



National Agriculture Youth Show

TOYOTA SA NATIONAL YOUTH SHOW AUCTIONEER MANUAL

TOYOTA SA

1. What is an auction?

An auction is the process of buying and selling goods by offering them up for bids, taking bids and selling them to the highest bidder. Items for sale on an auction may include livestock, antiques, homes, etc.

Registered bidders compete against each other with each bid being higher (increments) than the previous bid. The auctioneer decides about the size of the bid increments. Once an item is placed for sale the auctioneer will start at a relatively low price to attract a good number of bidders.

Before an auction starts, buyers are given an opportunity to view the products up for sale. Buyers must also register to take part in the auction. Upon registration they are given a buyer number, which they will use during the auction.

2. Must an auctioneer be qualified?

No, a dedicated/specific qualification is not necessary, although attending an auctioneer school will help to foster talent, improve technique and so on. What is necessary is knowledge of the industry in which you wish to work as an auctioneer.

For example, livestock auctioneers need to have knowledge about all the different species and breeds. Training and knowledge required include, but are not limited to:

- Interbreed judging courses.
- Breed classification courses. (Note that there is a difference between classification and grading: classification relates to carcass quality and grading relates to the meat itself.)
- Breeding policies, breeding and breed standards of each breed.
- Production values of the different breeds and their significance.

3. Special qualities (characteristics) of a good livestock auctioneer

Click on the link for an interesting article about the hallmarks of a top livestock auctioneer:

<https://agriorbit.com/the-hallmarks-of-a-top-auctioneer/>

The following is a summary of the article and other information sources:

- Exceptional communication skills.
- Extensive market/industry knowledge.
- Good energy/positive attitude.
- People knowledge.
- Willingness to work hard (auctioneers start at the bottom and have to work their way up).
- Teamwork skills.
- Customer-oriented focus.
- Self-confidence.
- Conflict resolution skills.
- Strong and engaging personality.
- Good, strong voice.
- Talking rhythm.
- Familiarity with the animals.
- Attention to detail.
- Neat appearance.

4. Personal appearance

Personal appearance is very important for an auctioneer. Would you trust someone, and spend lots of money to buy something from a person who looks unclean and untidy? Untidiness looks untrustworthy, and you want to be trustworthy. Therefore:

- Wear a neat shirt (buttoned shirt, long or short sleeve).
- Neat denim pants with a belt.
- Tuck your shirt in.

- Neat shoes (no gumboots or tekkies).
- Comb your hair.
- A clean and open face is a face you can trust. No stubble!

5. Introduction and approach

Start the auction by introducing yourself. Take the attendees through the rules, terms and conditions of the auction. This is also when you state the sales terms; for example, all bidders must be registered and if they have not registered, they can do so at the office/reception.

Terms of sale also include that no one may load and remove animals from the premises without having paid up their account. Loading instructions are given during the introduction.

During your introduction you will state whether all the animals have been checked by a veterinarian and possess the necessary health certificates as required by law. When buyers pay up their account after the auction, they need to be given the health certificates of the animals from the team running the auction. No animals may leave the premises without these certificates and no animals may be sold at an auction without these certificates.

Towards the end of your introduction, you will announce the bid increments and explain how you will be increasing the bids. Note that, as the price gets higher, your bid increments will increase. For example, from R100 to R1 000, your bid increments will increase in hundreds. From R1 000 to R10 000, your bid increments will increase by R500 and so on. This is up to you to decide but it is good to have a formula that will work for you at most auctions.

6. Voice and chant

Here are a few things to consider about the way you use your voice:

- Don't talk too fast! Rather talk a bit slower, so that people can hear you properly and understand what you are saying. If they cannot hear what you are saying, they will not be able to bid on items.
- Control your voice. Practice this in front of a mirror.
- Ensure that you speak clearly. Proper pronunciation is vital.
- Concentrate to keep the rhythm and tempo of your chant consistent.
- Ensure that your voice is at a natural register – don't speak too loudly and don't change your voice to sound different. It will strain your voice and cause problems, especially if you have a long auction ahead of you.

7. What does an auctioneer's job entail?

An auctioneer's main job is to make money for his/her clients and provide quality products to the buyers.

Aside from introducing each animal that must be sold at an auction, an auctioneer's job may also include the following duties:

- Advertising the auction to attract as many buyers as possible.
- Meeting with sellers before the auction to discuss the animals up for sale.
- Appraising the animals to calculate starting bids.
- Assigning lot numbers.
- Assisting buyers to identify their needs and guiding them as to which animals will best suit their needs.
- Conducting the necessary administration and paperwork before, during and after the auction.
- Ensuring biosecurity at auctions.

8. Laws that livestock auctioneers, buyers and sellers should be aware of

Click on the following links to read through the laws and acquaint yourself with them:

8.1 Agricultural Produce Agents Act, 1992 (Act 12 of 1992)

<https://www.gov.za/documents/agricultural-produce-agents-act>

8.2 Stock Theft Act, 1959 (Act 57 of 1959)

<https://www.gov.za/documents/stock-theft-act-3-jul-1959-0000>

8.3 Animal Identification Act, 2002 (Act 6 of 2002)

<https://www.gov.za/documents/animal-identification-act>

8.4 Animal Disease Act, 1984 (Act 35 of 1984)

<https://www.gov.za/documents/animal-diseases-act-12-mar-2015-1128>

Here is a list of controlled and notifiable diseases that all auctioneers have to be acutely aware of to prevent the spread of disease, as this has dire consequences for the entire industry (think of the consequences of foot-and-mouth disease):

- <https://nahf.co.za/controlled-and-notifiable-diseases/>
- https://www.angoras.co.za/page/summary_of_livestock_disease_for_south_africa_report_for_august_2014

8.5 Consumer Protection Act, 2008 (Act 68 of 2008)

<https://www.gov.za/documents/consumer-protection-act>

9. Basic auctioneering terminology

The South African Professional Auctioneers Association has a complete list of basic auctioneering terminology available on their website. Click here to familiarise yourself with these terms:

<https://www.sapaa.co.za/2017/02/11/auction-terms-and-definitions/>

10. Livestock knowledge

10.1 Different species and breeds

There are various species and breeds auctioneers deal with. The following is a list of animal breeds in South Africa. Good knowledge of these species and their characteristics are essential for good auctioneering.

LARGE STOCK	SMALL STOCK
<u>Beef cattle:</u> Afrikaner Brahman Dexter Drakensberger Hugenoot Limousin PinZyl Santa Gertrudis Senepol Simbra Simmentaler	<u>Goats:</u> Angora British Alpine dairy goat Kalahari Red goat SA Boer goat Saanen dairy goat Toggenburg dairy goat
<u>Dairy cattle:</u> Holstein Jersey	<u>Sheep:</u> Wool sheep Merino
<u>Horses:</u> Host province will announce which breed will be on auction	Meat sheep Dorper Ile de France
	Dual-purpose sheep Dohne Merino Merino Landsheep SA Mutton Merino

STATIC	
Poultry Fancy and racing pigeons Rabbits Host province will announce which species and breed will be on auction	

The host province will compile the lots for auction and pass them on to participants.

10.2 Commercial vs stud animals

The main difference between stud and commercial animals are that studs require much more time and attention to detail, as these animals are used to enhance other stud and commercial herds. Studs will have birth and performance records of each animal, along with records of their parents and offspring. This is relevant for auctions.

Stud animals are generally more expensive than commercial animals because of the stud breeder's investment in genetics. Therefore, they are sold in different ways at auctions.

Commercial animals may be sold in groups, and the price on which a bid is taken is the price per animal. For example, if the bid is closed at R15 000, that means the buyer is paying R15 000 per animal for a group of five animals (in other words, R75 000).

Commercial animals (weaner calves and lambs) may also be sold at price per kilogram.

10.3 Meat prices

An important industry aspect you must stay up to date with is meat prices, as commercial auctions may be influenced by these prices. Meat prices are updated weekly. There are various sources where you can keep an eye on current meat prices. Click on the link for an example:

<https://agriorbit.com/rooivleispryse-red-meat-prices-2/>

The price at which a weaner calf is sold, for example, will be determined by the market price per kilogram (the market-related price).

Meat prices are also very important for carcass auctions.

11. Workshop

- Students who want to take part in the competition must be 11-14 or 15-18 years of age.
- A workshop can be held where an auctioneer from the relevant area:
 - o Briefly speaks to the students to make them aware of auctioneering as a profession, what it entails and what training and/or experience is needed.
 - o He/she must give them guidance on the do's and don'ts of auctioning off a lot, what is important to consider when auctioning an animal, how to use their voices, rhythm, speech, etc.
 - o Practical examples and exercises are encouraged.
- Thereafter students may compete.
- Each student must auction off two lots – for the informal and formal rounds the lots will depend on and be subject to the animals available at the show.
- However, we would ideally prefer it if lots were different species; for example, lot 1 – large stock, and lot 2 small stock or static (the host province will decide).
- Students will be granted five minutes each to auction off their two lots. (Note that the allocated time may change should any of the relevant auctioneers deem it necessary.)
- The relevant teacher/auctioneer/Plaas Media representative will judge the students according to a set mark sheet. (Note that prizes will only be given to the winners of the formal competition rounds where Plaas Media is involved. The set mark sheet is also subject to change for the formal competition rounds, should any of the relevant auctioneers deem it necessary.)

12. Mark sheet/criteria for giving marks

	Aspect judged	Mark	Out	Comments
1	Appearance Is the student dressed neatly, and do they understand the importance of this impression?		10	
2	Introduction and approach Did they prepare for the informal competition and researched the animals they are auctioning off?		10	
3	Voice Clarity, control, rhythm, engagement.		10	
4	Auctioneer traits Confidence, personality and professional conduct.		10	
5	Livestock knowledge Did they attempt to research the animals? Do they have a basic school-level knowledge of livestock?		10	
6	Ability (or legitimate attempts) to chase bids and increase them.		10	
7	Overall impression of technique and adherence to rules Did students keep to the time limit? Did they auction off both lots?		10	
8	Workshop Understanding of information provided in workshop.		15	
9	Application Application of information provided in workshop.		15	
	TOTAL		100	