

Enhancing your eBay Strategic and Tactical Skills II

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In our **Enhancing your Ebay Tactical Skills I** tutorial of **GuruGram #41**, we looked at some advanced **eBay** items from our email **help line**, our **What's New** blog page, and the **alt.marketing.online.ebay** newsgroup. Plus stuff I've been meaning to emphasize beyond our earlier info resources on our **Auction Help** Library Page and our **Auction Resources** links.

I thought we might continue here with some newer **eBay** tactical skills topics. First, let's once again summarize the **eBay seller success** rules ...

Offer unique products not available elsewhere.
Maximize your personal value added.
Always seek out a minimum 30:1 sell/buy ratio.
Always aim for a 21 day payback.
The minimum profitable eBay sale is \$19.63.
NO foreign bidders/buyers/transshipments!
Accept VISA/MC/Paypal only!
Never list anything you cannot hold at arm's length.
Use both a scanner AND a 5 megapixel camera.
Spend at least TWO HOURS in image postproc.
NO dropshipping, pallet buys, or consignment sales.
Limit terms and conditions to TEN words maximum.
Clearly state your revenue neutral shipping charges.

Along with the single key **eBay buyer rule**...

ALWAYS proxy bid your max ONCE very late in the eBay auction. Do so in odd penny amounts that are somewhat above a currency denomination threshold.

Let's go on to some newer stuff...

eBay Fraud

Seller or buyer, your foremost **eBay** rule is...

ALWAYS ignore any and all "too good to be true" opportunities. Because they are.

Sellers can avoid many fraud situations by...

- **Offering unique low risk industrial items.**
- **Allowing NO foreign bidders/buyers/transshipments.**
- **Accepting VISA/MC/Paypal only.**
- **Keeping descriptions accurate and understated.**

Buyers should always...

- **Carefully read item descriptions**
- **Know ALL of your costs.**
- **NEVER buy foreign.**
- **Pay with VISA/MC/Paypal only.**

The reason for the latter being that you can contest a credit card or **Paypal** payment at a later date on nondelivery or misdescription.

I was a victim of a **BIN Grabbing Scam**. A scammer picked some random \$600 industrial items from four sellers. Then, **within twelve seconds**, did BINs and an **"I'll send you a \$3200 Nigerian check for your item, but send me a \$200 agents fee"**. Items were based on price alone. Ours clearly stated FOB, no foreign and no checks. Besides being utterly ludicrous for international shipment.

Naturally, I did not respond in any manner. Even though they were instantly NARU'd after their twelve seconds of glory were up, I still was out the listing fees on a high ticket item. Curiously, there might have been a **scam within a scam** as the not-too-bright scammer kept trying to contact me. For months. All the while getting more and more desperate. While clearly filling in the "not even wrong" blanks in an **English-as-a-third-language** script. I've pretty much concluded that the scammer **bought** the kiddy script rights from yet another scammer!

Phishing for Dollars

Both buyers and sellers are susceptible to **phishing** attempts where third parties try to trick you into thinking you are on a real **eBay** page when they really have you on their website. Where they can steal your credit card info and attempt similar **identity theft** tricks.

Phishing attempts have gotten a lot more subtle and harder to spot, but here are your usual guidelines...

- **The email starts with "member" rather than a username**
- **The message is so wrong it causes instant outrage**
- **You receive multiple emails in a short time**
- **There are non-obvious spelling errors**
- **There are English-as-a-third-language idiom absurdities**
- **The browser return address does not agree with the url**
- **The return address is in numeric 23.129.103.23 format.**
- **The fact that you received the email in the first place**

In general...

eBay NEVER asks for personal information via email!

Should you ever have the slightest doubt, just send a copy of your email on to **spoof@ebay.com**. They will promptly verify you are a scam victim.

Usually, you will get **two** messages back. An instant boilerplate response plus a latter actual analysis. More on our **Auction Help** library page.

The 1 - 2 - 4 - 8 Ploy

Many industrial auctions still insist on stiff cash deposits and payment in certified funds. This can work in your favor as it tends to drive away any casual bidders.

I hate to carry much cash around, so I use a "**1-2-4-8**" **ploy** instead. You go to the bank and get cashier's checks made out to you in **\$100, \$200, \$400, and \$800** denominations.

Most auction houses will accept a blank one of these as your deposit. As long as you do not sign them, you can get a full refund on any unused checks. Make the checks "to you" and "from you".

Keep your receipts separate! Lost or stolen checks can be refunded with your receipt and have no value to anyone else.

The "Perfect" Live Auction...

As we've seen in our [eBay Seller Strategies](#) tutorial and elsewhere, I very strongly feel a **Sell/Buy Ratio (SBR)** of **30:1** should always be sought out. Useful sources for these ratios include distress auctions involving dot bomb failures, community colleges, business bankruptcies, forced sales, and such. We looked at some live auction secrets in [AUCTIONS.PDF](#).

At least for me, an optimal or "absolutely best" live auction for me would be...

- **Midweek** — to discourage addicts and casual big spenders.
- **Very short notice** — so the word does not get out.
- **Early start** — for maximum inconvenience.
- **Lousy weather** — 120 in the shade except for three inch hail.
- **Outside of auctioneers specialty** — doesn't know your items.
- **Mistakes** — moves tech items to small town, runs wrong ads.
- **Terrible terms** — no VISAs or checks, plus huge deposit.
- **Horrific website** — none or badly done and way out of date.
- **Poorly promoted** — wrong ads in wrong papers.
- **No pissing contests** — troublemaking competitors absent.
- **No online bidding** — or else incompetently processed.
- **5 gottahaves, 15 wants** — enough to make trip worthwhile.
- **Unspecialized** — items of your interest a tiny fraction of total.
- **Pallet lots** — bunches of identical items going for much less.
- **Passes my "Globe" test** — is it worth a 72 mile trip?
- **New merchandise** — hopefully with original packaging.
- **In place** — NOT recognized, higraded, or moved to auction barn.
- **Deep distress** — nobody cares about value, other goals dominate.
- **Low registrations** — preferably zero in your area of interest.
- **No bad vibes** — no owners (or next of kin) present or involved.
- **Contents of room** — or shelf or cabinet opportunities abound.
- **Many lots** — auctioneer gets behind; others run out of money.
- **Dark and murky** — or high on hard-to-view dusty/dirty shelves.

- **Wildly mixed lots** — high value items buried in abject trash.
- **No bulk bids** — or other "monopoly money" participation.
- **One auctioneer** — so you do not have to retrain over again.
- **No wrong bids** — lose less than \$25 to dumb bidding errors.
- **Second tier auctioneer** — out of area but not national.
- **Huge bizarre beasts** — \$2.50 items strippable for goodies.
- **Poisoned lots** — "Put it with the next one" for "next" steal.
- **Poorly organized** — only a few bidders can get near items.
- **Vague offsite lots** — badly described with abysmal photos.
- **Very long** — auctioneer gets very tedious then sloppy.
- **Not nationally promoted** — local or regional only.
- **Shilling and lowballing possible** — accepts subtle \$2.50 bids.
- **Hard to find info** — poorly promoted in wrong places.

and, of course, ...

- **No restrooms** — or at least none with doors or water.

...and the Perfect Product

We can also create a companion list of what type of products that might be best sought out at a live auction for [eBay](#) resale...

- **Deep distress from industrial or dotbomb bankruptcy.**
- **30:1 or higher sell/buy ratio.**
- **75 or so usable near-identical items on pallet.**
- **Buy group for \$190, eventually sell for \$6000.**
- **Average selling price \$59 to \$79.**
- **Weighs between 3 and 15 pounds.**
- **New or easily cleanable used.**
- **21 day cashout, 15 month hang time.**
- **Value at least \$19 per cubic foot or \$5 per pound.**
- **Personal value easily added for nonobvious uses.**

- **Usability equivalent to current production.**
- **No shelf life, long product interest span.**
- **Brick to breadbox size.**
- **Minimal testing and refurb.**
- **Other bidders fail to realize significance.**
- **Crucial data and docs and pricing web available.**
- **Specialized expertise required to recognize value.**
- **Rare eBay item with little or no competition.**
- **Superior quality recognized name brand.**
- **Reasonable distance/loading/storage/trip convenience.**
- **No life safety or compliance hazards.**
- **Minimum personal involvement after first or second sale.**
- **Photogenic enough for pixel locked, distortionless & shadowfree.**
- **Idiot proof enough to not be trashed by buyer.**
- **Buy at 0.25 cents on dollar, sell for 7.5 cents on dollar.**
- **About as fragile as an anvil.**
- **Items stay sold with high feedback praise.**
- **Zero foreign or scammer interest.**
- **End user docs included or free online access.**
- **"I'll take them all" sales highly likely.**
- **Self-packaged for final shipment.**

And, of course,

- **Similar opportunities repeat at least 20 times a year.**

New Mexico Sales

Besides the language barrier and the customs hassles, the main problem in shipping to New Mexico is that the truck tires are a different size and spacing. So everything needs reloaded at the border crossings.

Additional info can be found [here](#).

Secrets of Triage

Let's look at some **eBay** Seller inventory **triage guidelines**...

Always **seek a balance** between how fast you receive new items compared to what goes out the door as sold. Try to keep your on-hand inventory as **low** as possible at all times.

Have **designated separate areas** for each inventory class. Incoming, unlisted, strippable, refurbable, ready to list, listed, and long term winners. Know exactly what is in each area.

Try to do a **rough preliminary triage** on any incoming items within five days of receipt. On useful items, aim for a twenty one day cashout and a fifteen month hang time.

Be able to **immediately answer** any phone or email inventory question involving quantity, condition, or model number.

The sooner you **get rid of trash**, the less it will cost you. Have an "**Alvin Pile**" that you continuously farm out to some **Other eBay Seller**. Ideally, you want the other seller to **pay you** to haul all your trash away. Preferably \$200 per month or so.

It is trivially easy to damage items by **sloppy initial loading**, by leaving things outside, by throwing junk on top of them, letting them get wet or dusty, or by other mistreatment.

The **top half** of storage areas are often wildly underutilized. Ugly shelving or cabinets are usually cheap to free at auctions.

Flush **anything over three years old**, unless it is a consistent best seller or a rare collectible that raises "metering" or "market saturation" issues. **Never** keep items in long term storage that have not already clearly paid for themselves.

The **optimal quantity** of any item is usually around 65. This is consistent with one sale every seven days for fifteen months. Hopefully shortened most of the time by "I'll take them all".

When stripping items for later sale, **rapid weight and volume reduction** should be your immediate goal. Balance time and labor against total possible return.

A **major focus** should always be to end up with clean, new, popular, compact, lightweight, and proven selling items in substantial quantities. Items that can "run on auto" with little personal further attention.

Avoid keeping or selling any items you cannot **hold extended at arm's length**. Remember the UPS limits of **150** inches and **150** pounds. Do make sure you have a very good big bucks reason to deal with the heavies or bulkies. Especially if freight rates are obscene in your area.

Borrow **temporary storage** when and where appropriate. If you have four storage rentals, chances are you can use a fifth for free for an occasional day or two. Sometimes it is faster and easier to move to the one next door than emptying and then refilling one you already have.

review your older and deader items. Flush them without mercy. Just because you highly value them does not mean that anyone else will.

Be **realistic about refurb**. Don't pile up more broken items than you can reasonably repair in a sane time frame. Keep only a reasonable inventory of backup and replacement parts, and then only from items you are likely to see a lot more of.

Your **normal item parameters** should allow at least a **\$19.63** net **eBay** sale, should have shipping costs only a tiny fraction of their value, and should be easily packed and shipped unless of unique or exceptional value. A minimum of a **30:1** or higher sell/buy ratio should always be sought out.

Your ultimate triage guideline: Review your current stock and ask yourself "**How much would you bid on this if it was all up for sale at a new auction?**"

Our main storage consists of four rental units for incoming, stripping, sorting, and prelist; a \$48,000 mil surplus doghouse for proven items, shelves for books, manuals, and smaller high value items, a "ready reserve" in the shipping room, the "ready to list" shelf in the computer room, a box room for recycling shipping supplies, plus mechanical and electronic refurb areas.

Stuff received is usually dumped into a temporary storage unit or spread out in the driveway long enough to free up any trailer rentals or casual help. It is quickly grouped by topic and everything not obviously usable is gotten rid of through the **Alvin pile**, free radio ads, fire department giveaways, donations, or by exchange with local merchants. We find yard sales not worth pissing over.

The "best of best" is then chosen and quickly checked and placed on **eBay**. With goals of doing a cashout for the entire lot within twenty one days. Typical choices

might be the finest of big ticket items, or high quantity ones with the best long term sales potential.

Remaining smaller items are rough sorted and placed in totes, with the intent of **doing a secondary triage after the dust settles**. Items to be stripped also follow a two step process, with a rough and fast initial teardown aimed at dramatically reducing weight and volume.

Every few weeks, **inventory is carefully reviewed for progress and suitability**. Everything unpromising is aggressively flushed. A major goal is no long term storage of any unpaid for items.

The Alvin Pile

It is of utmost importance to have a way to get rid of inventory that is not selling fast enough, is below your standards, has value/weight/volume/quality issues, or is simply plain old junk.

For this, we have the previously mentioned **Alvin Pile**. Following our "reversed cash flow" guidelines we first looked at back in [ADVETORL.PDF](#), I've convinced **Another eBay Seller** to pay me **\$200** per month to haul away my useless items.

In exchange for taking away everything unwanted, they get to keep any income they make for items they sell for less than **\$79**. Any excess above **\$79** is split as a 50-50 commission. Which averages out to a lot more than pocket change.

Actual operation of the Alvin pile is simplicity itself. We put stuff on the pile and it magically disappears. Every few weeks some cash even more magically shows up.

The point of all this being...

It is super important to continuously triage all inventory.

Otherwise forgotten items will utterly overwhelm you. I do know of several individuals in Phoenix and Tucson who literally have warehouses bursting at the seams that you can only walk thru on the narrowest of tunnel paths. They do not have the faintest clue what they have in stock or what its value is. And are paying rent to store stuff that probably will never yield any return.

Bruno

Several [alt.marketing.online.ebay](#) newsgroup posters have asked about **Bruno**.

Bruno is the AMOE **attitude relateralization facilitator**. One of his specialties is reconfiguring top posters. Since Bruno is big on multitasking, he often combines his role as a product durability tester for a major New Jersey baseball bat factory with his other endeavors.

Bruno also does trucking for **Norfolk & Waay**. Who, of course, remains the **only** reputable dropshipper for **eBay** resellers. This week only, they are offering free sample pallets (limit five) with free shipping. From their choice of **Neiman Marcus**, **Land's End**, **Eddie Bauer**, or **Bruno's Trucking**.

The Bruno pallets may occasionally include an odd body part or two. Naturally, this is normal and expected.

Thoughts on Refurb

As we've seen in our **eBay seller success** tutorial and elsewhere, a major key secret to **eBay** profits is to **maximize your personal value added**. Careful research and outstanding **photo post prep** are two obvious routes to adding value. Another lies in your abilities to **refurb** and otherwise clean, and upgrade items before sale.

Thoughts on Refurb was an early **Blatant Opportunist** column I did on refurb techniques. Our **Refurb Log** is a newer and continuing **GuruGram**, while our **What's New?** blogs will often also often show you my latest refurb info.

Here are some refurb suggestions...

Make a **determination as quickly as possible** whether an item can be sold as is, as is with minor cleanup, needs minor repair, needs major rework, sellable as is, sellable for parts, mixed and matched with others in the group, stripped for parts, held for parts, or flushed outright.

A dozen **projects needing minor rework** (tighten the screws, replace knobs, improve cosmetics) can be done in the time it takes to doing anything major to one item. And much more certainly. Always ask "**What am I getting into?**"

Have your **hired help do the routine stuff** such as any initial cleanup and final out-the-door appearance upgrading. Spend your own time where it will do the most good; but delegate otherwise.

eBay can often be **used as a lending library** to get the repair and service manual for any higher ticket item that has a high probability of repair. Always try to have full tech info before attempting anything major in the way of repairs. Often the manual can be resold at a profit or as item added value.

It is super important to **keep your refurb area clear!** Ideally, a project should be handled **only once**. If absolutely necessary while waiting for parts, the item can be placed in a tote and tagged with required further action.

Any item kept for ten weeks without completing refurb **will most likely never be finished**. Continually review all of these projects for downgrading and elimination.

The **earlier you flush** an unsellable product and the less time you spend with it, the lower your losses in dealing with it.

There is no point in **trying to compete** with instrument repair and calibration houses. Normally, the unit should be brought up to "**clean used - appears fully functional - guaranteed to be serviceable**" condition.

Warranty repairs or **trying to meet original specs** are another game entirely. One that takes all sorts of special gear, NIST traceability, factory authorization, and expertise. In exchange for lower prices, the buyer is expected to assume more risk.

While it pays to **keep an inventory of crucial items** for some popular gear (such as common hardware and Tektronix or HP knobs), stashing tons and tons of random replacement parts makes no sense whatsoever.

If you do not like the vibes at any time or point during refurb, flush or downgrade the project. **Never sell anything you feel bad about in any manner**. The final key test is "**Would you be proud to keep this as a personal tool or instrument?**"

Some of the **simplest tools will often end up the most useful**. Hex Allen wrenches, Vise Grips, and live power field tracers for sure. Potent cleaners and goop removers. Fresh adhesives that include silicon rubber (use most), epoxy, and superglue.

Sources of repair and replacement items include a hardware store or two, **Small Parts**, **W.W.Grainger**, and **McMaster-Carr**. Plus, of course, such electronic houses as **Digi-Key**, **Mouser**, or as last resorts, **Allied** or **Newark**.

Do not attempt any repair or refurb without having the bare **minimum test equipment needed** to properly deal with it. A modern oscilloscope (or its pc equivalent) is essential for just about any technical work.

Be sure to **research item demand** before you even think about beginning refurb. Useful tools include present and past **eBay** sales, **Google**, **Thomas Register**, the **Wayback Machine**, or **sci.electronics.design** and **sci.electronics.repair** newsgroups .

It is often possible to take a dozen broken identical items and end up with ten good ones by **mixing and matching parts**. This often will end up your most economical refurb and upgrading route.

It is infinitely better to **complete three of four refurb items** than to have dozens of them piling up unfinished. Do not start any new projects before you eliminate some of the older ones.

Second tier brands are probably not worth pissing over. HP (Agilent) and Tektronix test items **are a lot more sellable than everything else put together**. But HP Oscilloscopes are totally worthless, their last useful one being the 130C.

For More Help

The [alt.marketing.online.ebay](#) newsgroup often has useful solutions to [eBay](#) problems on it. Additional auction help resources are found on our [Auction Help](#) library page. Custom auction locators can be created for you on a private or public basis per our [Auction Resources](#) services.

Additional consulting services are available per our [Infopack](#) services and on a contract or an hourly basis. Additional [GuruGrams](#) are found [here](#).

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