry every day. Different locations all the time. When I describe what I do to friends they can barely get their heads around the idea that I could be involved in the sale of such diverse and geographically disparate assets. They always ask the same question, "how do you know what it's worth?" That's the oddest part of the auction business, that people, who are not in it, cannot see how it all fits together. They can't see how this all connects to form a profession; how a bunch of widely varying unrelated deals make up a business. I sometimes wonder myself. It's almost ironic given that so many members of the Industrial Auctioneers Association are generational businesses.

Generational businesses aren't easy in the best of circumstances and it is only more difficult when the business itself is amorphous. Nick Dove's article "**Family Counselling**," p. 22, provides some perspective on the challenges facing those in the generational business and provides some key insights to both the old and the new generations. Jeff Tanenbaum is also looking to change perspectives, in "**No Respect**," p. 12, he demonstrates why auctioneers are more than just business' Grim Reaper. No better example of how auctioneers help manage transition in the full range of the business life-cycle than as Josh Schneider demonstrates in "**What Comes Around, Goes Around**," p. 9. It takes more than just the auctioneer to make the whole auction process successful and David Fiegel in our cover article, "**Auction Roadies**," p. 17, pays homage to the unsung men and women who carry the auction industry. "**15 miles**," p. 28, explores both the peculiar challenges of the assets we sell and the benefit of having great partners to face them with. Terrance Jacobs introduces this year's recipients of the **IAA Scholarship Fund**, p. 33.

As always, Lisa Kisber gives us an **Insider's Guide** to this year's IAA Conference location, Palm Beach, p. 38, in our special Conference Section. You can also read some interesting words from our **Platinum Sponsors**, who help make so much of what the IAA does possible. Thanks to all who contributed and see you soon in Florida!



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Letter From IAA President Scott Swanson



Scott S. Swanson, President
Industrial Auctioneers
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The Industrial Auctioneers Association is now composed of over 52 machinery and equipment auction firms from around the world. We are very excited this year to welcome our two newest members E-Auctions from Kildare, Ireland, Principal: Kieron Gammell and GraysOnline.com from Lidcombe, Australia, Principal: Adam Scharer. We continue to grow internationally and reaching out abroad is a welcome goal of the IAA. We also have several other international firms waiting to become members. They are currently in the application stage of the membership process.

The realization that this is going to be my last year as President has saddened me some, but I am very proud of our Board of Directors and what we have accomplished. The Executive Board of Directors, I know, will continue to work hard to maintain our integrity and grow the organization. I am excited and looking forward to seeing the torch pass this year to Jasen Kisber, who I know will continue to lead our group ahead.

One of our most important missions is the contributions we make to charitable organizations through our donations. A special thanks to those firms that have made this a priority by making their yearly contributions to the charitable account. This year we contributed to several causes, including, the American Red Cross, Clubs to Cure Kids, National Multiple Sclerosis Society, Coaches vs Cancer and the Lungevity Foundation.

Our Scholarship program continues to grow and this year we had 10 qualified applicants. Terrance Jacobs is working hard to find ways to grow our Scholarship fund to ensure it can continue to help the youth of our Members for years to come. Thanks again to Terrance Jacobs and Andrea Pauson for their hard work and continued dedication to the program.

I am looking forward to this year's conference and spending time with our members. I would like to recognize all of the firms that embrace what's so very important to our organization, namely, participation in our yearly conference. Thank you to all our sponsors who provide the support needed to put on such a great event year after year! Our members have had another very active year and remain the leaders in the Industrial Auction field and I am proud that our membership continues to push forward the IAA's primary mission of "promoting the use of industrial auction sales."

I would like to thank all of the contributors to the Podium magazine, and a very special thanks to Jasen Kisber for once again putting together another amazing issue. I hope everyone enjoys it!





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What Goes Around, Comes Around

**By Josh Schneider
Schneider Industries**

It was a hot summer day back in 1976 when Bruce Schneider was riding in the back of his parents Ford Gran Torino station wagon with three things on his mind; Cardinal baseball, rock & roll, and Farrah Fawcett. Little did he know he was about to behold what would become one of East St. Louis' most lucrative scrap metal yards, St. Louis Auto Shredding.

Visiting the facility with his father, who had befriended co-owner of the yard, Seymour Pielet, Bruce was in shock as he witnessed first-hand the larger than life,





state of the art machine take an entire automobile and pulverize it into tiny bits.

With awe the teenager watched as these bits were then put on to various conveyors, which sorted the metals, plastic, rubber, and other materials that comprise a car, and sent them all over the property for further processing. Unbeknownst to all, it would be another 40 years before Bruce would again visit St.

Louis Auto Shredding, but this time with his own son, and for a much different reason.

Mr. Piolet and his brother were business partners, and both had recently passed, leaving behind their scrap operation. Due to various economic factors in the metals market, the company was forced to be liquidated and sold. Having no clue of Bruce's history with the facility, Rustin Ross of Alan Ross Machinery reached out to Schneider Industries to partner the deal as a result of a reference from Michael Cohen of Aaron Equipment based on SI's expertise in the marketing and offering of large industrial equipment worldwide. Bruce, having realized his connection with the

endeavor, was more than happy to be a part of the project and in fact spearheaded the venture. Talk about full circle!

With scrap metal prices at 10 year lows and multiple scrap yards being decommissioned in the vicinity, Schneider Industries was skeptical as to how fruitful the sale would be. Yet again, on a hot summers day nearly 40 years later, Bruce Schneider was once more walking the property of St. Louis Auto Shredding, but this time to auction the larger than life machine that had made his childhood acquaintance Seymour so successful.

To most everyone's surprise the auction was a huge success, with bidders from around the world helping

the mixture of automobile shredding paraphernalia, rolling stock, and machine shop equipment bring over \$900,000 under hammer. Whether

the events prosperity was due to Schneider Industries' superlative marketing, advertising, and auctioneering, or more likely, old Seymour gazing down from heaven, taking one last look at his magnificent machines, all parties involved were elated with the results and look forward to working together in the future.

“With scrap metal prices at 10-year lows everyone was skeptical as to how fruitful the sale could be.”





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No Respect

We've Changed Reality.
Time to Change Perceptions.

**By Jeff Tanenbaum
Tiger Capital Group**

I got a call the other day from a receiver at one of the world's largest consultancies. "Hey Jeff," he said. "I really want to thank you for your bid, but it looks like the sale will be awarded to a going-concern bidder."

I thanked him in return and went on to express just how appreciative I was of his following up on our bid. After all, regardless of how much money we are pledging to a deal (this one was \$18 million), so many others in his shoes fail to extend the same common courtesy to auctioneers and liquidators.

Maybe you know the feeling: After submitting a bid—whether fifty thousand or fifty million dollars—you receive nothing in



return from the potential client. No confirmation. No thank you. No status reports. And, when you do hear back from the client, it's often an abrupt or urgent call in which you're asked to increase this, decrease that, or jump through some unrealistic hoops.

However, despite the admirable qualities of this band of brothers and sisters, the perception of the auctioneer/liquidator is clearly tarnished in the culture at large. The occasional comparison to that of a vulture or Danny DeVito's 1990s character "Larry the Liquidator" captures this phenomenon quite



I tend to give others the benefit of the doubt, so assume that what feels like a lack of respect is actually a reaction to unfounded perceptions of our industry. Call it benign neglect, rather than ill intentions.

This is my 31st year in the profession. From my vantage point, it is an industry filled with hard-working, innovative and passionate people. Those who are successful in this business must be creative, organized, strategic, agile and open to the constant evolution of both technology and the economy. I spend most of my waking hours with my colleagues in this business and, despite their long hours and fast-paced schedules, I find them to be overwhelmingly professional and philanthropic.

“Even one of my closest friends repeatedly introduces me to others as ‘the Grim Reaper.’”

well. Even one of my closest friends repeatedly introduces me to others as “the Grim Reaper,” for which I must typically respond with some variation of “we don’t put companies out of business...we help them and their creditors leverage the value of

their assets” or “without us they would be much worse off ... we are part of the solution.”

So why is respect so elusive in our business?

I believe it stems from the misconception

that auctioneers/liquidators are nothing more than opportunistic “ambulance chasers” who are out to line their pockets at the expense of others. In truth, this was a reasonable perspective many years ago. Auctioneers and liquidators purchased assets with little competition at tremendous discounts and



cash in. Creditors were not as protected, so there was little backlash. But times, and reality, have changed. The opportunistic days of huge commissions and non-competitive purchases are virtually gone. Competition, technology and deep pockets have led to more aggressive bidding and, as a result, more creative solutions and deal structures, as well as smaller margins.

- We often assume stakeholders' risk positions, whether we buy the asset or note, or provide a guarantee, ultimately banking on the deal's upside in order to make a profit.
- Our bids often serve as fallbacks and motivators to going-concern bidders, often with no compensation to us.



This shift has created a new model of auctioneer and liquidator – one of sophistication, professionalism and transparency. Unfortunately, ridding the industry of old perceptions is not easy and it is incumbent upon the members of the IAA—the most visible and active collective of liquidators on the planet—to make a conscious effort to elevate our collective stature amongst industry professionals.

The IAA brain trust offers robust solutions that often monetize dire situations, where others will not. However, many fail to fully grasp all that today's industrial auctioneers bring to the table. Consider the wide-ranging and constructive roles we play:

- Our recovery estimates are often leveraged as free appraisals to clients.
- An auctioneer's fees are always proportionate to the assets in a case, whereas a professional advising the company or creditors typically makes money based on hourly billings.
- While professionals don't often take risk as to the payment of their fees, we are often asked to take risks, whether by assuming an equity position or selling subject to an imposed reserve or contingent expenses or fees.

- We will often provide the liquidity to carry a business through a liquidation event, whether fronting expenses or offering DIP financing in a bankruptcy.
- We look at most projects holistically, bringing a broad range of expertise to assist with equipment, inventories, receivables, intellectual property and real property.
- We are selling more and more businesses on a turnkey basis today, putting hundreds of people back to work, helping to cure otherwise intractable liabilities and generating more money for creditors.

The services today’s industrial auctioneers provide are less analogous to the Grim Reaper and more to that of a transplant doctor. We step up as needed, often putting other matters on hold, while performing a battery of tests and diagnoses to help extract from the business what, in the world of finance, is akin to vital organs that will live on to support the next business.

There’s been a paradigm shift in the role auctioneers and liquidators play in the industrial sector. I’m proud to have played a part in this evolution and to have stood shoulder-to-shoulder with many in the

IAA as we have transitioned into the professionals we have become: equal parts auctioneers, lenders, investors, turnaround professionals, and bankruptcy specialists.

The time has come for IAA members to speak out. If we each do our part to counter misconceptions about the reality of our profession, the benign neglect of today will yield to a perception of auctioneers and liquidators as invaluable strategic partners.

“The services today’s industrial auctioneers provide are less analogous to the Grim Reaper and more to that of a transplant doctor.”





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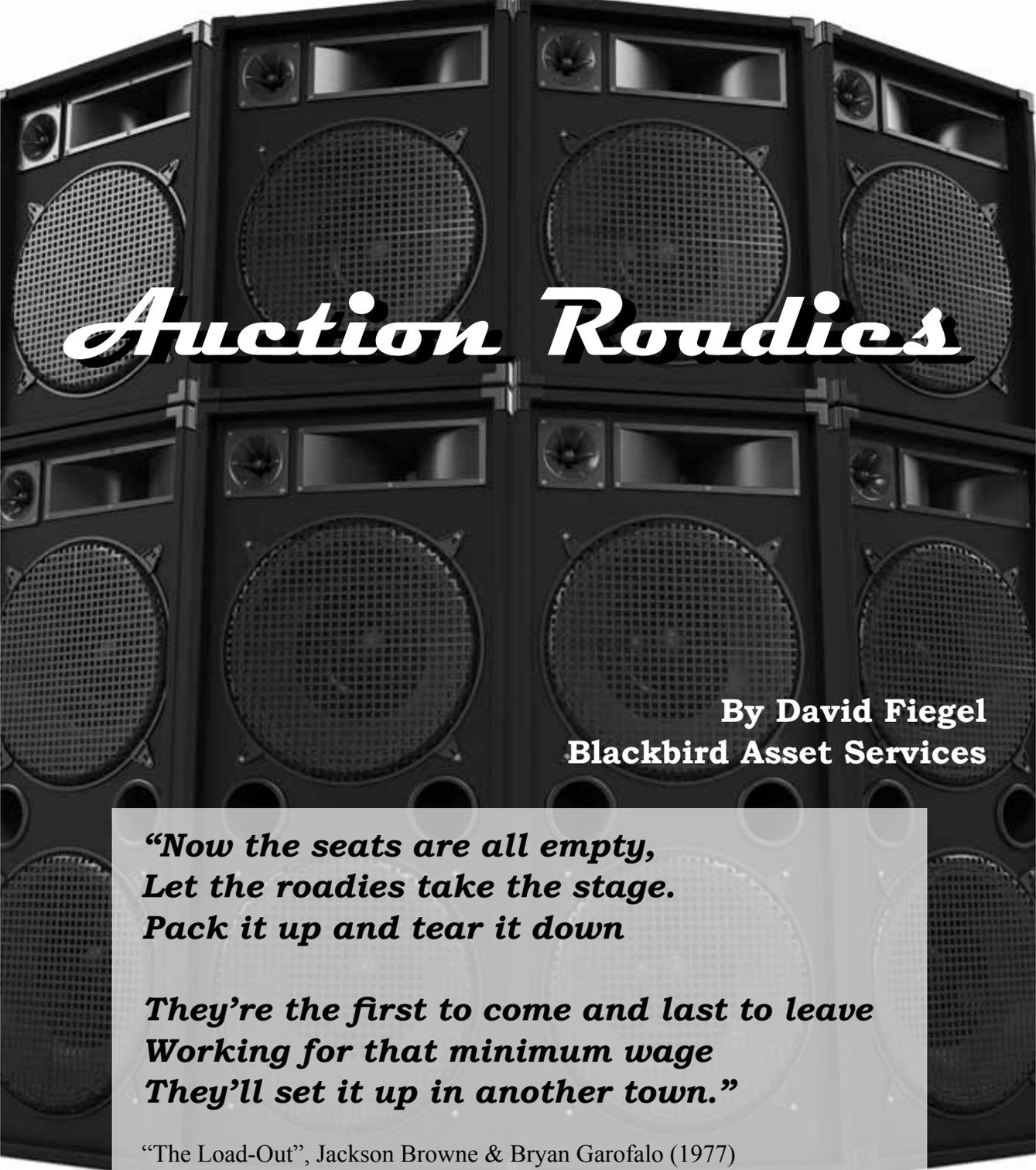
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Auction Roadies

**By David Fiegel
Blackbird Asset Services**

***“Now the seats are all empty,
Let the roadies take the stage.
Pack it up and tear it down***

***They’re the first to come and last to leave
Working for that minimum wage
They’ll set it up in another town.”***

“The Load-Out”, Jackson Browne & Bryan Garofalo (1977)

Having toured in the music industry as a crew member in earlier, formative years, I have always had a deep appreciation for Jackson Browne’s song, “The Load-Out.” Living on the road from town to town, day-in and day-out is grueling. For me, it was also very rewarding; similar to the story the song portrays for the musician. To this day, I appreciate



the crew that supports whatever act I see. By the time the doors open I know it has already been a long day for them and their day won't end until early the next morning when it's all loaded up on the trucks. Then it's wash, rinse, repeat...

Each member of the road crew has a very specific function: house sound, monitors, stage lighting, spot lighting, cables, trussing and rigging, staging, special effects, on-stage technicians for every instrument in the band, the list goes on and on. It's actually pretty miraculous what these people do to put on a show, particularly the big shows. Without the crew to do the heavy lifting, none of these shows would ever happen.

“They’re the first to come and last to leave”

The life of the professional auction technician (henceforth “auction roadie”) is somewhat similar to the music roadie, but their stay is often longer in one location. Once the deal has been signed, the auction roadie is most certainly the first to come and the last to leave in terms of the on-site project. Set-up to final removal can often represent months away from loved ones. Being on the road with only the hotel to call home, regularly the roadie puts in 10-12 hour days to get the job done on time. Local temps and former employees of the facility are often engaged to assist the roadie, but never match the ability of the auction roadie in skills, knowledge, or endurance. The auction roadie is the one to lock the door of the plant long after the temps have gone home for the day.

An auction is often very much like a touring musical show or a theatrical play. Bidders are traveling hundreds, sometimes thousands of miles to attend the auction or they might participate online. The



curtain goes up on Thursday at 8:00. The roadies know that no matter what, the show must go on. They have to be ready Thursday at 8:00. Without knowledgeable, dedicated roadies to do the heavy lifting, these types of auctions would never happen.

Unlike the music roadie who often has a single function or task, the auction roadie (particularly a crew leader) has to wear all the hats. In the same sale they'll often decide where the auction starts, and with what items. They will select and set up the auction office location. They will perform maintenance on various pieces of equipment, replace truck batteries and repair wiring. They will tap into plant IT systems so the auction network can take over on sale day, and order the porta-potties. The professional auction roadie is the key to a smooth running, successful sale.

Imagine for a moment the auction of a typical machine shop. The auction roadie needs to know how to identify and separate specialized tooling, inspection equipment, support equipment. They need to know how to drive a forklift to move and stage heavy items. They must collect and stage like items in various parts of the plant, set an auction pattern that begins with “pick up” that will appeal

to a large audience. Their sale order must maneuver the auction pattern in such a way as to sell the key items at just the right time, with the best of multiples selling first, oh... then the specialty accessories after those particular machines. The auction roadie does all this before a single buyer registers for the sale.

During a live auction, the roadie will often “lead” by being at the next item in line to point it out, lift it over their head, start it, run up the forks, etc. The professional auction roadie doubles as a ringman, assisting bidders and the auctioneer in real time. While auctioneers often rotate during the course of a big sale, many roadies endure the entire auction sale; leading the pack along the labyrinth of lots to that final sale item at the end of the day. Yes, they get tired; but the experienced roadie has a sense of ownership in the auction and simply won't take a break until that last lot is sold.

“Now the seats are all empty, Let the roadies take the stage, Pack it up and tear it down”

As if that weren't enough, immediately after the auction the roadie switches into another gear. The facility gets locked down and the roadie implements a plan to secure the items from theft and begins the check-out or removal period. The roadie needs to supervise the checkout process to ensure the right buyers are taking the right items. The hand-carry item portion of this process can be hectic, confusing and difficult to manage. A good roadie sets up their auction with removal in mind to make sure this process goes smoothly. Large plants require communicating with buyers, riggers, and trucking companies over the course of weeks as the facility is disassembled in a safe, workmanlike manner. Insurance requirements must be met; machines





must be scheduled in a certain order as often most are blocked in by other equipment that must be removed first.

At the end, the roadie is the one with the broom who makes sure the building is clean and ready to turn back to the owner. At the end, it's the roadie who has had most of the face time with the seller, the buyers and the public. At the end, it's the roadie who will often be the difference between a successful sale and a nightmare. A seasoned roadie knows how to put out the fires that come up during the course of the project without calling the office. They'll help to settle buyer disputes, fix broken forklifts or overhead doors, drive snow plows to clear the dock and keep the project safe. The roadie is the mortar that holds all those bricks together.

“They’ll set it up in another town”

Unlike the music roadie who sets up the exact same show in the next town, the auction roadie rarely gets the same show twice. Following a machine shop in Detroit the roadie moves next to

a construction company to work with yellow iron in Kansas. After that it's a commercial printer with huge, multicolor offset printing presses in Virginia. The next auction will be a facility that freezes fresh corn and other vegetables in Northern California. The seasoned auction roadie navigates these different industries, facilities, equipment and situations with knowledge and professionalism. They drive bulldozers and backhoes, clean ink-wells and chip conveyors. The roadie makes sure the bathrooms are clean and the coolers are full for the rest of the staff when they arrive for show-time.

We all have experiences where the auction roadie fixed an otherwise dire situation, somehow made our job easier, headed off a problem, or made our day a little better. Whether you are a seller, an auction company owner, an employee, a contract auctioneer, a rigger, trucker, or an auction buyer; you likely owe the auction roadie gratitude and thanks. So, thank you auction roadies. Thank you for everything you have done for the industry. Your job is a very important to all of us, and we are grateful for your professionalism, integrity and hard work.



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Family Counseling



By Nick Dove
Heritage Global Partners

It's early January and every employee from all 6 divisions of the Heritage Global family are together at our annual company summit. Ross Dove takes the microphone and sternly lectures the group that, "Hilco has the best advertising. Every time I go to ESPN.com or CNN.com or even when I'm playing online poker, I always see their advertisements. We need to be more creative where we advertise!"

The room goes deep into thought and ponders how to be more creative at marketing like Hilco. I break the silence and chime in, "Ross it's not Hilco. It's your cookies. Websites like ESPN and online poker know you visit websites like Hilco. Those are targeted ads just for you. You are the only one who sees those." The room breaks out in a nervous laugh after I openly challenge the CEO of our company in a group setting. Lucky for me, the CEO happens to be my uncle.

Meanwhile, Kirk Dove makes me cringe when talking to potential clients when he tells them their auction will be conducted on the “world wide web.”

Yes, the web is wide (and available everywhere in the world) but saying “online” or “internet” is just as effective and more to the modern lingo standards I prefer. As

we walk to our car after the meeting, I poke fun at the President of our company for his outdated phrases. Lucky for me, the President also happens to be my father.

“The room breaks into nervous laughter after I openly challenge the CEO in a group setting. Lucky for me, the CEO happens to be my uncle.”

worked for, with and against other families, I’m sure many can relate. This business, like any other, has its peaks and valleys. But those peaks and valleys

are intensified when working within the family dynamic. When I lose it’s usually “you didn’t listen, I’ve been in the business 30 years. You need to listen.”

But when I win it’s usually “of course we gave a good pitch, I’ve been in the business 30 years.”

I recently had a buy deal go south and I was on the receiving end of the first lecture I’ve had in a



It’s an interesting dynamic working for my father and uncle. I joined the business 5 years ago right out of college and along with my two older cousins became the 4th generation of Dove boys in the family auction business. Scott Swanson needed some fresh topics for the Podium, so when he reached out for ideas I was happy to give him a snippet of my perspective on being a new generation in the family business. As most readers of this article have

while. I was asked how bad the loss would be and I replied, “Not that bad, just a little.” I was then told that I didn’t lose the company’s money, but instead I just lost my potential inheritance. I’m guessing that phrase isn’t tossed around in many other corporations from a superior to his employee (let alone in the massive screaming, F-Bomb, HR violation manner of a conversation in which it was conducted).



I can't argue with the 30 years of experience thing, but I feel I've been in the business enough to appreciate the pros and cons of the family dynamic in the auction industry. More and more IAA member companies are bringing their next generations into their businesses and as a recent initiate into the this club I feel I can offer a unique perspective to dads pondering bringing their kids into the business, as well as to kids thinking about working for dad. Here are my 5 tips for both generations.

1. Luck & Hard Work

A few weeks before starting, I asked Ross for some pointers or suggestions. He told me that basically anything I do during the first year (good or bad) would be luck. If I signed a deal it was probably because we were in the right place at the right time, and if we lost, it was probably because we weren't in the right place at the right time. He said don't be dejected or disappointed on the losses, and don't be too happy on the wins. Just keep your head down and be a hard worker. I found that the best way to be noticed by my peers, colleagues, partners and

“When I lose it's - ‘you didn't listen, I've been in the business 30 years.’”

competitors for my own benefit was just to work hard. The wins and losses come in waves and the only way to consistently perform respectably is to keep giving yourself a shot. The luck aspect to some extent will always be there, but, as time goes on, the wins and losses seem to be more closely correlated with work ethic, effort, and commitment.

Tip For Kids: Work hard to develop your own identity, so your peers see you as you, not the boss' kid.

Tip For Dads: Don't go easy. Make sure your kid works just as hard, if not harder, than everyone.

2. “Go Get 10 More”

My very first day on the job Kirk was showing me how to find leads and setup appointments. He made my first call with me. Miraculously the secretary at the main line answered and connected us to the “guy” running the bid process. He picked up right away, scheduled an inspection the next day, and one day after that we submitted our proposal. I thought



this was going to be a pretty easy thing. How hard could it be to do that over and over? We submitted the proposal via email and I looked at Kirk and said, “Now what?” Kirk responded, “Now you go and get 10 more.”

Well, we didn’t get hired.

And getting 10 more was much harder than that first one. But the “go get 10 more mindset” has stuck with me. This is a volume business and you can’t win, if you don’t have many opportunities. On the other end of the spectrum, the more opportunities you have, the better likelihood you have of landing an auction.

Tip For Kids: Go get 10 more.

Tip For Dads: Make them get 11 more.

3. Failure Is Okay

There was no training at HGP. There was no manual and no company script. The job description was to go sign up an auction. The “how to” was “however you can.” I only learned by screwing up. I learned how to ask for more expenses when we did a giant project where the labor ate up most of our profit and swallowed my commission. I learned to be more careful in my numbers when we did a buy that went south because the comps I had were wrong. I learned to go stronger on certain deals only after losing to some of my competitors, who gave higher guarantees. I learned to pass on smaller and funkier

“When I win it’s - ‘of course we gave a good pitch, I’ve been in the business 30 years.’”

projects only after spending 60 days working for a crazy seller who rejected all bids and wouldn’t pay our expenses despite our having achieved good results. In almost all of these instances, I was lectured to death by the 30-year vets. But in almost





“I am moving forward, because I was allowed to fail and learn the hard way. ”

all of these instances, I learned a good lesson. I didn't learn to swim by walking in the shallow end and taking swimming lessons. I was thrown into the deep end and had to doggy paddle until I could stay afloat. It took many steps backward to finally go forward, but I am only now moving forward, because I was allowed to fail and learn the hard way.

Tip For Kids: Try not to fail, but don't be afraid to. If you do fail, make sure it was worth it and you learn something. Failing is okay, but failing and not learning anything from it is a double failure.

Tip For Dads: Let your kids fail. In some instances, maybe don't even prevent it. Let them learn the hard way.

4. Inclusion is Invaluable

Without a doubt I have learned the most by being included in things I probably shouldn't have been included in. I've learned about our company by being included in investor calls and board meetings. I've learned how to structure my deals by being included in other people's deals. I've learned about most of the IAA members by being forced to work deals, have calls, or walk plants with them. I've now been included at four IAA Conferences in my five years in the business. Every one of these experiences has allowed me to grow in the company and industry.

Tip For Kids: Ask to be included. Don't shy away from responsibility. Also, remember that most people in this business were once in your shoes and are very welcoming because of that.

Tip For Dads: Include your kids as much as you can in things you think they probably shouldn't be included in.

5. Enjoy the Gig

The lousy 14 hour travel days with cancelled flights and weather delays get old. The jerk client who lies to your face gets tiring. And the losses on what should be a great deal will ruin your day, or your week, or your year. But even when the valleys are at their lowest and darkest, there is still an overwhelming sense of purpose and inherent motivation. You are working for your family, your cousins, your uncle, your father, or grandfather, or even Great grandfather. Your name is on the door, literally. There should be tremendous pride in the good work you do, and a burning fire to always do better. There isn't a sense of faking it or staring at the clock until 5pm. There will certainly be unavoidable and uncomfortable instances when working with your family that wouldn't be experienced elsewhere in other professions. However, there is also far better reward... and that makes it all worth it in the end.

Tip For Kids: Appreciate the opportunity and the business—you're very lucky.

Tip For Dads: Bring your kid aboard—you can get away with a lot more yelling at them than anyone else. We're the perfect punching bag.

Please give HGP a call on any deal where we can add value. Even if we can't, we'll sure pretend we can (see, I learned that from Ross). I'm pleased to work with any of the next generation gang on any deal you come across. I might even be willing to work with their dads too... but only if they promise not to tell the client their auction will be broadcast on the "world wide web." In that case, maybe HGP will just chase the deal alone.



15 miles



By Jasen Kisber

C3 – Crescent Commercial Corporation

What do you do with over 5,000 Jersey barriers? Some of you might know them as K-rails or “Les Jer-sey” as they like to refer to them here in Quebec. Building a wall? Hey Mr. Trump, have I got a deal for you! The truth is if you have any really good ideas, they will have to wait for the next time, because we sold ours – 15 miles worth.

When I first went to go look at the GTS construction company, it seemed like a pretty standard construction deal. We had a great group of partners with Rabin, CRG, and Gordon Brothers. Like any deal the equipment had some good -- a gorgeous Sterling LT-8515 and a mobile concrete batch plant with all the fixings, some bad – obsolete message boards and old trailers, and then tons of water

trucks, pickups, hand tools, safety equipment, and a fair amount of yellow iron. There were also piles of old wood shoring, which we knew had no value, but there was the big question mark – 5,000 plus Jersey barriers.

If you have never heard of a Jersey or a K-rail, you have definitely seen one. They are the modular reinforced concrete barriers that frequently separate lanes of on-coming traffic in construction zones. Usually they are temporary, but here in Montreal they often appear permanent as our road work tends drag out over years. Nonetheless they are loved by municipal and state public works everywhere.

According to Wikipedia, the Jersey barrier gets its name from the barrier created in the 1950s by the Stevens Institute in conjunction with the New Jersey State Highway Department, called the “New Jersey Wall”. K-rail is the California version and while the dimensions differ, the function is the same.

When we first submitted our bid we made sure we had the right to abandon, because the cost of potentially having to dispose of tens of millions of pounds of concrete barriers would be significant. We knew there would be demand for some barriers, so we felt there was potential. But given the sheer number, could we get money for all of them? As I later discovered, our supply represented approximately 20% of the Jersey barriers in the entire province of Quebec. So we made sure our offer had the right to abandon and we knew we were covered. We would sell what we could and leave the rest for the receiver to deal with. Seemed like a plan.

“Imagine two massive yards overrun with random roadwork related materials, including 15 miles worth of Jersey barriers.”

Apparently, we weren’t the only ones with this strategy as the receiver came back and asked all the bidders to resubmit and adjust our numbers to include the cost of cleaning up everything – no barriers left behind.



Now we really had to sharpen our pencils. In the end, we decided to roll the dice a little and only took off a minimal adjustment for the clean-up. Now if that doesn't sound too crazy, you have to imagine two massive yards overrun with random roadwork related materials, including 15 miles worth of Jersey barriers at around 6,000 pounds per barrier.

It worked. We got the deal. My father and I share an office and as soon as we received the news he looked over at me and said, "I guess we're in the barrier business."



The standards governing the dimensions of the barrier and the reinforcing steel beams are not universal. There a few general standards, but then just about every jurisdiction has its own variance of specification, which is a pretty serious wrinkle when it comes to finding buyers.

As I found out, bigger cities tend to be tighter with their regulations for using used Jerseys, but as you

“The Godfather loved the idea of cornering the market.”

get further outside, the municipalities tend to be a little more forgiving.

As soon as it became public that we had the assets all kinds of buyers were coming out of the woodwork. Most were interested in equipment and we told them to come to the auction. We were able to secure a buyer for the concrete batch plant and so that took some heat off the deal. We knew that the best value for the barriers wouldn't be at auction,

but hoped that we could liquidate all of them within the time period of the auction to eliminate any additional costs.

With Rabin, CRG, and Gordon Brothers, our staff put their noses to the grindstone and worked hard to set up the auction in time to meet our tight schedule. As the auction date approached there was lots of interest for most of the assets, but no real buyer for the barriers. At least no one interested in more than 50 or so.

I knew that my time was starting to get tight, since removing the 5,000+ barriers was going to be no small task. Just when I thought we might be in trouble, two potential buyers emerged. The first was a relatively small company that was also interested in a number of the construction equipment assets. They gave us a decent offer. Not a homerun by any stretch, but a good price for everything and taking into account the potential costs if we had to dispose of barriers, it was a nice swing. The second was the largest provider of barriers in the province; let's call them the "Godfather of Jerseys." He had been in fierce competition with the bankrupt company, whose assets we were selling, and the Godfather



loved the idea of cornering the market. He already owned over 50% of the barriers in Quebec and with ours he would have close to three quarters of the market.

I walked the yards with him looking at the barriers and he was brimming with excitement. By the time we were leaving he was telling me to come to his office early the following week and we would come up with a formula for him to buy everything.

On the following Monday, I drove to the outskirts of Montreal to his yard. I was ready to get down to business, but the Godfather wanted to show me around first. I hopped in his truck and we drove around. As we drove past thousands of barriers stacked up, the Godfather told me how by the fall his yard would be completely empty and he would need to make more barriers to meet the demand of his upcoming contracts. It seemed like I was perfectly positioned for him.

When we returned to his office, he explained that there were varying degrees of quality within my inventory of barriers. Clearly the Godfather was trying to beat me up a bit, he explained that much

of my inventory was unusable. I sat poker-faced as he laid out the values he would give us for each grade of barriers. I told him I would speak with my partners and if they were OK, we would make plan. When I left, I practically danced back to my car. The numbers the Godfather was talking about, even taking into consideration everything he considered to be poor quality, was far beyond our highest bring prices. I was ecstatic.

With the blessings from my partners, I called back the Godfather to make arrangements to consummate our deal. He told me he was anxious to reach an agreement, but wanted to go through a few hundred barriers to have a firmer idea of the quality. He asked if he could send over a loader and an operator to organize and grade some of the barriers. His people spent a week going through hundreds of barriers, re-organizing them. After his quality test, the Godfather backed his number off a bit. I allowed him the victory and accepted his new number since it was still a homerun for us. I drew up the paper work and sent it over and then... Radio silence.

A week passed. Our Auction came (it was a long day, but turned out well) and went. The removal was going well and there was still no word. I was calling the Godfather several times a day. Nothing. Finally I received a call, he was on vacation

“Greed is a powerful emotion; it’s hard to walk away from a potential homerun.”

in Europe, but was still interested and he sent me an email laying out his plan for payment terms and then... Radio silence.

Another week passed. Some people from the Godfather’s company came to count and inspect again. And then another week passed. Most of the removal was done and our staff had dealt with most of the unsold items. Countless calls and voicemails and then finally the Godfather called me to say he was



definitely taking everything, but he would like to take about 1,000 immediately and then he would buy the rest once those were all removed.

I knew the clock was ticking and the Godfather was making me uneasy. But greed is a powerful emotion and it is hard to walk away from a potential homerun sale. Too good to pass up or too good to be true? One of the many benefits to having partners is that they give you perspective. I was in there working this sale, but they could see the forest from the trees. They all agreed that if I could get another offer that was decent, we should take it. It was just what I needed to stop chasing my white whale, so I went back to the first offer from the smaller company. They had bought a fair amount at the auction, so we were quite comfortable with them. They indicated that they were still interested. We hammered

out the details and closed a deal within a week.

The irony was that this small company had a huge contract in hand for supplying about 1,000 barriers coming up in the fall. Before buying from us, they didn't have nearly enough and so were going to have to purchase barriers or rent them from somewhere. That somewhere was the Godfather of Jerseys.

In this business you never know what you will be selling tomorrow and every deal presents new challenges. There is always some asset that feels like you are disposing of 15 miles of concrete. So what do you do with over 5,000 Jersey barriers? Get lucky I guess and make sure you have good partners. Oh, and always be nice to the underbidder.

“One of the many benefits to having partners is that they give you perspective.”





The IAA Scholarship Fund Recipients

**by Terrance Jacobs
TCL Asset Group**

The IAA Scholarship Fund is one of many benefits of being a member of the Industrial Auctioneers Association. By contributing to the fund during the year, IAA members can now provide an opportunity to the children of employees to receive a monetary grant to be put towards their post-secondary education. As such, we are truly “Giving back to the ones who have helped us succeed.”

Eligible students must attend a recognized post-Secondary Institution in the same calendar year. Scholarships are not available to any person related to an individual who has an equity ownership in an IAA member company or anyone who is a Trustee of the Fund.

The Scholarship Fund is managed by the IAA Scholarship Board of Trustees, who oversee all aspects of the Fund. In the short term, a percentage of the





funds in the account are allocated as grant money. The dollar amount of the grants awarded is determined based on the amount of funds in the account and how many applicants have been awarded a scholarship.

The long-term goal is to grow the principal in the account and to only distribute a portion of the interest earned.

“Applicants are evaluated based on their academic achievements, extracurricular activities and other factors relevant to their candidacy. ”

Applicants are evaluated based on their academic achievements, extracurricular activities and other factors relevant to their candidacy.

Funds are raised through IAA members’ yearly auction contributions, donations by IAA members in the form of a “Trust,” and an annual IAA Scholarship Fund Draw which takes place at the IAA Conference.

This year, the Board of Trustees received nine applications, of which, eight were selected to receive a scholarship. Four recipients were awarded scholarships in the amount of \$1,000.00 and five were awarded scholarships in the amount of \$500.00. We are very excited to introduce you to 2016’s top recipients.

\$1,000.00 Recipient

Arianna Bouchard is 18 years old and from Agawam, MA. She will be attending Boston University in the fall enrolled in the Biology program. Her mother, Barbara, works at Capital Recovery Group as an Administrative Manager.

During her high school years, Arianna was involved in all aspects of school life. When she is not leading



the school soccer or basketball team as co-captain, you can find Adrianna working the cash at the local Frozen Yogurt. Being one of my favorite places to take my kids, I had to ask, “how many samples would you try in a day?” She wouldn’t say, only revealing that her favorite flavor was Raspberry!

Arianna plans to use the scholarship money towards text books and tuition. Her goal is to continue her education in medical school and ultimately become a pediatrician.

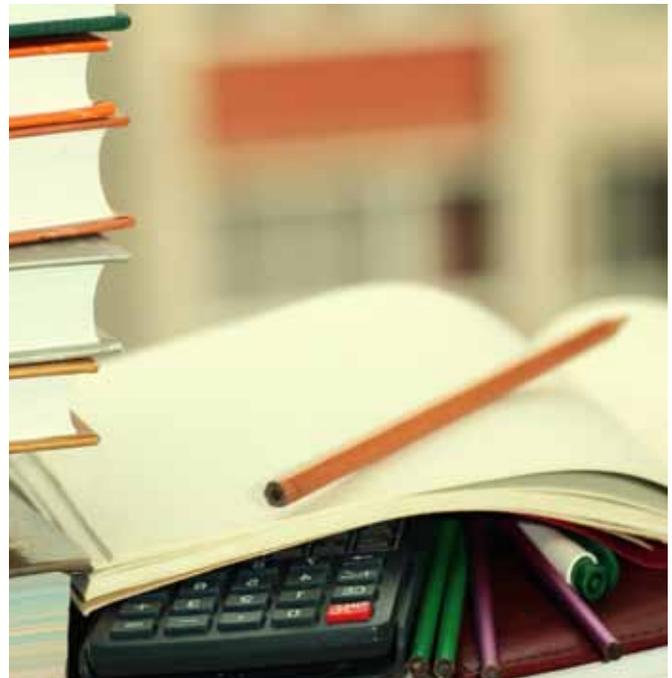
Our second recipient is **Faith Kuzma**, of Walker, MI. Faith completed high school this spring with straight “A’s” across the board. She will be attending Cleveland State University in the fall with an intended major in Psychology. Faith’s father, Steve, works for Hilco Industrial.

If you want to find Faith, head to the soccer field where she will be training hard for her upcoming season representing Cleveland State. It’s not easy to find the right school to play Division 1 soccer for, unless of course they see you play and offer you a

spot on the team! Which is exactly what happened to Faith during a tournament in North Carolina last summer, when she was filling in for a player on a team one year older than her. Faith is part of the Honors College of the University and will use her funds for text books. Her goal is to be an Arts Therapist.

Our third recipient is **Emma Jean Planet**, of Sterling heights, MI. She is our oldest recipient and currently attends University of Michigan enrolled in a double major – English / Environmental Studies. Emma will be graduating in the spring of 2017. Her father, Kenneth, is a Project Manager at Hilco Industrial.

Of all the applicants this year, Emma has been involved in more extracurricular activities and has more work experience than all the applicants put together. From volunteering in God’s Helping Hand of Michigan; tutoring at the Baker Middle School; taking Latin and Ballroom Dancing; working as a Copy Editor for The Michigan Daily and being an activist for Clean Water Action, she has a very diverse range of interests... I don’t know how she has time to breath!



Emma plans to continue her education and apply to Law School. With a passion for environmental issues, she may just be the next Erin Brockovich! She will also be using her award money towards texts books.

Our forth recipient is **Sarah Johnson**, who currently lives in North Carolina and will be attending the University of South Caroline Honors College on scholarship. Majoring in Biology/Sciences – Pre-Med, Sarah’s goal is to focus on Obstetrics and Gynecology. Her father, Gregory, works for Asset Sales Inc., as an Operations Manager.

Sara is goal driven. She is involved in student government, as well as being a member of the swim, cross country and track teams at her school.

\$500.00 Recipients

We also had an impressive field of \$500 recipients this year made up of:

Lydia Elford - Member firm Miedema Asset Management Group

Shelby Kuzma - Member firm Hilco Industrial

Bethany Miller - Member firm Loeb Equipment and Appraisal

Reid Tomasik – Member firm Hilco Industrial

Congratulations to all of our scholarship recipients!



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22nd Annual IAA Conference

Palm Beach, FL

November 17-20, 2016



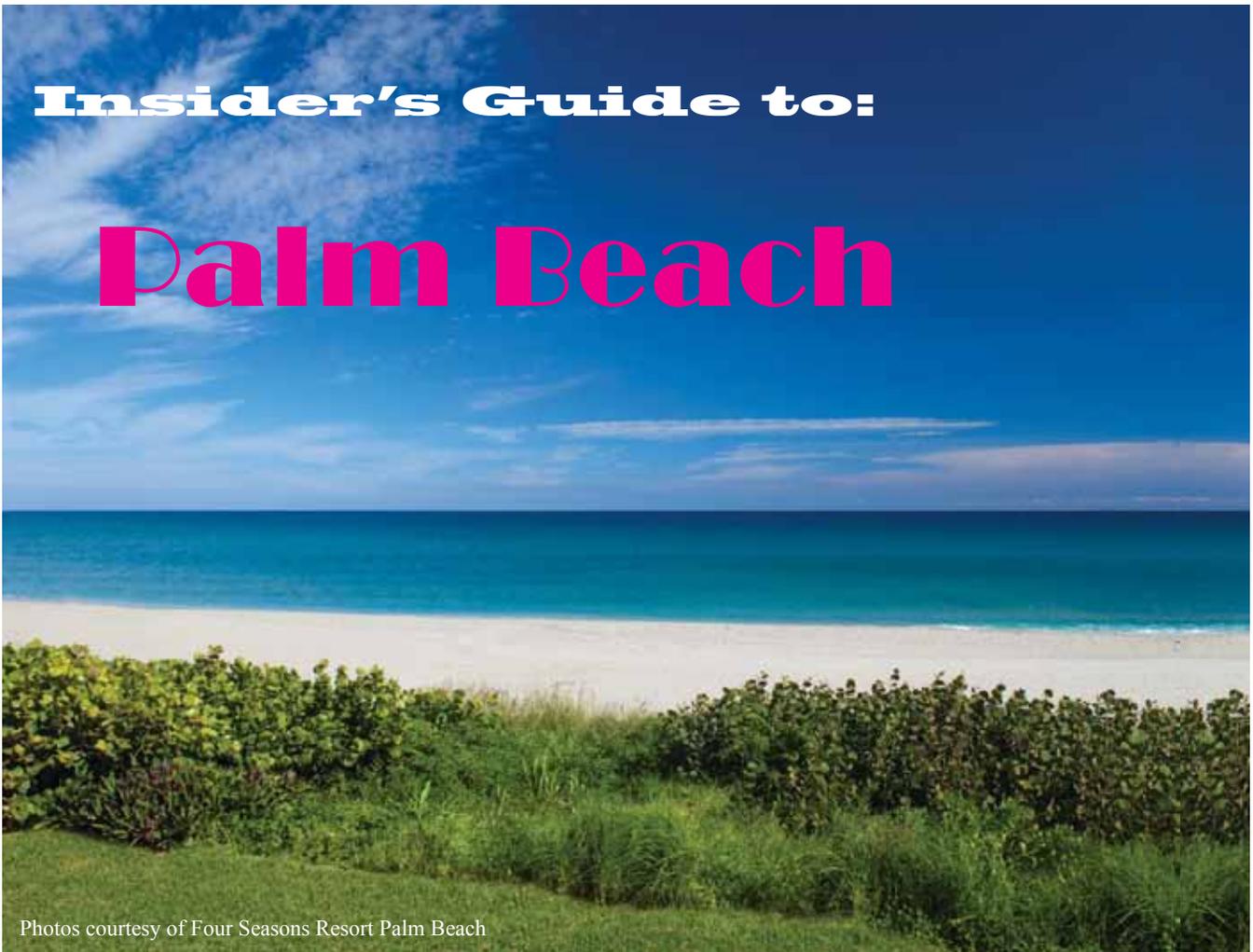
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Photos courtesy of Four Seasons Resort Palm Beach



Insider's Guide to:

Palm Beach



Photos courtesy of Four Seasons Resort Palm Beach

By Lisa Kisber
LKISStyle.com

Palm Beach is the Grand Dame of Florida destinations. The history of the Eastern-most town of Florida is a mix of New York money, Southern style, Florida affluence, and 19th century railroad culture. If Palm Beach is the Mayflower descendent, then West Palm Beach is the equivalent of the Rodney Dangerfield neighbor. Although West Palm Beach began as the servant's quarters for Palm Beach, it has grown into a destination in its own right. And this year the members of the IAA are fortunate to have access to both.

Let's start with the **Four Seasons Resort Palm**

Beach. The site of this year's IAA Conference is located in the center of the Atlantic Coast Barrier Island right off the beautiful A1A Ocean Boulevard. It boasts restaurants, spa, pools, fitness center, tennis, and every beach activity you could think of. But if you feel like getting out, take note because the Resort provides free bicycles for its guests, so you can hop on, head out, and explore. Try out the Lake Trail bicycle path or just cruise the A1A.

There are a few "must see" spots in Palm Beach. The first is the **Henry Flagler Museum**, also known as Whitehall, 1 Whitehall Way. This is the

Special Conference Section



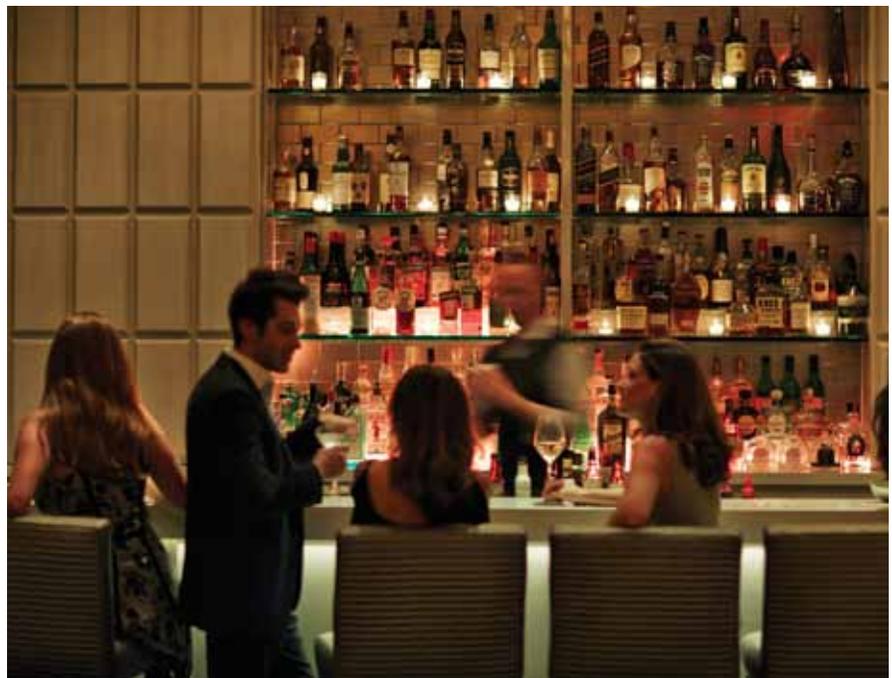
mansion of tycoon and father of Palm Beach, Henry Flagler. Built for his third wife, it has been transformed into a museum and is open to the public. The second is one of Mr. Flagler's historic resort developments, **the Breakers Palm Beach**, 1 S. County Rd. **The Circle** restaurant at the Breakers offers up an amazing brunch surrounded by gorgeous architecture or you can stop into **HMF** for some classic cocktails at this landmark hotel. The Third is **Worth Avenue**. Worth is the Rodeo Drive of Palm Beach; a mix of restaurants, high-end shopping and inspired architecture. If you get hungry, stop in for lunch at **Ta-Boo**, 221 Worth Ave., the landmark restaurant crosses high-society elegance with safari ambiance. Make sure to try the coconut cream pie.

For lighter fare check out **Nick & Johnnie's**, 207 Royal Poinciana

Way, for casual eating breakfast lunch, or dinner with a sidewalk patio and live music or try **Green's Pharmacy**, 151 N County Rd, for the genuine diner experience complete with vinyl stools and a Formica counter.

For fine dining **Buccan**, 350 S. County Rd., serves up gastropub fare and **Café Boulud** at the Brazilian Court Hotel, 301 Australian Ave., is the picture of haute cuisine with a very reasonable prix-fixé brunch menu.

If you decide to head into West Palm Beach there is no shortage of restaurants, shopping and nightlife. **Clematis Street** has evolved into one of West Palm's premier districts for food and nightlife. Stop into **Rocco's Tacos & Tequila Bar**, 224 Clematis St., West Palm Beach, for authentic Mexican food and veritable library of Tequila choices (225+).



Clematis Street is also host to a free weekly outdoor concert series, **Clematis by Night** each Thursday night. For more entertainment you can head over to **CityPlace**, 700 S Rosemary Ave, West Palm Beach, for movie, performing arts and shopping.

If you are hunkering for a real-deal, New York-style deli sandwich, check out **Rinaldi's Deli**, 5029 Okeechobee Blvd A, West Palm Beach, like a piece of the Bronx in South Florida. Or you can try the custom burgers at **Relish**, 401 Northwood Rd, West Palm Beach, with gourmet shakes and craft beers and be sure to try their hot fresh doughnuts.

The Garden Mall, 3101 PGA Boulevard, Palm Beach Gardens, and **The Palm Beach Outlets**, 1751 Palm Beach Lakes Blvd, West Palm Beach, are sure to satisfy all your shopping needs. If you are interested in a little more refined shopping, be sure to visit **Antiques Row**, 3711 S Dixie Hwy, West Palm Beach, with over 40 antique shops to choose from.

After a long day of shopping and eating, you'll need a good spot to unwind. Start with the **Blind Monk**, 410 Evernia St #107, West Palm Beach, a cozy and eclectic wine bar with over 400 different wines in their cellar. Then you can head over to **E.R. Bradley's Saloon**, 104 N Clematis St, West Palm Beach, to get wasted like a "true Floridian." After you will be ready to party the night away and the rooftop dance floor, **Sky309** at Roxy's, 309 Clematis St, West Palm Beach, is the perfect place to let loose before returning to the comforting arms of the Four Seasons Resort.



Photos courtesy of Four Seasons Resort Palm Beach



Special Conference Section

Thursday, Nov. 17

1:00 PM – 4:00 PM
Meeting-Continuing Education (CE)

4:00 PM – 6:00 PM
Board of Directors Meeting

7:00 PM – 9:00 PM
Networking & Cocktail Reception

Friday, Nov. 18

7:00 AM – 9:00 AM
Breakfast

8:00 AM – 12:00 PM
Continue CE Meeting

Saturday, Nov. 19

7:00 AM – 9:00 AM
Breakfast

8:00 AM – 12:00 PM
**CE/General Meeting/
Sponsor Presentations**

12:00 PM – 1:00 PM
Lunch

1:00 PM – 4:00 PM
Continue CE Meeting

7:00 PM – 10:00 PM
Dinner followed by Nightcaps

The 22nd Annual IAA Conference Schedule

12:00 PM – 1:00 PM
Lunch

1:00 PM – 4:00 PM
Continue CE Meeting

6:30 PM – 12:00 AM
Dinner followed by Nightcaps

Sunday, Nov. 20

At your leisure



21st Annual IAA Conference Revisited

Scottsdale, AZ





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Aaron Equipment Company Inc. Buys and Sells Process and Packaging equipment for the Pharmaceutical, Food, Rubber, Plastic, Chemical, Waste Water and Allied industries. Our Bensenville, Illinois headquarters is situated on almost 40 acres for storage and houses our comprehensive reconditioning shop. We can test run or recondition most types of equipment. In addition to the retail equipment business Aaron has been very active in conducting online auctions. The major industrial auction companies value our expertise in assessing equipment condition, value and marketability. Recently, our AEK Packaging Equipment Division has experienced such growth that they have Relocated to accommodate their large Used Packaging Equipment Inventory, Showroom.

The IAA has enabled us to meet and work with the best operators in the Industrial Auction business. In this past year alone, our company has been invited to joint venture and/or consults on many deals. Aaron has sophisticated web expertise.

We manage marketing campaigns with our partners that focus on specific industry segments or by product. Our email data can complement the existing information auction firms typically rent. This cooperative effort keeps marketing expenses within budget.

Our Auction partners appreciate that Aaron is a global company. Our staff can communicate in over 8 languages and we have offices in the United States, Europe and representation in Israel and India. We currently conduct business in over 40 countries.

Those who work with Aaron know we are easy to do business with. Every effort is made to work the deal! We have a record of bringing value before, during, and after the sale to extract all the value in a project.

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Dear Auctioneer, I am incredibly excited to introduce you to an online auction platform we have been developing for the past three years. When starting out on this project, I realized that industrial auctioneers were always playing catch-up to other industries when it came to online technology and digital marketing capabilities. Many sellers simply didn't have access to technology that would majorly impact the financial success of their business. With this in mind, my team and I set out to create a simple and effective auction platform. It would empower auctioneers to host their own auctions and give them access to a powerful marketing engine that would bring better buyers to their sales. More importantly, it would do all this without affecting the auctioneer's bottom line. This is why we started building Aucto.

What is Aucto?

Aucto.com is a full-feature online auction marketplace that allows (registered) auctioneers to host both online and onsite webcast auctions for free. There are no event fees, no software licensing fees, commissions, or fixed price contracts.

The entire platform has been designed and built with the needs of sellers in mind. Our auction creation wizard, incredibly intuitive inventory tools, real-time sale reporting, and post-auction tools allow sellers to set up and host an auction in as little as 30 minutes. We timed it. In addition to our auction platform, we provide a marketplace that allows Sellers to post equipment in Buy Now style liquidations that are suitable for specialized or high-value equipment.

Powerful Marketing

Aucto's approach to marketing is different from other auction platforms on the market. Instead of

depending solely on our own buyer base, we have developed a network of affiliate marketers that help market your sale. These marketers, who are well established in the industry, have a strong presence in the industrial market.

When you list a sale on Aucto.com, you automatically gain exposure on other marketplaces as well. For high-profile sales, auctioneers have the option to purchase additional marketing packages targeted to their equipment offering.

Industrial Only

As an industrial auctioneer, can you name an auction marketplace strictly dedicated to industrial equipment? Neither can I. We do not allow sellers to list antiques, collectibles, or livestock on our platform. We strictly designed our marketplace categories for industrial equipment. This allows us to target industrial buyers more effectively than other bidding platforms. Aucto analyzes buyer search trends, purchasing behavior, and industry interest to show buyers the equipment that is relevant to their needs. We are also heavily investing in an inbound marketing strategy to attract willing buyers, instead of depending on unwanted "email blasts". We found that these email blasts result in decreased click-through ratios, decreased revenue-per-subscriber, and inbox fatigue.

Better Returns

In the short time since launch, we have seen incredible success for sellers on our platform. Aucto is ready to provide you with an incredibly simple and efficient auction software platform and access to proven industrial buyers. Aucto can actually save your company hundreds of thousand of dollars on your bottom line. I invite you to explore our platform to learn more.



PLATINUM SPONSORS



Over 15,000 Auctions Annually for 200+ Auction Companies in 23 Different Countries.

Earlier this year Bidpath completed the acquisition of SAM Auction Software, combining technologies and resources to create a leading auction software company. The combined companies will operate as Bidpath and the SAM Auction Platform will remain the core technology, which we will continue to advance and develop to maintain our position as the leading global auction platform.

The Bidpath Teams have been building online technology platforms for some of the world's leading Auction Companies since 1999. Built by Auctioneers for Auctioneers, we have used our many years of real time experience on the Block to create products that meet the continuing needs of our customers, and to truly push the envelope - As the Auction Industry continues to further evolve, incorporating virtual technologies to the longstanding tradition of the Auction Business - "Where Tradition Meets Technology", as we like to say! Further, Bidpath has always maintained a core philosophy of building your brands and not ours.

The SAM Auction Platform was launched in 2008 and once the core Timed Online and Live Auction Modules were built, a conscious decision was made to let the client requests drive all future development. Seven years of tireless development and hundreds of deployments in over a dozen countries later, have earned the SAM Platform the reputation to be the most stable, scalable, customizable and feature rich Auction solution available.

AuctionHQ Industrial Portal is powered SAM and offers a simple, easy to use portal environment that can be privately branded to each auction company while retaining all the benefits of being a shared platform.

We offer a full suite of integrated support tools that can streamline and simplify many pre and post auction tasks with our cataloging/photo management tools, mobile inventory apps, and a complete auction accounting system that will save you time, money and frustration.

- Full Service Marketing, Social Media Campaigns & Global Customer Database.
- Proven & Stable Technology with Low Latency Audio and Video Streaming
- Mobile Bidding for Live Webcast and Timed Online Auctions
- Marketplace Portal, White Label and Fully Integrated Solutions
- Flexible Pricing – Flat Fee or Percentage Based

A key advantage is our understanding of this industry - We strive to be visionary in scope while continually improving technology that can increase the efficiency of your auctions. We want to reduce costs that will allow YOU to increase profits and most importantly use our marketing expertise and proprietary tools to drive new customers to YOUR auctions!

PLATINUM SPONSORS

BidSpotter.com

Firstly, we must start by thanking every one of you. We value the Industrial Auctioneers Association and its members immensely. We take great pride in our longstanding relationships with this prestigious group. We acknowledge the great responsibility we have to the Industrial Auctioneers Association. As a company, we feel very fortunate for the opportunity to partner with you, for our joint success in many years to come.

To stay ahead in a rapidly changing industry, we have introduced many new features to BidSpotter.com in the last 12 months and have many more planned for the next 12 months.

What have we done in the last 12 months?

- We released our new mobile responsive live bidding software and have experienced a 32% increase in the number of users viewing auctions and bidding on mobile devices. By making it easier to view and bid on your auctions, we are further increasing your hammer prices.
- The number of visitors viewing BidSpotter.com on a mobile device has increased 44% contributing to a 29% increase in auction registrations.
- Our new site also features a larger banner space on the home page that generates an average of 26 auction registrations per banner.
- We have developed our fully integrated, PCI compliant deposit and payment solution which has increased our auctioneer's ability to decrease total bidders that are left in a pending status by 50%. Our payment system has also decreased non-paying bidders by 12%.

Bringing you more bidders

- Over the course of 2017 our focus will be asset centric bidder acquisition - finding bidders that are looking for the items you're selling. To enable this, we have invested in new staff and database research based on buying behavior and asset specific search of end users who are new to the auction process.

- To bring you more bidders and increase the profile of your brand, we are introducing a universal system of categorization to BidSpotter.com. This brings many benefits; the assets being sold on BidSpotter.com will become even more visible on all key search engines and the site will be easier to navigate. We are building a product that will automatically categorize your auctions for you.

Increasing the number of bidders you can approve Just as we have longstanding relationships with you, we understand those same relationships translate with your known buyers. In just five seconds and two clicks, GAP Deposits allows you to execute a 21-day pre-authorization deposit of the amount you choose. You can approve and add to your list of successful buyers with confidence. GAP Deposits is fully PCI compliant with robust data points to protect you in the event of an attempted chargeback.

Bringing you more analysis

We now have data detailing where your bidders come from, how they're performing in your auctions and their buying behavior and frequency. We will be sharing these insights with you so together we build our roadmap for the next 12 months and beyond. We are entirely focused on transparency so we can demonstrate our incremental value to you, our valued auctioneers.

We look forward to and welcome discussions with you so that we can continue to deliver and remain the clear online bidding leader to the Industrial Auctioneers Association. Should any of you have questions, comments or would like to further discuss, we welcome the opportunity to do so, anytime. Our commitment to you this year is to work hard alongside you to bring even more bidders to your auctions and increase the value at which your assets sell online.



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Most of Federal Equipment Company's clients have two concerns, which are often in conflict, regarding their surplus equipment projects:

- How much can it be sold for?
- How fast can it be sold?

Within our focused industry equipment verticals (pharmaceuticals, chemical, and plastics/rubber), we are experts at managing these expectations with the client and then ensuring those goals are met.

Our methods are simple.

- We know what the equipment is worth.
- We have decades of experience setting values of equipment for auctions and retail.
- We combine that experience with more than 60 years of sales history, industry relationships, and one of the largest inventories of equipment in the world.

Our strategy for success.

We know who will buy equipment. We constantly update our mailing lists with buyers through proactive advertising and promotion campaigns.

We use multiple channels, including digital, trade journals, direct mail, and telemarketing to promote our activities. Furthermore, our industry trade presence is larger than anyone else in the industry, which allows us to foster relationships across all of our industry-verticals, from equipment manufacturers to equipment operators. This also helps us build credibility among our clients and customers.

We understand our responsibilities within a global marketplace. Technology has made the world smaller and, at the same time, much more complex. Our clients trust us to sell their equipment ethically and responsibly, worldwide. We qualify our buyers through research and personal contact. We actively develop and maintain programs that focus our employees safety, security and import/export compliance. We anticipate our client's concerns and expectations in these areas and developed business processes to meet them.

Federal Equipment Company is the leader in pharmaceutical, chemical, and plastics/rubber surplus equipment marketplaces. Our knowledge and experience is unparalleled. Our diligence, network of contacts, and credibility sets us apart. We will meet or exceed all of your expectations.

We look forward to the opportunity to work together.

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Since 1932, Perry Videx has been a world leader in the purchase, sale and monetization of industrial processing, packaging and utility machinery and equipment for the Chemical, Pharma, Plastics, Paper, Sugar and Power Generation industries. Headquartered in southern New Jersey near Philadelphia, Perry now serves the world through wholly-owned offices in England, Poland, France, Czech, Russia, Ukraine Romania and Mexico. Perry is proud to be in its 4th generation of family ownership as Alexa Epstein is a principal member of the company's Plastics and Paper equipment groups.

Perry's core strengths include valuation, sales and marketing, inventory, worldwide logistics and a contact database as broad and deep as would be expected with over 82 years experience.

Perry's physical plant leads the industry with several hundred thousand square feet of indoor storage on a fifty-acre site in South Jersey (USA) and complete warehousing and rebuilding facilities in England and Poland. Perry enjoys one of the finest rebuilding shop capabilities in the industry, with

ASME code capacity and full mechanical and electrical competence.

Since the mid 1990's, Perry's Plants Group, based in France and operating globally, has filled an industry need as a provider of complete plants and systems for both relocation and use in place.

Perry logistical group has long been recognized as one of the best in the business and is well versed in complicated shipments of both full plants and individual pieces of equipment. The group is also fluent in international methods of payment including letters of credit and other forms of international payments.

Perry's contacts around the world with dismantling companies, freight forwarding and shipping companies are extensive. Perry has sales and administrative staff who speak 12 different languages and deal with international companies on a daily basis. Perry has the knowledge, personnel and reputation that clients trust to protect their interests in every phase of the transaction.

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Are You Selling in the Best Online Environment?

It's no secret, if you want to grow your business you have to be online. It's also no secret that the industrial machinery market is its own animal, complete with its own set of challenges. Selling online can be tricky business... is the platform safe, will it perform, will it be a resource suck? Work with the right online partner, push those worries aside, and watch your business grow.

Since 2001, Proxibid has worked with industrial auctioneers to provide the industry's most trusted online destination for buying and selling highly valued items like industrial machinery. The Proxibid Marketplace delivers real online transaction capability and an active buyer base with serious spending power. We know industrial auctioneers demand products and services designed explicitly for this category, which is why we regularly meet with our customers and industry experts to ensure our products and services continue to meet your needs.

Best-of-Breed Technology

Proxibid offers the industry's most advanced online selling solutions, developed by industry-leading technologists. Our team has built, and now maintains, a fully-redundant, enterprise-class system that stands alone in the industry boasting a 99.9+ percent uptime, which means you're always open for business. Proxibid has invested more than \$10M to ensure the platform's stability and scalability, providing industrial auctioneers with the most robust technology solution available.

Trusted Marketplace

Only Proxibid offers MarketGuard®, our proprietary, bank-quality risk mitigation tool, which ensures only qualified buyers can participate in your auctions. MarketGuard®, combined with Proxibid's sophisticated risk management system, protects auction companies from fraudulent buyers and protects the integrity of the Marketplace.

Complete Auctioneer Tool Kit

Proxibid offers live and timed auction solutions that support auction features important to industrial auctioneers, like grouping and choicing, extended bidding, staggered end times, live audio and video, and secure integrated payments. Our fixed price and online negotiation toolset extends online functionality to meet your business' needs.

Access to Data

We understand the value buyer data provides your organization. At Proxibid, data is a critical driver of every business decision. Because data is also important to your business, we provide buyer data for all sales. Work with Proxibid and rest assured buyer data is secured, and never sold.

Marketplace Reach

With a network of 3,350+ active sellers, the best of the best sell in our Marketplace. In 2015 alone, more than \$4.7 billion in inventory was represented via Proxibid, reaching more than 1.6M buyers in 190+ countries across the globe. Our buyer base has serious spending power, and they are prepared to buy your inventory.

Mobile Live Bidding

Our team is constantly innovating to bring the best products and services to market. Mobile live bidding will be introduced soon, bringing more buyers to your sales than ever before.

As the world's most trusted online Marketplace for buying and selling highly valued items, Proxibid provides the most comprehensive platform for our partners. We are proud to work with the Industrial Auctioneers Association to build the most sophisticated and robust solutions to ensure you can compete in a global market. Our team is passionate about your success. If you're ready to work with a partner who understands your business needs, Proxibid is ready to work with you.



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TradeMachines.com

All industry auctions in one place

6 trends to make 2017 Your Year Of Online Sales

Taking a closer look at the fastest growing players in our industry shows the demand from online acquired buyers is bigger than through any other channel.

1. Presentation: Show Your Inventory As You Would In Your Store

Wouldn't you clean, brush and polish that beauty before showing it to the customer to finally realize the best prize? Online you would do such thing by offering plenty of attractive images, descriptions or even a video. It will significantly increase the attention, on your own website or your classified ads. This practice has become so effective that room and holiday rental company AirBnB would send professional photographers to flats of their hosts.

2. Mobile: It's Here To Stay

We're not drifting towards a mobile world, the shift has happened. Even in B2B environments the transactions are made from a cab - using smartphones. Many will never own a desktop computer, but billions use the web through smartphones. Hence we expect every website to work great on a small mobile screen. If we neglect mobile users, we're missing out on half of our business.

3. Search Engine Optimization: User Experience Rules Them All

Great content and links and references from other websites remain important for rankings. Providing detailed product titles, specifications and descriptions is key to finding the right buyers. Google also continues to see references on other websites as a strong indicator for the popularity. Google understands how websites engage, serve and satisfy users. Websites showing a disappointing user experience won't enjoy their Google rankings for long.

4. Page Speed: Time Is Money

A typical bad user experience problem is the lack of a lightning fast website. Studies show that 40 percent of users will abandon a website that does not resolve within 3 seconds. Even worse - 80% are not likely to ever return to such a website. Leverage browser caching and content delivery networks (CDNs) for faster delivery of your content. Running your website in the cloud has become cheap and easy and ensures optimal delivery worldwide.

5. Organic Traffic: There's No Such Thing As A Free Lunch

The share of organic (free) traffic delivered by Google to websites has decreased and it will continue. According to a SearchMetrics study the first page of Google's search results on average has only 8,5 instead of the former 10. Hence businesses relying on existing customers and free SEO traffic will struggle to keep up while companies actively utilizing different paid platforms and publishers will see the most growth and gain market share. Only those who understand how to pull all the right strings will succeed.

6. Customer Journey: Understanding Transactions

Customers hitting your website and buying at once - not! Lots of customers buying from you in response to an email or direct visit have initially discovered your business through Google, specialized search engines, or classified ads. In between they might have compared your offer to other websites, doing more research and using other marketplaces. Hence it's important to be active in different markets and on multiple platforms as well as to distribute budgets according to the relevance of those channels within the customer journey - and compare effectiveness.

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WAVEBID

We build Wavebid for the IAA.

You want to be successful. Wavebid was built for industrial auctioneers to streamline the setup process and solve problems common to off-site auctions. We actually understand this industry and built the tools to make your life better.

You want to reduce auction setup time.

Wavebid is the solution for quickly and efficiently photographing and cataloging an auction. Now a site coordinator can go into an industrial plant, photograph, and catalog several hundred lots per day by himself without renaming the photos, without typing, and all the data is synched in the cloud so you or others in your company can have instant access. The process is so simple a temporary worker can be trained in a matter of minutes.

You want to inventory online faster.

Wavebid is the solution to quickly listing inventory on the bidding platform of your choice. We are directly integrated with Bidspotter, SAM, Proxi-bid, Maxanet and other platforms, meaning auction items can be listed in minutes instead of days. The

sooner machinery is listed the more time buyers have to find it.

You want everyone on the same page.

Wavebid is cloud-based. That means all in the information is right where it should be, and accessible to the people who need it. Everyone is always on the same page working with the most up-to-date info. Payments are available on-site the second they are recorded in the office. Inventory can be updated from anywhere in the world.

We want you to be successful. Wavebid is not a bidding platform. Instead, we are dedicated to providing the software solutions to help elevate your company to the next level.



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www.posnik.com

Abamex Auction Co.
www.abamex.com

Asset Sales, Inc.
www.asset-sales.com

Barliant Auctions Inc.
www.barliantauctions.com

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www.cowanalexander.com

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www.crgauction.com

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www.centurionservice.com

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www.cia-auction.com

Cloud Investment Partners
www.cloudinvestmentpartners.com

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www.comly.com

Corporate Assets, Inc.
www.corpassets.com

E-Auctions
www.e-auctions.ie

EquipNet, Inc.
www.EquipNet.com

Frank Ronne and Associates, Inc
www.appraisals-auctions.com

Furrow Auction Company
www.furrow.com

Gordon Brothers Industrial, LLC
www.gordonbrothersindustrial.com

Grafe Auction Co.
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www.graysonline.com

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Heath Industrial Auction Services
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Heritage Global Partners
www.hgpauction.com

Hilco Industrial, LLC
www.hilcoind.com

Infinity Asset Solutions
www.infassets.com

Investment Recovery Services
www.irsauction.com

Joseph Finn Co., Inc.
www.josephfinn.com

Koster Industries, Inc.
www.kosterindustries.com

Liquidity Services
www.liquidityservices.com

Loeb Winternitz Industrial Auctioneers
www.loebwinternitz.com

Maynards Industries
www.maynards.com

Miedema Asset Management Group
www.1800lastbid.com

Myron Bowling Auctioneers, Inc.
www.myronbowling.com

Perfection Industrial Sales
www.perfectionindustrial.com

Plant & Machinery, Inc.
www.pmi-auction.com

PPL Group, LLC.
www.pplgroupllc.com

Quaker City Auctioneers, Inc.
www.quakercityauction.com

Rabin Worldwide
www.rabin.com

Rosen Systems, Inc.
www.rosensys.com

Schneider Industries
www.schneiderind.com

Tauber Arons Inc.
www.tauberaronsinc.com

TCL Asset Group Inc.
www.managingyourassets.com

Thomas Industries
www.thomasauction.com

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