

## Auction Action Plan

### *Here's how the pros turn auctions into big dollar fundraisers*

By Ed Ritchie

Many schools, especially private schools, depend on auctions for fundraising, but are they doing it effectively? Don Webber asked that question in 1990, when he volunteered at the Christian School of the Desert in Bermuda Dunes, Calif. A retired professional fundraiser himself but with no experience in auctions, Webber wanted to help his granddaughter's school. He found himself inheriting a yearly auction that was, in his words, "little more than a yard sale, earning \$8,000." Yet last year that auction earned \$250,000, and this year, Webber's goal is to break \$300,000.

How did Webber turn the school's "little" yard sale into a blockbuster? He found a professional fundraising auctioneer and discovered a wealth of information and methods for creating effective auctions. Today, fundraising volunteers from around the country come to observe the Christian School's annual auctions to see how it's done.

Webber and his auctioneer, Jay Fiske of Bellevue, Wash.-based Northwest Benefit Auctions, plus others, are glad to share their secrets. Their methods aren't for everybody. If your goal is to create a nice social event that brings together the school community and earns money, too, these ideas likely won't appeal. They are strictly aimed at bringing in dollars. Big dollars. But they work, and using even some of them can build your auction to new heights.

One step is to follow the golden rule of the professionals: Raise your fundraiser's status from a one-day event to a year-round business. "The planning process is the real key, and you've got to treat it like a business," says Fiske. "Any retail establishment would do the same thing."

Fiske's approach doesn't start with the gala evening. His most important work as both an auctioneer and consultant is in the planning stages, and that, he emphasizes, is where the fundraiser's money is. "I work with clients three to six months prior to the event. We can affect their bottom line 50 to 75 percent in the planning, but only about 15 percent when it comes to the night of the event."

Yes, a good auctioneer can use humor and finesse to get an audience to dig deeper, but auctioneers still have to have something to sell. "If an auctioneer has \$100,000 worth of merchandise, that 10 percent adds another \$10,000," Fiske explains. "But if the auctioneer worked as a consultant and there was \$150,000, the 10 percent is worth \$15,000. But that's on top of the additional \$50,000 in items. So the planning process made a 50 percent difference, and the auctioning part of it only made a 10 percent difference."

Treating the event as a business also makes a difference in the day-to-day operations. In his consultations with Webber, Fiske demonstrated how to develop a five-year plan. He then introduced Webber to AuctionMaestro software ([MaestroSoft.com](http://MaestroSoft.com)), an auction program that guides users in setting up the committees, creating milestones, budget tracking, sponsorships, catalog creation, bid tracking, and even thank-you letters. "If somebody wanted to run an auction, the software would guide them through every single step and they wouldn't be reinventing the wheel every year," says Fiske.

Adopting software is a real time saver, says, Jennifer Stout, president of the Home and School Association at Our Lady of Mount Carmel, a preK-8 Catholic school in Newport News, Va. "The biggest problem is that you have to keep track of everything," Stout notes. "From years past I have done the database using Microsoft Excel and Microsoft Publisher. I'm looking for software packages right now." Stout suggests taking a look at Archetype Auction event management software, available at the Web site [ArchetypeAuction.com](http://ArchetypeAuction.com).

## The Match Game

Fundraising software programs are critical for keeping the merchandise and selling teams coordinated. According to Fiske, many organizations make the mistake of doing their planning in a vacuum, with one part of their team looking for items and the other looking to fill the room, yet they don't match the audience to the items. "The \$10,000 item has to have a number of \$10,000 bidders in the room," says Fiske. "If there is a bidder with \$25,000 in the room, make sure there's a \$25,000 item. The auctioneer can't fix that on the night of the event."

To ensure the right audience, fill the room with people who have an interest in your cause and a willingness to spend money, then make sure you serve them a meal. Don't hide the fact that your intention is to raise money—bidders always eat, but eaters don't always bid. If you fill the room by selling tickets for a dinner, you end up with room full of eaters. For some it's an unpleasant fact, but a key factor in separating the eaters from the bidders is ticket pricing.

Pricing the tickets was a point of contention among the fundraising organizers at the Suffield Foundation for Excellence in Schools, which supports schools in Suffield, Conn. Board member Jim Zien notes that for the organization's first auction in 2002, many members didn't want to exclude anybody. "We had a lot of independent people with independent thoughts," Zien recalls. Since none were experienced fundraisers, Zien contracted with Fiske and let him settle the pricing decision, and many others following it.

Having an unbiased third party settle conflicts can go a long way toward smoothing out relationships and will increase the efficiency of the group,

says Zien. So what price did they settle on? After analyzing their potential audience, the ticket price was set at—are you sitting down?— \$175 per couple. Yes, that made it too expensive for a lot of their teachers, much less the general community, Zien admits. The price might be too high for a lot of schools. However, 287 people committed to coming and 282 actually showed up.

Fiske also gave Zien's group a clever moneymaking tip: The invitations were printed with more than just the base price. Also offered was the option of making a larger contribution by checking boxes with higher increments. To Zien's surprise, about 40 people chose to pay above the base price. At the end of the evening, the event raised more than \$60,000.

## The Right Stuff

Now that you have targeted the right kind of audience, it's time to secure items worthy of their spending power. Does that mean knocking on the doors of retailers and corporations in hopes of getting them to donate big ticket items? Not really, say Webber and Zien. Sure, don't exclude that method, especially for the silent auction. However, Webber and Zien have found that it's the one-of-a-kind experiences and unique items that are far more effective for garnering the big bids. For that, you need to be creative and mine your group's hidden assets.

Webber has been very successful with offering dinners with local celebrities. These don't have to be entertainment types. Local politicians and scholars work well. This year, Webber has found the father of a famous presidential scholar and is offering a dinner with him. Be creative. How about a dinner with the coach of the college football team on the 10-yard line?

"We also offer behind-the-scenes tours such as a visit to a baseball stadium," Webber explains. "People are excited by that because it's outside of their ordinary lives. We did a dinner at a firehouse with firemen and the fire chief. It sold for \$250 and included a tour plus a chef that cooked dinner in the firehouse kitchen."

Don't overlook the talent within your group. Being a hunter, Zien offered a gourmet dinner of wild game for eight guests. It sold for \$600. Is someone in your group a collector of memorabilia? Webber sold cufflinks worn by George W. Bush for \$2,200. An autographed picture of Bush went for \$5,000.

Sports celebrities are a popular resource. Steve Garvey, former Los Angeles Dodgers baseball star, has been honorary chairman for the Christian School of the Desert for many years. At one event, a donor offered \$10,000 to sit with Garvey in the Dodger dugout seats for a game. Here's another example of the power of athletes. The school incurred a huge debt when it had to build a new gym. Fiske suggested to Webber that they allow donors to bid on naming the gym for a year. Bids have ranged from \$7,000 to \$10,000, and one year, the winning bidder asked for the gym to have Steve Garvey's name on it.

Of course, people tend to enjoy knowing that their own names will be seen in a positive light, and Webber gives them the opportunity by auctioning annual parking space signs that say, "This parking space sponsored by ..."

Vacation packages are good sellers, but to transform them into something spectacular, add custom benefits. If it's a condo in Hawaii, Webber suggests adding airline transportation, a special dinner, and a gift basket provided by a florist. Another tip for vacations: Make sure you promote them with plenty of visuals, such as posters or, better yet, a large-screen projection system. In fact, use those presentation tools also for creative dinner experiences or any item that is too small for the audience to view.

Do you need more ideas for creative experiences? Take a look at "The Benefit Auction Resource Book." It's available at [AuctionHelp.com](http://www.auctionhelp.com)

## The Price Is Right

Although you have secured a lot of high priced items, don't pile them one on top of another. Offer a variety of values throughout the evening so everyone in the audience gets a chance to participate and enjoy making a donation.

"Don't put 10 dinners in a row, and don't put the most expensive things first," advises Cheryl Parker, of Partager Fine Art and Auction, Solano Beach, Calif. "It's like riding a wave; you start out low, then go up a bit, then back down again, then take it up a little higher."

If there are too many expensive items at the start, the audience assumes the entire offering is out of their price range and they leave. Too many lower-priced items cause the high rollers to lose interest. "I announce that everybody should have a chance to make a donation and bring in items that allow me to start the bidding low," says Parker.

Enhance the variety further with fixed donations, which work well for the purpose of giving everyone in the audience a chance to participate. Also, they add variety to the pace of the event. "People like having the chance to make a simple pledge without having to buy something more expensive," says Charles Cumberline, of Odle-Cumberline Auctioneers in Brush, Colo. "We had a fundraiser for a dental aid office, and at a predetermined time we solicited fixed-amount donations at a low of \$85 for chairs and a high of \$800 for computers."

Another of Parker's techniques is to issue request cards to discover which items will be in demand. Parker likes to set the tone of her auctions with an item that she knows will generate some lively bidding. She also uses the cards to make sure an item sells before the interested parties have to leave the event. "I've had people tell me they really liked a certain vacation package, but it's number 20 on the list and they have to go to another fundraiser tonight, so I'll change the lot order for them."

Beverly Hills-based auctioneer Izzy Chait takes the concept a step further, and advises clients to pre-sell items. "Clients often know who might want to bid on that trip to Australia or the dinner for two at the trendy hotel in Las Vegas," Chait says. "A volunteer can call them and offer it in

<http://www.ptotoday.com/cgi-ptotoday/MasterPFP.cgi?doc=0304auction.html&bottom=http://www.ptotoday....>

advance, or let the auctioneer know who wants it.”

One final note on pacing and timing: Don’t wait until after dinner to begin the auction. “Sell during dinner,” says Fiske. “When you finish a meal, that’s a sign of stopping, and people start worrying about getting home after dinner.”

The timing for dessert is just as important. “It should be orchestrated like a play, with precision,” Fiske explains. “Use the dessert to make sure everybody is in their seats before you sell the biggest item. The whole evening must be choreographed. That means lighting, sound, and even musical bumps between items.”

## Silent Success

Less complicated is the silent auction. Although it may not be the center stage event, it still contributes much to the evening, and of course, the bottom line. It’s all in how you get the items, says Lisa Eells, PTSO treasurer at John McLoughlin Elementary in Oregon City, Ore. “I know some people struggle, but I don’t have that problem because I am very excited about it and I write letters to many businesses.” Eells doesn’t solicit local businesses. Instead, she targets major corporations such as Nintendo and Circuit City. She began sending her letters in May last year and received more than 100 donations by August 15.

“Establish what you’re going to ask for and personalize each letter,” Eells advises. “Companies might think you’re asking for more than they can give, so I only ask for one thing and they usually respond. Our letter states that we will take any donation. Sometimes they can’t give us what we ask for, but they may donate something else.”

Eells has put together [a “tips and tricks” guide](#). It’s available to PTO Today readers.

Speaking of tips, here’s a good one for pricing silent auction items: print the suggested price plus higher bid increments next to the items on the bid sheets, and offer a box to check for a guaranteed win at 150 percent above the suggested price. This technique increases profits by eliminating small bids.

As for the items, you don’t have to stop at the donations from manufacturers. From dinners to haircuts, any service is fair game. How about putting a special spin on a car wash and wax by offering to have a team of students make a house call?

One last point about your event: Make sure to include special courtesies that show your audience you value them. Start with parking; it should be convenient and if valets are warranted, include them. Next, avoid any situations that would cause your guests to wait in long lines. That means staffing the registration and settlement desks with enough volunteers. Another nice touch is having a photographer with an instant camera for free photographs of your attendees.

## No Small Difference

So are you ready for a blockbuster but concerned that the techniques of the professionals might be too much work or out of your league? Don Webber says his group worked just as hard to earn \$8,000 as it did to earn \$250,000. And no auction is too small to start, according to Fiske.

“I try to approach them all in the same way,” he says. “I have a baseball team and I’ve been doing (an auction for them) for nine years. When I started they were doing \$12,000 a year, and now it’s over \$70,000. That just comes from treating it like a business, building a five-year plan, and not reinventing the wheel every year.”

As for finding the right auctioneer, you can get a referral from the National Auctioneers Association (NAA). The association’s 6,500 professionals are accredited and adhere to a strict code of ethics and standards. The NAA Internet site is [auctioneers.org](http://www.auctioneers.org).



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