

The Gas Line

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Valentine's Potluck Dinner – February 6



Please come and share a meal with your car loving friends!
EIVMCCA Valentine's Pot Luck Dinner – Thursday, February 6th (It's a car lovers date!) Note the **earlier start of 6:30 p.m.** at the Idaho Falls Activity Center, 1575 N Skyline Drive, Idaho Falls.

Bring a favorite dish to share with your Car Club Pals! The Club will provide fried and baked chicken, place settings, and drinks. We just need you to celebrate with us!

President's Corner

Happy February,

I would like to thank Bob Thompson for accepting to take on the responsibility of the vice-president position for the remainder of 2020.

We are a winter wonderland, but we're looking forward to another great year of touring. Check out the National touring opportunities listed in the Bulb Horn Calendar of Events. We'll send around sheets to sign up for monthly meeting treats and activities/tours. Plan to attend the February meeting, a Valentine potluck dinner. The club will provide fried chicken, drinks, plates and flatware. Everyone is asked to either bring a side dish or dessert to share.

Keep warm and we will see you at the meeting.

Douglas

CHAPTER EVENTS

Feb 6: Chapter Meeting and Valentine's Potluck - **6:30 p.m.** at Idaho Falls Activity Center, 1575 N. Skyline Dr.

More coming soon!

MEETING TREATS

Coming Soon!

NATIONAL EVENTS

Feb 27-Mar 1: Annual Meeting & Awards Banquet, Las Vegas, NV, contact John Munoz 702-490-7811 or johnpm@ahern.com

Mar 19-21: 2020 Texoma Regional Tour, North Fort Worth, TX, contact Don Knight 972-641-4517 or dwnknight3040@gmail.com

Apr 26-May 1: 39th Chrome Glidden Tour, Alcoa – Maryville, TN. Hosted by Jimmie & Debbie Hixson. Contact 386-478-6668 or debbieowens1953@aol.com

Jun 7-12: Lewis And Clark Regional Tour, Yankton, S.D. to Mobridge, S.D. Hosted by Jim and Judy Johnson (605) 390-4410 or jim.judy.johnson@rap.midco.net

Jun 14-19: 1 & 2 Cylinder Tour, Fremont, Ohio. Tour Directors Marty Tansey and Jerry Martin: dmtansey@ncwcom.com

Where did the \$9M Cars Go?

By Jerry Garrett, New York Times, 1/30/20

SCOTTSDALE, Ariz. — When classic cars hit the auction block these days, \$3 million seems to be the new \$10 million.

As the global economy has endured a trade war and other uncertainties, some of the exuberance in this billion-dollar business, which surged after the last recession, is showing signs of ebbing. The Arizona Auction Week, one of the market's two annual tent-pole events, just completed its mid-January run with sales down 3 percent from last year.

That drop was nowhere near as disastrous as the 34 percent slide at the industry's other tent-pole extravaganza, last August in Monterey, Calif. But the falloff in Arizona to \$244 million, from \$251 million in 2019, still felt ominous.

It was enough to prompt speculation about the near-term future of this formerly white-hot market.



The top sale price this year in Arizona, among 3,867 vehicles offered by seven auction companies, was \$3,222,500 for a 1995 Ferrari F50 at Gooding & Company. Only one other vehicle hit \$3 million — the first 2020 Chevrolet Corvette, auctioned for charity by Barrett-Jackson.

As recently as a few years ago, the star cars in Arizona topped \$9 million. For the first time ever, the biggest sale at any January public live auction came not in Arizona but at a smaller Mecum event in Florida, where the so-called Bullitt Mustang went for \$3.74 million. Many factors are weighing on the market, said Jonathan Klinger, a valuation specialist at the collectible car insurer Hagerty, which tracks market trends.

"Most important is vehicle condition," Mr. Klinger said. "Finely presented and rare cars sold extremely well, but there were relatively few of those in the auction tents this year." He added, "Vehicles ranked in 'excellent' or 'concours' condition represented less than half the offerings — the lowest ratio Hagerty has

observed in more than five years."

Where have the top consignments gone, then? Some are being held back, as discerning sellers know better than to offer them in a market that's trending down, as it did in the recession that began in 2007.

This, of course, can create something of a vicious cycle. That's why there was such relief in Arizona that August's Monterey blood bath was not repeated.

"The challenging environment for the most expensive cars partly has to do with what's going on in the larger economy," Mr. Klinger said. "The tide of investment dollars that flowed into this segment following the Great Recession has clearly slowed."

Also, a tax advantage that allowed collectors to roll over gains from the sale of one high-dollar car into the purchase of another has been eliminated.

Today's high-end buyers will still pay top dollar, but only for the best and rarest cars. Overall, there were 25 percent fewer of those million-dollar cars offered at the Arizona events, compared with 2019. Of those that did sell from that rarefied group, most went for less than established values.

(continued on page 4)

Highlights from the 2020 Grand National Roadster Show

Rob Fortier, Hemmings Motor News

Oh, Pomona! *The 2020 America's Most Beautiful Roadster is Monty Belsham's Kugel Muroc '32. All photos by the author unless otherwise noted.*

For many, the Grand National Roadster Show is still all about the roadsters—as the name, and the America's Most Beautiful Roadster award, suggests. The AMBR contention is the Roadster Show's biggest spectator draw, year after year. This year's trophy went to Monty Belsham's Kugel Muroc '32, built by Squeeg's Kustoms. Along with the regular feature attractions, including the Suede Palace and the addition of the outdoor Drive-In on Saturday and Sunday, the 71st edition of the GNRS proved that the world's longest-running indoor car show will be around for many more years to come. It doesn't get much better than that. Or does it?

In what appears to be an attempt to go head to head with the Detroit Autorama's prestigious Don Ridler Memorial Award (or simply The Ridler), the Grand National Roadster Show restructured the perpetual Al Slonaker Memorial Award, which has been presented to the best non-AMBR vehicle since 1974 in honor of the show's founders, Al and Mary Slonaker. Upping the ante is a new criteria for potential award contenders, which includes the stipulation that vehicles must not be shown publicly (events, online/social media, etc.) prior to entering. And with that comes a much bigger prize of \$12,500 for the overall winner, Roy Ernsberger's 1936 Willys pickup, thanks to the award's sponsor, ARP Fasteners.

In addition to the winners, here are a few other pieces from the 2020 GNRS that caught our eye.



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\$9M Cars (continued)

Here's a "no sale" case in point: A promising offering at the Bonhams event, a 1932 Alfa Romeo 8C 2300 that was expected to be the week's top sale, didn't meet its reserve price — largely because it did not have its original engine. For the most discerning collectors,



a replacement engine can be a deal-breaker.

Two other bellwether measures of the hobby's health — sell-through rate and average price per sale — also slipped in Arizona. Only 77 percent of the cars on offer were sold, compared with 81 percent in 2019; the average price declined painfully, to \$81,534 from \$94,374.

Complaints have also been heard that there are now too many auction events, too many auction companies, too many cars — and that some of the same cars are being offered with distressing regularity. This "churn" tends to push prices down further.

In the current market, it takes about three years of ownership for values to catch up to prices paid, according to Hagerty's calculations. Also, as this relatively young market matures, more data becomes available as to the proper valuation of various offerings; it seems fewer people are willing to let emotions, which can run high at public auctions, bid prices much beyond accepted norms.

Tastes also change, as the collector demographic changes. For instance, "brass era" cars from the automotive industry's earliest days are mere novelties these days, besides being of extremely limited utility.

"People identify with, and want to drive, the cars they grew up with. That was part of the powerful attraction of the Bullitt Mustang," said Dana Mecum, principal of Mecum Auctions, the nation's top auction seller by sheer volume.



Last year, the car market suffered another black eye when the sale of a rare Nazi-era Porsche, which should have been the high point of the Monterey Car Week, went badly awry. The one-of-a-kind car, the Type 64, built for a race on Germany's new autobahn, failed to sell when the auction was halted after a technical snafu.

Beyond such singular blunders, another factor holding back the once-bustling public live auction market is the growing popularity of online sales by bringatrailer.com and others. And, as always, the most desirable cars, like Bugattis or Ferraris, tend to change hands through private events or transactions.

Still, there are bright spots at today's public live auctions. Mr. Klinger cited sport utility vehicles, trucks, early Dodge Vipers and Ford GTs as examples. So-called modern classics from Europe and Japan are also popular. For buyers of vehicles like those, who spend thousands rather than millions, the Arizona auctions might have seemed almost like business as usual.