

# Auto Appraiser News

**OFFICIAL**

**-I-A-A-A-**

**NEWSLETTER**

Volume 8 Issue 4

Fourth Quarter 2001



I would like to take this opportunity to wish each and every member and their family, Seasons Greeting and A Happy, Healthy and Profitable New Year and May God Bless America.

If you are not keeping track, I think 2001 has been a long year. The country is officially at war. The economy is in a recession. The stock market is in the doldrums and lets not forget the events that took place on and since September 11. You ask what affect this will have on our industry? If there is truth in the statement that history repeats itself, the price of cars is in for a bumpy ride.

The picture I see is clouded, but it's said that every cloud has a silver lining. The auctions I attended all took place before the "recession," the terrorist attacks and the war, "The Bad Three". Investors have been losing ground with the stock market for a long time now. This caused the Feds to lower interest rates, which made banks and bonds less attractive too.

History of our industry tells us that the Crash of the market of 87 brought the benchmark Ferrari's to their knees. But weren't they overpriced anyway? In the process of appraising a large collection of 12 Cylinder Ferrari's a few years after the crash, I uncovered some interesting facts.

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The paperwork I checked during their appraisal indicated that a large amount of work was performed on them before they were brought to the next auction. I imagine that some of the upgrades, along with, inflation caused higher prices. My theory has it that the Ferrari's that took the biggest hits weren't the cream of the crop. I believe by the time the pristine cars finally got back on the block, they lost their luster.

If we learned anything from history, we now know that Ferrari's recovered a good portion of those lofty prices or even all plus. If you compare that to the dot-com companies, which no longer exist, I think cars look more attractive than ever in the over-all scheme of things.



Auctions were off even before "The Bad Three". The market is soft and select. Vehicles like our fellow member's Ford Mustang surprised me when it broke a record at the Russo Steel Monterey Auction. Quality cars like it are special and so are their buyers. To achieve that price, I assure you it took more than one bidder. I grant you that the sale of it wasn't an accident, or luck either. It took the marketing skill of Russo Steele and the patients and appraisal skills of the seller Lance Coren to do it.

So you ask where is this silver lining? A stock market down turn forced investors to broaden their horizon and look for other places to invest. Banks are safe, but they lost their starch thanks to their lower rates.

The un-official recession was evident long before the other bad events took place. Craig Barrett dealt with it by setting up a high

percentage of no reserve at his January Auction. This set an example that Don Williams & Richie Clyne capitalized on. Their entire line-up was at no reserve for the first annual Hershey Auction. It took place in October after "The Bad Three". I hope you didn't start to say to yourself, ---how did it do? Oh of course they all sold! And all at reasonable prices too! Read my lips--- no reserve. The buyers market makes it a good time to step up to the plate. Lower interest rates and a general feeling that life is short helped too.

Another fact that may help us is that travel is off. Buyers might be prone to buy a car by telephone, or over the Internet or at Auctions they don't attend. The Mustang that broke the record at the Russo Steele Monterey Auction was sold with the help of a proxy buyer. The R & M Monterey auctions Crown Jewel was a 1956 Ferrari. It sold for \$3,475,000. Bidders were on the phone and in person. Chances are an automotive professional like you worked that out.



The last silver lining; entails the changing market. The changes make banks and insurers unsure of the value of cars. Positioning yourself with them goes without saying. Mailing propaganda to them, to let them know that you are an IAAA certified Appraiser. Let your clients know that pre-purchase inspections are possible through your member network. Eliminating their travel saves them time and money. The IAAA member network affords you the opportunity to offer other services associated with buying and selling nationally.

## Hershey 2001



Visitors were treated to small talk and NADA Guides compliments of the IAAA and the NADA. The sun shined for the entire week this year. Our display was open on Thursday and Friday, which made it possible to cover the car corral and flea market on Saturday. Member Joe Jesser provided us with the spots again. Jessers Classic Keys did not attend this year. So I thank Joe, on the behalf of myself, and all the IAAA members.



Left to right: Dennis David and son, Christopher, from Connecticut, Phil Giltner from New York and myself pose in front of the IAAA refreshment table. A cup of Java and donut holes were available for members and passerby's



Left to right: TM, Phil Giltner and Jim Woods II from Indiana. A later arrival by JW II, necessitated an additional photo.

Other members I met at Hershey included Dave Bayowski from Ohio, Tom Jakups of Connecticut, Scott Featherman of Pennsylvania and Ken McGee of Goderich, Ontario, Canada. If you were at Hershey and we didn't get to meet; Shame on you!

### Hershey Show Field 2001

The AACA Fall Hershey attracts the top vehicles from around the country. A high light of the event takes place Saturday each year. To the thrill of on lookers, vehicle entered in the show are required to drive under their own power onto the field .

The size of this years Fall Hershey ceased to amaze me considering the events that took place in the previous month.

The show is made up of mostly passenger vehicles. Commercial vehicles of all types and sizes, along with, motorcycles and motor bikes make up the rest.



The sign declared this beauty a 1934 Ford Cabriolet. Although it was rebodied in Europe by one of the custom coach builders for Mrs. Ford. It's nose grille and hood appeared to be of 1935 vintage, but the rest of the body had a German flavor. The windows and partial steel frame rolled down together. I imagine it was state of the art in its time.



"Silence is Golden" The Rauch & Lang electric center door coupe was a sight to behold. Complete with its surrey steering. The era dressed Lady brought you back in time. A unique seating arrangement put the children's seating facing the driver and passengers. I'd like to know why electric car technology has been dormant for so many years. Oil Company lobbyist, maybe?



The 100-year-old Curved Dash Olds had a single-cylinder engine, which worked hard making the slight grade entering the show field.

GM's decision to discontinue the Olds brand will make it impossible to see a 2005, 100 years from now.



Collectors are showing a greater interest in trucks for sometime now. The 1958 Studebaker pickup truck above has a V8 and 4-wheel drive. A quick look through the guides showed the lack of coverage on the 4-wheel drive option. Keep your eyes peeled; the, 4x4 market is hot on both factory and after-market units.

### Hershey Car Corral 2001

The ongoing construction that has taken place over the last 2 years on the Hershey site has forced changes. The former green field closed last year and this year the car show area and the car corral were re-configured. By Saturday morning, many of the once filled car corral spaces were empty. This was a sign of cars changing hands. "You can find anything you want at Alice's Restaurant" and of course "the Fall Hershey event".

Hershey's Car Corral is a great place to get a real "in the trenches market" feel for the market. The attendance faired well considering the events that took place September 11<sup>th</sup>.



" The seller of the 1934 Ford Phaeton declared it a two time Dearborn winner for only \$49,000." The seller of the 1950 Olds Holiday 88 Coupe claimed it was "all original" for \$24,900.



The diversity of the Hershey Car Corral is evident by its different vehicles and their prices. The 1956 Ford F100 pick was offered for \$20,000 and the Oldsmobile Curved Dash replica was reduced to \$4,000 by Saturday.



Datsun Z's were first introduced as an economically priced Sports car and still are. The Seller was asking \$12,900. The 1960 Chevy's seller asked \$15,900.

### **HERSHEY AUCTION 2001**

Don Williams and Richie Clyne's first event saw 62 cars go across the block. The First Annual Hershey Auction was held at the Hershey Lodge on the Friday evening of the Fall Hershey event. The twist is that all the vehicles had no reserve. Part of the proceeds went to the AACA Library Fund. I understand both the AACA officials and the members were pleased with the auctions success.

A lineup of Marks and prices were diversified. A 1928 Star Six 2Dr Convertible sold for \$9,750 to a 1931 Rolls Phantom II 2Dr Convertible, which made the high of the auction at \$310,000.

Member Scott Featherman attended the auction. He believed "The cancellation by the Brooks Auction Co. provided an ample supply of bidders."

The AACA Library Fund benefited from this auction, which may have led more

### **auto-appraisers.com**

Our websites background has changed to an American Flag in an effort to show support to the USA. We also used a Canadian Maple Leaf background in the Canadian members page.

Our website has hosted over 1500 visitors since it's inception. If you haven't checked it out yet, do it now! To access the Member Only area, click on it, then, type in appraiser as the **ID** and bullfrog as the **password**. When you are there, click on our View and Sign Quest Book and let us know what you think?

Need help on a project? Request it from other members on the member forum. It is located in the Members Only area.

### **Member News**

I ask members to take a moment of silence in memory of Member John Heldreth. We were just informed of his passing away. He was survived by a wife, Loraine and 2 daughters. John owned John Heldreth & Associates and a IAAA member since 1995.

**Congratulate member Dennis David.** His book titled "Fifties Fins" made its debut this fall. Dennis stopped by and showed us a copy at our Hershey Meeting. He couldn't stay long because he was on the run plugging it. The 96-page soft cover book depicts decades of Finned Cars of the big three and other manufactures that have gone by the wayside.

### **Good Luck to member Tom Jakups!**

The Society of Automotive Historians elected him editor of their newsletter during their Hershey annual banquet.

### **On The Fashion Front**

To order Shirts, Hats and Jackets either call the IAAA office for an order blank or go to the member only area of the website. Then click IAAA products.

### Change Of Address?

Correct member information is essential. It is your obligation to check your information and inform us of any changes.

#### **Please change the following.**

Richard Reid  
P.O. Box 4735  
Honolulu, HI 96812  
Email [rich1hawaii@hotmail.com](mailto:rich1hawaii@hotmail.com)

Member # 1006150099  
Thomas Jakups  
Classic Car Appraisals  
Phone 1-860-236-0125  
EMAIL [tjakupsa@classiccarappraisals.com](mailto:tjakupsa@classiccarappraisals.com)  
37 Wyndwood Rd.  
West Hartford, CT 06107

### Technically Speaking

I would like to make a strong suggestion about Email Addresses. Members should get a separate email address from the one that comes with your Internet provider. Yahoo is my first choice. Their email is free and permanent allowing you to keep it even if you switch to another provider.

### Auction Man: Frank Sagona

Frank is our Chicago area/auction reporter. He is a wholesaler, who brokers Muscle cars in his mix. He brings us a unique perspective of the market from the trenches. Frank reported on the Mecum Fall Premier. On November 2 & 3, 2001 the 6<sup>th</sup> annual Chicago Fall Auction at the Pheasant Run Resort, St Charles, IL took place. Dealers did the bidding and collectors offered no support. They kept their hands in their pockets.

**67 Camaro SS 350 Convert 22.5k Sold**

**The Small Block brought plenty**

**68 Camaro Coupe Modified 68K Sold**

**Frank Said "100k in it and looked it"**

**68 Mustang 390 GTA Fbk 18K Sold**

**The big block brought enough.**

**64 Ford Galaxie Convert 40K N/S**

**The owner of the 427 wanted 70K**

A techno first for Frank is his attempt to sell a Late Model SS Impala on the WWW. It got over 1600 hits so far. This 9,000 mile beauty has no takers at \$24,750.

**"I predict auctions will see more bidding by dealers and professionals than collectors in the year to come".**

### What's Next?

**Online Meetings:** Watch the banner on the Navigation Page for the January online meeting. The first was a moderate success. The second on November 16, 2001 was rather weak. The monthly gathering took place on the **auto-appraisers.com** website, in the members only chat room. A permanent day and time will be posted. *Email us with the best day and time to have it monthly.*

**West Coast Meeting:** Get Ready, Get Set and Lets Go, to the second annual IAAA West Coast Workshop & Meeting on Saturday January 19, 2001 at the Haggerty Insurance Company outside booth at 8:00am

## **The Auto Appraiser News**

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IAAA

Box 338

Montvale, NJ 07645

Phone 201-391-5194

Fax 978-383-4776

[automotiveappraiser@yahoo.com](mailto:automotiveappraiser@yahoo.com)

[WWW.Auto-Appraisers.com](http://WWW.Auto-Appraisers.com)

### **Executive Editor**

A. V. Monopoli

Edited by Lisa Brizz

Contributing Editorial

Frank Sagona