

ASBA NEWSLINE



ALABAMA STATE BOARD OF AUCTIONEERS

ALABAMA STATE BOARD OF AUCTIONEERS

Mike Fisher, *Chair*
Scott Barnes, *Vice Chair*
Ruston Wood, *member*
Chip Pearce, *member*
Angella G. Morgan, *member*
Randall Grissett, *member*
Shane Albright, *member*
Ryan Dennis, *member*

ASBA STAFF

Executive Director
Keith Warren
Administrator
Hope Childers

BOARD OFFICE:
2740 Zelda Road Box 5
Montgomery, AL 36106
Office: 334-420-7235
WWW.AUCTIONEER.ALABAMA.GOV

Embracing Change:

The Future of Auctions and Our Role in an Evolving Industry

Dear Auctioneer Community,

The auction industry, long rooted in tradition, has seen more change in the past two decades than in the previous two centuries. From buyer's premiums to online auctions, each innovation has opened new opportunities and revenue streams. The rise of online bidding—both live simulcast and timed-only events—transformed buyer participation. The COVID-19 pandemic accelerated this shift, pushing nearly every sector, from car and cattle auctions to equipment sales, into the digital space. Today, an online component is essential for most auctions.

Looking ahead, Artificial Intelligence (AI) will be the next major force shaping our industry. Imagine AI tools that assist in bidding, write catalog descriptions, or generate complete listings from uploaded images or videos of a property or inventory. These capabilities are not far off—and they're advancing rapidly. As these technologies evolve, it's vital that we protect both our profession and the public. Our State Board of Auctioneers has spent the past two years updating laws to safeguard licensed professionals and consumers from unqualified or unlicensed operators. We do not seek to regulate technology platforms—they're tools, like microphones—but rather to ensure that those who conduct auctions, handle payments, and earn commissions follow the laws that uphold our standards.

To thrive in this changing landscape, consider the following strategies:

- Embrace technology: Leverage AI and new tools to improve efficiency and client experience.
- Strengthen your online presence: Invest in user-friendly bidding platforms and varied auction formats.
- Prioritize the customer experience: Maintain transparency, clear communication, and accurate item descriptions.
- Uphold ethics and trust: Comply with regulations and build a strong reputation through integrity and professionalism.
- Stay informed and innovative: Continue learning, attend industry events, and encourage innovation in your organization.
- Collaborate and connect: Partner with technology providers and join professional associations such as the Alabama Auctioneers Association and the National Auctioneers Association, which work tirelessly to advance our profession.
- Engage with regulations: Stay current on legal changes and advocate for fair policies that protect consumers while supporting innovation.

Change is inevitable. By embracing technology, maintaining professional standards, and delivering exceptional service, we can lead our industry into the future—together.

-Mike Fisher, Chair

Remembering John "JD" Daniel Gray

GRAY, John Daniel "J.D.", 68, resident of Prattville, AL, passed away on Wednesday, February 28, 2024. Funeral services were held on Sunday, March 3, 2024, at JM Wood Auction Co.

J.D. was a widely-known and well-respected member of the Auction Industry .. He always answered his phone. Always. If he couldn't talk, he would answer the phone and say he'd call back later. His business acumen, work ethic and knack for interpersonal relationships shone in his roles as Vice President and Truck Division Manager for J.M. Wood Auction Company, Inc. in Montgomery, his cattle farm, and his leadership positions on numerous bank and philanthropic boards. J.D.'s quick wit set everyone at ease and he thrived on people. Dozens of people would say he was their best friend, and every one of them would be right.

J.D. was mentor to everyone at J.M. Wood Auction Company and to an entire industry. His legendary status in the world of vocational trucks and heavy equipment was well-earned. At the time of his death, he was the Vice President and Truck Division Manager for J.M. Wood Auction Company, Inc. in Montgomery. Prior to J.M. Wood, JD sold trucks for The Cross Family of Gulf Coast Mack in Mobile. J.D. excelled at relationships and possessed an encyclopedic knowledge of truck specifications and values. Brenda Wood recognized his talents and hired J.D. in 1999 to lead the governmental truck division of J.M. Wood Auction Company and serve as Vice President of the company. J.D. was a trusted friend and advisor to everyone who knew him. People from every walk of life leaned on him for guidance both professionally and personally. He was a native of White City in north Autauga County, Alabama.



-Russ Wood, member

ASBA Newslines are an official publication of the Alabama State Board of Auctioneers. This publication is intended for a wide audience to alert licensees to matters of possible procedural, legal, legislative, and regulatory interest. It should not be relied upon, nor is it intended to provide legal, insurance or accounting advice. Licensees should consult their own lawyers, insurance agents, and accountants before taking any action in response to this newsletter, as the opinions expressed herein may be completely altered by the licensees' actual facts.

ALABAMA STATE BOARD OF
AUCTIONEERS

2740 ZELDA ROAD, BOX 5
MONTGOMERY, AL 36106
334-420-7235

SPOTLIGHT: WELCOMING RUSS WOOD



Pictured here, Russ Wood taking the oath to become the newest member of the Auctioneers Board

Russ was born into the auction business and the late nights and early mornings that come with it! His parents, Malcolm and Brenda Wood, co-founded J.M. Wood Auction Company in 1973.

As kids, they started running tickets from the auction truck to the ladies in the office. They would stay up all night licking stamps and putting labels on 40,000 brochures that had to be at the post office by 8 am. He recalls the first big ticket item sold at age 5 was at a logging auction in Gilberttown, Alabama.

After Russ' dad passed, their mother did all the bookkeeping. She had to stepped up not only to be a single mother but also run an auction company. Before their dad passed away, he left \$50,000 in the business account. He told their mother when it's gone you close it down. She put everyone to work from that point forward and it was Mrs. Wood at work during the day and mother at night. Everyone had to pull their weight and do the hard work of the auction business. She took the business, ran with it, and made sure they got both a formal education and an auction education.

Russ graduated from the University of Alabama in 2002 with a focus on business management, marketing, and public relations.

All through college he worked at auctions on the weekends and would take auction proposals to potential clients between classes. He remembers tricking his friends to go with him on trips but when they arrived it was just another auction or convention, everyone had to work.

Their mother passed away in 2013 but left them with strong work ethic and a desire to keep pushing forward. They try to keep their kids engaged in the auction business in the same way they grew up.

2025 marks our 52nd year in the auction business. They recently partnered with Ritchie Brothers Auctioneers to help grow and preserve J.M. Wood Auction for another 50 years. They love their profession and colleagues in this business. The professional auction community is among the hardest working, most diversified problem solvers on the planet.

Online Auction License Update

The requirement for online auction licenses went into effect in 2024. The Board has provided opportunities for these online auctions to be identified and notified of the new requirement for licensing.

Reporting unlicensed online auction companies is easy through a link on the website (www.auctioneer.alabama.gov): [Report An Unlicensed Online Auction Company](#).

Should you have any questions or need assistance, please contact the Board Office at 334-420-7235 or send an email to auctioneers@alstateboard.com.

Thank you!

THE 15 MOST MISUNDERSTOOD THINGS ABOUT THE UCC 2-328

Posted by Mike Brandly, Auctioneer, CAII, AARE
[BLOG: mikebrandlyauctioneer.wordpress.com]

Mike Bradly states: "I've taught classes involving the UCC 2-328 for nearly 15 years. In that time frame, I've talked to (and with) 1,000's of auctioneers about the UCC 2-328. I've noticed I keep hearing some of the same misunderstandings about the UCC 2-328 consistently."

Thus, we note here the 15 most misunderstood things about the UCC 2-328. Are there merely 15 misunderstandings? Not hardly; these just appear to be the most common.. As I have told classes for over a decade that there is no other more important four paragraphs of auction law than the UCC 2-328, and the courts in the United States place the burden of knowledge upon all auctioneers."

1. "The UCC 2-328 is federal law."

No it's not. The UCC 2-328 is state law in 49 of the 50 states in the United States, and used in court decisions in all 50 states.

2. "We don't have the UCC 2-328 in our state."

Yes, you do (unless you live in Louisiana, and have it only by analogy.) The UCC 2-328 is not part of license law, so it doesn't matter if your state licenses auctioneers or not.

3. "The UCC 2-328 doesn't apply to real estate auctions."

Yes, it does. Despite the UCC 2-328 being written only for "goods," the courts nearly always apply these same rules to real estate auction cases.

4. "The UCC 2-328 doesn't apply to online auctions."

Yes, it does. Although few such cases have made it to court, without exception those courts have ruled the UCC 2-328 applies the same to online auctions as live auctions.

5. "There are more than 2 types of auctions."

No, there aren't. There are only 2 types: with reserve and without reserve. The UCC 2-328 clearly says any auction is one type or the other.

6. "An absolute auction is not the same as a without reserve auction."

Yes, it is. The courts have ruled universally that an absolute auction is analogous to a without reserve auction. despite the UCC 2-328 using only the term without reserve.

7. "I can always change the type of auction after I declare the auction open."

No, you can't. A without reserve auction cannot be changed to a with reserve auction; a with reserve auction could be changed to a without reserve auction, but it is ill-advised.

8. "There are 'tie bids,' and I can reopen the bidding."

No, there aren't. There is no such thing as a tie bid. The UCC 2-328 says you may only reopen the bidding if a bid comes in "while the hammer is falling," but are not obligated to do so.

9. "Our bidders are prohibited from retracting their bids."

No, they aren't. Your bidders can indeed retract their bids so long as they do so before the "fall of the hammer." Your terms cannot override the UCC 2-328.

10. "We can have terms that our auction is not subject to the UCC 2-328."

No, you can't. Terms and conditions for buyers cannot override the UCC 2-328.

11. "If a bidder retracts his bid, the previous bidder is back in."

No, he isn't. Once a bidder is deemed the high bidder, all previous bids are void. The UCC 2-328 strictly says there is no authority to unilaterally place a prior bidder back in as the high bidder.

THE 15 MOST MISUNDERSTOOD THINGS ABOUT THE UCC 2-328 (CONT'D)

12. "After, 'Sold!' I can qualify to say 'subject to seller approval,' or the like."

No, you can't. Once an auctioneer announces the word, "Sold!" or indicates the same in some other customary manner, nothing else uttered thereafter changes the status of the property from "Sold!"

13. "The seller can't bid."

Yes, he can. The seller can bid if the auction is a with reserve auction with disclosure, and can bid re-gardless of the type of auction if the auction is a forced sale. If the seller bids otherwise, the UCC 2-328 dictates remedies for the high bidder.

14. "I can always withdraw property so long as I don't say, 'Sold!'"

No, you can't. In a without reserve auction, if a bid is received within a reasonable time, the property may not be withdrawn; only in a with reserve auction, the property can be withdrawn up until the "fall of the hammer."

15. "Bidders must always conform to certain bidding increments."

No, they don't. In a without reserve auction, minimum bidding increments are illegal. In a with reserve auction, certain minimum bidding increments are permitted.

BOARDS MEMBERS AND TERMS:

Mike Fisher

Board Chair

4th Congressional District
11/21/2017 - 10/31/2018

Ruston R. Wood

Member

2nd Congressional District
5/10/2024 - 10/31/2028

Angella G. Morgan

Member

7th Congressional District
3/11/2021 - 10/31/2025

Scott Barnes

Vice Chair

6th Congressional District
6/1/23 - 10/31/27

Shane Albright

Member

5th Congressional District
12/5/2025 - 10/31/30

Randall L. Grissett

Member

Consumer-At-Large
9/1/2021 - 10/31/2027

Chip Pearce

Member

1st Congressional District
6/1/2023 - 10/31/2027

Ryan Dennis

Member

3rd Congressional District
12/5/25 - 10/31/30

BOARD NEWSLETTER

Future newsletters will be sent electronically.

Please update your contact information to include your email address so that you can continue to receive the Board's newsletter.

Don't miss future updates and news about changes in Board Rules and Regulations, articles about the auction profession, educational opportunities, and much more in future issues.

Send us an email at

auctioneers@warrenandco.com

Complaints:

The Board shall investigate complaints alleging violations of the statutes and rules governing the practice of auctioning.

If you wish to file complaint with the Board, the complaint form is available on the Board's website – auctioneer.alabama.gov.

The online form is available under the Report / Complaint heading and there is also information that outlines the complaint process.

Once the form is completed and submitted online, it is emailed directly to the legal assistant, and assigned a complaint case number.

The Investigative Committee reviews to determine probable cause and violations of the Board's statutes and rules.

Ala Code 1975 §.34-4-28(c) states: "No licensed auction company may hire an unlicensed auctioneer to conduct any auction business, nor shall any licensed auctioneer conduct an auction for an unlicensed company in this state." If you have any questions, please email complaints@alstateboard.com

Website:

The Board's website has been updated with a fresh look as well to make it more user friendly. If there is information you would like to see on the site that is not currently there, please send us an update at auctioneers@alstateboard.com. Thank you!

Continuing Education:

The Alabama Auctioneers Association provides several continuing education programs throughout the year. You can contact them directly at AlaAuctioneers@gmail.com or by phone at 580-327-7525.

Alabama Auction Association Continuing Education

Pearce Auction Center 720 Fulton Springs Road, Alabaster, Alabama. The Alabama Auction Association is hosting a one day session of continued education for all Alabama licensed auctioneers and apprentice on February 18, 2025. Registration available on the Association's website: www.alabamaauctioneers.org. Session to be held in Alabaster and session begins at 9:00 a.m.

BOARD'S WEBSITE

- **On-line:** Renew your license
- **On-line:** Change of Address form
- **View:** Current and proposed Rules and Regulations
- **Print:** Auction Company License Application
- **View:** Continuing Education opportunities and Providers
- **Search:** Licensed auctioneers
- **Print:** Consumer Complaint form
- **View:** Review the Rule about Advertising

**ALABAMA STATE BOARD
OF AUCTIONEERS**

2026 Board Meeting Schedule
Board meets at 9:00 a.m.
2740 Zelda Road Box 5, Montgomery, AL
36106 3RD Floor

February 3 August 21
May 18 November 3

Check the Board's website calendar for any changes in meeting schedule
www.auctioneer.alabama.gov