

THE BIG SHOW

Everybody watches the Barrett-Jackson Auction on television. But what is it really like to run a car through the Big Show? Here's a hint: It's not what you see on TV!

— Curt Vogt

The January Barrett-Jackson Auction is viewed as the weathervane for Shelby and Cobra prices for the coming year. A lot of cars are held off of the market as their owners wait to see if the prices at Barrett-Jackson and the rest of the Scottsdale auctions will be weak, strong or hold steady. If you watch some portion of the forty hours of live coverage over the five days, you come away thinking you know how the game is played, because you've just seen it. But it's like watching a 3 Card Monte game on the streets of New York City. You might think you know how it works, but you step up to play and then, in the blink of an eye, your \$20 bill is gone and you wonder, what the heck just happened?

Over two weeks in January there are six major automobile auctions taking place in the Scottsdale, Arizona area. There's a lot of overlap so you can't see everything. While each one has a character or atmosphere of its own, Barrett-Jackson is the largest and attracts the most interest. Forty hours of live cable television coverage, spread across six days, certainly has something to do with that. B-J seems to attract a large number of bidders who are enticed by shiny cars with foot-deep paint and lots of chrome. If a car is well turned out (and virtually all of them are), that can mean more to drive bids up than provenance, history, correctness or accuracy. Barrett-Jackson runs over 1000 cars across the block amid a Las Vegas-like at-

mosphere that is specifically created to draw people in and lower their inhibitions.

Auctions are run to make money for the auction companies. Without the profit incentive, there would be no auctions. The seller usually pays 10% of the hammer price to the auction company, and the buyer pays 10%. That's \$20,000 on a \$100,000 car. Not all of them hold to those percentages: Barrett-Jackson's fees are 8%/10%; Mecum is 6%/6%. Auction companies also make money from spectator admissions, bidder's credentials, auction catalog sales and sponsor charges. There are fees for VIP suites, vendor and manufacturers' display areas and special services like cleaning and detailing the cars. It is a big business and the auction companies don't exactly sit back with their feet up on the desk, collecting the money as it rolls in. They work very hard to earn it.

Scottsdale in January is the epicenter of the automobile auction universe. Auctions run through two weekends. Barrett-Jackson is the largest and they have a dizzying menu of admission prices including discounts for kids, seniors and military. They range from \$15 early-on and climb to \$55 on Saturday. An 8-day pass is \$160. That's just to press your nose against the glass. Bidder credentials are extra. Barrett-Jackson has just about everything in the way of cars but the big interest seems to center around the 1960s. If you wait long enough you'll see street rods, sports cars, customs, race cars, trucks, celebrity-

owned cars and vehicles used in television shows or in the movies. Hammer prices sometimes appear to respond to the mood of the crowd, and high prices occasionally leave people scratching their heads. Other times cars seem like they are sold way too cheap. You can never tell and that's part of what draws people—buyers, sellers and spectators—to auctions.

There is no reserve at Barrett-Jackson. This means that once you consign your car to the auction, you get whatever it sells for. That's a sobering thought. You are at the mercy of the market. If it's strong, you'll probably walk away happy. But if it's weak it could be an expensive roll of the dice. This is another reason this auction attracts so many spectators.

As a rule, if you're interested in race cars, musclecars and sports cars, Russo and Steele is where you should be. They usually attract a lot of Shelybs and a few Cobras. This year they had a preview on Thursday with the auction scheduled for Thursday night and Friday. However, high winds changed their schedule. Two large tents covering some of the cars blew down on Thursday night, causing damage to some of the 600 cars and headaches for everyone. The Russo and Steele team worked hard to get things cleaned up on Saturday and continued the auction on Sunday and Monday. General admission: \$20. Bidder registration: \$150.

RM Auctions has acquired the reputation as an posh event with upscale cars with clean histories and no drama. It was held at the Arizona Biltmore Resort and Spa which meant drinking wine or champagne with your little finger extended. Their preview was on Thursday with the auction on Thursday night and Friday. They had 160 high end classic, exotic, sports cars and racing cars; one night was devoted exclusively to British cars. Admission: \$100 for a catalog that admits 2.

Gooding & Company is the other high end auction. Lots of British accents and 100 "carefully selected" high quality classic and sports cars. Preview was Thursday and Friday; the auction was from 11 a.m.



to 2 p.m. on Saturday. Admission was \$30 per person. The \$75 catalog admitted two.

Silver Auctions has a reputation for being an affordable alternative to the high-profile auctions. They had about 500 cars, mostly American muscle and classics, priced at usually \$30K or less. It was a relaxed and comfortable atmosphere and was the last auction on the schedule. Preview was on Friday with the auction running from Friday through Monday. Admission was \$18 per day.

Kruse International is held ten days before all the others. They had a little bit of everything, although light on muscle cars and race cars. It's not uncommon for some of the pros to buy a car or two here and bring it to one of the other auctions and flip it, hoping to make a little money. They had a preview on Thursday with their auction taking place Friday through Sunday. Admission \$10.

International Classic Auctions takes place several days before the larger events and they also attract cars from the 1950s and 1960s. This is another place to acquire a car and flip it somewhere else. Preview was on Saturday, Sunday and Monday with the auction on Saturday and Monday. Admission: \$10.

As you can see, if you go to Scottsdale in January as a spectator or potential buyer, you will have a full schedule. If you're going as a seller, you'll be pretty much goal oriented and focused on your car and the time it will go off.

I didn't go to Barrett-Jackson as a virgin. I've had some auction experience before, having run a '67 GT500 427 twin-Paxton supercharged car, a '65 GT350 low-serial numbered prototype and a '65 GT350 R-Model through other major auction companies. They were either cars that customers asked me to shepherd through the auction gauntlet or an opportunity to sell a project car we had taken on with the goal of restoring it and seeing what it would bring—hopefully covering our costs, plus some.

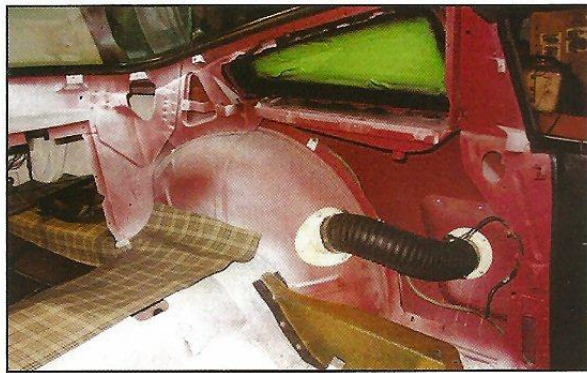
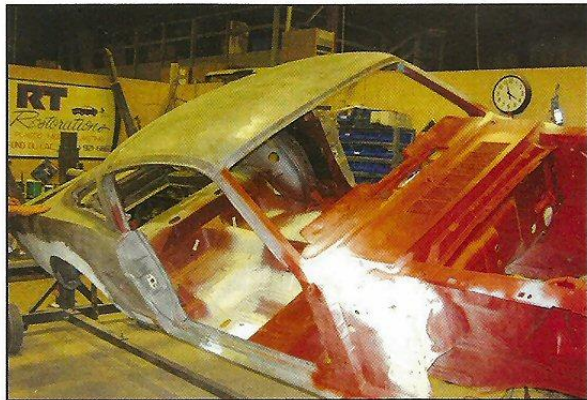
After hearing stories from others, watching the action on television, and visiting Scottsdale last year, I decided to go back and to see what it was like to ride on Barrett-Jackson's roller coaster. We began looking for a good candidate for a restoration project for my business, Cobra Automotive in Wallingford, Connecticut. I was especially looking for a Shelby with good history and which, if finished accurately and to a high standard, was likely to bring

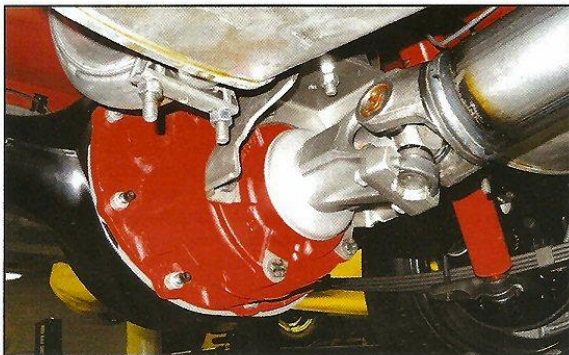
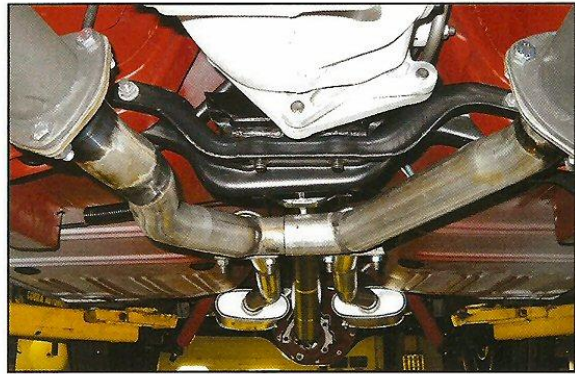
a strong price.

When the opportunity arose to purchase 6S002, I recognized it as the perfect candidate. The car had been damaged in a racing accident so it could be purchased at a low price. It needed a total restoration. It had a low serial number and had a good history. All were pluses for a project like this.

6S002 had originally been purchased from Jack Loftus Ford in Hinsdale, Illinois in October of 1965. It was used as a street car until its second owner, Dr. Mike Conmy of Milwaukee, Wisconsin bought it in 1972 and began driving it in auto-crosses and open track events until the mid-1970s, when he began vintage racing. He continued campaigning it, mostly in mid-western events centering around Road America, until 2005. In May of that year he was involved in an off-course excursion. "Dr. Mike" was no spring chicken, and the accident helped him decide to retire from racing.

6S002 came up for sale in December of 2008. It was in a race shop in Milwaukee, Wisconsin. Another local shop's owner had expressed interest in repairing and restoring the car. Since it was already there, and body work is pretty much the





same wherever it's done, I bought the car and contracted with the shop's owner to straighten and repair the car. I would pick it up as a completed shell. Back at our shop we would paint it, assemble it with correct, date-coded parts and detail it—all with the intention of bringing it to Scottsdale in January of 2010 as a perfect example of the second 1966 GT350 built.

The car had to be finished by December so it could be shipped to Scottsdale prior to the auction. Obviously, this was a deadline with no wiggle room. After the car arrived in our shop we went over it with a fine-toothed comb. Preparation is the difference between a good paint job and a stunning one. We spared no effort. While the car was being repaired in Fon du Lac, Wisconsin we were collecting all of the correct parts that would be needed for its assembly. On those cable television shows, a project car is thrashed day and night for a week before it has to be put on the truck, and employees explode and walk off the job or suffer emotional breakdowns. That might make good television drama but beneath all the shiny paint and chrome, these cars aren't always what they're cracked up to be. With 6S002, things progressed on schedule and last minute problems (there are always a few) were

minimized by proactive planning.

The morning the car was loaded onto the transporter could probably be best described as a cross between gratification and relief. But there was also the feeling of butterflies. After all, between the purchase of the car, the hours spent on the restoration and the cost of the parts, we had a sizeable amount "invested."

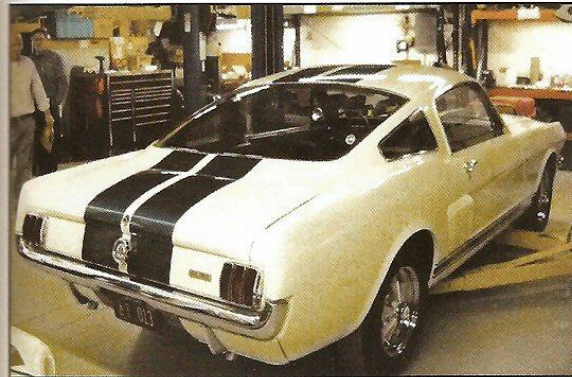
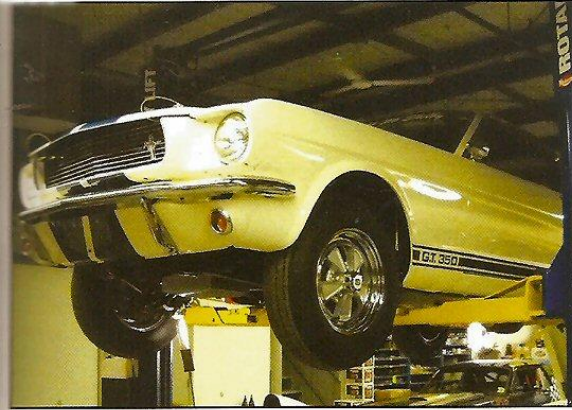
A no-reserve auction is a crap-shoot. Up until now, everything having to do with this car had been in our control. Once the car was out in Scottsdale, our success would depend on the strength (or weakness) of the market, the mood of the moment and the tempo of bidding activity—all things we could not control. I didn't want to think about a worst case scenario. At times, breaking even sounded good; but I had seen worse cars sell for crazy money. The biggest factor was that there had to be at least two people at this auction who could not live without owning this car. One wouldn't be enough.

A car does not sell itself, no matter how nicely it is presented, how accurately it is restored or how much history it has. It has to be promoted. The fact that this was the second GT350 made in 1966 was a big plus. Low serial numbers have a magnetic attraction for collectors. The number 002

set the car head and shoulders above any other 1966 Shelby that weekend.

I didn't want to just show up out there hoping that Barrett-Jackson would take notice of the car and, because of its uniqueness and low serial number, give it some extra publicity. I contacted my good pal Colin Comer, who is a well known Cobra/Shelby/musclecar dealer and who has a lot of auction experience. He was one of the principals involved selling the Cobra Daytona Coupe at the Mecum auction in Indianapolis last year. Colin explained to me B-J's selection process, which isn't evident to the average person. They typically get over 4,000 applications for their Scottsdale auction and of that number they accept about 1,000 cars. The president of Barrett-Jackson, Steve Davis, is a long time Shelby guy so 6S002 would light up his radar screen. He and Colin are friends and after a phone call, suddenly 6S002 was on the fast track. Not only that, but Davis decided to feature the car prominently in their catalog. Our car would be one of those used to pull people in to their event. Being prominently featured would also help us promote the car: it was a win-win deal.

Previous auction experiences taught me that having studio-quality photography is a necessity. I made sure we had the



car photographed as soon as it was finished. Since not every owner will have high quality photography of their car, this automatically gives you a leg up because no matter how special a car is, without good photography it will never appear prominently in the auction catalog or in auction advertisements. Along with the photography, you also need to have a detailed write-up of the car's history. The auction company needs this for their catalog. Nobody will do this as well as you.

Another thing that can separate your car from all the rest is a good show board made up of photos and facts about the car's history. You've seen these; they are usually about 3' by 4' and they sit on an easel next to the car. Don't forget, it's going to be on display for four days with thousands of people walking past it. While you're having a couple of show boards made up you can also have 500 color postcards produced to hand out. That makes a great impression. The car will not sell itself. Don't be afraid to give it a little help.

Next on your checklist is the auction paperwork. Most people apply to Barrett-Jackson in the summer before the event. A few months prior you're going to have to

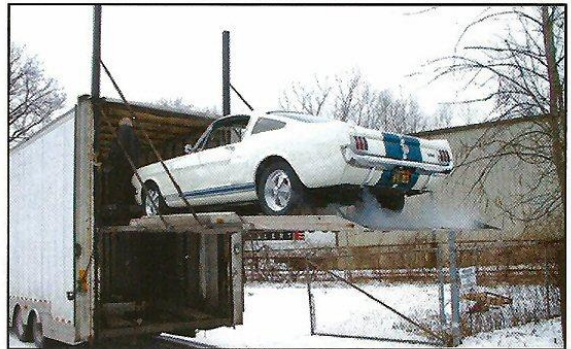
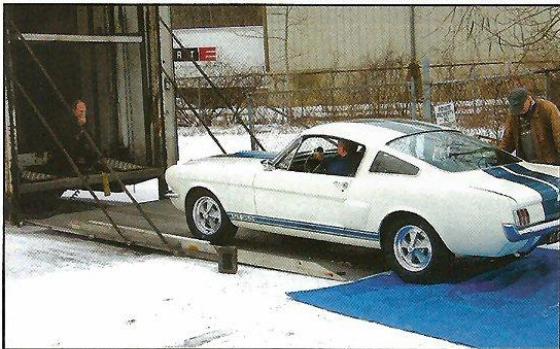
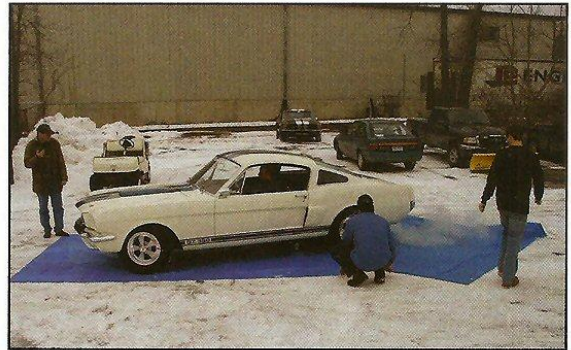
sign a sales agreement and send the auction company a free and clear title. They will hold this until the car is sold and then it goes to the new owner because without it, he won't be paying for anything. You'll also need short term collector car insurance to cover the car for the trip to the auction and while it is there. As soon as the car is sold you will cancel that coverage. If your insurance carrier can't provide this, the auction house can provide the names of companies that can.

You'll also have to make arrangements to have the car transported from your place to the auction. This is not the place to try to cut corners and save money. Forget about Billy Bob's Car Hauling Service; go with one of the established professionals like Intercity, Passport or Reliable. They know their way around Scottsdale. The B-J auction is no-reserve so you won't have to worry about round trip transportation. Your car won't be coming home.

You'll also have to make airline reservations, hotel reservations and reserve a rental car. Only a chump would arrive in Scottsdale on auction week expecting to get a car or a room without reservations. You should also make arrangements to get

credentials for your auction as well as any others you may want to attend. And finally, you may want to get the name (from the auction company) of an on-site repair/fix-it person who can handle minor repair issues following a rough journey or a careless auction lot assistant. Yes, there are such people available. We were able to hook up with Colin Comer in Scottsdale. He invited us to stay at his place and he gave us the name of a reputable fix-it guy who worked the auction. Colin was like our own personal concierge. I couldn't help wondering what that would cost me in future favors.

There were four of us on our team. Scott Hackenson and Tom Quinta both work at Cobra Automotive and they were involved in spearheading the project from the beginning. I also invited Chuck Cantwell to join us. Along with providing a sense of gravitas to the car, as a historical figure he would have the opportunity to get up on the podium just before the auction started to say a few words about the history of 6S002 and its significance. How the car was presented would be one of the keys to its doing well at auction. Having Chuck there was just an added



bonus. But don't expect to get him to an auction to promote your car... he just happened to be working on another project with us at the shop and he was available, so I invited him.

The car arrived in Scottsdale a week ahead of the auction. It was offloaded and Barrett-Jackson used it during their Monday night Opening Gala. This was mainly a press event and Carroll Shelby was there with a brand new 2010 GT350 which would be auctioned off. They used 6S002 in their display. That was fine with us; the more publicity the better.

Tom arrived on Wednesday. He checked out the car and gave it a good cleaning, which it needed after its trip from Connecticut and being moved around on the auction grounds. He discovered that one of the side windows would not work smoothly, and Colin put him in touch with a local mechanic who was working on site to assist sellers with problems.

The car was parked on Wednesday in the spot where it remained all weekend, until just before it got moved up to the block. Ideally, someone should be there to keep an eye on it and to answer questions from interested parties. Here you have to be on your toes. Someone who may appear to be just a disinterested tire-kicker could actually be a potential buyer doing due diligence; trying to find out details which

might make the car less desirable. Or they could be gathering information for an actual buyer who may or may not materialize at some point. Keep in mind, there are thousands of people moving past the car during the weekend.

I arrived with Scott on Friday. After getting our B-J credentials, finding the car and checking on it, we set off to get our credentials for Russo and Steele, RM and Gooding. We intended to check them out to see if there were any similar cars which might be considered "competition." The price such a car brought might be an indication of the market.

On Friday I met with a B-J official to find out the actual procedure for getting the car up to the block. The owner has the option of driving it up and I decided to do just that. Until you're there you can't imagine the huge size of the main tent and television coverage doesn't give you a good sense of the distance to the staging area.

Our car was scheduled to go on the block on Saturday at about 7 p.m. Primetime. We had paid \$1500 for the auction entry fee (which is above and beyond the seller's fee) and some portion of this amount may have included a "prime time premium." It was never explained exactly how that was determined, but it hardly mattered at this point. Timing is probably the most important aspect of a car's ability

to command a high price. If you've watched the auction on television you can see the difference in prices between cars on Wednesday morning at 10 a.m. and Saturday night at 7 p.m. Generally speaking, prices are bid higher in prime time. Why is this? It's likely because Barrett-Jackson stacks the deck by putting many of the best cars in the Friday/Saturday time slot. That attracts the serious bidders who pack the place. None of this is a coincidence. Barrett-Jackson has figured all of this out and it certainly works.

About two hours in advance of going off, auction assistants begin taking cars by lot number and bringing them to the marshalling area. I was there when they came by and begin the drive through the gauntlet. The main tent is larger than you can imagine. I drove the car down through the center and outside, then around to the marshalling area where, like the staging lanes of a drag strip, rows of cars sat side by side. It was all stop and go, and every time I shut the car off I had thoughts of overheating or the battery being run down. Fortunately, none of that happened.

I continued to inch forward. The marshalling area was a final buff and shine zone sponsored by Maguiar's. A dozen worker bees buzzed around each car squirting and shining everything on the exterior. It's no coincidence that the cars

G.T. 350

#1 Production '66 Shelby

#SFM6S002



CARRY OVER 

1st PRODUCTION 1966 Shelby: 1 of 252 "carryover" cars built, which are considered the ultimate Shelby Mustangs, combining the hardcore '65 performance features with the more distinctive '66 body styling.

Concours ground up restoration just completed to show winning standards by Cobra Automotive in Wallingford, CT.

'66 #002's full history is listed in the Shelby American World Registry, including its racing pedigree.

289 Hi-Po/306 HP V8 - Aluminum T-10 4 speed
Holley 715 CFM carb - 3.89 Detroit Locker rear
Original 9000 RPM Cobra tach - Radio delete
Woodgrain wheel - Cragar 15" Shelby wheels
Goodyear Blue Dot tires

SFM6S002

Serial #SFM6S002 is THE FIRST PRODUCTION CAR of the 252 desirable carryover cars built. These early production GT350's combined the best of both the '65 & '66 Shelby's. They retain all of the hard-core '65 performance features with the distinctive '66 Shelby visual features added to set them apart from regular production Mustangs. Restored to the highest standards in its original Wimbledon White color with Guardsman Blue LeMans stripes. The black interior with original rear seat delete package shelf is just as it was originally built in 1965.

The first serial numbered '66 Shelby (SFM6S001) was slated to be a '65 model and was factory modified to be a prototype pre-production car, which it remains today. #SFM6S002 was originally shipped to Jack Loftus Ford on 10/19/65. Shortly after the second owner acquired the car it was extensively raced in the Mid West including Road America, Black Hawk Farms, Grattan, Mid Ohio, Road Atlanta & Watkins Glen. No expense was spared in the restoration back to its original state with many NOS and original date-coded parts.



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look so sharp when they get to the block. The better they look, the higher the bids, and the higher the bids the more money B-J makes from their piece of the action. Again, they've figured all of this out.

Finally, there was nobody in front of me. I was directed to drive the car up the ramp to its spot in front of the podium. There was a sea of faces in almost every direction. The podium reminded me of something out of a science fiction movie. It looked about twenty-five feet high. I turned the motor off and got out of the car as things began moving into fast-forward. Each car spends about three minutes in the spotlight. There were monitors hanging everywhere, showing each new bid. I was barely aware that Chuck Cantwell was up on the podium, talking about the historical aspect of the second 1966 GT350. It was at precisely that time that the television cameras cut to Carroll Shelby up in one of the VIP suites, talking about the original GT350s.

I tried to watch everything going on in every direction, but there was just too much. The various images looked like something seen through a kaleidoscope. I was trying to compute in my head the minimum bid needed to get to the break even point. When the bidding passed beyond that I breathed a sign of relief. Then I started wondering how much higher it would go. There wasn't enough time to will it higher because before I knew it, the bidding stopped. The auctioneer had a sixth sense that it would not pick up again, and he hammered it sold at \$225,000. More is always better but, all things considered, that was ok. I immediately thought back to two days earlier, when someone who was looking at the car made a comment that it would probably go for over \$400,000. It was a good thing I hadn't bought anything with that money.

The car had been hammered sold at \$225,000. Less the 8% seller's fee, the net price was \$207,000. The buyer paid

\$247,500 for the car, and Barrett-Jackson scooped up \$40,500 for their share. And make no mistake: they had worked hard to provide the atmosphere that drew that amount of money out of the crowd.

I didn't waste a lot of time on the flight home second-guessing what we had done and thinking about what we might have done differently. The long and the short of it was that it was a very historical car, restored accurately, with excellent workmanship and detailing. \$225,000 was the most money that car got on that day based on the people who were there bidding. Would we have done better moving it through RM or Gooding? What would have happened if we had it under one of Russo and Steele's tents? We'll never know and it's a waste of time to consider it. Like almost everyone else there, we were star-struck by the whole spectacle. It was a good experience and we were all the wiser for having participated in it.

