

# Choosing an Auctioneer

*Shopping around for a company to sell your coins?*

*Be sure to ask questions and do your homework.*

**O**VER THE LAST 150 years, between 10 and 24 numismatic auction houses have operated in the United States at any one time. Today, you're likely to find a dozen or less, depending on your needs and whom you include. Given this selection, how do you go about choosing a firm to sell your coins?

Before we get started, however, let's back up a couple steps. An uninformed collector often begins by contacting a coin dealer he's found in his local telephone directory. If he pays a visit to the dealer's shop and offers up his material, one of three things usually happens.

First, and worst, if the dealer is incompetent, unknowledgeable or unscrupulous, he might make a lowball cash offer. This will either pique the seller's interest or, more likely, confuse him; in any case, the collector may choose not to relinquish his coins.

If, on the other hand, the dealer makes him a fair offer, the quoted price might scare or confuse the customer. For example, if a numismatic professional offers an amateur seller \$10,000 for a coin, the latter will be amazed, then concerned. If the dealer is willing to pay that much, what is the coin *really* worth? In this scenario, you're damned if you do and damned if you don't.

To avoid this situation, a small coin dealer generally builds a relationship with a larger dealer or an auction house, which he recommends to his potential client. With a larger firm, the seller finds the psychological ease and security he needs to comfortably discuss the sale of his coins.

The more sophisticated coin seller knows what he doesn't know, or realizes that his limited knowledge is just as dangerous as no knowledge at all. As such, he has no intention of selling his coins to the first dealer he meets. He is savvy about the business of numismatics and knows the best way to realize the highest, most competitive prices may be to consign his coins to public auction. Thus, he arrives at the same place as the inexperienced seller—a rare-coin auction house.

So, which rare-coin auction house should you choose? Narrow the field by asking lots of questions. Here are some to get you started:

**Sales.** How long has the auctioneer been in business, and how often are sales held? Are the auctions conducted before or during a numismatic convention? How many lots typically are in a sale, and at what point in the

auction will your coins be offered?

**Coins.** Does the auction house employ professional numismatists? Will your coins be sent to a third-party grading service for certification? If not, why not? Who pays for the certification, and how long will it take? Will certification impact the selling price of your coins?

**Catalogs.** Does the auctioneer produce a printed, illustrated catalog? Are the photographs clear, crisp and in color? How many catalogs are printed? Does the auctioneer make the catalog available on the Internet? The far-reaching auction house strives to broaden its scope and typically receives a great response from floor bidders; absentee bidders who respond via mail, e-mail, fax and telephone; and live Internet bidders.

**Consignments.** Does the auctioneer request a minimum number of ☉

To pick the best auctioneer for your needs, be smart, consider your options and ask plenty of questions.



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coins or a minimum value per coin? Will he group your coins in lots or sell them individually?

**Fees.** Are the auctioneer's commissions for buyers and sellers competitive within the industry? Will he specify "reserves" (minimum bids) for your property? If so, will you incur an additional cost?

**Client Base.** How many clients does the auctioneer have? Who and where are they? Some companies have a regional client base; others service the country or the world. When selling U.S. coins, you want the maximum reach possible, as American coins are collected around the globe.

**Marketing.** Does the auctioneer market his sales extensively? Will the auction be promoted in major newspapers and trade publications?

**Attitude.** Is the entire process professional and confidential? Do the auctioneer and his staff have a helpful, "can do" attitude? Do they return

phone calls? Can you reach the firm's principals when you need them? In short, are they the kind of people you—and potential buyers—want to do business with? Would you recommend them to your own mother?

**Results.** Will the auctioneer sell all your property and get top dollar?

**Values.** Does the auctioneer share your business values? If you are an honest person who values integrity, can you say the same about your auctioneer? Will he give you a list of institutions and private collectors who are satisfied customers?

**Money.** When will the auctioneer pay you? (Most do so within 45 to 60 days.) Can you get an advance if you need one, and what are the costs associated with the advance?

Don't hesitate to ask questions. After all, a good auctioneer wants satisfied customers who keep coming back for more.