



JOHNSON BACHMAN / TRIBUNE STAFF PHOTOGRAPHER

Potential bidders look over tools and machines Tuesday at S.J. Bailey & Sons, a former furniture manufacturer in Car-

bondale. The auction was staged to pay some of the bankrupt company's millions of dollars in debt.

S.J. Bailey going once, twice . . .

Furniture maker's contents sold to highest bidders

By Stephen Daily
TRIBUNE STAFF WRITER

CARBONDALE — Nearly 100 years' worth of furniture-making equipment and machinery was auctioned off Tuesday after Carbondale-based S.J. Bailey & Sons was unable to stay afloat.

The business, which produced furniture under the Mastercraft label and was at one time among the largest furniture makers in Northeastern Pennsylvania, looked more like a flea market Tuesday. Items ranging from a couple of nails to a massive 4,000-cubic-foot sawdust bin were sold to recoup money owed creditors.

"We came here to watch the Titanic go down," said Guenter Metz, a 28-year employee of S.J. Bailey & Sons.

Mr. Metz was among a handful of former employees at the auction who saw the event as an end to decades of industrial creativity and strength.

"It's pretty sad. Sometimes you wonder why it happened," said Ron Fullem, a maintenance foreman for 25 years.

But others took the opportunity to get a great deal.

What it's worth

The merchandise auctioned Tuesday at S.J. Bailey & Sons plant in Carbondale was assessed at \$3 million by Certified Industrial Auctioneers of Richboro, the company handling the sale. S.J. Bailey filed for Chapter 11 bankruptcy in May and laid off its remaining employees in October.

The money will be used to

pay back more than 100 creditors. The largest is PNC Bank, which is owed more than \$8 million, according to records.

The auction started at 10 a.m. and continued late into the night. Among the auction items were: drills, grinders, clamps, rotary compressors and a wood waste bagging machine.

Dwight Kratzer and his 13-year-old son, Dwight, traveled from Millersburg, Ohio, just south of Canton. Mr. Kratzer was waiting to bid on a double-sided tenoner saw to help cut lumber for his company, Walnut Creek Planing.

"A new saw would cost anywhere from \$25,000 to \$50,000. I bought one last week at an auction for \$2,500. I'm hoping to get one today for \$5,000 or less," Mr. Kratzer said.

Gordon McDonald and his wife, Joan, came in from Big Island, Hawaii, to attend the auction. Mr. McDonald dished out

\$140 for six walking step ladders but was waiting to bid on a CNC router for his furniture parts manufacturing business in Bitterford, Maine.

"I bought one new last year for \$134,000 but I'm paying no more than \$10,000 for one today," he said.

In all, a couple hundred buyers attended the auction. Among the early bargains: Two wheelbarrows for just \$30; pneumatic screw guns for \$150, and a portable pipe vise and pipe threader for \$600.

Earlier this month, the U.S. Trustee Roberta A. DeAngelis

asked the court to convert the proceedings from Chapter 11 to Chapter 7, a shift from reorganization to liquidation — a move that came after Bailey failed to pay its quarterly bankruptcy fees and file monthly financial reports. Bankruptcy court will hear proceedings on March 4.

S.J. Bailey & Sons lists about \$11.9 million in total assets and \$12.5 million in liabilities, according to bankruptcy court records.

Century-old Bailey relocated to the Carbondale Industrial Park in Fell Township in 1999 after closing plants in Honesdale and Walton, N.Y.

Doug and Melinda Davis traveled from Council, Idaho, to find some missing pieces for his company, Western Timber Products Inc., which remanufactures lumber for wall paneling and decks. The Davises were looking to spend big at the auction, interested in bidding on moulders, moulder heads, a fire protection system, and a sawdust bagging system — a bill that could be six figures.

"It's worth the trip for us. I built both of our plants from buying material at auctions," Mr. Davis said.