

An Investment in History:

THE F. TODD WARNER AUCTION



TOM PAMPERIN

by Tom Pamperin

F Todd Warner never had a chance. When I call Mahogany Bay Boats to talk to him about an upcoming auction to sell off most of his collection, that's almost the first thing he tells me. Considering his pedigree, it's exactly what I was expecting to hear. In the 1930s, Warner's grandfather, Harold Warner, reached 60 mph racing Rameley boats on Lake Minnetonka. In 1974, his father, Frank Warner, was named the "King of Antique Boat Collectors" by *Antique Boating* magazine. It's no surprise that Warner was hooked at an early age. "Yeah, it's tough when they pick on a defenseless five-year-old, expose you to all these great boats," he says. "There's no escape after that."

Warner isn't looking for an escape route now, though. He was 21 when he started his first boat restoration business in 1974, he's been in business one way or another ever since, and he intends to stay in business. That's part of what the auction is all about. But his intentions go beyond mere survival; his goals are bigger than that, more encompassing, even visionary. For Warner, the auction is an attempt to create a stronger market for classic wooden powerboats, one that can match the prices brought by vintage automobiles. "This is the foundation," Todd tells me, "the beginning of

classic wooden boats. We're going to have an auction every year for the next ten years. We're going to create liquidity in a market where there has been none." Most high-end vintage boat sales have been handled privately until now, Warner explains; there has been little public awareness of the value classic boats offer. He hopes the coming auction (scheduled for Saturday, October 16, 2010) will go a long way toward changing that situation.

Mahogany Bay Boats, Warner's company, is located just west of the Twin Cities in Mound, Minnesota, a relatively affluent suburb tucked into a landscape of forested hills surrounded by an intricate web of northwoods lakes. I've arranged to meet Warner there so he can take me over to the auction site and show me around. It's an elegant place, Mahogany Bay: a facade with a cedar-shake gable, a strip-planked door with a 10" brass cleat for a handle, a row of vintage outboard motors displayed in the window, and a tall shelf of boating books and historical documents along one wall. The center of attention on the showroom floor is a 1949 Chris-Craft 25' Sportsman, all rich mahogany, leather upholstery, and gleaming chrome.

Above— After amassing an extraordinary collection of classic boats and equipment, F. Todd Warner (inset) sold most of it off in October 2010 in an enormous auction hall in Winsted, Minnesota.



GERRY LO, a 30' triple-cockpit runabout, had a single owner from 1929 until 1992. Built at the Joseph Dingle Boat Works in St. Paul, Minnesota, she underwent an extensive reconstruction and repowering in a 1993–94 project at Warner's Mahogany Bay Boat.

There's a restrained hush to it all, the air of a place where, if you have to ask about prices, you probably shouldn't bother.

The Mahogany Bay staff is small but efficient, busily answering phones and making event preparations. With the auction less than a week away, it is no simple task to arrange the space, transportation, and logistics needed to sell 126 boats in a single day. I find a moment between phone calls to tell someone I'm here to meet Warner.

"Never heard of him," the man says. He's joking, of course; everyone knows something about F. Todd Warner these days. In less than a week, the biggest collection of classic wooden boats ever owned by a single person will be sold, piece by piece, at buyers' prices—not a single item in the catalog has a minimum bid requirement. The strategy is a gamble, but Warner has turned the risk to his advantage; he's looking for, and getting, plenty of attention. Local papers. The Associated Press. ESPN, even. From where I'm standing, I can see him in his glass-walled office just off the showroom, still on the phone answering questions from callers. "At least 90,000 sq ft," I hear him say, describing the auction site to someone.

When he finishes his call, Warner comes out to meet me. After a few more instructions to his staff—life for Warner is a constant juggling of details and delegation—we're off to the auction site, a warehouse in nearby Winsted, Minnesota.

Warner drives with the easy nonchalance of a man used to handling a phone and a car at the same time. He steers one-handed, left wrist draped over the top of the steering wheel, phone in his right hand, rattling off long lists of facts, answering a continuous barrage of calls, working angles, making connections. Between calls he tells me everything he can think of about the development and evolution of classic wooden powerboats. The sudden explosion of powerboat activity brought on by the availability of surplus WWI aircraft engines at cheap prices. The Prohibition-era Detroit bootleggers' fondness for running booze across the border in fast boats. Horace Dodge. Garfield Arthur Wood. John Ludwig Hacker. Warner's knowledge of vintage boats goes beyond extensive; watching me try to record his running commentary in my pocket-sized memo book, he shakes his head. "Boy, you need a bigger tablet," he says.

I get a short break as Warner takes yet another phone call. "We got big numbers on the last one," he tells the caller, talking about an earlier boat sale. "It went well into seven figures. Will that ever happen again? I don't know."

The conversation moves on to Warner's own boat, HARRIET, which is listed as Lot 148 in the upcoming auction, scheduled for Saturday, October 16, 2010. "I was told it was a \$6,000 boat in 1909," Todd says. Pause. "I have." Pause. "I have no idea what's going to happen with this boat."



COURTESY MECUM AUCTIONS

Bygone Era:

WOODEN BOAT BUILDERS OF MINNESOTA AND WISCONSIN

Todd Warner's auction catalog reads like a who's who of wooden boat builders from the upper Midwest, with a special focus on Minnesota and Wisconsin. It's an elegy of unexpected proportions for a world where what you bought was built by hand, locally, the work of skilled craftsmen whose names you had the chance to learn.

"There's nothing that even pays any attention to that," Warner says. Now, in some small way at least, there is. The Minnesota and Wisconsin builders represented are:

- Dan Kidney & Sons, West DePere, Wisconsin
- Dunphy Boat Company, Oshkosh, Wisconsin
- Joseph Dingle Boatworks, St. Paul, Minnesota
- Moore Boat Works, Wayzata, Minnesota
- Pabst Boats, La Crosse, Wisconsin
- Sunflower Craft, Tomahawk, Wisconsin
- Thompson Brothers Boat Manufacturing Company, Peshtigo, Wisconsin
- Wise & Sons, Wayzata, Minnesota

The entire Warner auction catalog, with pictures and descriptions of all the auction boats, can still be found online (as of this writing in late October) at www.mecum.com/pdf/brochures/warner_catalog.PDF.

—TP

With boats such as his personal launch, HARRIET, completed in 1909 at Moore Boat Works in Wayzata, Minnesota, Warner followed his father and grandfather in his passion for classic boats, with an emphasis on those with Minnesota and Wisconsin connections.

Warner's collection is especially strong on boats built in Minnesota and Wisconsin (see sidebar, page 70), and HARRIET is a perfect example, a 36' glass-windowed launch similar to the seven-figure boat Warner mentioned earlier. Built in 1909 by Moore Boat Works of Wayzata, Minnesota, HARRIET is the only Moore boat still known to exist. It's in near-original condition, with the original leaded windows, original galley, original head, even original brass rails and hardware. And in five days it's going on the block at a no-reserve auction.

"How does that feel?" I ask.

"I'm just hoping we did a good enough job letting people know about this," Warner replies.

The auction site. Ninety thousand square feet of boats waiting for buyers. "There's the history of motor boating in America," Warner says, sweeping his arm past a double row of boats. "Look there: 1892, 1915, then the 1920s, the 1930s, the 1940s, to the 1950s." He leads me through the warehouse room by room, boat by boat, stopping occasionally to remind the staff about last-minute chores: a windshield to install, a piece of hardware that's been attached backwards.

"Every boat has a story," Warner continues. We're walking past row after row of boats, and Warner isn't generalizing; he actually *knows* the stories—all of them. He points out a 22' Chris-Craft triple-cockpit runabout. "This boat has the original 1937 finish," he says. "I'm the second owner. Look at that finish, that's how they were delivered from the Chris-Craft factory." He runs his hand along the hull. "There are only four of these left in the world."

We move on into another room. "You're looking at the only three Dodge Watercars [in private hands] in this room," Warner says. "If these were three Ferraris, they'd be \$3 million."

For many years, Warner collected not only boats but also equipment, including a room full of marine engines.

Another room, another story: a canoe-sterned launch built in 1903 by Dan Kidney & Sons. This boat spent 50 years in a barn before it was rediscovered in 2003, Warner tells me; a barn find, the Holy Grail of classic-boat restoration. Despite its age, the carvel-planked hull looks tight. “There’s five of these in the world,” he adds as we move on.

We walk past a room filled with parts and engines, steering wheels, gauges, and hardware piled on separate pallets, and Warner stops briefly at one pallet to dig through the pile. “I was looking for the right fuel gauge for a Hacker-Craft,” he says. “I’m still trying to pluck and pick a few pieces.” Warner doesn’t just know boats; he recognizes separate instruments and bits of hardware, and can match them—on sight—to a specific make and model.

He points to another pallet as we were leaving the room. “Here’s some Dodge windshields,” he says. Back in the 1960s, when Warner and his father were collecting together, vintage boats were worth so little that people were burning them behind marinas to save the trouble of storing them—a preservationist’s nightmare. Warner spent a lot of time on the road, looking for boats to save. “I heard you’ve got a Dodge,” he told a potential seller on one early-1970s salvage expedition. Without a word, the man pointed to a smoldering pile of Dodge hull parts on the lawn beside him. They did manage to save the windshield.

Boat after boat, story after story. Todd’s collection is so big that the huge covered auction space can’t contain them all. Half a dozen rows of boats are parked outside. We inspect these, too. Warner climbs into the cockpit of a 28’ Chris-Craft Clipper Sportsman and starts handing things down, clearing some of the clutter. “Look at



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this,” he says. “These are original Chris-Craft cushions with the tags still on them. Orange and silver. I think that was ‘58.”

“Is there a boat here I could point to that you don’t know about?” I ask.

Warner stops to think. “No. Not really.” He climbs down, gives a few more directions to the staff, and finally loses momentum for a moment. Hands on his hips, he scans the auction site, row after row of boats lined up alongside the warehouse.

“It’ll be interesting to see how this goes,” he says.

Auction day. The site is so busy I have to park on the street three blocks away. The display rooms are crowded with spectators, the main hall filled with bidders and alive with echoing voices. As each boat comes up for sale, photos and current bids appear on large projection screens at the front of the room. The auctioneer rattles off a ceaseless patter of unintelligible phrases, all rhythm and inflection, and the tightly choreographed floor crew circles the bidders like sharks, soliciting bids and sending signals and shouts back to the front table, blazing through lot after lot, spending

iSUGAR LADY is No. 10 of 62 27’ Custom Runabouts that Chris-Craft built over the course of a decade. She was launched in 1932 and restored by Morin Boats in the 1980s.



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A BOOM IN POSTWAR BOATS

“Wake-up call. I think it’s a wake-up call,” Todd Warner says, speaking of the higher-than-expected prices that post-World War II boats brought at the auction of his collection, generating a healthy chunk of the \$4 million gross. High enough to balance out some of the disappointments, like HARRIET, which sold for \$130,000, well under the seven figures Warner might have been hoping for. But Warner isn’t thinking about HARRIET, he’s thinking about the responsibility he feels toward these boats. “Did we teach the skills, did we teach the attitude?” he asks. “A lot of people dress up the past. It’s harder, and takes more discipline, to be a restorationist.”

“I don’t think anything embodies American craftsmanship like the classic boats of the ’20s, ’30s, ’40s, ’50s, and ’60s,” he says. “To me, this is the rarest American art form. This is not just boats, it’s floating sculpture.” And if the increased interest in post-war boats continues in the wake of the auction—if buyers are starting to agree that boats from the ’50s and ’60s belong in the category of floating sculpture—it could mean a real expansion of the marketplace, along with an increase in boat value, exactly what Warner was hoping to accomplish. “There’s a finite supply and increasing demand,” he points out.

“Considerably more than expected,” Mecum Auctions spokesman Scott Ales says about the interest in postwar boats. Mecum, long a major influence in the world of classic automobile sales, has been rapidly



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This 29’ Sportsman Utility from 1955 is one of only two Chris-Crafts of this type known to exist. Collectors are finding an upswing in interest in such post-World War II boats.

increasing its interest in handling vintage wooden boat sales. “Fifties and ’60s cars are hot,” Ales said. “We’ll continue to see an interest in 1950s to 1960s boats.”

Still, there’s a long way to go before boats are bringing the prices that vintage car enthusiasts are willing to pay. In 2009, Mecum Auctions sold a 1965 Shelby Daytona Cobra Coupe they named “American racing’s crown jewel,” for \$7.25 million, putting the Warner boat auction’s highest winning bid of \$285,000 into perspective. Even so, Warner isn’t giving up on wooden boats. “I’ve never seen a better investment in our history,” he says. “When I go to a marina and all the boats look the same, except for a red stripe on this one and a blue stripe on that one, and they’re all fiberglass—I think wood boats keep us tied to that past, to that history. It’s really the warp and weft of all those stories. Everybody’s got a boat story. I went fishing with Grandpa. I went sailing. They highlight some of the best times of our lives.” —TP

no more than a minute or two per sale. I’m watching from a platform set up alongside GERRY LO, one of the auction’s biggest stars, a 30’ triple-cockpit runabout built in 1929 by Joseph Dingle Boat Works of St. Paul.

Onstage, the auctioneer calls, “Sold!” and gavels the podium. A final price appears on the screen: we’ve just watched a 1930 Chris-Craft V-8 engine sell for \$21,000. The man next to me—he’s wearing a Dale Earnhardt, Jr. T-shirt and an O’Reilly Parts & Service cap—shakes his head. “And they say this country is in a recession,” he says.

Pure irony, of course; without the recession the auction might never have happened in the first place. “This is because the banks are closed in America,” Warner explains. “There’s no asset-based lending anymore.” Which puts Warner in the paradoxical position of trying to expand a market that relies heavily on exclusivity for value. And despite Warner’s best efforts, it looks like the guy in the Dale Earnhardt, Jr. T-shirt won’t be buying any boats.

“Look at this thing,” he says, pointing to GERRY LO. “The garages they have today, you couldn’t even fit this inside.”

I move through the displays, returning to the main room just in time to catch the bidding on GERRY LO, which is arguably the most famous boat in the auction. SUGAR LADY, another contender for that title, has already sold for \$275,000; it’ll be interesting to see what GERRY LO brings in.

GERRY LO’s dark-stained Honduras mahogany hull is flawless and pristine, thanks to Warner’s 1993–94 restoration. She was originally planked conventionally with a batten backing up each seam, and her all-Monel fastenings were still in perfect condition after more than 60 years. Still, after careful consideration, Warner replaced her bottom with a six-layer lamination of wood and Kevlar. “It’s literally and scientifically a bulletproof bottom,” Warner says, and one that he sees as very much in the spirit of the original. “This boat was so overbuilt compared to all the rest,” he explains.

Although not a restoration in the truest sense of the term, Warner feels the changes were justified. Not only does GERRY LO have to survive as a show boat these days, spending most of life out of water, but a new 650-hp Rolls-Royce Meteor V-12 engine replaced her original Curtis V-12, adding 200 hp—and a lot of

With an excellent selection of boats to choose from and no reserve, many decided it was time to buy. Steve and Beth Wozniak, for example, purchased WHITE CAP, a 1927 Dart 26' Runabout, one of the few surviving boats built by the Indian Lake Boat Company of Lima, Ohio.



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weight—compared to the original construction. Including her new engine, GERRY LO weighs in at 7,000 lbs. And although the hull is no longer completely original, she's still a stunning boat.

The auction catalog calls GERRY LO “the crown jewel of the Warner Collection,” which means the price it brings will go a long way toward determining the success of Warner’s efforts to increase the market value of classic boats. And once the bidding starts, it goes quickly. There’s a sudden ricochet of competing offers, and before I can even pull out my notebook to record them, the price on the screen reads \$275,000, then \$285,000. In a few minutes it’s over: sold, to Lee R. Anderson, for \$285,000. “Ladies and gentlemen, give him a hand,” the auctioneer calls, and the crowd applauds obediently.

In the end, ten boats sell for \$100,000 or more. GERRY LO’s winning bid, which remains the highest in the entire auction, is four times what I paid for my house; I won’t be taking any boats home today, either. I’ve had the wrong idea of what a boat is. According to this crowd—I hear it again and again—a boat of this type is a secure investment. “If you had \$100,000 in the bank this year, not earning interest, it’s now worth \$60,000,” Arizona resident Donald Kehr tells me. After his winning bid, he’s taking home Lot 124, a 28’ Sea Lyon triple-cockpit runabout—one of only four known to exist—because rarity has durable value. “These things are rare beyond rare,” Kehr tells me. “It’s like buying gold or silver.”

Kathy LaPointe, who has bought five boats at the auction, agrees. Her husband runs Mitch LaPointe’s Classic Boat & Motor in nearby Spring Park, Minnesota—a “hobby gone astray,” she calls it—and they’ve been hearing the same kinds of comments from their customers. “I don’t know if they want to make a killing on it, but boats feel safe,” she says. “You know, the stock market’s been up and down.”

LaPointe has noticed something else, too: a shift from blue collars to white in the world of vintage wooden powerboat buyers. “The customers were cabinet makers and mechanics,” she says of the wooden boat restoration business in the early 1980s, when she and Mitch were getting started. “It used to be 90

percent were do-it-yourselfers. Now it’s mostly business people. Or doctors. The people who can afford to pay more kind of crowd out the other guys—which is sad.”

Still, plenty of buyers are going home with boats they have picked up for less than \$1,000. The lone sailboat—a beautiful Melges C-scow believed to be the last wooden hull built by the company—has gone for \$900. Several duck boats and rowboats have sold for a few hundred dollars each. And even among the mid-range spenders, not everyone was thinking of a boat as an investment first. Steve and Beth Wozniak are taking home a 26’ Dart runabout built in 1927. When I ask Wozniak if he sees their purchase as an investment, he laughs. “This is about as far away from an investment as you can get. This is a boat to really enjoy. Next spring it’ll be getting wet.”

I can’t help thinking that F. Todd Warner would be pleased. 

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For some, the wealth of original fittings and equipment from a variety of periods—like these steering wheels—were the auction’s main attraction.