

FOR! SALE!

IT'S TIME TO GO HORSE SHOPPING

by MEGAN ARSZMAN

With major sales like the Congress Super Sale and AQHA World Show Sale marking the end of one show season and the start of another, it's easy to get wrapped up in the fever of horse shopping. But where do you go and how do you get started?

Buyers, Take Aim

When shopping for a horse, one of the best ways to see multiple prospects during one trip is to attend a live sale. Unfortunately, since 2008, the number of live sales has dramatically dropped, due to the economy and the growing interest in online auctions. Mike Jennings, a professional horse auction manager since 1970 and an owner of Professional Horse Services LLC (with his wife, Stephanie) says their group used to do 16-17 live sales a year, which has since dropped to two with the Congress Super Sale and the Appaloosa World Sale.

Still, whether you're considering participating in an online auction or attending a live auction, Jennings says a potential buyer should be looking for the same things. Access to seller information is important for buyers looking to do their homework before they get to the sale. You can save time and money in the long run by contacting sellers with any questions you might have beforehand. "You're getting ready to make an investment in time and money to make the trip," Jennings points out.

Sellers, Take Heed

As a seller, you're looking for the right fit for your horse, so you'll want to do your research on the sale and sales company to make sure they provide the services you're looking for. Sellers need to check the conditions of the sale to see what fees

they might encounter and what representations they have to make about horses entered in the sale.

Once you've chosen the right venue, you want to make sure your horse is properly prepared for his trip into the sale ring. Longtime consignor and seller's agent, Mark Harrell, has been working with sale horses since the 1970s, starting out with smaller sales such as the Bowling Green, Kentucky sales. Now, he regularly brings 20-30 head of horses to the Congress Super Sale. Harrell points out that the sale ring needs to be treated just like the show ring; you need to have your horse prepared like he's going to be under the scrutinizing eye of the judges.

"I pride myself with having the cleanest horses with the nicest tack you can have on them," Harrell says. "We try to get there early and get their tails put in, feet blacked, and show equipment put on them. I think that's one thing people forget—they put on their work tack when people want to buy the winner. The buyer wants to see themselves in the win picture with that show saddle and pad on the horse."

Jennings agrees, "Horses don't sell themselves—people have to sell them. In today's world, photos and videos are critical. If you're selling online, you've got to show people what they would see if they come to your place and shop. If you're selling in a live auction, you've got to show your horse at the best he can possibly be, in order to interest somebody and excite them enough to buy."

If you're selling a younger prospect, both men recommend taking the horse to other horse shows ahead of time, so the animal can get used to the atmosphere. They need to be comfortable with show equipment and the excitement of crowds. "For sellers, it's about presenting your horse to potential buyers in the best light, so buyers can see just how nice your horse is," Jennings says.



continued on page 582

FOR SALE! IT'S TIME TO GO HORSE SHOPPING

continued from page 580

Buyers, Don't Go Empty-Handed

You've chosen the sale, made the arrangements to attend, and perhaps you're already dreaming about your next winner. But have you done your homework?

Jennings advises potential buyers to start doing their homework as soon as they choose the sale they're planning to attend:

1. Make a list of things you would like to know about the prospective horse and questions you need to ask the seller. Is it going to suit the purpose you have in mind? Depending on the purpose, there are many aspects to consider, such as the level of rider the horse requires, its stall manners, what the horse needs as far as show preparation, and how it acts in the horse trailer.

2. Make of list of anything that interests or bothers you. If you would never consider a cribber, be sure to ask the seller that specific question. Don't just assume the information will be volunteered up front.

3. Look at the horse's pedigree. Some catalogs will do the full pedigree research, but some sales might not. You'll want to know things like the sire's and dam's accomplishments and show records of siblings. You might also want to look back at several generations, especially if you're looking at purchasing breeding stock.

Sellers, Be Prepared

Sellers have the option of working with a consignor or agent like Harrell or working independently. If you're not able to put in the time to prepare your horse, an agent might be your best bet.

"[An agent] represents the seller, and we do all the work," Harrell says. "[Sellers] usually bring the horse to my farm, and we do all the work to get the horse to the sale. Then, we represent the horse at the sale."

Harrell points out that working with an agent can often provide you with the best sale leads. A first-time buyer may benefit from having the recognition of the agent, and they will be familiar with the ins and outs before and during the auction. "You've got to know your buyer and be able to relate with the seller, the cost, the dos and don'ts, and what your gut feeling is. You're paying for the agent's advice and experience," he says.

If you're going it alone, be prepared to spend a lot of time with your horse, armed with answers to buyers' questions. If you're selling a broke performance horse, buyers might want to schedule a time to test ride the horse before the actual sale. Sales like the Congress Super Sale allows for time between the Sale Preview and the actual sale for these types of requests. Be available to



Mike Jennings
Auctioneer and Partner in Professional Horse Services

the customers. If you can't be there the whole time, leave a note telling them how to contact you or when to expect you back at the barn.

This is also the seller's time to check out potential buyers to see who's really serious about purchasing your horse and who might just be browsing. "You interview the client," Harrell says. "I've been doing it for quite a while; I can tell if they're a buyer or a tire kicker. You can't judge a book by its cover, so you just have to go with it. Part of the fun of buying a horse is shopping a horse."

Buyers: Ready, Set, Shop!

Once you've assembled your list of questions, it might be a good idea to call the sales company beforehand to ask about any updates or scratches to the sales

listing. If your favorite horse was pulled from the sale, you might not even want to make the trip.

When the buyer arrives at the sale, it's all business. Jennings recommends scheduling enough time to shop and get all of your questions answered. For example, "at the Congress Sale, the preview is Friday and the sale is Saturday. If you really want to see these horses ride and look at them individually, you need to arrive either Thursday night or Friday morning."

A few other recommendations from Jennings:

1. If there is a preview, make sure you watch the preview. Sometimes, you can find a horse that really seems to interest you that wasn't originally on your radar. Once you watch the preview, you can probably narrow down the group of horses you'd consider purchasing.

2. If you're looking at a broke performance horse, you should make an appointment to ride the horse. Sometimes, sellers want to do this after the preview because they want to get the horse prepared. Ask if you can go in the stall with the horse; make sure you're comfortable being around the animal.

3. If a horse is in a high price range, and you want to have a pre-purchase exam done, you have to understand that, at most auctions, the exam must be done *before* bidding starts.

4. Make sure you're shopping horses that are in your price range. You might love a particular horse and have \$10,000 to spend, but the seller might tell you there's no way that will buy the horse during the sale.

5. Some sales require you to register

HORSE SALE TERMS:

Agent: A person who acts on behalf of an individual at the sale, either as a buyer or seller.

Catalog: A printed guide of the sale, usually with the horse's pedigree and history, in order of sale.

Condition of Sales: Also known as "Terms of Sale" or "Buyer's Conditions." A guideline for the buyer and seller that explains how the sale is run, expectations, and (if any) warranties are available.

Pre-purchase Exam: A full veterinary exam performed on a horse to evaluate the horse's health and soundness before purchase.

Reserve: The minimum price that a seller is willing to accept at auction.

Ring Man: The men/women on the outside of the auction ring walking around the crowd. Their job is to get the bids from the buyers and turn them in to the auctioneer. The other part of their job is to answer questions.

Sale Preview: A time that's set aside for prospective buyers to view the horses being offered in the sale while being ridden or offered for hands-on observation.

continued on page 584

FOR SALE! IT'S TIME TO GO HORSE SHOPPING

continued from page 582

for a bidder's number. If you must do that, plan to do it soon after you arrive at the sale. Don't spend valuable horse shopping time standing in line.

"For buyers, it's about making the effort to shop thoroughly. Just because it's an auction doesn't mean you have to do everything fast. The only fast part is the several minutes in the sale ring where you negotiate the price," Jennings says.

Buyers, Remember Your Limits

Keep your budget in mind and think realistically about your limits. Some buyers have firm limits, while others might be more flexible. Jennings recommends that buyers freely talk with sellers about their price range. "The seller might not tell you exactly what they need to have. However, if they're willing to sell to you somewhere in their price range, then you know you're not wasting your time to shop thoroughly and bid on a horse," he points out. "I think all sellers are hoping they can get more. In a lot of cases, they won't tell anyone their minimum price. I can also tell you from experience, even if they did tell you what their minimum was, a lot of them will change their minds by the time they get to the sale ring. Don't always count one out because the seller didn't give you a minimum price."

If the seller gives you the impression the horse will be way out of your price range, you probably don't want to bid on it. However, if the price the seller told you is not too far over your price range, Jennings says to make sure you bid. It's likely the seller could change his mind when the horse is in the sale ring. "We've seen it happen many times," he says. "Don't assume it will be a no sale. If you like the horse and like the price, then bid on it. You can't get a good buy or a good bargain if you don't bid."

One thing Jennings wants buyers to be aware of is the impulse buy. Like the candy on an end cap near the cash register, you might see a horse that you hadn't really paid attention to in your research, but he stands out enough to make you take notice. Most horse people will make an impulse buy at some point in their lives, according to Jennings. "When we buy horses, it's always at least partly an emotional decision. You take a bit of a risk—that horse might not be one that ideally suits you. But that comes with making the impulse buy—it can work out great or be less than great," he says.

Sellers & Buyers, You're Protected

Horse sales, whether private or public, consist of an agreement between the seller and buyer. "With private sales, people write a check to the seller and they're off with their new horse," Jennings says. "At least with an auction, you're going to have some form of contract, which is referred to as the Terms or Conditions of Sale. If there's a problem or issue, you've got a guideline to help you out."

Occasionally, there may be a buyer who wants to back out of a purchase while at a sale, but the Terms of Sale protect the seller in these cases. If a horse walks in the ring and you buy it, but then you decide you don't like it, as long as the seller didn't misrepresent the horse, you own it. "You made an agreement to buy it, so you can't back out after the gavel falls," Jennings points out. "There might have been someone else who wanted to buy it, so that can be a big problem for the seller."

Depending on the conditions of the sale, there can be limited options for a post-purchase exam. However, Jennings says the operative word here is *limited*—so try to do the exam before the sale. Some sales, like at the Congress, will allow a buyer to draw blood if they

Mark's sales team during the presentation of the 2012 Leading Consignor award after the 2012 Congress Sale



have concerns that the horse might have received any medications to alter the way it acts or performs. Professional Horse Services offers a condition where a buyer can ask the vet to draw blood and hold it as insurance against a change in the horse's disposition or soundness.

Buyer, Turned Owner

The gavel has fallen, the horse is sold, and you're the new owner. In most cases, at a major sale, even if you have a bidder number to show, a ring man will still have a buyer's agreement for you to sign. The buyer's agreement will have the price, the horse's name, and lot number. It will ask for your name and contact information, and you might be required to show an ID to prove you're actually the person buying the horse. This is when sales companies will ask the purchaser to inspect the horse again and see if there are any additional questions to ask the seller. Then, it's time to pony up to the register.

"A very important thing for a sales manager is that you pay for your purchase," Jennings says. Be familiar with the sale company's payment procedures. Nowadays, most companies will take credit cards, sometimes with a slight fee. Some sales require verification checks or bank letters, while others don't. Make sure you know how much time you have to pay for your horse—most companies want you to pay by the end of the sale.

Is a Sale Right for You?

Still overwhelmed by the thought of participating in an auction? Jennings says not to be. Auctions have been used to sell and buy horses for thousands of years. They are still the primary way the racing industry markets top dollar horses. In the performance and recreational horse business, many people have not been exposed to auctions quite as much. Although it seems like everything happens much faster in the sale pen, there is plenty of time for sellers and buyers to do research beforehand.

In its most basic form, an auction is a type of accelerated marketing. An auction determines the market value of a horse on any given day. Sometimes, a seller may have difficulty selling a horse, because it's priced higher than the market will bear. Some horses bring more than they were originally priced at, because multiple buyers are competing for the horse. Some people are uncomfortable about negotiating the price in a private setting, so the auction is actually easier, in most cases.

Furthermore, there are professionals in the horse industry who can help. In addition to sale managers, there are trainers and experienced horsemen and horsewomen who can provide help when it comes to presenting a horse to sell or helping a buyer select an appropriate horse for their needs. They provide a professional service and will most likely charge a fee.