



NEWSLETTER APRIL 2011

EDITORIAL WELCOME

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Welcome to April and another Newsletter. I am pleased to say we have a very useful piece from member Roger West from the UK. Roger runs [Avionstamps](#) and has many years of experience in the business and shares with us some of his thoughts, prompted by my piece last month after my meeting with Philippe Poppe. I hope you enjoy reading it. And a further piece below from member Alan Devine.

I feel boring saying the same thing as last month but seriously people, where is the time going. I just cannot keep up. No real highlights from the Board this month as our next meeting is in a few weeks. Philatelic highlights? Well few and far between as far as I am concerned. No more sales for me. I am just not promoting my sales enough I realize. I have tried eBay and I don't know about you but am seriously thinking of giving up on the distribution channel. What do you think? Can we share our views on what are the best auction sites? As for eBay again. Here is Alan's piece.

As always. of I look forward to any comments, ideas and feedback. **Michael**

EBAY IN THE NEWS AGAIN

Recently my attention was been drawn to buying and selling on eBay. Whilst I believed for a long time that eBay was a brilliant idea and a boon to many buyers and sellers I have to say that I am becoming more and more disillusioned as time goes by. The following warnings are not new, but they are timely given the current state of affairs in the stamp world.

Stamp of the Month



Some say this is the most ugly stamp, some say it is the worlds rarest. Whichever, it will fetch a good price I suspect when it gets auctioned. It has, by all accounts, come on the market with the death of the owner, the late John DuPont who paid US\$935,000 including buyers premium in 1980.

Any bidders from our members :-)

First, this is a warning about the danger of buying high priced items on eBay unless you are in possession of reliable information or valuation certificates from a reputable person BEFORE you bid for them. There have been many disappointed buyers who find that their \$500 or \$1000 purchases are only worth peanuts when you check them out with reputable dealer or auctioneer. EBay have expelled many sellers/dealers who have been found to sell re-gums, re-perfs and forged overprints. Still these sellers seem to survive and are soon back selling online. They must have a number of email address and domains in reserve that they can switch to at the drop of a hat. EBay is incapable or not interested in taking action to prevent these people from selling on eBay.

Second, some time ago IPDA suggested to eBay that all dealers on eBay should be required to show that they are members of a registered society of dealers and quote their membership number. The IPDA felt that this would go some way towards giving buyers a degree of faith and confidence in dealers who operated ethically and honourably. The idea did not get off the ground and was ignored!!!

Third, you are aware that eBay have put up the cost of selling on eBay? This piece of news is doing the rounds again. By now, you are probably spending nine per cent or more per lot for sale. Add on the shipping cost and PayPal's fee and the cost will come to more than 10 per cent. At this rate eBay will soon be charging close to the cost you might pay at regular auctions. Very soon sellers of cheap items will stop selling on eBay and will seek other sites that a cheaper.

My fourth piece of news is about those buyers on eBay who receive their ordered goods and then tell PayPal and the seller that they have not arrived. Immediately this "complaint" is passed onto PayPal and/or eBay the seller is branded a crook. The funds, that is, the value paid for the goods purported to have NOT BEEN DELIVERED are deducted from the sellers account and paid to the buyer. This CON gets worse when the seller learns there is no track record available on eBay any longer because they do not allow Negative Feedback of any kind. So, the CON ARTISTS continue to cheat 100s of sellers who cannot obtain any compensation or even any acknowledgement of their loss. All of this means that whenever you see a 100% perfect or near perfect feedback score belonging to the buyer who has conned you, you know it really means zero% feedback!

One final twist to be aware of. Whenever you see any eBay seller running a private auction or having private feedback online you will know they are very likely to be a CON! A Devine March 2011

LETTER TO THE EDITOR

I read with interest our Editor's conversation with Philippe Poppe and it prompted me to write this. I always find it interesting to read or hear of other dealers business methods and maybe some members may find this interesting if not useful.

CREDIT CARD PAYMENTS: For some years now we have been accepting credit card payments through a secure third party. They handle all the details and just let me know when the transaction is complete. One of the benefits is that they use what they call a 'third man check'. This is where rules that I set for the buyer are checked out, for example, the csv code must agree or the house number, etc. The results come back with traffic light indicators, ie a green light means low risk, an orange light means medium risk and a red light means high risk. If a transaction receives a green light, this means that whatever may happen, the money is safely in your account and any loss would be covered by the bank. A medium risk normally prompts me to ask the customer to send proof of his address, maybe a scan of a utility bill. I've never received a high risk (red light) but if I did, I think I would just refund the money and cancel the sale. In Philippe Poppe's case, provided he got the green light, the customer could cancel the transaction but the money would still have been safely his.

PAYPAL : The Paypal system works out expensive and abounds with bad points but on the plus side, it does enable customers in most countries to pay you in your currency and what's more, you receive the payment instantly. You do have certain checks with regard to verified addresses and number of previous transactions which are useful but there are things called 'chargebacks' where unless you can prove an item was sent, the customer may claim a refund. For this reason, we always use a tracking system which makes the cost of shipping a little higher but does offer you this protection. If a different delivery address is given, you have to make a decision but I would only entertain this if the other address was in the same country. A similar system is operated by MoneyBookers and I believe this is more popular on the European Continent.

EBAY: I sell a lot of collections on ebay and always start them off at 1p. Over the years, several items have only received a single bid so naturally the item has sold at that price. My average lot will require maybe 200 photographs and the only descriptive text will be a general note about mixed condition. There will also be many items included in the lot which have not been photographed so effectively, they become a free gift. Despite this, certain buyers are not easy to please and will 'work the system' to try and get you to give the item away. Fortunately, my experiences in this regard are now very infrequent as most of my customers are regulars who are quite happy to come back and maybe bid a little more than they might normally do so knowing the standard of material is relatively high. I'm not trying to blow my trumpet here but just to say that there are some people who you will never satisfy and for those, a bad feedback might be the better option.

REAL PEOPLE: I found this comment in the editorial very interesting. I show a photograph of myself on both ebay and my website - not that I'm vain or anything, but it does let people know you are a real person. It always surprises me the number of dealers on ebay who don't do this although the facility is there and its free. I also put a lot of importance on people (dealers and buyers) who hide behind anonymity using a strange id like 1234xyz. I know you can't always use your proper name but it is nice to see it mentioned somewhere within your profile, it inspires confidence, as does giving a phone number. The latter is a big issue with me as we sell a lot of collections for which we use a courier service but for this you have to provide a daytime telephone number for the addressee. I would say about 50% of my dealings I have to make a separate request for this information.

WORLDWIDE DELIVERY: Using a courier service for sending out collections is largely trouble free although there are exceptions. We find we can't get quotations for sending heavy parcels to Russia so it has to go by Royal Mail. We also had a bad experience with the Ukraine customs who wanted an itemised breakdown of every item in the collection - clearly impossible so the lot was confiscated. Nowadays, we only send items to Ukraine by Royal Mail as this seems to by-pass their customs.

Finally, to get back to the editorial with the Michael Dodd/Philippe Poppe conversation, I trust Philippe has provided names and other details of his 5% revenue loss for the confidential list - I believe this is so important and is one of the main advantages of being a member of the IPDA.

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CLOSING REMARKS

Thank you Roger for writing this, very interesting and in my view useful thoughts for us all. I look forward to other members comments and experiences. The more we share the more we learn. And in this technology age it is so easy to learn from each other and hopefully this Newsletter is one forum we can all use effectively.

I hope your business and life in general is good and as always I look forward to hearing from you - email me at michaelatipda@gmail.com

Best Wishes**Michael**