



Mayfair.
Auctions

A GUIDE TO
CONSIGNING
TO AUCTION

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A GUIDE TO CONSIGNING TO AUCTION

Obtaining valuations from and giving (‘consigning’) your items to an auction house to sell can be a daunting prospect. But it needn’t be!

At Mayfair Auctions, selling your items is really straightforward and our friendly team is always happy to help you through the process and to answer any questions you have.

From experience, we know that dealing with auction houses can feel opaque and it is difficult to know what questions to ask. In this guide, we have put together our top ten considerations that you may find helpful to keep in mind when deciding where to consign your items to auction – whether that’s with us at Mayfair Auctions or elsewhere.



If you have any questions about consigning to auction, please do not hesitate to contact us by:

Email: enquiries@mayfair-auctions.com

Phone: +44 203 2399 383.



1. THE RIGHT FIT

The first thing you will likely be thinking about if you're thinking about consigning items to auction is where will I get the best price for my item – the rest of this guide considers this in more detail – but, alongside this, we think it's important that an auction house works hard for, and is responsive to, you, the customer.

As a client, you deserve to be treated respectfully and professionally. In addition, at Mayfair Auctions, we strive to always be friendly and approachable, as well as responsive and client-centric.

For those that are new to consigning to auction, there are no 'silly questions' as far as we are concerned and we will always try to explain anything that is unclear.

For professional and trade clients, we will always answer any questions about your account, the status of any items, etc in a timely and fulsome way. You should not have to accept excuses, long waits for responses, etc.

M. MAYFAIR RECOMMENDS

Consider whether the individual or team you speak to or contact is someone that you would be happy to work with. Are they polite and responsive? Do they take the time to give you the answers to questions you have? If the communication you have doesn't feel 'right' then this may not be the best fit for you and you may wish to look elsewhere.

Conversely, if you feel the person you are dealing with is professional, helpful and gives you confidence, this is a good sign that this is an auction house you can work with.

2. RIGHT VENUE; RIGHT PRICE

Auction houses are not all the same. Some specialise in a particular field and others are more general in nature (although some generalist auction houses will have specialist sales also). There are some differences between auction houses in London and other large urban centres vs. regional salerooms but with the prevalence of internet platforms for auctions, those differences are of less distinction.

For jewellery, the largest 'market' geographically-speaking is London with hundreds of jewellery businesses located in the Capital. This can mean that auction houses such as Mayfair Auctions which are located here, are preferable for buyers and sellers due to its proximity but, generally, geography will not be a significant factor in price.



Mayfair, London - the UK centre for jewellery business

M. MAYFAIR RECOMMENDS

When choosing an auction house to sell your jewellery, we would recommend that you look for one that either specialises in jewellery specifically, like Mayfair Auctions, or an auction house that has a specialist department for jewellery. This should ensure that your items are reviewed, valued and sold by experts in the field. In turn, this maximises your ability to obtain the best price for your items.

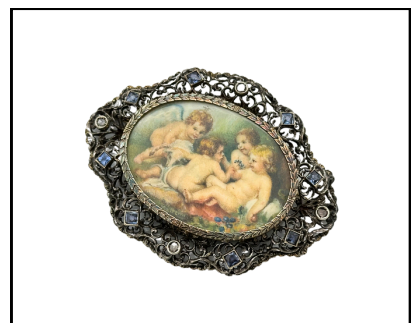
3. EXPOSURE AND MARKETING

An important consideration for selling your items at auction will be how it is marketed. Will the auction house have your item photographed (how many photos and are they of decent quality), do they prepare a catalogue and, most importantly in the modern world, where will the auction be made available online.

In terms of photographs, in our experience, buyers like to see good quality photographs and usually more than one or two; three or four is ideal. We will generally prepare 3-4 photos per item as a minimum. The photography process is expensive so you may find other auction houses will take fewer. In terms of online exposure, we have found that two of the strongest auction platforms are the-saleroom.com and easyliveauctions.com. All Mayfair Auctions' auctions feature on these platforms.

M. MAYFAIR RECOMMENDS

Check what marketing and sales activity will be undertaken for your items. Also ask what auction platforms and other sales channels will be used to promote your items. An auction house that advertises in the local paper or only on its own website, might not have the reach that others do.



*Catalogue photographs of a Signed Enamel Brooch
The Springtime Jewellery Auction, 13 March 2024*

4.

PUBLIC AUCTION VS. PRIVATE SALE

Another consideration is whether you would prefer your item to be sold ‘off market’ (otherwise known as ‘private treaty’). As a London-based auction house in the heart of Mayfair, we have relationships with many private jewellery dealers with whom we may be able to place your item and make a private sale. This allows you to sell an item privately immediately rather than through a public auction, which may be preferable.

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MAYFAIR RECOMMENDS

Consider if you’re happy to sell your item through public auction or if you might prefer for it to be sold privately. Remember that photographs and details of your item may be advertised and may remain on the internet long after they have sold. If you prefer to explore a private sale, please do speak to us about this.



5. HIGH AND LOW BALLING

Some auction houses may, when reviewing your items, initially suggest a high value only to then revise their estimate downward at a later date. This initial valuation may, of course, be enticing (indeed it may be intended to be so) but a valuation is no guarantee of a sale or the price it will obtain. We don't 'puff up' valuations – we will always give you a realistic estimate of value upfront and we will always try to obtain the best possible price in the market – indeed we only get paid if we do!

Conversely, some auction houses may 'low ball' their estimates as it means they are more or less guaranteed to sell the item and earn commissions. This can, however, mean that they're not highly incentivised to obtain the best possible price for your items. That said, a lower price can entice more buyers to the market which, perhaps counterintuitively, can mean that the end result is better for the vendor.

M. MAYFAIR RECOMMENDS

Ask if the valuation you receive is realistic and/or whether it could be revised downwards. Also check whether you may pay fees in the event something doesn't sell – there's nothing worse than paying for failure!

If a valuation you receive is lower than expected, ask for the rationale. Make sure you're comfortable with any reserve set as it is not a guarantee that a lower price will entice more buyers to the market and it could well sell at the reserve.





6. LIKELIHOOD OF SALE

A higher valuation does not necessarily mean that your articles will sell at those values, or even at all. A low valuation also does not necessarily mean that your items will not reach greater heights.

At Mayfair Auctions, we will always suggest a price where we think there is a good prospect of your items selling. It is always possible to set a higher estimate and reserve but, in our experience, this has to be balanced against the reduced likelihood of sale. A lower estimate and reserve might entice more buyers but you need to be comfortable that the item could sell at the reserve.

We are happy to discuss this with you and understand that you may have researched the value of your items or obtained valuations from elsewhere.

M. MAYFAIR RECOMMENDS

If you have any question about the valuation you receive, please do ask us – we are always happy to discuss this. If you receive valuations which are higher from other auction houses, ask how likely it is that your article will sell at that valuation. If you receive lower valuations, ask for the rationale.

7. SELLER FEES - KNOW THE SCORE

Auction houses often charge sellers as well as buyers. Often this can include fees whether the item sells or not (and may even include charges if they receive an offer which you turn down).

We don't charge sellers any fees. We think it's important that we're incentivised to sell your items at the best possible price so our only fees are buyer's commission.

M. MAYFAIR RECOMMENDS

Make sure you have a full understanding of any fees that may be charged including in the event your item isn't sold.

In particular, ask if the auction house charges any of the following (and when they would be charged):

- Seller commission
- Storage fees
- Insurance fees
- Loss or damage warranty fees
- Lot entry fees
- Photography charges
- Unsold lot charges.

Also check whether fees are inclusive or exclusive of VAT. Some auction houses' fees are quoted excluding VAT.



8. BUYER'S COMMISSION

Buyers are acutely aware of the commission or 'premium' that they pay in addition to the hammer price. Not only can this make a difference to which auction houses they choose to buy from, it can also make a difference to the amount they are willing to bid on an item.

Our current buyer's commission is 27%. As an example, the purchase of a diamond brooch for £5,000 hammer price will incur a buyer's premium of £1,350, making the total payable by the buyer, £6,350. By comparison, the same brooch at Elmwood's (30% commission) would incur a buyer's premium of £1,500 and with Rosebery's (31.2% commission) it would be £1,560, making the total payable by the buyer £6,500 or £6,560 respectively at those auctions.

Put another way, if a buyer has a budget of £1,000, they could bid upto £770 at Elmwoods, upto £760 at Rosebery's but upto £787.40 at Mayfair Auctions.

Buyer's commissions therefore may also have a direct impact on the hammer price that your items may obtain.

	<i>Mayfair Auctions</i>	<i>Elmwoods</i>	<i>Rosebery's</i>
Hammer Price <i>(i.e. the amount you receive)*</i>	£787.40	£770	£760
<i>* less any seller fees payable to the auction house (for Mayfair Auctions this is £0).</i>			
Buyer's commission <i>(i.e. the amount the buyer pays in addition to the hammer price)</i>	£212.60	£230	£240

For illustrative purposes only

M. MAYFAIR RECOMMENDS

Check how much buyer's commission or premium is and consider whether a buyer might be prepared to bid higher at Mayfair Auctions or elsewhere.

9. PAYMENT TIMEFRAME

If obtaining sale proceeds in a timely fashion is important to you, then understanding an auction's pay out timeframe is imperative - both what the auction's terms and conditions state but also if the auction has a practice of paying out earlier or later.

We pay our vendors no later than 4 weeks after an auction takes place (that's what our T&Cs say) but our current timeframe in practice is, on average, under 3 weeks as we pay our vendors as soon as we can – we think this has value in itself... “time is money”, as they say.

Some auctions, however, may take 6 weeks or more to pay sellers after an auction has taken place. The auction industry standard is 4-5 weeks. Most will not pay sellers until the latest date they are required to do so under their T&Cs and will hold funds in their account until then, even if they've been received within a few days of the auction.

M. MAYFAIR RECOMMENDS

Ask when you would receive payment after the auction and consider whether that timeframe is acceptable to you. Ask if the auction house would make payment before the time set out in the T&Cs. All auction houses take time to chase buyers for payment and to ship out goods so don't be 'fobbed off' with this reasoning for a long payment time period.



10. IS YOUR MONEY SAFE?

Not all auction houses keep your money separate from their own. In other words, they may mix together money they receive from buyers for your and their other clients' items, with their own money that they use to pay suppliers, employees, expenses, etc. In our view, this is not safe or professional as it means that if that auction house were to become insolvent, your money could be used to pay other creditors of the auction house in preference to you and you could lose out.

Money received for clients should be kept separate and in an account labelled 'client money' or similar to help ringfence that money in the event of any financial difficulties of the auction house.

M. MAYFAIR RECOMMENDS

Ask the auction house to confirm whether it has a separate client money account for the proceeds of sale. Check that funds received for sellers are transferred into this client money account promptly (if not immediately).



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