

MINE IS *BETTER* THAN YOURS!

NEENER NEENER NEENER!

By AGWire™
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WHICH IS WORTH MORE?

THIS?

OR

THIS?



Let it be known that most of our articles are inspired by either an email or forum exchange through our AllEngelhard.com website, or just routine bantering through the eBay message platform with some of our core collectors. This article circles around valuation and, more specifically, value **before** acquisition and value **after** acquisition. While these two values should theoretically be the same (unless there happened to be substantial material development that would justify otherwise) human minds don't necessarily work that way.

George Carlin summed it up in this question, *"Have you ever noticed that their stuff is shit, and your shit is stuff?"* God bless that very funny and prescient man!

This explains why most buyers feel they must negotiate their purchase price of any item, regardless of its starting price. However, once they own it, they somehow believe they stole it and the price has increased in multiples of their purchase price. Could they be the only ones who knew of the value disparity when they originally purchased the item, or is there even a value disparity in the first place?

How many times have you seen a rare Engelhard ingot sell on eBay, only to be re-listed a week later at a significantly higher price? If it was initially mispriced and it sold quickly on a Buy It Now, it would totally make sense that it could justify a higher resale value, but if it were offered on open auction and was subject to a fair and open bidding process, then it likely sold at its current fair market price. Often these first round buyers figure that there were many bidders chasing the particular item, and now that they have control of it (albeit at the highest price paid on open auction) they may be able to turn it quickly for an even higher price, and likely to one of the previous bidders who was not successful in the original auction. While it *could* work that way, it generally does not. Those unsuccessful bidders had the same chance to buy the ingot in the first round, but they didn't bid high enough because they apparently didn't want it *that* badly. Why

would a seller think that these buyers would bid even more the next time around? Most of us have all bought and sold ingots, turning some quickly, while others after a nice hold period. Your game is your game and we won't get into your business, but we do like to see buyers hold on to their acquisitions for at least a moderate honeymoon period to create a bit more "want" in the market.

The bottom line is, while they may think otherwise, sellers **do not** control the market. Buyers do. Buyers determine valuation by the final price paid. Whether by choice or circumstance, bust or bubble, there will always be sellers, but the buyer ultimately and undeniably sets the market. If sellers are lucky enough to have a market where there are a lot of anxious and excited buyers who are afraid they might miss out on a rising market, sellers will most likely benefit well from buyers bidding the price up. If buyer interest wanes and they see a bubble or unfavorable market trend, they will keep their powder dry and wait it out. Sellers often get greedy, and highly priced listings get stale, and buyers most often **can** wait until something else or better comes along. When Ebay asking prices are too high, that can actually negatively affect the market. To quote Mark Cuban in 2014:

"Just watch. Pigs get fat, hogs get slaughtered. When you try to take it too far, people turn the other way. I'm just telling you, when you've got a good thing and you get greedy, it always, always, always, always, always turns on you. That's rule No. 1 of business."

If you feel this article was written about you, please don't flatter yourself or take it personally, as we actually wrote this about us. Perhaps we have the same incurable disease as you do, but odds are that we've been stricken far worse. Thank God we've found the perfect remedy... MOAR! As you continue to stack, make it a goal to treat the market with respect. Treat buyers and sellers fairly, reasonably and realistically, and enjoy your hobby, as it really is a fun one. We are all in this for the same reasons. We all love the sport of collectible bullion, especially Engelhard, and we recognize and understand rarity, scarcity and value. This is a lifestyle, not a race, and there's plenty to go around for everyone, even if ours ARE better than yours. ;-)

Engelheartedly,

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