County of Los Angeles – Online Auctions
Executive Summary

OVERVIEW: Due to the impact of COVID-19, the Public Administrator successfully changed its personal property auction format from in-person to online only, which substantially reduced auction-day staffing resources and increased gross proceeds for the estates.

CHALLENGE: For over 30 years, the Public Administrator hosted in-person live auctions to sell estate personal property. Each auction attracted large crowds with hundreds of people in its warehouse pouring over bric-a-brac, standing shoulder to shoulder, previewing and bidding on items, including furniture, jewelry, automobiles and collectibles. Proceeds from these auctions are used to satisfy estate debts and are later distributed to lawful heirs.

On March 19, 2020, when the Governor issued an executive order restricting large gatherings, the Public Administrator was immediately faced with the challenge of balancing our fiduciary responsibilities with the mandates in the executive order. If we are unable to sell estate personal property, the Public Administrator cannot satisfy the estates’ financial obligations or close cases. The entire auction operation was at a stand-still and we had to find a viable alternative to in-person auctions.

SOLUTION: Within just three weeks, with input from staff and our vendor, the Public Administrator overturned its 30-year practice of in-person auctions and moved to an online only format.

INNOVATION: Historically, we held onto the concept of in-person auctions because we thought people would want to see the items in person to gauge their value and that in-person bidding would drive prices to a competitive level. Strategizing with our vendor, we developed marketing plans and produced detail-oriented photography to effectively advertise property for sale. We broadened our customer base with international bidders, developed new processes for accepting payments online, invoicing, and shipping items internationally. We had a first-time
buyer who purchased over $8,000 in property from Florida and even had a participant from Italy! Our personal property sales are no longer locally focused, but targeted to a larger audience around the world. We also increased our capacity to host more online auctions than we did previously. Now, people can purchase estate property such as silverware, gold coins, cars, or loveseats from the comfort of their living room.

RESULTS: Our results were remarkable. In the past, the Public Administrator typically hosted five, in-person property auctions per year, with annual average gross sales just under $600,000. Once we moved to the online only format, the Public Administrator hosted eight auctions generating over $1.3 million in gross sales, a 130% increase over the average gross annual sales for in-person auctions. That percentage is expected to increase as auctions are still scheduled throughout the remainder of 2020. In addition, we reduced costs associated with conducting in-person auctions, including preparing the facility for crowds, security, and overtime, saving the Department $30,000 annually.

REPLICABILITY: The online only format for Public Administrator auctions is easily replicated and given the large success of the program, will most likely be the future of auctions moving forward. Other counties can replicate this practice by investing in appropriate photography and product descriptions, procuring a reputable vendor to assist with the auction, and committing to the process.

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OPTIONAL SUBMISSION: Please use the following hyperlink to view the PowerPoint:

County of Los Angeles Treasurer and Tax Collector – Online Auctions