

## Auction sales

Auctions are public sales of goods, conducted by an officially approved auctioneer. He asks the crowd assembled in the auction-room to make offers, or 'bids', for the various items on sale. He encourages buyers to bid higher figures, and finally names the highest bidder as the buyer of the goods. This is called 'knocking down' the goods, for the bidding ends when the auctioneer bangs a small hammer on a table at which he stands. This is often set on a raised platform called a rostrum. 5

The ancient Romans probably invented sales by auction, and the English word comes from the Latin *auctio*, meaning 'increase'. The Romans usually sold in this way the spoils taken in war; these sales were called *sub hasta*, meaning 'under the spear', a spear being stuck in the ground as a signal for a crowd to gather. In England in the eighteenth and nineteenth centuries goods were often sold 'by the candle': a short candle was lit by the auctioneer, and bids could be made while it stayed alight. 10

Practically all goods whose qualities vary are sold by auction. Among these are coffee, hides, skins, wool, tea, cocoa, furs, spices, fruit and vegetables and wines. Auction sales are also usual for land and property, antique furniture, pictures, rare books, old china and similar works of art. The auction-rooms at Christie's and Sotheby's in London and New York are world-famous. 15 20

An auction is usually advertised beforehand with full particulars of the articles to be sold and where and when they can be viewed by prospective buyers. If the advertisement cannot give full details, catalogues are printed, and each group of goods to be sold together, called a 'lot', is usually given a number. The auctioneer need not begin with Lot 1 and continue in numerical order; he may wait until he registers the fact that certain dealers are in the room and then produce the lots they are likely to be interested in. The auctioneer's services are paid for in the form of a percentage of the price the goods are sold for. The auctioneer therefore has a direct interest in pushing up the bidding as high as possible. 25 30

The auctioneer must know fairly accurately the current market values of the goods he is selling, and he should be acquainted with regular buyers of such goods. He will not waste time by starting the bidding too low. He will also play on the rivalries among his buyers and succeed in getting a high price by encouraging two business competitors to bid against each other. It is largely on his advice that a seller will fix a 'reserve' price, that is, a price below which the goods cannot be sold. Even the best auctioneers, however, find it difficult to stop a 'knock-out', whereby dealers illegally 35

arrange beforehand not to bid against each other, but nominate one of themselves as the only bidder, in the hope of buying goods at extremely low prices. If such a 'knock-out' comes off, the real auction sale takes place privately afterwards among the dealers.

**Ideas**

Select the answer which is most accurate according to the information given in the passage.

- 1 Auctioned goods are sold
  - a) for the highest price offered.
  - b) only at fixed prices.
  - c) at a price less than their true value.
  - d) very cheaply.
  
- 2 The end of the bidding is called 'knocking down' because
  - a) the auctioneer knocks the buyer down.
  - b) the auctioneer knocks the rostrum down.
  - c) the goods are knocked down on to the table.
  - d) the auctioneer bangs the table with a hammer.
  
- 3 The Romans used to sell by auction
  - a) spoilt goods.
  - b) old worn-out weapons.
  - c) property taken from the enemy.
  - d) spears.
  
- 4 A candle used to burn at auction sales
  - a) because they took place at night.
  - b) as a signal for the crowd to gather.
  - c) to keep the auctioneer warm.
  - d) to limit the time when offers could be made.
  
- 5 An auction catalogue gives prospective buyers
  - a) the current market values of the goods.
  - b) details of the goods to be sold.
  - c) the order in which goods must be sold.
  - d) free admission to the auction sale.
  
- 6 The auctioneer may decide to sell the 'lots' out of order because
  - a) he sometimes wants to confuse the buyers.
  - b) he knows from experience that certain people will want to buy certain items.
  - c) he wants to keep certain people waiting.
  - d) he wants to reduce the number of buyers.

Passage 9

- 7 An auctioneer likes to get high prices for the goods he sells because
- then he earns more himself.
  - the dealers are pleased.
  - the auction-rooms become world-famous.
  - it keeps the customers interested.
- 8 A clever auctioneer encourages
- knock-out deals.
  - rivals to compete in high bidding.
  - the seller to accept the lowest price offered.
  - dealers to buy from each other.
- 9 'Knock-outs' are illegal agreements
- between auctioneers and dealers.
  - between the seller and the auctioneer.
  - among the dealers only.
  - among the sellers only.
- 10 A 'knock-out' is arranged
- to keep the price in the auction-room low.
  - to allow one dealer only to make a profit.
  - to increase the auctioneer's profit.
  - to help the auctioneer.

**Vocabulary**

Find the following words in the passage and select the meaning you think is *most likely* to correspond among the choices given.

- |                                |                                |
|--------------------------------|--------------------------------|
| 1 <i>bidder</i> (line 4)       | 4 <i>prospective</i> (line 22) |
| a) one who buys                | a) ambitious                   |
| b) one who sells               | b) intending                   |
| c) auctioneer                  | c) fortune-hunting             |
| d) one who makes an offer      | d) uninterested                |
| 2 <i>to gather</i> (line 12)   | 5 <i>numerical</i> (line 26)   |
| a) to collect                  | a) numerous                    |
| b) together                    | b) random                      |
| c) to pick                     | c) as numbered on a list       |
| d) to understand               | d) rapid                       |
| 3 <i>particulars</i> (line 21) | 6 <i>registers</i> (line 26)   |
| a) details                     | a) notices                     |
| b) special                     | b) writes down                 |
| c) parts                       | c) authorizes                  |
| d) prices                      | d) changes                     |

Passage 9

7 *percentage* (line 28)

- a) one-hundredth
- b) proportion
- c) 10%
- d) half

8 *pushing up* (line 30)

- a) raising
- b) rising
- c) growing
- d) exceeding

9 *current* (line 31)

- a) electrical
- b) up-to-date
- c) useful
- d) flowing

10 *comes off* (line 41)

- a) goes wrong
- b) is successful
- c) is taken away
- d) can be removed

**Missing word summary**

Fill in the numbered blanks from the selection of words given below. The correct choices will complete the sense of this summary of the reading passage.

An auction is a [1] of goods. The auctioneer asks the crowd gathered to make [2]. The [3] bidder is the person who eventually buys the goods. Among products sold [4] auction are coffee, furs and wine as well as property, furniture and works of art. The auctioneer urges the bidding as high as possible [5] he [6] a percentage of the price obtained. He knows the dealers but cannot prevent a group of them [7] in a 'knock-out'.

- 1
- a) sell
  - b) sale
  - c) dealer

- 5
- a) because
  - b) although
  - c) so that

- 2
- a) bidders
  - b) bids
  - c) goods

- 6
- a) has paid
  - b) is paying
  - c) is paid

- 3
- a) first
  - b) loudest
  - c) highest

- 7
- a) to unite
  - b) from uniting
  - c) to have

- 4
- a) by
  - b) in
  - c) at