

# Russo and Steele Florida Reports Strong Inaugural Sales With All Reserve Format



**R**usso and Steele Collector Automobile Auctions, based in Arizona and now operating auctions in Scottsdale AZ, Monterey CA and for the first time also Hollywood FL, specializes in European sports cars, American muscle cars, hot rods and customs. For their inaugural Florida event, they officially announced that their auction format would change to an All Reserve sale. In a reserve auction, an unknown minimum price is held by the seller, and a vehicle will not sell until bids reach at least this amount, as tracked and announced by the auctioneer.

The All Reserve platform is not universal within the collector automobile auction world. In fact, many auctions still push for a No Reserve entry, in which a sale will happen at any price. However, Russo and Steele believes their decision will ultimately enhance the quality of events and ensure lasting relationships within the hobby and client base. In today's market, they feel the ability to have a measure of control over the final sales price will result in the highest caliber and quality of consignment inventory.

Drew Alcazar, co-owner and CEO of Russo and Steele, says, "a No Reserve sale frequently ends up with negative results because no auction house can guarantee having the 'right' two bidders on any block all the time. To risk compromising the integrity of our sale with sellers being forced into 'buy-back' scenarios with usurious fees or compel them to 'protect' their car with phantom bids is simply too much of a liability."

Russo and Steele reported a strong first event sales total for their Hollywood, Florida auction in March, at \$5.2 million dollars. Initial sales percentage estimates were between 42-43%, with strong post-sale activity not yet tallied at press time.

The Florida 2008 event was held in over 50,000 square feet of tents at the Seminole Hard Rock Hotel & Casino. This auction event was Russo and Steele's first auction event held as an All Reserve format.

"We had a tremendous amount of sales in our post-sale at this event. This is atypical for a first event, since many of our new clients are getting familiar with Russo and Steele's auction style. Our Florida event was definitely a success for an inaugural program, and we look forward to building on the many new relationships built in Florida," said Alcazar. ■

