

Buying well

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Inside America's Oldest Auction House



Savvy shoppers can score great finds at Samuel T. Freeman & Co. as it upscales its image and inventory.

BY SEAN SCULLY, PHOTOS BY MIKE MERGEN

There was a time, not so long ago, when savvy bargain hunters crowded the weekly “basement sales” at Freeman’s auction house and walked away with unheralded treasures for as little as \$1.

That doesn’t happen much anymore. Instead, the nation’s oldest auction house, at 1808 Chestnut St., is bidding to regain its status as a prestigious seller of antiques and collectibles — and at the same time recruit a new, auction-savvy generation of collectors.

“There is still that element of fear of the novice coming into an auction house,” says Lee Young, an appraiser and a vice president of Freeman’s. “People think, ‘Oh my god, if I scratch my nose I’m going to buy a piece of furniture for \$100,000. How

am I going to get out of it?’ But that’s not how it goes.”

But by now people have become more familiar with collectibles through TV shows like “Antiques Road Show” on PBS and with auctions through services such as eBay.

“I think that takes the edge off people coming into an auction house,” Young says. “We want them to enjoy it. It’s fun.”

The auction itself proceeds at a surprisingly civilized pace. There is none of the frantic activity usually depicted in auctions on TV. Nor is there the kind of loud, insistent calling by the auctioneer associated with cattle and other agricultural auctions.

Instead, the auctioneer calmly introduces each lot, flashing a large picture of each one on a screen at the front. He sets the initial price, usually based on bids placed in advance or on the lower end of the estimated value established by the appraisers.

Buyers in the audience signal their interest by raising numbered paddles or raising their hands. The signs are clear

When Freeman’s was founded in 1805 by Tristram Freeman it was the only auctioneer in the city. It has remained in family hands ever since.

and unmistakable — there is no chance that a random gesture might be mistaken for a bid.

At an auction in July, Young led the sale of fine silver and decorative objects. He stood at the head of the hall, in a massive wooden lectern reminiscent of a courtroom witness stand, with items displayed around the walls in glass cases. Items moved quickly, most starting at just a few hundred dollars. Some climbed quickly into the thousands, including a complete set of Tiffany silverware that sold for \$12,000.

Although there were two-dozen bidders in the grand third-floor hall at Freeman's, most of the activity came from Freeman's employees lined up at a bank of 12 telephones on one side, handling calls from pre-registered bidders who were notified as items of interest came up. And at the end of the telephone bank sat another Freeman's employee taking bids from buyers on eBay who can leave advance bids and use a "view live" feature to track the auction's progress. Like the bidders in the hall, the employees monitoring the telephones and computer signaled their interest by raising their hands.

Often as not, items sell after a flurry of bidding exclusively by telephone and computer, without any bidding at all by those sitting in the hall.

Young moves the auction quickly — the bidding rarely lasts as long as a full minute. Auction house employees say they usually go through about 100 items in an hour, an average of less than 40 seconds per item.

That may sound blindingly fast, but in person, it's surprisingly easy to follow.

Most items move quickly and efficiently: \$300 — \$400 — \$500. Selling for \$500 — fair warning, \$500. Sold for \$500, and Young smacks the rostrum sharply with a small hammer, creating a satisfying and definitive crack.

Occasionally, bidding lags. Young starts the bidding for a small silver ship model at \$150, and is greeted with silence.

"You wouldn't believe how many condition reports I did" for customers interested in the item in advance, he says with an amused sigh, mopping his brow. "Where are they?"

With that poke, a flurry of bids. The item moves seconds later for \$300.

Freeman's abandoned its weekly "basement sales" almost seven years ago and started to focus on a higher class of object. It now hosts 20 to 25 sales per year, with objects selling for as little as \$100 and as



much as \$744,825 — the auction house's current record, for an intricately painted 19th century candle box from rural Pennsylvania that sold in 2005.

The changes appear to have paid off.

In the late 1990s, the company sold as many as 60,000 items per year with average sales of about \$5 million per year. That looks impressive, says David Donaldson, vice president of marketing, until you realize that the average "lot," a single item or small group of items sold together, sold for between \$80 and \$100 — and it takes as much as \$70 for the auction house to process each lot, leaving a slender profit margin.

Since then, he says, the auction house has risen to annual sales of \$18.5 million,



Freeman's hosts up to 25 sales each year, with bids ranging from \$100 to \$744,825.

but dropped to only about 11,000 items sold per year — an average of nearly \$1,700 per lot.

That came at the cost of some customers who had become addicted to the super-cheap basement sales. So the trick for Freeman's is to find new customers — both serious collectors and new customers who have never been to an auction. Seven years ago, the auction house created its first-ever marketing department, which has lured auction veterans and collectors through ads in antique and collectible-related publications and mainstream newspapers like the Philadelphia Inquirer and The New York Times.

The auction house is trying a variety of ways to entice new customers, including hosting "Friends of Freeman's" receptions

in the display rooms.

The auction house also hosts monthly "estate sales," where lower-priced and non-collectible items are sold. The auction house is billing that as a way for auction novices to learn the business and also get decently priced antiques and unusual items — the last remnant of the old "basement sales." Much of the merchandise in these sales is furniture, mostly antique but not uncommon enough to pique the interest of serious collectors or command big price tags. Most estate sale items sell for between \$100 and \$1,000. Some customers see it as a way to affordably outfit apartments, dorms or houses without having to pay retail store prices.

The trick, of course, is that these estate

sales are a bit eclectic — there is a wide variety of items and the auction house doesn't produce a full catalog, so it can be difficult to know in advance what will come up for sale. Some of the items, however, are advertised on Freeman's Web site.

While the changes at Freeman's may have driven off some old bargain-hungry customers, some longtime Freeman's customers like the changes.

New Jersey antiques dealer Priscilla Naylor, for example, has been coming to Freeman's auctions for almost 30 years and said she's seen a dramatic improvement in recent years.

"I think the people they've employed are really experts in their field," she said as she examined items before an auction of silver and decorative objects in July.

She said she always has liked Freeman's

See page 35

From page 33

finer auctions and said they have gotten better as the auction house has focused on higher-end goods. The auctions serve not only as a source of merchandise for Naylor, but as education — to see what items are on the market and what kinds of prices buyers are willing to pay.

"This is certainly upscale," she said. "They get really high-quality items."

Freeman's was founded in 1805 by Tristram Freeman and was for a time the only official auctioneer in Philadelphia. The company has remained in family hands ever since. It has handled high-profile auctions, including the 1838 sale of the famous chess-playing machine known as "The Turk," the sale of surplus battleships after World War I, and the 1969 auction of a 1776 copy of the Declaration of Independence printed just one day after the original was signed.

The family remains at the head of the auction house — Samuel M. "Beau" Freeman II is the chairman and the sixth generation to head the firm — but in 1999 it brought in Scottish auctioneer Paul Roberts as president and a year later the



Bargain shoppers can find deals at Freeman's monthly "general estate sales." The auction house also provides free walk-in appraisals on certain days.

company forged a marketing alliance with his auction house, Lyon & Turnbull. Freeman's staff credits Roberts with bringing about the recent changes.

He brought in Donaldson and others on the marketing staff and hired new specialists to help organize the auctions. Donaldson said his background in the theater helps in building up Freeman's new auc-

tion business — like a theater production, an auction begins with building buzz and excitement, teasing the audience with the pageantry to come, then delivers a satisfying performance with a clean sale.

"It was in many ways a natural progression from one to the other," he said. "We put on these 23 to 25 theatrical productions every year." ■

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How to navigate an auction

It's relatively simple to break into the auction world, staff at Freeman's say. The process used by Freeman's is similar to most major auction houses.

What's for sale?

First, look for listings of upcoming auctions. The ads are in various publications, including the Philadelphia Inquirer and The New York Times, and online at www.freemansauction.com.

Sales tend to be grouped by type of object. A "Fine Silver and Decorative Arts" sale in July, for example, included silver, porcelain, china and lamps. For every large sale, the auction house produces a glossy color catalog, with descriptions of all items and pictures of many of them. The listings are also available on eBay, which has partnerships with Freeman's and many other auction houses. Anyone can request a free auction catalog.

The auction house also puts the objects on display starting about a week before the sale. Experts will be on hand to discuss the objects in detail. Customers can touch and handle the objects. "This is not a museum," said Lee Young, appraiser and a vice president of Freeman's.

Customers can also make appointments with the specialists for one-on-one discussions of particular items. The appraisers and experts who prepared the sale are listed in the catalog and welcome individual questions.

How do I bid?

There are four ways to bid.

First is the traditional way — show up at the sale on the appointed day, register to bid and receive a numbered paddle. You signal the auctioneer that you wish to bid on an object by raising your paddle or your hand. The auctioneer only responds to clear signals from bidders and, contrary to the old sit-com stereotype of auctions, will never mistake a random or accidental gesture for a real bid.

Second, you may leave a bid in advance. The system works much like the eBay bidding system — tell the auction house your maximum price and it will automatically bid for it, up to your maximum. But just because you set the maximum doesn't

LOCAL AUCTION HOUSES

There are dozens of auction houses in the Delaware Valley, selling everything from rare collectibles to salvaged auto parts. The following are a few auction houses handling estates, business liquidations and collectibles.

Samuel T. Freeman & Co.

1808 Chestnut St.
Philadelphia, Pa. 19103
215-563-9275
www.freemansauction.com

Associated Auctioneers Inc.

2400 E. Tioga St.
Philadelphia, Pa. 19134
215-739-1021
www.associatedauctioneers.com

Wm. F. Comly & Son Inc.

1825 E. Boston St.
Philadelphia, Pa. 19125
215-634-2500
www.comly.com

Charles A. Whitaker Auction Co.

1002 W. Cliveden St.
Philadelphia, Pa. 19119
215-817-4600
www.whitakerauction.com

Kamelot Auctions & Appraisals

4700 Wissahickon Ave.
Philadelphia, Pa. 19144
215-438-6990
www.kamelotauctions.com

Quaker City Auctioneers Inc.

2860 Memphis St.
Philadelphia, Pa. 19134
215-426-5300
www.quakercityauction.com

mean you will pay that; you may pay much less. If, for example, you set a maximum of \$1,500, the auctioneer will only run up your bid in small increments, say \$100. If someone else bids \$500, the auctioneer will register your bid as \$600. You rival raises it to \$700, so the auctioneer registers your bid at \$800 and so on up to your set maximum.

Third, you may bid live from your own computer, or set an advance bid, on eBay. A Freeman's employee monitors the computer bids and signals the auctioneer to bid on behalf of the computer buyers.

Finally, you may call in and bid live on

the telephone. Each auction features of bank of phones on the side with Freeman's employees lined up to bid on behalf of the callers. For many items, the vast majority of bids come from callers.

What do I do if I win?

At Freeman's, you may pay with cash, personal check, money order, wire transfer or debit card (but not credit card). Pennsylvania sales tax does apply. You have up to five days to pay, but you can't take your item until you pay. You may pick up the item in person, or if you want an item shipped, the auction house will put you in contact with a private shipper. There is no return policy, as such, but if the merchandise turns out to be damaged or not as advertised, the specialists who organized the auction can help resolve the matter.

Do I have to be a collector or a serious antiques expert?

Not at all. Anyone can attend an auction and anyone is welcome to consult Freeman's appraisers, either on the pre-auction exhibition days or privately by phone or in person. Once a month, Freeman's holds what's called a "general estate sale," where it sells objects of some value, but not high-end collectibles. Most objects in these sales go for between \$100 and \$1,000. A typical example might be an antique hutch or dining set that is beautiful and usable around the house, but is not of interest to serious furniture collectors. The estate sale in July, for example, featured not only furniture, but a collection of Swatch Watches and pieces from a collection of antique toys. The auction house does not produce a full color catalog for such sales, so the lineup is unpredictable and eclectic. Freeman's staff says these kinds of auctions are a good way for novice buyers to learn about how auctions work without having to invest serious money or compete with aggressive serious collectors.

What if I have something to sell?

Freeman's gets the objects it sells through consignment, meaning it makes an agreement with the owner to sell an object for a percentage of the price. Most material comes from breaking up large estates, but some comes from living owners who want to dispose of collections or single objects, such as furniture. If you think you have an object that is valuable, contact Freeman's or come to one of the six "Open Appraisal Days" at the auction house. It usually schedules several others each year at outside locations around the area. — SEAN SCULLY