



The Ritchie Bros operate on 13% commission with no maximum value. This could cost as much as \$1950 if the full value of \$15,000 achieved. Items are sold with no reserve bid. Their next Auction is December 5, 2011.

The third auction service, Bryan's Auction Service in Guelph operates on a 1.5% seller commission and 10% buyers commission, with an additional fee of \$350 if the seller places a reserve bid and that sale price is not met at the auction. The equipment would then be stored on site until the next auction or could be shipped back to Ravenna. The commission fees would be in the range of \$150 to \$225.

All three auction facilities are approximately the same distance from Ravenna and the cost to float the grader to any of the sites is anticipated to be \$500.

Staff has further contacted several of the local contractors to determine what their experiences have been using the various auction services. Two local contractors that sell and purchase road construction equipment recommend using Ritchie Brothers Auction Service, because they focus on construction equipment and market heavily to that industry and are able to draw in quality buyers. The other auction services focus more on agricultural equipment sales.

Staff therefore recommends that Council authorize Staff to dispose of the surplus 1979 Champion Grader at the Ritchie Brothers auction on December 5, 2011 in Bolton, with a seller's commission of 13%, with no minimum reserve, in accordance with Town Policy.

### **C. The Blue Mountains' Strategic Plan**

Consideration of the road maintenance fleet balance would represent efforts to further the Town's Strategic Goal No. 2, "Addressing the Town's municipal infrastructure needs".

### **D. Environmental Impacts**

Sale of the surplus 1979 road grader would slightly reduce emissions from the Town fleet, although use of the machine would be minimal if retained. Annual maintenance requirements would be reduced.

### **E. Financial Impact**

If the road grader is disposed of, the market value will be received. The monies received will be placed in the Roads Equipment Reserve.

### **F. In Consultation With**

Three local auction service providers and two local construction Contractors.

**G. Attached**

1. Email Correspondence with Randy Gravelle of Ritchie Brothers Auction
2. Email Correspondence with Steve Dove of Bryan's Auction Services
3. Email from Aero Auctions

Respectfully submitted,

***Jim McCannell***

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Jim McCannell  
Manager of Roads and Drainage Division  
Engineering and Public Works  
Office: 519-599-3131 Ext 271  
Fax: 519-599-3664  
[jmccannell@thebluemountains.ca](mailto:jmccannell@thebluemountains.ca)

***Reg Russwurm***

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Reg Russwurm  
Director of Engineering and Public Works

**Jim Mc Cannell**

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**From:** RGravelle@rbauction.com  
**Sent:** October 31, 2011 8:56 AM  
**To:** Jim Mc Cannell  
**Subject:** Re: The Blue Mountains Road Grader.

Hello Jim  
Graders similar to yours have been selling around 10-15,000.  
You would bring to our site in Bolton as soon as you can. Our sale is Dec 5th.  
We would charge 13% commission.  
Let me know what you think.

Thanks!

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**From:** Jim Mc Cannell [jmccannell@thebluemountains.ca]  
**Sent:** 10/28/2011 01:52 PM AST  
**To:** Randy Gravelle  
**Subject:** RE: The Blue Mountains Road Grader.

Randy  
This bounced back to me. 2<sup>nd</sup> try

- Jim -

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**From:** Jim Mc Cannell  
**Sent:** October 27, 2011 2:08 PM  
**To:** 'rgravelle@rbauctions.com'  
**Cc:** Brian Kane  
**Subject:** The Blue Mountains Road Grader.

Hi Randy

Further to our phone conversation this afternoon, here is a picture of our 1979 Champion 740 Road Grader. The grader has a sidewing. The number of hours is estimated at 25,000. The hour meter has been changed.  
First I am looking for an estimated value.  
Then I am looking for details on the auction.

Thanks for your help. Let me know if you need more info.  
Jim

**Jim McCannell**  
The Blue Mountains  
Manager of Roads and Drainage  
Tel: 519-599-3131 Ext 271  
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[jmccannell@thebluemountains.ca](mailto:jmccannell@thebluemountains.ca)



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## FAQ: SELLING

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### Answers to Frequently Asked Questions

1. **What kind of things does Ritchie Bros. sell at its auctions?**

We sell a wide range of used and unused equipment for the construction, transportation, agricultural and other industries at our auctions. Although heavy equipment, trucks and farm machinery make up the majority of the inventory in our auctions, we also sell agricultural, commercial, industrial, residential and recreational real estate. In addition to large equipment items, we also sell attachments, support and ancillary items. We have also successfully marketed and sold many specialized items, including boats and aircraft.
2. **Who can sell items at a Ritchie Bros. auction?**

Anyone can sell items or equipment at Ritchie Bros. auctions. We don't restrict our auctions to select groups or people with a certain type of equipment. Our customers range from small independent operators to large multinational companies. Most of them are end-users, but we also sell surplus equipment for dealers and manufacturers. We also serve many banks and financial institutions.
3. **Is there a minimum amount of equipment you have to consign?**

No: whether you have one item or an entire fleet to sell, Ritchie Bros. will take care of your needs. Most of our customers use our auctions as part of their regular fleet turnover program, but we also conduct many major realignments and complete dispersals.
4. **What are your fees or commission rates for selling?**

We offer flexible contract options, including straight commission, guarantee and outright purchase contracts. The exact terms of each contract depend on the situation and the needs of the consignor. When you meet with your local Ritchie Bros. representative, they will work with you to draft a contract that addresses your unique situation and comfort level.
5. **What services does Ritchie Bros. provide?**

Ritchie Bros. is a full-service auction company. We take care of every detail of your sale, including marketing, searching for and arranging for the release of any liens, meeting with potential buyers, facilitating inspections, coordinating any desired refurbishing, conducting a professional sale and collecting and disbursing the proceeds of sale - which gives you more time and resources to focus on your ongoing business.
6. **My company has equipment in many different locations. Do we have to send our equipment to one auction site?**

We have [auction sites](#) all over the world, which gives you more options when it's time to sell, including sending different items to different auction sites. In addition to the regular auctions at our own auction sites, we also conduct many off-site auctions. Your local representative will work with you to assess your options and decide what the best course of action is. We consider many factors when deciding when and where to sell different assets - but the decision is always based on getting you the best return on auction day.
7. **Do I have to sign a new contract every time I consign to an auction?**

If you are a regular consignor to our auctions, you may benefit from having an annual contract with us. An annual contract makes the consignment process a little faster and easier; you can even consign online. Find out more by [contacting your local Ritchie Bros. representative](#). If you

don't have an annual contract with us: yes, you do have to sign a new contract every time you consign - for your protection as well as ours.

**8. How does the equipment get to the auction site?**

Sellers are responsible for transporting their equipment to the auction site. We recommend that you get your equipment to the site at least three weeks before the auction - if not sooner. You will not only save on storage costs and provide adequate time for refurbishing, marketing and sale-day preparation, you will also give more people the opportunity to inspect and test your equipment. In our experience, people like to see something before they buy it. Many people come to our auctions specifically because we give them the ability to test and inspect items from many different sellers, all in one place.

If you are selling equipment at an auction in Canada or the United States, you can save time and money by getting a shipping quote or estimate through our [online shipping service](#). Submitting a request for quotes is free of charge and there is no obligation. You pay the transportation company directly when the job has been completed and the equipment has safely arrived at the auction site. Find out more about our [online shipping service](#).

**9. Will my equipment be safe at the auction site? Who is responsible if something happens to one of my items while it's at the site?**

Your equipment will be stored in our secure, fenced [auction sites](#) until the new owner takes possession. We hire additional security for our sites in the weeks leading up to an auction but we recommend that you maintain insurance on your equipment until it is sold and paid for. We do everything possible to protect your equipment but it remains your responsibility until it is sold and paid for.

**10. When will I receive the proceeds of sale if I consign to a Ritchie Bros. auction?**

We take care of all disbursements on your behalf, including the remittance of taxes. You will receive the proceeds of sale within three weeks of the auction.

**11. Who bids and buys at Ritchie Bros. auctions?**

One of the greatest benefits of selling through Ritchie Bros. is the size and diversity of the bidding audiences at our auctions. We attract a wide cross-section of bidders from different industries and geographical regions. In fact, most of the equipment we sell goes to buyers from outside the region of the auction - which is particularly beneficial when your local region or industry is flat or slow.

Most people still prefer to bid in person at our auction sites but if they can't make it to the site on auction day, they can bid online, which helps us bring the greatest number of potential buyers to our auctions. And the vast majority of the buyers at our auctions are end-users - that is, people with work to do and a more urgent need for equipment, which results in a more competitive bidding environment and stronger prices on auction day.

**12. What is a consignor?**

A consignor is someone who has listed items to sell in an auction - in other words, a seller.

**13. What does unreserved mean?**

Every Ritchie Bros. auction is unreserved. That means there are no minimum bids or reserve prices: every item sells to the highest bidder on auction day, regardless of price. Our commitment to fair, unreserved auctions is one of the reasons record numbers of people register to bid at our auctions year after year.

Contact your local representative for more information about selling at an unreserved Ritchie Bros. auction.

**Jim Mc Cannell**

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**From:** Steve Dove [steved@bryansfarm.com]  
**Sent:** November 1, 2011 1:14 PM  
**To:** Jim Mc Cannell  
**Subject:** Steve at Bryan's contact info

Hi Jim,

Pleasure speaking with you.

Per our conversation, we will charge you 1.5% of the the selling price which should be in the low teens.

The cost to float will be in the \$500 range and if there is a reserve put on the unit and it doesn't sell for that amount, there's a \$350 charge for that auction.

We would also keep the unit for the next one.

Thanks for the opportunity and I'll call you on the 9th.

Best Regards,

Steve Dove  
Bryan's Auction Services  
226-821-0821  
[steved@bryansfarm.com](mailto:steved@bryansfarm.com)

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MULCH, SAWDUST, GARDEN SUPPLY CENTER  
UNRESERVED PUBLIC AUCTION

# AUCTION

THURSDAY, NOVEMBER 17TH @ 9:30 A.M.



*Bryan's Auction Service Ltd. is a Member of the  
Municipal Equipment & Operations Association  
(Ontario)*

**UPCOMING AUCTION SALES**

*Please Note That These Events And Dates Are Subject  
To Change*

**Saturday October 29th - Home Renovation & Building  
Materials** - Bryans Farm, Puslinch Location

**Thursday, November 17TH - MULCH, SAWDUST, GARDEN  
SUPPLY CENTER - UNRESERVED PUBLIC AUCTION** - 2471 First  
St Louth, St. Catharines, ON - [Click Here](#) -

**Tuesday November 29th - Municipal, Transportation,  
Construction & Ag Consignment Auction** - Bryans Farm, Puslinch  
Location



UP

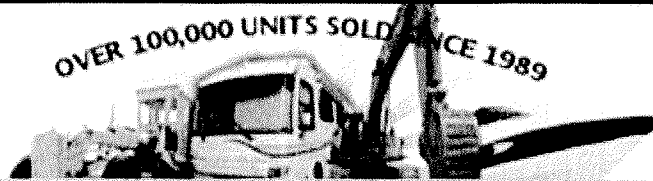
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**Jim Mc Cannell**

**From:** Aero Auctions [info@aeroauctions.ca]  
**Sent:** November 1, 2011 6:35 AM  
**To:** Jim Mc Cannell  
**Subject:** Aero Lease



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