

Sold!

Auctions gross \$1.4 million

When the auctioneer's gavel came down for the last time, DMB's July surplus auction grossed more than a half-million dollars in sales. More than 425 bidders registered for the event, which was the fourth surplus auction since November. The auction sold 142 cars, trucks, sport utility vehicles and other items, generating \$525,000.

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– Kevin Lancto

"In this economy, people don't want to buy new," said Kevin Lancto, manager of the State Surplus Program. "Today, they would rather buy a \$4,000 or \$5,000 vehicle."

Although the July auction offered fewer than half the cars available in April and May, gross sales were substantial. More than 900 bidders registered in April. They purchased 296 vehicles, generating gross sales of \$115,879. In May, 424 bidders registered for the auction, where 324 items brought in \$130,572. At the November auction, 336 registered participants

bidding on 263 items, generating \$620,970 in gross sales.

"This is where the market is," Lancto said. "Customers are looking for affordable cars. Dealers are paying top retail dollar to get vehicles such as these to sell on their lots."

Lancto said people erroneously think dealers have the advantage in obtaining affordable cars.

"The dealer has to cover overhead and make some money, too," Lancto said. "At auction, the public can pay way below what dealers are going to ask at

their lots. Auctions are great for the public because the bidders determine what a vehicle is worth."

Money generated from the sales goes back to the agencies that owned the vehicles. The surplus program keeps a percentage of the sale price, which funds the program.

The next surplus vehicle auction is set for September 19. More information is available at the Surplus Program Web site: www.michigan.gov/surplus.

Promotion of State Surplus auctions is one of DMB's 2009 communications priorities.