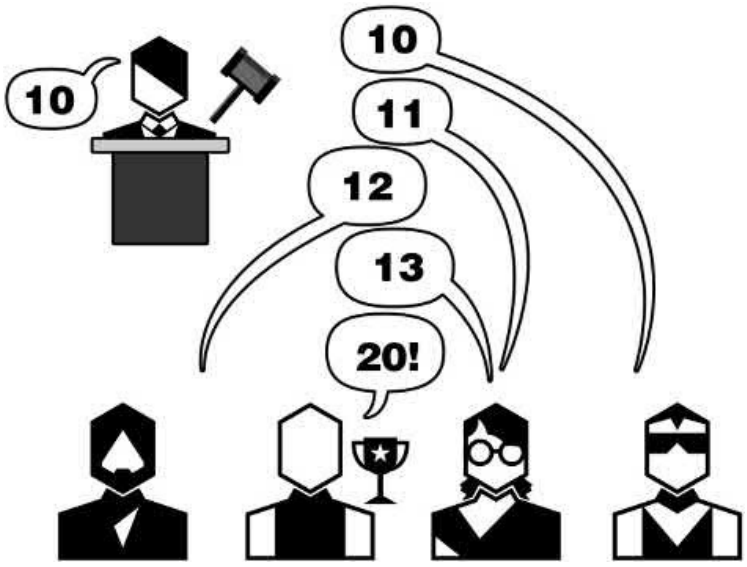
AUC-02 English Auction



Description

An auctioneer asks for bids of a certain amount and players indicate their willingness to bid at that amount, usually by holding up a hand or paddle, or by calling out. Players are permitted to adjust the increment of the bid, usually by shouting out their actual bid, though this is done infrequently, and usually either to indicate a smaller increment than the auctioneer requests or a much larger one. When a certain amount of time elapses with no increases, or it is clear that no one wishes to raise the current bid, the auctioneer declares that the high bidder is the winner.

Discussion

The English Auction is probably what most people think of when they hear the word "auction." The auctioneer, at the front of the room, speaking in a too-fast-to-follow cadence while various bidders use paddles to signal their intent to bid in ever-increasing amounts until, at last, the "going, going, gone!" is sounded and the winning bid is declared.

The primary differences between an English and an Open Auction are in their governance. An English Auction employs an auctioneer to recognize bidders, to determine which bids are valid, who the current winning bid is, and what is the appropriate bid increment to maximize the settlement price

of the auction, while also bringing the auction to a swift conclusion. The compensation of auctioneers in the real world suggests that these skills are non-trivial and that better auctioneers execute better auctions, which produce higher prices for sellers.

For designers, the need for an auctioneer can make English Auctions less appealing, even though the benefits they provide in terms of certainty, fairness, and speed are substantial. Fortunately, designers can turn to a variety of similar auctions that capture those benefits without requiring mediation—including auctions in which the auctioneer may bid. We'll look at those in the next sections.

An overlooked feature of English Auctions is that the price of the auction moves against the preferences of the bidders—that is, it goes up. While that's what most of us think of when we think of auctions, there are auctions in which the price moves the other way, starting at some high number and then moving down. See Dutch Auction (AUC-08) as an example.

English Auctions are dynamic and dramatic, but they share the core of the Open Auction in that they reveal a lot of information to the bidders about one another, and they have a weakly dominant strategy of simply staying in the bidding until your value is reached.

There are some other strategies that bidders employ though, whose effects are primarily psychological. Players might make a large jump in bid increment to intimidate other bidders, or they might leave their paddle in the air (aka "lighthouse bidding") to show they're in for the long haul. Bidding quickly and crisply is another way to demonstrate an intention to stay in the bidding for a while. These strategies may have the desired effect of driving other players off, but they can also inadvertently raise prices beyond what was necessary to win the auction. Finally, a player may make a bid that is larger than her own value for the lot in order to inflate the final settlement price of the auction. This move can backfire, however, if no other bidder raises the bid further.

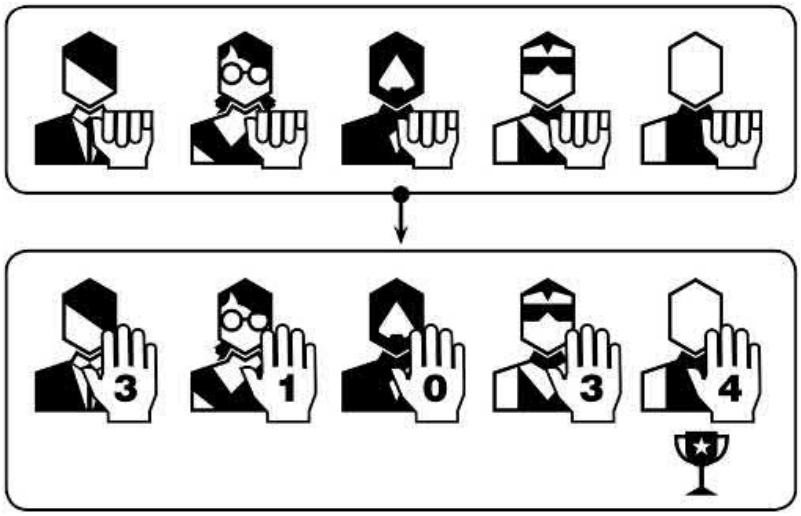
An important aspect of English Auctions, and auctions with auctioneers more generally, is to whom the closing price is paid. In some auctions, rather than paying the bank, the player who chooses the item up for bid receives payment, unless they are the winner of the item, in which case payment is made to the bank. In practice, the result of this mechanism, which is featured in *Modern Art*, is that the auctioneer player, the one who put the item up for bid, very rarely purchases it, because effectively, they pay double: the cost of the item and the forgone gains from letting someone else win it and collecting the payment. Thus, effectively, the player who puts the item up for bid plays as the auctioneer, rather than an active bidder, for the duration of that auction.

The dynamic and engaging nature of English Auctions is exciting, but designers will typically have to turn to another mechanism for implementation at the table in games where the auction is not the centerpiece.

Sample Games

Chicago Express (Wu, 2007)
Modern Art (Knizia, 1992)

AUC-04 Sealed-Bid Auction



Description

Players secretly make a bid. All bids are revealed simultaneously, and the high bidder wins.

Discussion

Sealed-Bid Auctions, also called Blind-Bid Auctions, compress all the excitement of an auction into one tense bidding decision, followed by a big reveal. Designers favor them for these features and for their speed. In games in which an auction is one subsystem in a larger game, or in which there are many sequential auctions, a single sealed-bid system is perfect for moving the game along. A good example of this is the *Game of Thrones* board game, in which players run a gauntlet of three auctions in a row every few rounds. The consecutive auctions allocate special abilities among the players and thus must be quick and decisive, as the rest of the game involves intricate and time-consuming planning, negotiations, and troop movements.

Sealed-Bid Auctions sacrifice some of the informational value of other iterative bid systems. Players who assess correctly that they will not be the winners of an auction will often bid nothing, or perhaps a token amount, to deny other players knowledge of their true valuation. This may be a feature or a bug, depending on the intent of the designer and the needs of the design, but is worth keeping in mind when employing this mechanism.

Sealed-bid systems typically require some type of tiebreaker, since nothing stops players from bidding the same amount. Various tie-breaking methods exist. In the aforementioned *A Game of Thrones*, one of the abilities that players bid on is tie-breaking—an ability one of the player factions starts the game with. Other common tiebreakers include turn order or reverse order of the current score (a kind of catch-up mechanism). Some games feature rebidding by the tied players, like *Spartacus: A Game of Blood and Treachery* and *Container*. *Fist of Dragonstones* breaks ties through a rebid with a special currency that is only used for that purpose. This approach is decisive, but it lengthens the bidding process that sealed bidding is meant to curtail.

An ergonomic consideration for sealed bidding is the componentry used for currency. The easiest way to do sealed bidding is by placing currency in a closed fist. Designers should carefully consider the size and material for the currency to ensure that bids fit comfortably in most hands, that tokens are easy to stack and pick up, and that they are at least somewhat resistant to the palm-sweat these auctions engender. Other approaches to sealed bids include using a dial to set a value, as in *Dune*, setting a die to a value, as in *Tiny Epic Kingdoms*, or placing bids behind a screen, as in *Modern Art*.

Sealed-Bid Auctions are often used for combat resolution. In both *Dune* and *Tiny Epic Kingdoms*, players bid military strength, which might be further modified by other effects, to determine the victor of a military encounter. *Scythe* offers a similar auction, but players bid a resource to power their mechs rather than bidding actual troops.

Sealed bidding, more than any other type of bidding, may require losers to pay their bids (sometimes referred to as an "all-pay" auction). This has stronger thematic consonance when the bids represent a battle, rather than the purchase of goods. The lost bids make sense when they represent battle losses, but they make less sense when the bids are surrendered but no goods are acquired in return. All-pay auctions are used in game theory to model, among other things, elections and political contests, which perhaps makes them more fitting for use in the *Game of Thrones* board game. There is a lot of design space available in all-pay auctions, though players often express strongly negative reactions to these auctions, so proceed with care. Note that variants like loser-pays-half, as in *For Sale* (which is a turn-order auction, not a blind bid), can help remove some of the stings, while incentivizing higher bids, ironically.

Sealed bids are also used in unlimited bidding, which is an unusual mechanism that allows players to bid any amount they wish. For example, in *QE*, players can write in a bid of any amount, so long as it fits on their bidding placard. Players do not have a store of money of any kind, since they represent sovereign nations

that can print any amount of money. *Magic Money* takes a similar approach, with players in the roles of wizards, who can conjure however much money they desire. In both games, the player who spends the most money, in total, over the course of the game, is eliminated, regardless of how many points they may have earned from winning the lots up for auction throughout the game.

The best-known unlimited bidding games use modified sealed bids. In both *QE* and *Magic Money*, the opening bid is revealed to all players, but only the auctioneer sees the remaining bids. In *Magic Money*, that player reveals the winning amount to everyone, but in *QE*, the auctioneer only reveals the winning bidder, but not the value of their bid.

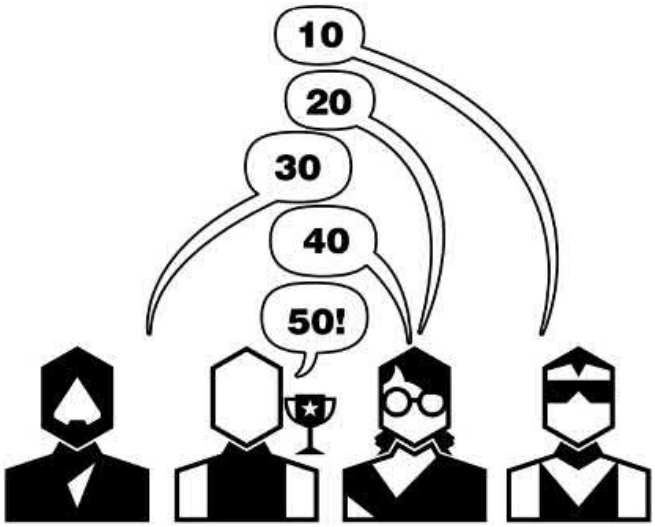
The mix of hidden information and elimination of the player who spent the most money leads unlimited bidding games to feel less like an auction and more like a bluffing game. Auctions generally call for tightly evaluating values and costs, but unlimited auctions reward players who correctly assess when they have won enough lots that they can break off and not pursue an ever-rising spiral of bid prices.

Unlimited bidding games appear to be mechanically fragile, and they operate as a social experiment as much as they do as a competitive game. While it is easy to be enamored of their central conceit of unlimited bidding, it may be that the more durable and useful innovation is in dispensing with the final revelation of all the bids. Auctions are excellent at price discovery, but uneven distribution of bidding information is an interesting way to limit that price discovery so that future auctions retain more tension and mystery.

Sample Games

Container (Delonge and Ewert, 2007)
Dune (Eberle, Kittredge, and Olatka, 1979)
Fiji (Friese, 2006)
Fist of Dragonstones (Faidutti and Schacht, 2002)
For Sale (Dorra, 1997)
A Game of Thrones (Petersen and Wilson, 2003)
Magic Money (Hiwiller, 2020)
Modern Art (Knizia, 1992)
QE (Birnbaum, 2019)
Scythe (Stegmaier, 2016)
Spartacus: A Game of Blood and Treachery (Dill, Kovaleski, and Sweigart, 2012)
Tiny Epic Kingdoms (Almes, 2014)

AUC-06 Constrained Bidding



Description

This is a meta-mechanism that can modify other auction techniques. Players may not bid any number that they wish. They may only bid based on increments and/or combinations of certain resources.

Discussion

The greatest drawback of auctions as a game design mechanism is their length. The second-biggest defect is that it is difficult for players to make small distinctions in the value of the lots up for bid. Is some collection of goods worth 13? 14? 15? At small increments, it can be very challenging to make a determination.

Constrained Bidding offers a cure to both of these defects. Since there are fewer valid bids, and the increment required to raise the bid is higher, auctions come to a close more quickly. Players are rarely faced with the decision to increase their bid by one or two units, and the larger required increments make it easier for players to value the lots up for bid.

One of the effects of Constrained Bidding is a reduction in the uncertainty of auction outcomes. It is easier for players to predict which other players might be interested in a lot and how they'll bid. Some games will have bidding tokens be hidden information to retain some of the tension in the auction (Illustration 8.1).

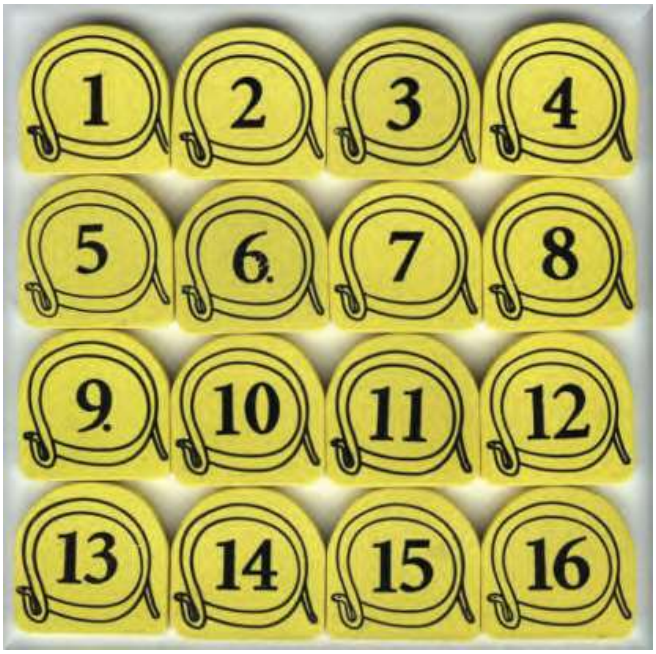


Illustration 8.1 In *Ra*, players have a subset of these bidding tokens, either three or four depending on player count. Any bid they make must be a single bidding token. Photo by Board Game Geek user kevintlee.

Constrained Bidding is a favorite for designer Reiner Knizia, appearing in *Ra*, *Amun-Re*, and *High Society*. Yet it hasn't caught on as a generally popular auction mechanism, and designers should be aware of some substantial drawbacks to it.

For one, Constrained Bidding, aside from the basic constraint of some minimum bid increment, is an especially artificial device. The need to raise a bid by a specific amount or to bid only the amounts on the bidding tokens you hold does not typically have any thematic justification. It is hard to imagine a real-world auction that would use this kind of mechanism.

Constrained Bidding also introduces a challenge in redistributing the used bidding tokens. In most auction games, the money system is either closed or based on some economy that enables you to buy and sell the goods up for auction. But in a fixed token system, all the advantages those fixed increments grant to speed of auction come at the cost of their non-liquidity. Put simply, you can't make change! Designers need to carefully consider both the balance of initial apportionment of bid tokens and how they come back to their owners after use.

One area in which there is still considerable design space is multiuse bidding counters. Will you use a powerful card as currency to bid in an auction?

Or will you save its power for use in another aspect of the game? One might see *Twilight Struggle* (and many other area majority games) as a series of simultaneous auctions, with the multiuse cards representing a kind of fixed bid. Admittedly, in *Twilight Struggle*, the cards, when used as action points, are more liquid than a true Constrained Bid Auction, but it is in the same family.

Indeed, there is an entire category of games that are based on bidding cards with multiple uses, often with players having duplicate decks. *Libertalia* and *Eggs & Empire* come to mind immediately. The cards can be seen as a kind of Constrained Bidding token, and players typically have to use each card once before being allowed to pick up the discards. What distinguishes these games from true auctions is twofold. First, the games do not always have an actual lot up for bid. The revealed cards may interact with a pot of gold, for example, but they do not represent contingent offers to purchase some lot as in most auctions. Second, even when a lot or lots do exist, like in *Eggs & Empire*, winning the auction does not necessarily lead to winning the lot. More generically, the player with the highest bid does not necessarily win the auction. Typically, in these games, in addition to the currency value on the card, there are some additional effects and interactions that can impact the auction's outcomes dramatically. Nevertheless, these games merit a mention here as they are a means of using the Constrained Bid structure in an engaging and more thematically resonant way.

Sample Games

Amun-Re (Knizia, 2003)
Cyclades (Cathala and Maublanc, 2009)
Eggs & Empire (Pinchback and Riddle, 2014)
High Society (Knizia, 1995)
Libertalia (Mori, 2012)
Ra (Knizia, 1999)
Stockpile (Sobol and Orden, 2015)
Twilight Struggle (Gupta and Matthews, 2005)

AUC-07 Once-Around Auction

Description

The players each have one opportunity to bid, either passing or raising the prior bidder. The order of bids is determined by one of the Turn Order structures. After the last player has the opportunity to bid, the high bidder wins.

Discussion

The Once-Around Auction structure takes a straightforward approach to shortening auctions by simply collapsing the whole auction into one round. This works very well for speeding the auction, but it does have disparate impacts on players depending on their position in the turn order. The first player is faced with the substantial challenge of making a bid without any other information. Their bid will set the market and is vulnerable to being outbid by any player, who can bid as little as one dollar more. By contrast, the last player in turn order has perfect information. They know exactly how much to bid to win the lot. Often, the player in the next-to-last place is faced with a lot that is relatively inexpensive, but which they do not want. However, they feel like they must police the auction and raise the bid to prevent the last player from getting a windfall and, in doing so, take the risk of having to purchase a lot they did not want at a relatively high price.

Whether the strong left-right binding (the term used to describe games that are strongly impacted by turn order and, specifically, the players seated to the right and left of a given player) of this mechanism is positive or negative is largely a matter of perspective, but it is something to design around.

For example, turn order can itself be priced in such a manner that the advantage provided by going last in the auction is accounted for. Alternatively, going first in other aspects of the game may be quite powerful, to help balance the disadvantage of going first in the auction.

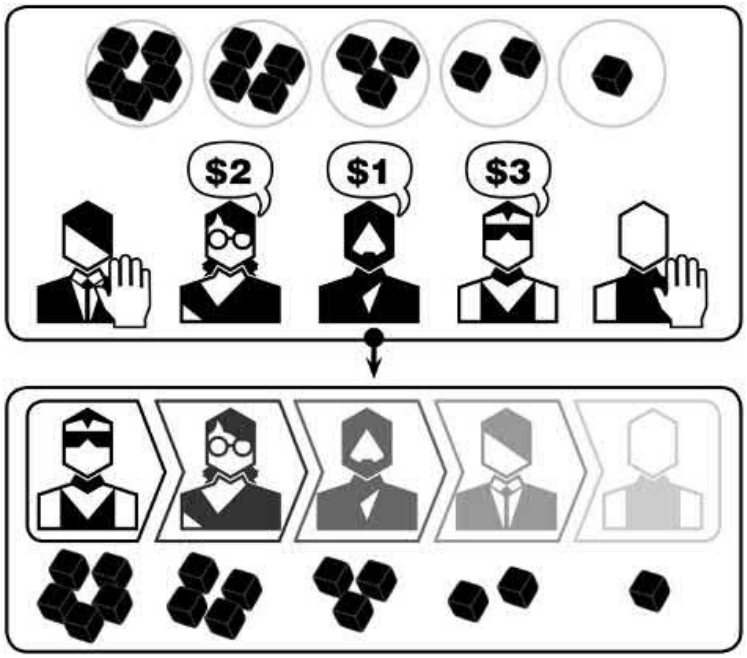
Another approach is to use constrained bids that require bidders to raise the current winning bid by a more substantial increment, or to provide the first bidder with the right to match the final bid and take the lot.

Once-Around Auctions aren't that common in modern designs, having been superseded by Sealed-Bid Auction (AUC-04) that are agnostic to turn order or by drafting mechanisms that eliminate the role of currency entirely. Generally, they should be used when tight coupling to turn order is desirable and turn order is central to the design.

Sample Games

Medici (Knizia, 1995)
Modern Art (Knizia, 1992)
New Amsterdam (Allers, 2012)
Tin Goose (Clakins, 2016)

AUC-10 Selection Order Bid



Description

Selection Order Bid is a form of multiple-lot auction in which players are not directly bidding on the lots themselves but the order in which they'll draft the lots. As the bid increases, players may pass and accept a later place in the order. In some cases, players must pay their entire current bid (an all-pay mechanism), and in others, they may recover some of their bid.

Discussion

There are many systems for auctioning off multiple lots, but Selection Order Bid may be the most elegant. In *For Sale*, players bid to draft first from a collection of property cards. The cards range in value substantially, and a given flop of cards can either cluster closely, with the lowest being separated from the highest by only a few dollars, or be spaced quite widely apart. Players bid in turn order for the right to draft first. A player may choose to pass and collect the lowest-value card remaining. When passing, they pay half their previous bid. The last player to remain in the auction receives the most valuable card but must also pay his or her full bid.

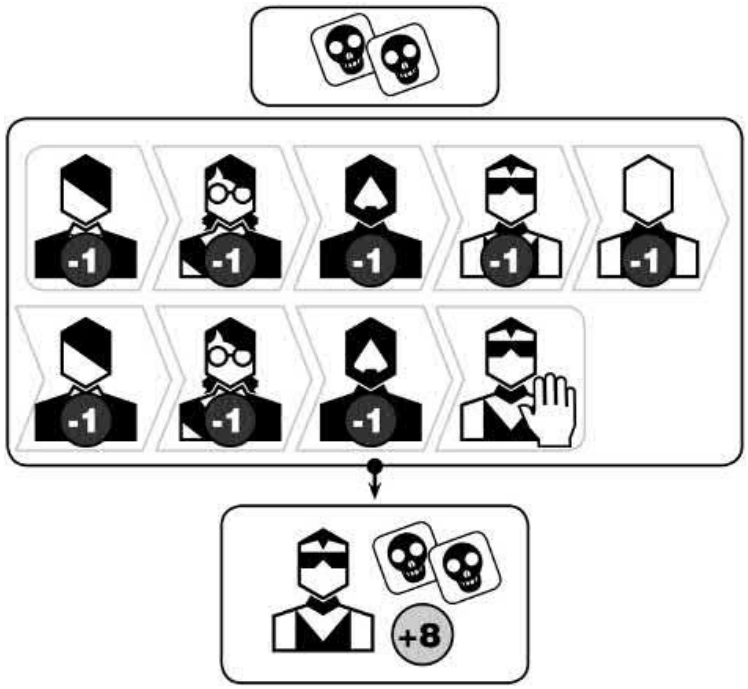
Another way to think of the pay-half-when-pass variant is that it's actually a simultaneous bid on two lots: a full-price bid on the most valuable card and a half-price bid on the least valuable card. Considered in this fashion, Selection Order Bid is a type of constrained bidding system or even a sort of ante. If you want to bid $10 on the high-value card at the open of the auction, you're essentially agreeing to pay $5 for the lowest-value card, which you could have had for free, had you chosen to pass. This is somewhat analogous to a penny auction, where players must pay a fee for each bid they make, even if it is not the winning bid. The halved value of the bid that is forfeit whether or not the player wins the auction can be seen as the bid fee, rather than a bid itself.

In certain games, this type of auction also forces players to estimate the value of lots to other players. For example, if players are collecting different symbols or colors, the lots will have different values for different players. If a certain lot is only good for one player, that player can take a chance and bid low assuming that the lot will be remaining when the player's selection opportunity comes.

Sample Games

Age of Steam (Wallace, 2002)
Eggs & Empire (Pinchback and Riddle, 2014)
For Sale (Dorra, 1997)

AUC-13 Reverse Auction



Description

Players bid to avoid taking the lot up for bid because it has some negative effects. Common effects include a negative victory point value, or a requirement to discard something of value such as a resource or special ability. Typically, in a Reverse Auction all players, except the claimant of the lot, pay their bids. Sometimes, the lot claimant will receive those payments.

Discussion

No Thanks! is a classic example of Reverse Auctions. The structure of the auction is Turn Order Until Pass, with a constrained bid of one victory point per bid. Each lot is worth some number of points, but the winner of the game is the player with the fewest points. Bidding tokens cancel out one of these "bad" points, so they're helpful toward winning the game. When a player passes, they take both the card and all the bidding tokens placed on the card. The key mechanism in the game is that each sequence of consecutive cards is worth bad points equal to the lowest card in the sequence. Thus, a "9" card is worth 9 bad points to all players, except for the player who already has the "10." For that player, the "9" is actually worth a good point, because the "10"

card will no longer count against them, and instead they'll get only 9 bad points. This twist, which leads to players having sharply different values for a given lot, creates a fascinating auction dynamic.

In the world of classic card games, *Hearts* stands out as the Reverse-Auction variant of the familiar trick-taking genre. In *Hearts*, players play with straightforward trick-taking rules but seek to avoid winning any hearts in the tricks they collect. Hearts are worth bad points … unless a player collects all of them (and the Queen of Spades) to "shoot the moon." In that case, all the other players collect the bad points for that hand. While trick taking is its own mechanism, and indeed a genre of games unto itself, it has a close relationship with auctions, which is a topic we'll explore in greater depth in Trick-Taking Games (CAR-01) in Chapter 13. Suffice it to say that trick taking is almost like a Once-Around Bidding Auction with multiple currencies. In most games, the tricks are inherently valuable, but in H*earts*, they are only meaningful based on whether they contain hearts or the queen of spades.

In *High Society*, players bid for valuable possessions and title cards via traditional auctions but have Reverse Auctions for Misfortune cards. The claimant of the Misfortune card recovers any money cards they previously bid to avoid taking the lot, but all other players must discard the money cards they bid. In this implementation, the lot up for bid defines the auction procedure.

By contrast, *Eggs & Empire*, a simultaneous-bid multi-lot auction game, provides auctions that have both positive and negative lots mixed into the same auction. The player bidding the lowest will be forced to accept the negatively valued lot. One can think of this auction as a Reverse Auction in which bidders who avoid the negative lot receive an extra reward, or as a traditional all-pay auction in which the lowest bidder receives a penalty. Another similar hybrid auction can be seen in the *Game of Thrones* board game. Players make simultaneous sealed bids of Power tokens to defeat the Wildlings. If the sum of the Power bid by the players is equal to or greater than the Wildlings' strength, the Wildlings are defeated, and the highest bidder receives the benefit of reclaiming a discarded leader back into their hand. If, however, the sum of Power bid is less than the strength of the Wildlings, all players must remove two points worth of military units from the board. The lowest bidder must remove four points worth of units.

As these examples demonstrate, a Reverse Auction is usually implemented within some more complex auction environment. In part, this may be because Reverse Auctions are inherently negative in experience. The "winner" receives a negative effect, and the "losers" all pay money. Everyone's a loser! Because of this negative experience, designers use Reverse Auctions as a seasoning, a way

to flavor a game, rather than as its central mechanism. *No Thanks!* remains the seminal example of a Reverse Auction as the central mechanism of play.

Sample Games

Eggs & Empire (Pinchback and Riddle, 2014)
A Game of Thrones (Petersen and Wilson, 2003)
Hearts (Unknown, 1850)
High Society (Knizia, 1995)
No Thanks! (Gimmler, 2004)