

2024 Auction

Southern Oregon Fly Fishers has historically held a fund-raising auction whose receipts have been used to support various projects and charitable entities. The last auction was held in November of 2019. That event netted \$18,108.45. Covid arrived in December 2019. With limitations on group gatherings, we suspended meetings. It was the board's intent to have an auction in November 2022. A combination of reduced member activity and an economic turndown affecting our donor base led to a decision to defer the auction until November 2023. The Board has reduced expenses to a bare bones level, which has seriously impacted our programs and donations to our traditional recipients. We have been operating on a cash flow basis. The intent of the November 2023 auction was to raise sufficient funds to permit return to our pre-covid level of operations.

Auctions are major undertakings requiring leadership, willing members to solicit donations, a venue and member participation in the event. Covid and ensuing situations put a dent in each of these components. As a result, the Board decided in our October 3rd meeting to not hold an auction in November, rescheduling it until February 2024 and to abandon the live/silent auction format we have used for years in favor of an on-live format.

Many charitable organizations have relied on auctions and raffles for years as their primary fund-raising mechanism. There has been a major shift from traditional live auction and raffle events to on-line events. The overhead costs are much lower, resulting in a higher net return on item sales. Our net return in 2019 was 65% of our gross receipts. Using a live auction format, the net receipts should approach 90% of the gross receipts.

This shift to on-line auctions has spawned a non-profit charitable fund-raising sector in the software industry. There are many programs available. Some are scaled to our operational size and are priced to be cost effective. Many claim to be free and focus on transferring the cost of using the software to the bidder by soliciting an additional donation to cover those costs. Some also transfer the merchant service fees for collecting payment using credit and debit cards to the bidder. There is no free lunch.

In deciding to go on-line we set some parameters. We did not want our bidders being solicited for additional money to cover the cost of their transactions. We did want to continue to offer credit and debit card payment options as well as cash and check. We wanted to be able to reach an audience beyond our immediate membership. We also wanted to automate the auction setup, bidding process and fulfillment functions as much as possible.

After researching several products, we selected biddingowl.com. There is no purchase price for this product, no event fees, no monthly or annual subscription

costs. There is a straight 5% of high bid price charge. Merchant Services will be provided by PayPal, and we have set up a non-profit account with them wherein they charge 1.99% of the transaction plus \$0.49 per transaction. This compares to their 3.99% and \$0.49 per transaction fees for commercial accounts. Another condition we sought was that a bidder would not have to provide credit card information to a software company as a qualification to be a bidder. All exchanges of credit and debit card numbers take place after the auction close and is between the successful bidder and PayPal.

At their October 3rd meeting, the Board decided that a November auction date was not feasible for a variety of reasons. Their decision was to hold the Auction in February. One on-line auction attribute is that the open bidding period can cover several days.

The tentative auction dates are from 12 PM, Friday, February 16 until 11:59PM, Friday, February 23rd. Our February meeting date is Tuesday, February 20th. Our plan is to have Board members available with computers to assist in and encourage online bidding during the meeting. We will also be getting bidders registered at the January meeting so they can begin bidding when the auction opens.

An on-line auction is basically a computerized silent auction. There is no auctioneer soliciting bids. One significant difference is the ability to place proxy bids. You can place an initial bid and set a maximum bid. When someone outbids you, the system will raise your bid by the minimum bid increment. If that runs the other bidder off you will get the item for less than your maximum bid. If a bid exceeds your maximum bid, you will be notified by email and text message. You will also be notified any time you are outbid. The successful bidder will also be notified by text message and email. The successful bidder will be invoiced by biddingowl and directed to the PayPal site to pay with credit or debit card. If you want to pay with cash or check you will be directed to call the Auction Manager to arrange payment and pickup or delivery of the item.

There will be some biddable/buy it now items, including club shirts and hats. There will be some cup raffles. Items will be available for local pickup, delivery, or mailing/shipment, depending on the nature of the item shortly following the auction close.

The Board is excited about this move. It had become apparent that we would probably never be able to put on another live auction. We cannot continue to function on dues, raffle revenue and donations. We have avoided tapping our reserves, but we need to get back to raising discretionary funds. Your support and participation in this on-line auction will be appreciated.