

Jerry Redman

When the Redmans decided to close the doors to Owatonna Construction in 2006—that decision left them with 200 pieces of equipment to sell.

They got an offer for certain assets and equipment, but they thought they could do better with Ritchie Bros.

When Jerry's father Don bought the company in 1989 he never imagined it would eventually expand into various aggregate, underground and grading operations. In 2006 a large competitor made an offer for Owatonna Construction's core assets. The offer made good financial sense to Jerry, so he agreed to sell the core of the company's holdings and assets. But he was reluctant to include the rolling stock in the deal – millions of dollars worth of dump trucks, trailers, graders, dozers, excavators and a number of generators.

Jerry had sold equipment through Ritchie Bros. in the past, and he thought he could achieve better returns by opening up the bidding to the global market. "We thought we could do better with Ritchie Bros. – and we did. We ended up getting 20 percent more for our fleet with Ritchie Bros."

Jerry signed on with Ritchie Bros. and sold more than US\$4.6 million worth of equipment at an unreserved auction in Minneapolis. The March 2006 auction attracted 2,400 bidders from 22 countries and still holds the record as the largest one-day auction sale in Ritchie Bros. history. "That was a big day," Jerry recalls. "We were shooting for a target and we clearly went above that."

Before selling, Jerry had some of his equipment refurbished at the Ritchie Bros. site. "Ritchie Bros. really knew which pieces it made sense to refurbish," says Jerry. "They wanted to make sure we were spending our money wisely and not just refurbishing pieces for the sake of appearances, but for payback. At Ritchie Bros. they don't try to snowball you or paint any fictitious pictures."

Although the refurbishing helped him achieve good returns on auction day, Jerry thinks the global reach of Ritchie Bros. was the main reason for the successful sale. "What some people don't realize is that it's not just an auction in Minnesota," he explains. "Ritchie Bros. is touching numerous bidders out there beyond our little dot on the map. At a lot of other auctions there are only one or two people interested in a piece of equipment. It's having that fourth, fifth or sixth person and maybe a couple



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of bidders online that makes the difference. That's a hard concept for a lot of people to grasp...they don't understand the market value associated with that. Ritchie Bros. gets you that extra bid."

Jerry is no longer in the aggregate business, but wouldn't hesitate to recommend Ritchie Bros. to his friends. When it comes to delivering market value for equipment, he concludes. "I don't know of anything comparable to Ritchie Bros."



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