



WOODWORKING EQUIPMENT AND ESTATE PLANNING

Introduction

Very few woodworkers dare to compile a costed list of woodworking equipment, tools and wood! If you do this, you will be greatly surprised by the cumulative cost, especially when expressed in terms of current replacement value! This information is essential for both short-term insurance as well as estate planning.

Recently (May 2020), I was involved with two other colleagues (Honorary Members Willie Marneweck and Louw Trichardt) in the sale of woodworking equipment from the estate of the late Neville Comins. It was thought that it would be useful to provide Association Members with some formal guidance on Woodworking Equipment and Estate Planning. This document will be summarised in Tambotie and also placed in full on the Association's website. The main purpose of this document is to facilitate the future sales process for all Parties.

The document was circulated to members of the Cabinet Making and Restoration Interest Group via WhatsApp and presented at the meeting of 9 October 2021 by the undersigned. The meeting was attended by 21 persons. At the end of the presentation a structured Opinion Survey form was completed by the attendees. A discussion then followed where valuable comments were made. The information gleaned from the Opinion Survey and the subsequent discussion has been integrated into this updated document.

Role of the Woodworking Association of Pretoria

The Association provides a complimentary (free) service to the family of the deceased member in disposing of woodworking tools, equipment and wood by the provision of expertise on the matter and the benefits of direct contact with a large market who is the primary market. Association members benefit by the process that a reasonable determination is made of the value of the items and that members can purchase these at fair prices. In addition, experience has also shown that it gives the bereaved family comfort that the items are going to be well-cherished and used by the new owner. During the discussion at the meeting on 9 October 2021, a few members considered that the Association could either request a donation or levy a modest fee for the service. Most members considered that the service should be free.

Inventory of woodworking equipment and tools

None of us like to contemplate our own mortality, but death is a fact of life! **A written or electronic inventory of equipment is an essential start.** In the case of Neville Comins' estate, I found a detailed list of router bits giving the manufacturer, code number, description and key parameters. This list was most useful and saved a lot of time and effort in preparing the sales list. **I recommend that you prepare the inventory of all of your woodworking equipment (assets) on a spreadsheet or other suitable software such as a data base as it makes for easy addition of values.** Backup of electronic versions should be kept in a safe place. A hard copy of inventory should be stored with your Will and other estate documentation. The inventory should not be an integral part of the official Will and is a separate document. It would probably be advisable to sign it and have it witnessed. The inventory should be updated periodically and especially when new tools are obtained or old ones disposed of.

The **minimum information** which should be included in the inventory is:

- Item description;
- Model number;
- Some key parameters eg kW rating of motor, single/three phase power;
- Date of inventory;
- Sign and have the signature witnessed.

Additional information which is optional and would be most useful is:

- Date (year) of purchase;
- Purchased from;
- Purchase price (historic cost);
- Current condition;
- Special and additional accessories;
- Current (replacement value). Mention the year of the valuation. (This figure is normally the one used for insurance purposes);
- Indication of any items which are bequeathed to specific family members or other persons. You could also consider a bequest to the Association Workshop and Training Centre if it is operational.
- Nomination of any specific person/s (not necessarily members of the Association) that you would like to be involved in the sale process;
- The inventory could include photographs of the item/s;
- Place of storage (cabinet, drawer etc) where item/s is/are stored.

Shopmade jigs

Most of us have developed and built a variety of shop-made jigs, sometimes at considerable cost and effort. I suggest that these items be marked with permanent marker as to their application as well as any specific use instructions. Most of these jigs are machine-specific; mention the machine.

Instruction manuals and brochures

Keep your instruction manuals in an accessible convenient place (in your workshop?) as these should go to the new owner. Some of these instruction manuals are in digital form (DVD's or USB's) and there should be some indication in the workshop where they are located (often with your computer). Neville had all of his instruction manuals in two convenient files in the workshop.

Preparation process for the sale of the equipment and tools

A small team of experienced members from the Association undertakes the following:

- Compilation of the **list of items for sale**. The list will eliminate any items which the family wishes to retain or those where specific bequests have been made. The team should also decide which items are sold individually or in sets or lots;
- Determination of **current replacement value** from sources such as the Internet, catalogues and experience;
- Determination of a **minimum sales price** (reserve price) which will be made known on the sales list. A guideline figure is 40 to 70% of current replacement value depending on type of equipment, age and condition;
- **Close liaison with the family** of the deceased member is an essential issue at various stages of the process such as the list, minimum sale price, timetable, results of the sale and final financial reconciliation;

Sale process

The sale can take various forms and the Covid-19 lockdown required special measures such as the distribution of photographs and online bidding. A phased approach was followed for the sale of woodworking equipment from Neville's estate. The woodworking machinery was first sold off as

time was of the essence as the house had to be vacated as it had been sold. The sale of hand tools and router bits was held back as they required a lengthier time to compile an inventory and to set prices. These items were all transferred to the undersigned's premises in view of the sale of the house. The Sales Process was formalised and included in the information pack to members. The sale process was modified from that for the machinery and a two-stage bidding process was developed which functioned well. This information pack was circulated via the three WhatsApp Groups as well as by email as some members are not on WhatsApp.

Sales Process for the Handtools and Router Bits: Estate Late Neville Comins

<p>1. Items for sale: These are listed in the two lists for handtools and router bits. The items are all of a high quality and have been well cared for by Neville. The minimum sale price is given for each lot (reserve price). Photographs of the items are numbered according to item number. Note that some of the photographs show multiple items as these were reclassified after the photos were taken. Technical detail on the router bits can be sourced on the Internet using the item code eg for Dimar bits. Should there be any queries, please contact Paul Roberts directly on 084 515 2773. Due to lockdown measures, no viewing of the items will be granted.</p>
<p>2. Bidding process: We aim to circulate the information to the membership via the WhatsApp Groups on Wednesday 15 July. WhatsApp bids must be sent <u>directly</u> to Paul Roberts before 17h00 on Wednesday 22 July. The bid must give the item/s number and bid amount for each item as well as your name.</p>
<p>3. Second round: A list of maximum bids for each item will then be circulated and a call for another round of bidding due a week later (specific date will be given in the WhatsApp message).</p>
<p>4. Bids close and awarded: The successful bidder will be informed and provided with payment banking details.</p>
<p>5. Payment: Once payment has been made, the Proof of Payment is to be sent to Paul Roberts at 084 515 2773 or email paul.roberts@worldonline.co.za The Proof of Payment Reference to include your name and item numbers.</p>
<p>6. Collection of item/s: Once payment has been verified, the items can be collected by arrangement with Paul Roberts. Special precautionary measures will have to be instituted in view of the recent change in the lockdown regulations.</p>

Information to members

The information sent to members consists of:

- Sales process with clear timelines;
- List/s of items including minimum (reserve) price;
- Photographs of the items (preferably numbered) as per the list.

An abstract of this information for Neville's Estate for the hand tools is given below as an example.

Handtools: Estate Late Neville Comins		
Item No	Item	Minimum Sale price
1	Veritas Low Angle Block Plane 05P22.01	R1,500
2	Veritas Medium Shoulder Plane	R2,500
3	Stanley No 5 Plane	R800
4	Record No 06 Plane	R1,000
5	Veritas Bevel-up Smoother Plane	R3,000
6	Stanley No 3 Plane	R800
7	Stanley No 4 Plane	R900





Router bits: Estate Late Neville Comins			
<p>Neville had a set of excellent router bits (See photo 33). Most of them are the high quality Dimar router bits. The respective Dimar code is given and a short description of the bit type. For further technical detail go to the Dimar SA webs https://dimar.co.za/14-dimar (Use Hyperlink below) and enter the code in the Search facility. After each search go back to the Dimar Home to resume a new search. The large bits are being sold individually. Some of the cheaper and smaller bits are sold in Groups as indicated in the schedule. Details about Pro-Tech bits can also be obtained from the Internet such as the Vermont website. Google "Pro-Tech Router Bits".</p>			
	Hyperlink	https://dimar.co.za/14-dimar	
Item No	Dimar Code	Item	Min sales price roundoff
Dimar 1/2" Bits			
33.1	1010208	Straight with double bottom bearing	R350
33.2	1490068	Lockmitre	R580
33.3	149004	Lockmitre	R950
33.4	2033387	Hinge boring bit 38 dia	R250
33.5	1180078	Bevel trim	R520
33.6	1075848	Straight	R700



Photograph of the router bits for sale (Individual photographs of each bit were not taken)

Bidding process

Bids are recorded and acknowledged as received. The system developed worked well.

Results of the sale

The outcome of the two-phased sale was most satisfactory as all items were sold quickly. The bidding process for the hand tools, which takes longer, resulted in a 13% increase of revenue over the estimated minimum total sale price. The Comins family expressed their sincere satisfaction with the process and the outcome.

Financial aspects

Sound financial controls are required during the process. **Payments are made directly into a banking account of a family member of the deceased.** Proof of payments are sent to the sales team leader. Collections of items should preferably only be done after clearing the payment through the bank. A list should be signed by the purchaser when collecting the item/s. Final spreadsheet reconciliation is done to ensure that all items sold have been paid for and collected. The final reconciliation is provided to the deceased member's family.

Results of the Opinion Survey

The Opinion Survey revealed the following conclusions from the overwhelming majority of respondents:

- All supported the guideline;
- Most respondents undertook to prepare an inventory of woodworking equipment within a year;
- Most respondents would prefer an auction process.

SUMMARY: WOODWORKING EQUIPMENT AND ESTATE PLANNING

- 1. Compile an inventory of your woodworking equipment (machines, hand tools, accessories, wood etc). Store a signed and witnessed copy of the inventory with your Will.**
- 2. Indicate if there are any special bequests to individual persons/organisations.**
- 3. Ensure that manuals and brochures are readily accessible.**
- 4. Family of the deceased to approach the Woodworking Association of Pretoria regarding the sale of these woodworking assets and agree on the process, timelines and other detail.**
- 5. The Association should preferably request a small group of experienced members to deal with the matter.**
- 6. Close liaison is required at all stages with the family.**
- 7. The team should prepare the following and clear it with the family:**
 - **Compile the list of items for sale.**
 - **Determine current replacement value**
 - **Determine a minimum sales price (reserve price)**
 - **Determine the sale process.**
- 8. Organise the sale, either online or in person depending on conditions.**
- 9. Maintain a financial record of all sales and payments and undertake a reconciliation at the end of the process. Payments are made directly to the family and not the Association.**
- 10. Provide the family with a final sales and revenue record.**

Compiled by Paul Roberts

Honorary Member: Woodworking Association of Pretoria

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