



Louisiana
Office of the Governor
Auctioneers Licensing Board

11736 Newcastle Avenue, Bldg. 2, Suite C
Baton Rouge, LA 70816
Telephone 225.295.8420 Fax 225.372.8584
Website: www.lalab.org Email: admin@lalab.org

AUCTIONEER CONSUMER COMPLAINT FORM

THIS FORM IS TO BE USED IF YOU ARE FILING A COMPLAINT AGAINST A LICENSED AUCTIONEER BECAUSE HE OR SHE HAS VIOLATED A STATUTE, RULE OR ORDINANCE. PLEASE FILL OUT THE FORM AND RETURN IT TO THE ADDRESS STATED ON THE FORM.

THIS COMPLAINT IS FILED AGAINST THE INDIVIDUAL/BUSINESS BELOW:

AUCTIONEER'S NAME: Marlo Schmidt
LICENSE # (if known): 1594
ADDRESS: 2674 Hwy 394
PHONE NUMBER(S): 337-396-9702
COMPANY NAME: South West Auction Company
PHONE NUMBER(S): 337-396-9702

PLEASE STATE THE EXACT NATURE OF YOUR COMPLAINT INCLUDING DATES.

Give as much detail as possible. You may attach a separate sheet if necessary.

OCT, 2012 I invited Mr. Schmidt to view the contents of my residence including a 20x20 storage bldg. For the purpose of having a estate auction. He saw a Remax Real estate sign in my yard. I told him about a rent house I had listed also. He asked me if it would be OK to Auction them also if Remax would release the listings I said "yes but Remax isn't going to release them." He asked again if it would be alright with me to Auction them with my household items. if they released them. Remax did, unhappily. The workers began boxing items into 30x22" boxes. I pointed items out to Mr. Schmidt that had been appraised, he asked how much I had to have for each one as I called his

continued on page 1

ATTENTION TO THEM. He understood what I was pointing out to him. I TRUSTED MR. SCHMIDT. I never had any idea that when the auction was finished, I would be told, I had zero dollars. I asked him how that could be possible when all my EATHAN ALLEN FURNITURE, APPLIANCES, EVERYTHING in my storage bldg., 367 30"x22" boxes with 14 place NORITA CHINA, CRYSTAL, GLASSWARE, MAGNOLIA COOKWARE, TUPPERWARE (SOME NEW) LINENS, COLLECTIBLE WILDLIFE COINS, BEAUTIFUL DOLLS AND DOLL FURNITURE, ALL MY LINENS, ANTIQUE TABLE LAMPS, IF MONEY could buy it, I had it. 16 place SETTING STERLING, INTERNATIONAL SILVER, WILD ROSE PATTERN. MY FURNISHINGS WERE BEAUTIFUL. DR. STORY allowed me to buy what I needed. This is like a NIGHTMARE TO ME. MR. SCHMIDT WILL ^{SAY} AND HAS SAID HE TRIED TO TALK ME OUT OF THIS AFTER IT WAS UNDERWAY. I THINK NOW THAT HE REALIZED HE COULD BE IN TROUBLE WITH REMAX. I TOLD HIM THAT I HAD PLANS TO GO INTO AN ASSISTED LIVING PLACE IN ALEXANDRIA. I AM IN MY 80'S AND I FEEL LIKE HE TOOK ADVANTAGE OF MY UNDERSTANDING OF MATTERS.

I REFUSED FOR MY APPRAISED ITEMS TO BE SOLD FOR ALMOST NOTHING AS MY FRIENDS SAY GIVEN AWAY. IF YOU NOTICE HE HAS MY BOXES FOR AS LITTLE AS 20, 40, 50 ^{CENTS} THAT IS UNHEARD OF, UNBELIEVABLE. I BOUGHT SOME ITEMS, FUG, JOHN DEER RIDING LAWN MOWER, SOME FOR MY SON + GRAND-DAUGHTER. NEVER DREAMING HE WOULD CHANGE ME

For my reserved items. my Aladdin lamp, 16 place sterling silver, Antique mirror, Bed room suit, 2 pieces of Antique Furniture, Antige Saddle. One was Appraised For \$10,000.00 same as my sterling silver. The saddle was rode in "Lonesome Dove" built in 1800 it is an A Fork.

I had forgotten about a Auctioneer, who I have known for years. He and his Dad began auctioning ~~out~~ out of the back of a pick-up truck. I'm so sorry I didn't call him. I did ask Barbara Bonnett but she was committed to Colorado.

Two people warned me about Mr. Schmidt and I replied "A Jehovah's Witness or a Mennonite is not going to do me wrong". Mr. Schmidt had attempted to do another elderly couple here at De Ridder this way, but Mr. Self would not allow Mr. Schmidt to give his equipment and house away.

Mr. Schmidt had guaranteed me a price for my residence, but there was no sale. He said there was a sale for 721 Roberts but then the man backed out - his nephew.

Mr Schmidt told me, I had ruined his reputation and I explained to ^{him} people at church when they ask me why I didn't go to Alexandria to live, why I'm still here. They can't believe that I ended up with no money and yet everything auctioned. I don't think it is right for Mr. Schmidt to charge me for my reserved items. Plus a 10% buyers fee.

Mr. Schmidt put one of his houses in the Auction
IT sold. Neither of mine. He told me THAT some-
one else would be putting a house to be Auctioned
but did not say it was his. He allowed other
people to add items into the auction. One
Mennanite had approximately 35-50 items.
He auctioned every item before he started
with my estate. Mr. Schmidt billed it
"The Betty Story Living Estate Auction"
pictures of other people's items. 2 of mine.
He allowed other friends of his to bring
anything they wanted to sell. He auctioned
ALL and started with mine in the afternoon.
This was housed at the Exhibition bldg.
at Bezuregard Parish Fair Grounds Nov 17.

Betty Story
85-13-13

COMPLAINANT INFORMATION:

NAME: Betty Story

ADDRESS: 209 Broad ST. DeRidder, La. 70634

PHONE NUMBERS: HOME 337-202-7033 WORK Cell 337-396-4655

DID YOU HAVE A WRITTEN CONTRACT WITH THE AUCTIONEER?

YES NO

If yes, attach copy of contract.

ATTEMPTS TO RESOLVE THE PROBLEM:

What attempts, (if any) have been made to resolve this complaint prior to filing with the board?

Nov. 21-2012 Mr. Schmidt told me I owe him \$221.00 I thought he was joking. He told me the expense eat it up. I cried and I cried. He knew I went into shock. I believe it was 3 weeks ago he offered me \$1300. Again 1 week ago he offered 1300. after finding out I had gone to attorney.

Date of demand letter(s) (if any) asking for refund or other demand: I asked attorney to look into this, but there is no money in it for him.
(Attach copies of any correspondence)

Date of formal complaint (if any) filed in any court: _____
(Attach copies of documents)

Response (if any) by Auctioneer or Business: _____
(Attach copies of any correspondence)

Are you willing to appear before the Board at a formal hearing on this matter? YES gladly NO _____

Filling out this form with as much information as is known will expedite the investigation of your complaint.

Please sign this document and mail it along with copies of supporting documents.

The complainant states that he/she is the complainant in the foregoing complaint and that all of the allegations contained therein are true and correct to the best of Complainant's knowledge, information and belief.

Betty Story
COMPLAINANT'S SIGNATURE

05-13-13
DATE

Sandy Edmonds, LALB

From: Marlo Schmidt [marlo@swauctionrealty.com]
Sent: Friday, May 17, 2013 9:19 PM
To: admin@lalb.org
Subject: Complaint
Attachments: BETTY STORY AUCTION RECORDS.pdf

Dear Miss Anna E Dow,

I have received the copy of the complaint. I am very disappointed that this has come to this. I would never have thought I would ever have a complaint filed on me. I have tried several times to satisfy Mrs. Betty Story. Let me tell you how this came about.

She called me and asked if I would come over and have an auction for her so we went over and took a look. I, we soon realized that there was not enough value there to justify an auction with out the real estate involved. When Mrs. Story explained her situation we, my wife and I, decided not to do this auction and went over to tell her. But she was adamant this is what she wanted to do. She told us several times she may not come out with anything but she felt like she just had to get to assisted living. So at that time we started working to get the real estate in the auction. As you will see I bought the 721 Roberts street from her and that made her eligible to get into assisted living. Because she claimed she could not own 2 homes and get in. According to her letter it appears that I was the only one trying to get the property in the auction. This is not the way it really was. Mrs. Story asked Remax to release the real estate but they would not unless there was a sale on it. So you can see by the buy sell agreement how this went down. It is true she had a lot of belongings, so much that it was piled in the different rooms together with a lot of trash. We soon felt like a cleaning service taking many trash bags full of trash to the street. There would not have been anyway to itemize each item. 1. Because she had no idea what was in the house. 2. I was not going to get started without an agreement signed. 3. As we were working with the merchandise to be sold it soon became very evident that the value of her belongings was in her eyes only as many items were broke, chipped, cracked, stained, or water damaged. As we were going through her belongings she would say oh I have to have so much for this or that. We, my wife and I tried to tell her that she should just take those items out of the auction if she was not willing to part with them. I had no idea she was going to sit there and buy most of her large items back. I felt like I had no choice but to treat her like any other buyer there that day. She also bid & bought other items from other consigners that day. I stand to be corrected but as long as I pay all the advertising I feel like I can take other consignments. I did her the courtesy and asked her if she would mind if I took other items in. I have attached all the signed documents with this letter. I have absolutely nothing to hide & I am more than willing to participate in a full investigation. You are welcome to call me anytime if there is wrong doing on my part. I want to know. I will call you next week.

The real estate at 721 Roberts Street brought a bid of \$42,500.00. Mrs. Story is correct my nephew Richard Schmidt did have the high bid. I had no idea he was even interested. While the auction was going on he made an agreement with another buyer, Mr. Gordon Jenkins, to transfer the purchase to Mr. Gordon Jenkins. By the time I got off the auction stand Mr. Jenkins had decided not to purchase the property. My agreement was with Richard Schmidt so I tried to get him to purchase the property but to this day I have been unsuccessful. So I paid her the balance on the difference with a cashiers check. A copy is in the documents. Oh, and may I mention Mrs. Story collected all the rent through February 15, 2013 from the rent owed by the tenant.

As far as South West Auction Company is concerned we did not charge Mrs. Story for moving or cleaning the items neither did we charge her for the building rent. South West Auction Company lost money on this consigner that day.

Sincerely, Marlo Schmidt

As far as South West Auction Company is concerned we did not charge Mrs. Story for moving or cleaning the items neither did we charge her for the building rent. South West Auction Company lost money on this consigner that day.

Addendum to above letter.

I want to address the 2 complaints of Betty Story concerning what she perceives as the gross negligence & defrauding her in the way Southwest Auction handled her auction. Southwest Auction Company has never defrauded or negligently handled the trust of any consignors. I am well aware that an auctioneer's fiduciary responsibility is always to the seller & have always practiced that. It is our full intention & goal to build our reputation on honesty & integrity.

I would like to once again address the quality of her house hold belongings. Much of it was cracked, broken & dirty. She herself had told us if she didn't come out with anything on her house hold belongings at least she'd have the contents of her house taken care of so she could pursue getting into an assisted living facility. Her son told us if it was up to him to dispose of her belongings that he'd call in some of her friends & family & tell them to take what they wanted & he'd put the rest out by the street for the trash service to pick up. She also told us her son said this & it really hurt her feelings. As you well know the value of the items at an auction are determined by what a willing buyer will pay that day. We had an attendance of 110 checked in buyers & with spouses & friends I feel we had well over 200 attendees that day. We were in an excellent facility for her auction, the exhibit hall on the fair grounds. It was air conditioned, had nice restrooms, a nice kitchen, tables & chairs for the food vendor. We hauled all her belongings to this building for all these amenities as we have had successful estate auctions there before. We had a good attendance clear to the end of the sale.

Also I want to address the last page of Miss Betty Story's letter I never had any intention of deceiving her with who's house was going into the auction. I simply did her the courtesy of asking her if she minded if I put another house in the auction. I do not remember if I told her I owned the house or not. But I believe I did. Another thing Betty claims I sold her items last this is incorrect I sold all items in consecutive order according to lot # except for lots 1, 2, & 3 these 3 were the homes offered that day at 11:30 A.M. mine was offered last lot #3. I group & sell like kind of items regardless who the consignor is. So she is saying it took me till afternoon to sell first item??? Out of the first 50 items sold that day 47 were Betty's. I don't know where she has come up with religion in this but I cannot discriminate against any religion. To set the record straight there were no Mennonite consignors in this auction other than my one house. I build as attractive of a brochure as I know how I never promised anybody who's items would be on it. The fact is I hire a company out of Jonesborough Arkansas that designs theses for us they pick the best pictures off our web site and design our brochures. Then they send me a proof for our approval.

Southwest Auction would like to submit the names of our employees & all the other consignors for the Betty Story auction. Following is the list of employees & their phone numbers; Richard Brady [337-343-1195](tel:337-343-1195), Ronnie Decker [337-375-7130](tel:337-375-7130), Dustin Decker [337-375-6251](tel:337-375-6251), Holly Smith [337-396-2743](tel:337-396-2743), Dixie Schmidt [337-375-7132](tel:337-375-7132), Brandi Schmidt [337-396-2997](tel:337-396-2997), Marianne Myrick [337-348-9699](tel:337-348-9699). Following is the list of the other consignors; Karen G. Carmen [337-396-5146](tel:337-396-5146), Ronnie Gill [337-348-1666](tel:337-348-1666), & Robert Alleman [337-328-7483](tel:337-328-7483).

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Marlo Schmidt | Realtor & Auctioneer
Century 21 - Steve Delia & Associates, Ltd
<http://www.cenury21stevedelia.com>
A Licensed Real Estate Associate Broker in Louisiana
marlo@swauctionrealty.com
<http://www.swauctionrealty.com/>
Office [\(337\) 463-2121](tel:337-463-2121)
Cell [\(337\) 396-9702](tel:337-396-9702)
Each Office is Independently Owned & Operated.

... #4504 TV 11- # 17001



JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
P.O. BOX 94005
BATON ROUGE
70804-9005

September 18, 2013

Louisiana Auctioneers Licensing Board
Attn: Sandy Edmonds
11736 Newcastle Avenue, Bldg. 2, Suite C
Baton Rouge, Louisiana 70816

Re: LALB Case No. 13-002, Marlo Schmidt

Dear Ms. Edmonds,

Enclosed please find the Findings of Fact and Conclusions of Law from the September 10, 2013 adjudicatory hearing involving Marlo Schmidt, license Number 1594. Please forward a copy to Ms. Anna Dow and the respondent, Mr. Marlo Schmidt. If you have any concerns please feel free to contact me at 225-326-6000.

Yours very truly,

JAMES D. "BUDDY" CALDWELL
Attorney General

BY:

Emily Andrews
Assistant Attorney General

LOUISIANA AUCTIONEERS LICENSING BOARD

ADJUDICATORY HEARING
HEARING OFFICER

LOUISIANA AUCTIONEERS
LICENSING BOARD

DOCKET NUMBER 13-002

VERSUS

MARLO SCHMIDT
LICENSE NUMBER 1594

LOUISIANA AUCTIONEERS
LICENSING BOARD

FINDINGS OF FACT AND CONCLUSIONS OF LAW

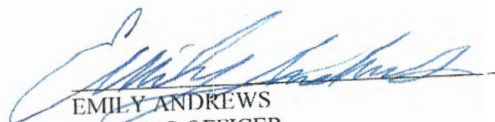
The Louisiana Auctioneers Licensing Board held an Administrative Adjudatory Hearing in this matter on September 10, 2013. A quorum of the Board was present. Emily Andrews, an assistant attorney general appointed to act as hearing officer was present. The Louisiana Auctioneers Licensing Board was represented by Anna E. Dow. Respondent, Marlo Schmidt, was present and represented himself. After considering the evidence, law, and arguments of counsel the board issued the following findings.

Respondent, Marlo Schmidt is not guilty of violating Louisiana Revised Statute 37:3121 (A)(4).

The Board further found respondent, Marlo Schmidt is not guilty of violating Louisiana Revised Statute 37:3121 (A)(5).

The findings of fact and conclusions of law were approved by the Board in open hearing on the 10th day of September, 2013 at Baton Rouge, Louisiana.

Signed this 18th day of September, 2013 at Baton Rouge, Louisiana.


EMILY ANDREWS
HEARING OFFICER

LOUISIANA AUCTIONEERS
LICENSING BOARD

DOCKET NUMBER 13-002

VERSUS

LOUISIANA AUCTIONEERS
LICENSING BOARD

MARLO SCHMIDT
LICENSE NUMBER 1594

NOTICE OF HEARING

TO: Marlo Schmidt
Southwest Auction Company
2674 Highway 394
Deridder, LA 70634

YOU ARE HEREBY ORDERED TO APPEAR AT 12:30 P.M. ON THE 10th DAY OF SEPTEMBER, 2013, AT THE LOUISIANA MUNICIPAL ASSOCIATION, 700 NORTH 10th STREET, BATON ROUGE, LOUISIANA, 70802. FOR A HEARING ON THE COMPLAINT FILED AGAINST YOU.

This hearing is to be held pursuant to the authority granted by LSA-R.S. 37:3107 and LSA-R.S. 37:3121, which grants the Louisiana Auctioneers Licensing Board the authority to refuse to issue, suspend, revoke or impose probationary or other restrictions on any license issued pursuant to the Auctioneers Licensing Law, LSA-R.S. 37:3101 et seq.

This hearing will be based upon a complaint filed against you by BETTY STORY. A copy of the complaint is attached hereto.

These acts may be a violation of the Louisiana Auctioneers Licensing Statute, specifically Section 3121 (A) (4) and Section 3121 (A) (5), which states

Causes for nonissuance, suspension, revocation, or restrictions; fines; reinstatement

A. The board may refuse to issue or may suspend, revoke, or impose probationary or other restrictions on any license issued under this Chapter for any of the following causes:

- ...
- (4) Efforts to deceive or defraud the public.
- (5) Incompetency or gross negligence.

PENALTIES AND RULES OF THE HEARING

Disciplinary action as defined by the Louisiana Auctioneer Licensing Law includes the

following:

- a. Suspension of your license.
- b. Revocation of your license.
- c. Refusal to renew your license.
- d. The imposition of probation or other restrictions on your license.
- e. A fine of \$500.00 for each violation if the violation is found to be true. Each individual act or sale is a separate offense and may result in a fine.

Opportunity shall be afforded to all parties to respond and present evidence on all issues of fact involved and argument on all issues of law and policy involved and to conduct such cross-examination as may be required for a full and true disclosure of the facts. If you wish to avoid having the matter discussed in Executive Session, please notify the Board at least 24 hours prior to the hearing of your desire to have the matter discussed in open session. The Board will consider your request.

A failure to appear may result in the imposition of any of the above disciplinary actions.

The Board does have the power to issue subpoenas on behalf of itself or the licensee. No subpoenas shall be issued until the party who wishes to subpoena the witness first deposits with the Board a sum of money sufficient to pay all fees and expenses to which a witness in a civil case is entitled pursuant to LSA-R.S. 13:3551 and LSA-R.S. 13:3671.

A subpoena issued pursuant to this Section shall be served by any agent of the agency, by the Sheriff, by any other office authorized by law to serve process in the State of Louisiana, by certified mail, return receipt requested, or by any person who is not a party and who is at least 18 years of age. Witnesses subpoenaed to testify before an agency only to an opinion founded on special study or experience in any branch of science, or to make scientific or professional examinations, and to state the results thereof, shall receive such additional compensation from the party who wishes to subpoena such witness as may be fixed by the Board with reference to the value of the time employed and the degree of learning or skill required.

Whenever any person summoned by the Board neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, the agency may apply to the judge of the district court for the district within which the person so summoned resides or is found, for an attachment against him as for a contempt. It shall be the duty of the judge to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, for the arrest of such person, and upon his being brought before him, to proceed to a hearing of the case; and upon such hearing, the judge shall have power to make such order as he shall deem proper, not inconsistent with the law for the punishment of contempt, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

The Board or a subordinate presiding officer or any party to a proceeding before it may take the depositions of witnesses, within or without the state and may conduct discovery in all manners as provided by law in civil actions. Depositions so taken and admissions, responses, and evidence produced pursuant to discovery shall be admissible in any proceeding affected by


the Administrative Procedure Act. The admission of such depositions, admissions, responses, and evidence may be objected to at the time of hearing and may be received in evidence or excluded from the evidence by the agency or presiding officer in accordance with the rules of evidence provided in this Chapter.

All proceedings regarding disciplinary action by the Louisiana Auctioneers Licensing Board shall be subject to the Administrative Procedure Act, LSA-R.S. 49:951 et seq., unless superseded by the provisions of the Louisiana Auctioneer Licensing Law, LSA-R.S. 37:3101 et seq. The licensee does have the right to be represented by counsel in these proceedings, although representation by counsel is not mandatory.

All requests for subpoenas or other matters regarding the above hearing should be made to the Auctioneer Licensing Board at 11736 Newcastle, Building 2, Suite C, Baton Rouge, Louisiana, 70816.

Dated this 15 day of August, 2013, at Baton Rouge, Louisiana.

FOR THE AUCTIONEER
LICENSING BOARD


ANNA E. DOW
ATTORNEY

pc: Betty Story, Complainant
Sandy Edmonds
Lindsey Hunter, Louisiana Attorney General's Office

MARLO SCHMIDT Auctioneer
 LA License #1594
 PHONE 337-463-2200

SOUTHWEST AUCTION & REALTY LLC
 CONSIGNMENT CONTRACT

Page ____ of ____

DATE OCTOBER 21, 2012

SELLER'S NAME: BETTY STORY

STREET ADDRESS: 209 BROAD ST DeRidder, LA 70634

CITY: DERIDDER STATE: LOUISIANA ZIP: 70634

PHONE: 337-462-1241 OR 337-396-4655

CELL # _____ FAX # _____ AUCTION DATE: NOVEMBER 17, 2012

NO.	TITLE	QUANTITY	DESCRIPTION	% BUYERS PREMIUM	% COMMISSION
1.	REAL ESTATE	ONE	209 BROAD ST DeRidder, LA 70634	10%	2.5%
2.	REAL ESTATE	ONE	721 ROBERTS ST DERIDDER LA 70634	10%	2.5%
3.	ESTATE CONTENTS	All	ALL HOUSE HOLD & STORAGE SHED CONTENTS	10%	40%
4.			OWNER RESERVES THE RIGHT TO ACCEPT OR REJECT THE HIGH BID UNDER \$68,000.00 ON BROAD ST.		
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					

I/We hereby commission you to sell the items listed above to the highest bidder by public auction. I/We certify that I/We are owner(s) or have the lawful right to sell the above listed goods, merchandise, and/or property and have good title and the right to sell and that all are free from any and all encumbrances. I/We agree to accept all responsibility for providing merchantable title and for delivery of title to purchaser. I/We agree to hold harmless Southwest Auction Realty LLC, against any claims arising because of any breach of the above certification or failure to convey such good and merchantable title. I/We do hereby agree to indemnify and hold harmless Southwest Auction Realty LLC, to and from any and all liability including but not limited to physical damage or theft of automobiles or merchandise. I/We do hereby agree to indemnify and hold harmless Southwest Auction Realty LLC, or third party whether the liability including but not limited to injury or damages to the Seller or any other party otherwise, and said indemnification includes any damage, whether same be personal injury or property damage to anyone or anything. That consignee also agrees to pay the cost of any attorney fees necessary to enforce this hold harmless and indemnity agreement. I/We agree Southwest Auction Realty LLC will withhold commission and other agreed upon expenses from sales proceeds.

Betty Story
 SELLERS SIGNATURE

 SELLERS SIGNATURE

DATE 10-22-12
Marlo Schmidt 10-22-12
 AUCTION COMPANY REPRESENTATIVE

 DATE

SETTLEMENT MADE