

Wet & wild

Story by Joe Sage - Photos by Randall Bohl and Joe Sage

A midwinter week in Arizona promises blue skies and temperatures in the 70s or 80s. Or at least that's what people expect. Whereas it is indeed likely, it's not guaranteed. Just three years ago, in 2007, we had not only chilly temperatures and a lot of rain, but snow on the McDowell Mountains, with 3.7" of über-rare accumulation, the third snowfall in Phoenix in 111 years. But as noted in our coverage at that time, muddy parking lots, rain and snow dampened neither spirits nor auction sales. Baby it was cold outside, but inside the tents, the action was hot. As auction week approached this year, the forecast included rain and plenty of it. Southern California had given us fair warning, with a news-making torrent that was headed our way. What nobody expected was the tornadic wind.

Panel discussion: trends

Arizona automotive press convened at the start of the week for a panel discussion of what to expect during this year's auctions, as well as the current state and future direction of the hobby. Moderated by renowned scribe Larry Edsall, the panel included Don Williams, president of the Blackhawk Collection (through whose hands they say any significant car passes at some time); Donald Osborne, contributing editor of *Sports Car Market* magazine; and McKeel Hagerty, CEO of collector car specialist Hagerty Insurance.

Collectibility has long been associated with particular time blocks, but time and demography move on. What do younger buyers find interesting? What today that may be collectible tomorrow? Osborne points out that we can discuss and analyze things all we want, but the hobby will decide its direction. It's often considered that the Arizona auctions—high profile and at the start of the year—will determine values moving forward. It's true that auction transactions are a vital part of the formula for estimated values. Or are they? Williams states that whatever happens in Arizona has "nothing" to do with the coming year. Are Mopars hitting \$2 million at these highly enthused auctions representative? Williams reminds us that auctions overall are just 15% of the world's transactions. A lot of other buyers don't want the world to know what they paid.

Collector car buyers have always been strongest in the 40-60 age range, but as they age and are replaced, the idea that nothing cool came after 1974 is a mistaken concept. The troubled economy has been a factor, but Osborne noted that a 30-40% drop in sales did not include the low range, mentioning that \$20-30,000 cars are stable, their fans are passionate, and that market will always be there.

Hagerty says most collectors' first car remains their high school favorite, and they mature from there.

A major trend has been the acceptance of mods and retro rods, though he has found this surprising and considers them hard to value. Though the panel agreed it's hard to predict future direction, they noted a big trend in unrestored "survivor" cars, a category that has grown rapidly at Pebble Beach, and that the sky is the limit on values for these. Osborne points out that Europeans have been applying patina for years, to achieve a faux version of that look, even leaving cars outside for years to look like a barn find. The Europeans are "horrified" by Americans and their shiny restorations, though the Chinese like them as shiny as possible. Auctions are expanding across multinational markets, but trying to move the same vehicles between auctions can be problematic, as tastes vary so much.

There are many limited edition cars that one might collect today, with an eye on the future. But there will always be an element of surprise: Williams talked of cars he bought for \$50 for casual use in movies, that have gone on to very high prices. He emphasizes that you never know what will come around later.

Hagerty thinks the golden age is upon or behind us. One factor will be whether we can operate any of these vehicles in the future. He compared fueling and driving today's cars, tomorrow, with horses, now mostly a niche that needs a special place for use. Williams shares a tip: if you find a crowd around a car and half are women, it's a winner. Eyeball quality is valuable. Gender issues



Larry Edsall



Don Williams



Donald Osborne



McKeel Hagerty

Photos: Randall Bohl [4]

aside, he suggests you take along somebody who doesn't know cars at all. Osborne jokes that this approach may be shallow, but agrees that the best cars are great on sight, without needing further explanation.

So go with your gut and your own tastes. Williams says, "I've never made a mistake with my stomach. I've made a whole lot of mistakes with my brain."

Asked whether Arizona should reinforce its auction season with more events—a concours d'élegance or a race, as with the jam-packed August week in Monterey—the members of the panel are unanimous: they would be "begging you not to do it." They say there is too much on the plate already, and everyone has event hangover by the Sunday. Williams reminds us that Pebble Beach started as a get-together to fill the lodge, and the auctions spun off later. Working the pattern in reverse may not have at all the same synergy. Hagerty opines that the Arizona auction situation is perfected as it is.

Barrett-Jackson

39th Annual Collector Car Auction Event

Barrett-Jackson recorded more than \$68 million in total sales during this year's 39th annual event, running a full week, Monday-Sunday January 18-24 at WestWorld in north Scottsdale. The total is an 11 percent increase from Scottsdale 2009. Top sellers included a 1929 Hamilton Metalplane H-47 for \$671,000 and a 1964 Shelby Cobra that brought \$478,500. The event featured nearly 1,200 collector vehicles, all for sale at No Reserve, with nearly 40 hours of live, HDTV coverage on *SPEED*.

With this the 45th anniversary of the original Shelby 427 Cobra and GT350 Mustang, Monday night's opening gala featured the exclusive reveal of Shelby Automobiles' brand-new GT350 Mustang, with Carroll Shelby in attendance.

More than 180,000 people braved the elements to attend this "automotive lifestyle" event. "Even with the worst weather the Phoenix area has seen in decades, buyers, sellers and visitors from across the country enjoyed another incredible Scottsdale event," said Craig Jackson, Chairman/CEO of Barrett-Jackson. "With an 11 percent increase in sales, we showed that buyers have confidence in the market. What a great way to start the 2010 auction season."

New enthusiasts continue to be significant at Barrett-Jackson, with 40 percent of registered bidders first timers. The consignor pool also brings fresh faces, as 35 percent were selling at Barrett-Jackson for the first time.

The week's weather had less impact on Barrett-Jackson than Russo and Steele (see below). High winds caused the auction to move everyone from the outer tents into the main permanent auction tent, and staging tents were surrounded by semi trucks to block wind. No cars were damaged and all vehicles crossed the block as scheduled.

CHARITIES: Barrett-Jackson helped raise nearly \$4.5 million for various charities. Funds were gathered from the sale of 17 vehicles consigned by event sponsors, charities and generous Barrett-Jackson customers. Fees and commissions—worth nearly \$400,000—were waived on charity sales.

UPCOMING: Barrett-Jackson's 8th annual Palm Beach auction will be held at the Americraft Expo Center at the South Florida Fairgrounds April 1-3. They will have a new event in Orange County June 25-27, and their 3rd annual Las Vegas auction in October. For tickets or info, visit www.barrett-jackson.com.

Gooding & Company

3rd Annual Scottsdale Auction

Gooding & Company recorded \$33.9 million in sales during its first two-day Scottsdale auction on Friday and Saturday, January 22-23, held in tent structures at the west end of Scottsdale Fashion Square, just off Camelback. A total of 114 out of 125 lots were sold. Gooding's top seller was a 1956 Jaguar D-Type Sports Racer at \$3.74 million, a star for its noteworthy provenance and stunning restoration. The sale of the D-Type marks the third consecutive year that Gooding & Company has sold the top-selling car among the Scottsdale auctions. In just their third year of a local event, they have made major strides against the longer-established auctions. Seven lots sold for over \$1 million each, and two new world records were hit. This success follows a strong \$50+ million sale at



Barrett-Jackson

The hammer went down on a tri-power 4-speed 1961 Pontiac Bonneville Convertible at \$82,500. Below: Ford booth girls; Shelby reveals the GT350 at the gala; Darrell Gwynn's 1990 Coors Extra Gold top fuel dragster replica crosses the block for charity; good eats.



Photo: Randall Bohl

Photos: Randall Bohl [3], Joe Sage (Shelby)



Gooding & Company

1956 Jaguar D-Type Sports Racer	
DOLLARS	\$3,400,000
GBP	£2,074,000
EURO	€2,414,000
SWISS FRANC	3,536,000
YEN (x 100)	3,094,000



Photo courtesy Gooding & Company

A 1956 Jaguar D-Type Sports Racer sold for \$3.75 million, the week's record for all auctions. A 1938 Bugatti Type 56C Roadster commanded \$429,000. A 1948 Chrysler Town and Country Convertible brought \$159,500. And a black-over-red 1955 MG TF 1500 sold for \$42,900.



Photos: Randall Bohl [3]





A 1953 Jaguar Mark VII sedan crosses the block at Thursday's British event, selling at \$39,600. Below, a 1935 Lincoln Mark K Convertible Roadster brought \$209,000; a 1951 Allard K2 stages for the event; and the 1954 Mercury XM-800 Dream Car sold at \$429,000.



The show goes on, Sunday and into Monday; some cars were sold with varying damage but repairs promised, including the 2002 Ford GT40 concept above and the 1967 Pontiac GTO below. The 1948 Tucker convertible came painfully close to sale with \$1.3 million bid.



Pebble Beach last August.

"This year was our most successful Scottsdale auction to date with a total of 91% sold," said David Gooding, president and founder of Gooding & Company. "We were thrilled to bring such an outstanding collection of automobiles to Arizona and to have so many cars break the \$1 million range."

Gooding & Company broke two world records with the sale of a 1959 Costin Lister Jaguar Sports Racer for \$1.1 million on Friday and a 1932 Alfa Romeo 6C 1750 Series V Gran Sport for \$1.54 million on Saturday.

CHARITIES: Gooding & Company Donated a Significant Portion of its Proceeds to the American Red Cross and Hosted a Donation Center to Raise Funds for the International Response Fund Relief Efforts in Haiti

UPCOMING: Gooding & Company will conduct its first-ever Amelia Island Auction on Friday, March 12, at the Amelia Island Plantation, where more than 50 collector cars will be showcased. For details, visit www.goodingco.com. You can also follow Gooding & Company on Facebook, Twitter or via their iPhone app.

RM Auctions

11th Annual Automobiles of Arizona

RM Auctions, the world's largest collector car auction house, kicked off its 2010 season once again at the Arizona Biltmore Resort & Spa in Phoenix, this year posting over \$19.6 million in total sales with 89% of lots sold. The auction was extended to two days this year (as had been RM's Monterey auction last August) with the addition of an exclusive British-themed evening auction on Thursday, January 21, ahead of their traditional Friday sale. Despite treacherous weather, it was standing-room-only in the auction room for the duration, with bidders from across the continent plus Europe and the Middle East. "The impressive sell-through rate is a great reflection of the continuing strength of the market and provides a positive outlook for the year ahead," said Ian Kelleher, RM president and COO.

The headliner was a rare 1963 Aston Martin DB4 GT, offered at Thursday's British event. One of only six GTs known to have full factory lightweight construction details—and the last GT to be built and sold by Aston Martin's Newport Pagnell Factory—the car just broke the million-dollar mark, at \$1,001,000. Other Thursday highlights included a superbly restored 1965 Aston Martin DB5 for \$429,000 and a matched pair of Aston Martin DB Mark IIIs, one Drop Head Coupe and one Saloon, which fetched \$330,000 and \$275,000 respectively.

Top sellers Friday included a beautifully restored 1967 Shelby 427 Cobra from the Otis Chandler Collection at \$632,500; a 1932 Duesenberg Model J Tourster at \$550,000, and a 1933 Rolls-Royce PII Continental Three-Position Drop Head Coupe at \$528,000. The Friday sale also presented a historic lineup of concept cars by Detroit automakers, headlined by a dramatic, one-off 1954 Mercury XM-800 Dream Car which achieved \$429,000, while a unique 1956 Cadillac "Maharani Special" Motorama Show Car exceeded its pre-sale auction estimate of \$150,000, selling for \$225,500.

CHARITIES: RM supports many community causes. To cultivate the next generation of the hobby, last year RM donated six vintage pickups to high schools for automotive students to restore; RM will auction the trucks, with proceeds going to the schools' shop programs. RM teamed up with Canadian Crossroads International in January to provide medical supplies to Haitian earthquake victims. At Amelia Island in March, RM will sell a 1961 Austin-Healey "Sebring Sprite" Vintage Racing Car to benefit the Amelia Island Concours d'Elegance Foundation. **UPCOMING:** RM Auctions continues its 2010 season in Florida in March with the return of its highly anticipated Automobiles of Amelia Island event on March 13, held in partnership with the world-famous Amelia Island Concours d'Elegance, closely followed by the annual Collector Cars of Fort Lauderdale event, March 26-28. Details can be found at www.rmauctions.com

Russo and Steele

10th Annual Sports and Muscle in Scottsdale

The 800-pound elephant lurking in a review of this year's auctions would be the weather, especially the extreme event that destroyed two of the large tents at Russo and Steele. We were headed there—in an Alaska-grade anorak and Wolverine boots as the storm increased—and turned on satellite traffic and weather, where we quickly learned of a closure on Loop 101 due to an auction tent blowing up on the freeway. Whoa. That was our first word that something unusu-

al and very big was happening. We headed straight to Russo and Steele but were allowed nowhere near, due to emergency closures. About the same time, a tornado warning was issued for that general area, with a touch-down reported near Hayden and the 101, adjacent to Russo and Steele. (As of press time, we had yet to hear solid confirmation of a tornado.)

The loss of the tents, and vehicle damage within, caused the Russo and Steele's 10th-year "Decade of Distinction Celebration" to be shut down for Friday. Authorities deemed the site safe for owners to assess things on Saturday. After rumors (and hopes) of a Saturday resumption, Russo and Steele did open its doors and resume its auction on Sunday and into Monday.

Despite a major commitment to All Reserve All The Time, there was much discussion as to whether reserves would be in place, or adjusted, or dropped as even some of the damaged vehicles crossed the block. Most if not all remaining sellers with damaged vehicles heartily agreed to full repair and restoration of those that sold, and many reserves were dropped in enthusiastic bidding. But seeing the damage was painful in many cases, and the atmosphere was undeniably affected by events.

Owners filled the main auction block Saturday morning, where Drew Alcazar, co-owner, president and CEO of Russo and Steele, addressed them. "I'm a car guy. I know what you're going through," said Alcazar. "But, today, I am the luckiest guy because I not am visiting any of my close friends, family or clients in the hospital or morgue. None of these great cars are worth someone's life. Everything can get fixed and most importantly, everyone is safe." Of the many times he has walked onto the block, he said this by far was the most difficult.

Alcazar described the reopening of the auction as symbolic, not profit-driven. "It was important to us to show our clients and the community that we were still standing, that Russo and Steele was not going to bury its head in the sand and leave our clients to fend for themselves. We've built our reputation on service and being the true enthusiast's auction, and we needed to show everyone who has supported Russo and Steele that we will continue that level of professionalism over the next ten years and beyond."

The high sale for the event was a rare 1960 Ferrari 250 GT Pininfarina Series II cabriolet, the fourteenth built in the first run of 100 cars, out of 200 ultimately produced. It had undergone a complete restoration by well-known authorities, including Bob Wallace, Squadra Novolari, Bill Pound and others, and sold Sunday night for \$797,500. The famous and somewhat controversial (never known of till this season) 1948 Tucker one-of-a-kind convertible was a very close no-sale at \$1.3 million.

CHARITIES: Russo and Steele raises money for charity at its opening night gala. After the storm, several consignors donated proceeds to local charities including the Scottsdale Fire Fighters Charities, the Boys and Girls Club, and Big Brothers Big Sisters of Central Arizona.

UPCOMING: Russo and Steele will have a promotional presence at the Amelia Island Concours from March 12-14, SCCA Vintage Races at PIR March 20-21 and the California Mille April 25-29. Their next auction is their 10th Annual Monterey event August 10-14. Watch for information on their new endeavor in China. Info: www.russoandsteele.com. ■

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