

The Virgin's Guide to Car Auctions - James Ruppert

Where the Vehicles come from...

Car manufacturers, dealerships, contract hire companies, leasing and finance companies and even the general public who want to take the route one approach to selling their car and get instant cash and less hassle. Today, it is the sub £3000 sale, so the vast majority are main dealer and supermarket part exchanges, but there are several pricier exceptions coming direct from leasing companies. Also the BMW 523i with ultra low profile tyres and front spoiler hanging off is clearly identified as a 'finance repo'.

How to find a vehicle...

The days of turning up and just seeing what's on offer that particular day is long gone. With many auction companies you can register online and search by all the usual parameters of make, model, age, mileage, location etc. You can also view auction catalogues and sign-up for email alerts when vehicles that match your criteria are added to the system.

What to do at the Auction...

To stop any bidding and buying confusion most auction companies prefer you to register at reception where you will be given a unique number. Obviously arrive early enough so you can have a good look around. Pick up a copy of the Catalogue, listing all the vehicles to be offered that day. Each vehicle will have been given a 'lot number' so you can easily locate it parked in consecutive rows. However, there are always late entries and today there are at least 50 and you have to rely on the TV screen in the hall for detailed information.

What not to do at the Auction...

Don't rush into things, especially if you are an auction virgin. One of the attendees and Autocar reader Leigh told me that he had left any means of payment (cheque book, credit cards) at home deliberately, very clever. Otherwise you would need a deposit of £300, or 10% whichever is greater (deposits do vary depending on the company).

What to look for on a vehicle...

The easy bit is reading what's on the 'entry form' which is stuck to the windscreen. There will be the blindingly obvious, such as make, model, transmission, engine, but no clue as to the condition. So you really are on your own and it is time to use your eyes for panel alignment and the cosmetic condition of the paint. Some companies offer a warranty which may a 15-point mechanical check of the vehicle, giving buyers a money back guarantee. As a rule hang around your chosen lot and listen to it start and ask the driver what

the clutch is like, he/she may pop the bonnet for you, but not usually until it is in the hall.

How to bid...

We know how to bid, but before we start bidding it is absolutely vital to listen to the auctioneer carefully. That's not as easy as it seems. Today he's not exactly impenetrable, but certainly you do need to tune in to what's being said. When the cars arrive in the hall they don't hand around for long and the auctioneer has to get a move on. It does get better the longer you listen, but for the time being you need to cross-reference what they say with the catalogue and the TV screen which shows all the important information about the car, model, year and mileage and also the bids.

Keep Listening...

The auctioneer can say really important things like 'warranted mileage, history, or that it's an insurance write off. Indeed, today a Mark 4 Golf is having trouble maintaining momentum and the auctioneer reveals that it has no first gear. You shouldn't really miss something like that, but in all the excitement it's all too easy. A firm shake of the head is enough to let the auctioneer know that you are out of the bidding. Oh yes and if you can't actually see any bidders then perhaps they are online. Only accredited motor traders and account holders can take advantage of bidding online from the warmth of their office.

If you bid the most...

Then all you have to do is walk over to the rostrum and hand over your deposit to the rostrum clerk. At some auctions you have until 5pm the following working day to settle the balance. However, if you hear the word 'Provisional' then you haven't quite got your hands on the keys yet. Most cars will have a reserve price and if the bids don't reach the reserve price, auction staff will open negotiations between you and the seller.

How to Pay...

A debit card is the quick and most importantly fee free way to pay, as is a banker's draft. For instance you will be charged at Manheim Auctions: 1.25% for Cash, 3% for Credit Card both plus VAT, whereas a good old-fashioned cheque is fee free but the vehicle won't be released until it clears and then you may be charged storage fees. Which brings us onto....

What you actually Pay...

Yes the hammer price is not the bottom line. Firstly there is the Buyer's Premium. This is a sliding scale, which at Manheim started at £259 for cars which sell for between £1000 to £1499. There is also a V5c administration

charge of £26 to cover the auctioneers' legal obligation to register the car in your name. Also if you took advantage of Manheim's Assured Certificate it would cost £35. And yes if you fail to collect your car after 3 working days it will cost £5 plus VAT per day. Oh yes, and don't forget the small matter of insurance. You will need coverage as well as a tax disc to take it away. It is possible to get day cover and if the vehicle has no MOT, or is unlikely to complete a journey then you will need to organise a flat bed truck.

Reasons to be Cheerful About Auctions.

Lower 'trade' prices.

Cars in an 'honest' condition.

Fun, if love cars and want some free entertainment unless you buy of course.

Reasons to be Fearful about Auctions

No test drives, or detailed inspection.

Some cars go to auction for a reason. Maybe it has an incurable misfire or a rumble at 50mph that the dealer can't sort out.

No V5, it can take weeks to sort out, sometimes months.

You don't pay the hammer price there are fees on top which along with refurbishment costs could mean you would be better off buying from a dealer, with a warranty. So you need to know your prices and never pay over the odds.

How to Buy without getting Burnt.

Set yourself a budget and stick to it, but also remember you have to factor in additional fees and charges and possible vehicle rectification costs.

On your first visit, never ever buy, see if you enjoy the experience.

When you decide to attend, always take a level head friend with you to stop an impulse buy.

Target the lots you like and be near them when started and ask the driver to check everything works.

Bid confidently and clearly up to your budget but not beyond.

Afterwards buy your car an independent warranty, if it qualifies.