

Australia in Depth Article #107

eBay - A useful resource and a place to beware!

By Simon Dunkerley © 19th February 2006

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Introduction

There is no doubt that the eBay market provides a wide field of opportunity for the astute buyer and seller, and at the same time, a wide field of traps for the unwary. As a long time professional philatelist who has done a modest amount of buying and selling on eBay, I am often bemused by the standard of some of the items on offer and the descriptions that they carry. An understanding of the principle of *caveat emptor*, or **buyer beware** is important for buyers in *all* markets, with eBay being no exception.

This paper is written with concerns for *both* the stamp trade and collectors in mind, and aims to educate both with regard to *some* of the pitfalls to avoid, and put forward some possible solutions and guidelines that I believe would make eBay a safer place for the unwary to buy. It is important to note at this point that the majority of stamp items offered on eBay do not present problems; however, there certainly are enough problematical items offered to make it a vital issue for readers to be aware of.

It should also be noted that problem areas extend far wider than just stamps. Banknotes, coins and sports memorabilia generally to name just a few categories each have problems of their own. In addition, a significant story in the January 29th 2006 edition of the *New York Times* examines the issue of allegedly fake jewellery being sold on eBay. Apparently Tiffany & Company, a very large and famous jewellery seller has sued eBay for '...facilitating the trade of counterfeit Tiffany items on the site.' It is alleged that Tiffany purchased 200 items from seller(s) on eBay, and found '... that three out of four pieces were fakes'. The result of this case will be very important to both eBay and the wider community. It is true that eBay primarily set up a market place for people to buy and sell and that for them to police the authenticity or otherwise of so many items is extremely difficult. However, where their responsibility for what is actually sold on their site actually starts and finishes will be a crucial question in this case.

The discussion in this paper will cover many of the issues involved, including the pricing, authenticity, classification and condition of philatelic items. With the practical application of such issues in mind, different ways of responding to either ignorance or possible fraud on the part of the sellers involved will be covered and there will also be a section detailing specific advice for buyers on eBay. I am also very interested in learning about the experiences you have had on eBay, so please do not hesitate to forward your story. All prices quoted in this paper are in \$AU unless otherwise indicated.

Pricing issues

It is important to recognise that often the prices realised on eBay, like so many other areas of the market place do not adequately or realistically reflect what might normally be regarded as the true value of particular items. For a variety of reasons, the prices on eBay

are generally *lower* than in *normal* auctions, so *eBay* can be a useful source for the astute buyer; however, there certainly are exceptions to this. From my own experience, I know that on occasions, items sell for far more than their value in other markets, with this mainly applying to the more obscure or unusual items. Having said that, although not an expensive item, my 'best' result to date in this respect is \$251 for a standard item the buyer could have ordered from one of my direct sale catalogues for \$50! It is easy for buyers to get carried away at public auctions, and the same can apply to bidding on *eBay*.

As will be seen later, sometimes the descriptions, scans or photos provided by sellers are not clear enough for potential buyers to make a correct assessment of the item in question, possibly resulting in people bidding on false presumptions as to exactly what the item is, its authenticity or otherwise, and the condition of the item. Issues such as these will certainly affect the prices achieved. Of course, without actually seeing the item in the flesh, you are generally at a decided disadvantage unless you have a very good scan or you *know* that you can rely on the description provided by the seller being both detailed and accurate. Without such information, you may well be taking a risk when bidding in *any* auction.

In a perfect market, the price for a particular item will largely be a reflection of its authenticity *and* quality; however, I often see results on *eBay* that do not reflect this. Many on-line buyers are apparently more interested in factors such as the price and speed of delivery than they are in the authenticity or quality of an item, often resulting in a false perception of value. Just because something is *described* in a certain way, or *looks* cheap, does not mean that it is; in fact often it certainly is not the case. In making such misjudgments, potential buyers are clearly doing themselves a disservice. As a general rule, if it looks too good to be true, then most likely it is not true.

The result of all this is that sometimes good stamps sell for significantly less than bad ones that might appear to be the same or even better to the inexperienced buyer. It has been my observation that sometimes the better examples even *fail* to sell at a much *lower* price. It is a very imperfect market resulting in prices that really are all over the place. Sometimes certain sellers seem to have a strong following, which in some cases is justified by the quality of the items and the service they offer. Sadly, in other cases, the following is there whilst the quality is clearly lacking. This can be quite confusing to the uninitiated, and even to the initiated at times! The old adage that if you are going to compare price, then you must make sure that you are comparing apples with apples is alive and well!

As noted in the recent column titled [*Interpreting Catalogue Values*](#) it can be argued that something is only worth what someone paid for it *on the day*. This is true to some extent; however, it is also often misleading, as few if any markets are truly perfect. Refer to that paper for further information in this regard.

Another aspect to consider in the prices achieved on *eBay* is that the average selling cost on *eBay* including listing, final sale and payment fees would be approximately 5%, although that can vary depending on what selling options are chosen by the seller. In normal public philatelic auctions, the commission is typically around 30% and is typically split between the seller and the buyer, with each paying about 15%.

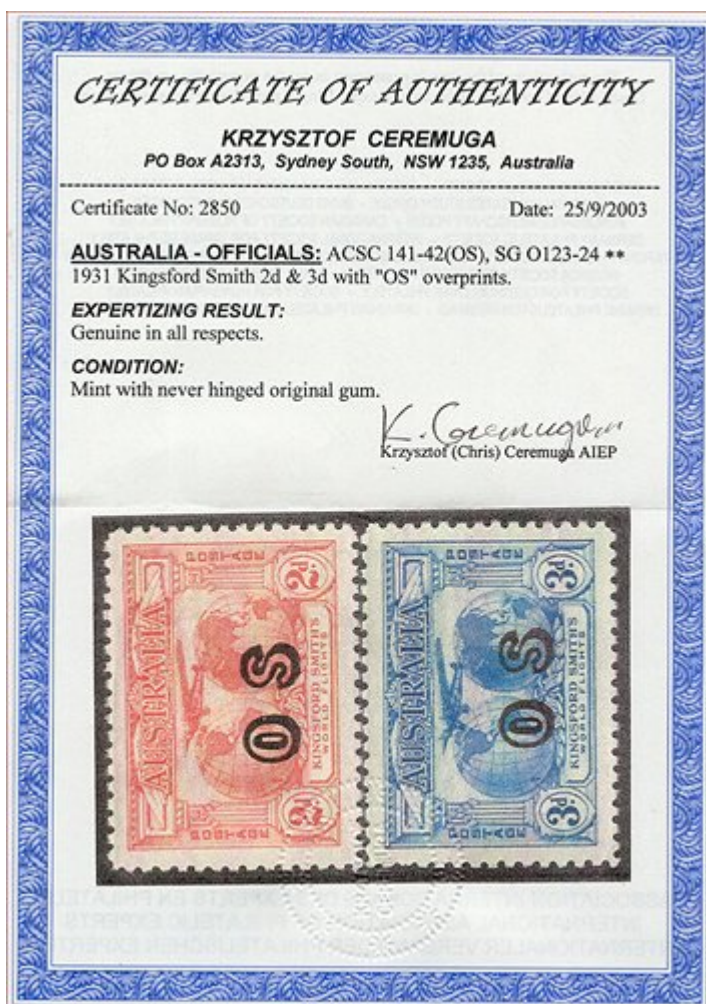
A need for more expertising of items on *eBay*

Regular readers of *Stamp News* might also remember my three part series titled **Aspects of Philatelic Expertising**. These were published in the October, November and December 2003 editions and also include sections that relate to this area. If you do not have them handy, slightly updated versions to those published are available [here](#). In that series I highlighted the need for certificates on rare overprints amongst other items, and gave a

specific list of items I believe should *only* ever be sold with a certificate from a *recognised expertising body*.

A money back guarantee from the seller for a specified period of time is also a feasible alternative to certificates in some instances, although generally it would not carry the same weight as a recognised certificate, and whether such a guarantee would effectively transfer with a change in ownership is worth considering. There is also no guarantee that the seller will still be around in years to come. It is my observation that very few of the *Australian* stamp items sold on *eBay* carry recognised certificates – far fewer than in other places where such items are generally sold, and that is a major concern.

In perfect mint unhinged condition the 1931 Kingsford Smith 'OS' overprints have a retail value of \$750+ compared to only \$5 for the normal stamps. With this kind of incentive for the unethical to fake the overprints, it is no surprise that there is a proliferation of fakes on the market, so a recognised certificate is always recommended for this set. Yet I regularly see sets that are almost certainly fakes sold for \$600 or so to unwary buyers who might think that they have scored a bargain. In many cases this simply is not so.



A recognised certificate is a must for the 1931 Kingsford Smith 'OS' overprints in either mint or mint unhinged condition

The aims of selling certain items with suitable certificates are to give both buyers and sellers greater confidence in what is being sold, and to weed out fakes, forgeries and

on the part of sellers, as many of the buyers and sellers are somewhat, if not relatively inexperienced in both the collecting and buying of stamps. The same is also apparently true of many of the sellers on *eBay*. This can sometimes mean that rare items are not identified for what they actually are and can result in a bargain for an astute buyer. However, the unfortunate reality more often is that where some doubt might exist on the seller's part, items are generally rated as better than what they actually are, either unintentionally or perhaps even intentionally in some instances. It is certainly not a new thing that stamp collectors are generally over-optimistic about the categorisation and value of their stamps!

Feedback – not always an accurate guide as to the authenticity or quality of a seller's items

The *eBay* feedback system, whereby buyers and sellers are able to leave positive, neutral or negative feedback with a brief comment on each transaction through *eBay* is a very transparent and useful resource to have at one's fingertips. However, it is not perfect because a significant number of the buyers are uninformed and clearly know little about the authenticity or quality of what they are buying.

Even a cursory glance through feedback generally left shows that more often than not it relates more to factors such as the speed or non-delivery of the payment and shipping of the item and a nice comment about the item, rather than a learned comment on the true quality or otherwise. From many of the comments I have seen it is apparent that the buyers simply do not know whether the item they have purchased was correctly described or not. It is a reality that just because a seller has 100% positive feedback or close to it has little direct bearing on whether or not all of their items are accurately described. Sadly, it is sometimes a reflection on the lack of knowledge on the part of the buyers, who might not know this is the case until they come to sell their beloved stamp collection, perhaps many years down the track.

Advising sellers of items that are not correctly classified

There have been times when I have found an item on *eBay* to be misrepresented in some way, either unintentionally or perhaps even intentionally in some cases, and my first response has normally been to contact the seller in this regard. This is something I have always done with the utmost care and integrity and have been very careful to make sure that what I say is accurate and with unbiased intentions.

Whilst the sample of incorrect items I have notified sellers about is not all that large, it is certainly indicative, and it has been interesting to observe the responses of the sellers involved. About one third are grateful and change the description or withdraw the item promptly. Most of the others either seem disinterested or apparently do not care at all, if their complete lack of response is any form of evidence to go by.

On one occasion last year a seller from the USA offered a mint KGV large multiple watermark 1d as the very rare *deep red* from the *Cooke* printing that I believed was *not* the correct shade. I emailed him, explaining my strong background in this area and the reasons for my opinion. Whilst even good scans are not generally reliable enough for a realistic classification of such shades, I was 99.9% confident it was not correct due to other printing characteristics evident in the scan, and emailed the seller twice about this, receiving no reply. Bearing in mind that this is a stamp that should *only* be sold with a suitably *recognised* certificate or at least on extension to obtain a certificate, it failed to sell on this occasion at what would be a bargain price had it been correct.

This stamp was reoffered at the same price shortly afterwards, and I thought I should bid on

it just to make 100% sure and give me peace of mind that I hadn't missed out on something I would rather have than not if it were genuine! So I bought it at \$US640, or one bid over the reserve, having placed a bid of *several* times that figure on it and with one other bidder having bid at the reserve. Sure enough, it arrived in due course and was sent back to the seller for a refund the same day. As suspected, it was an off centre example of the common *carmine-red* shade from the *Harrison* printing, at best worth about \$10 in that condition! The centring was very similar to *all* of the recorded deep red stamps and that was one factor that made me want to examine the stamp. This price compares to the most recent auction realisation of \$9,171 including charges for a genuine example at the **Baillie** auction conducted by **Sotheby's** in Melbourne in July 2005. It is worth noting that I did receive a full refund for the returned item and have not seen it reappear on *eBay*.

3rd Wmk die IIB - and not the rare die IIA!



Front image showing the Typical die IIB characteristics



Image of reverse showing the watermark centred high with no line below the 'A'

The same seller has more recently offered a mint 3rd wmk 6d ultramarine kangaroo as the rare die IIA (substituted cliché) from the *Cooke* plate with a start price of \$US695. The true market value for this item is about \$4,500 if authentic, making the start price appear to be a bargain to the untrained collector. From the scan, it was *very clearly* evident that the stamp was the *normal* die IIB issue, printed from the *Harrison* plate, having a retail value of about \$AU100 with the rather fluffy perforations as shown in the illustrations above.

Once again I emailed the seller to this effect, with no reply. This time there was no need to buy it and view the stamp in order to be certain of its status. Even in the modest scan offered, this stamp clearly shows the rounded corners of the outer frame and characteristic wear of a later printing from the die IIB plate, together with the broken shading line above 'NCE' of 'PEN~~CE~~' evident in virtually every third watermark stamp from the *Harrison* plates. Just as importantly, there is clearly no break in the *outer frame* opposite *Broome* off the Western Australia coast line just below the level of the Kangaroo's eye. In addition, from the scan it appears to be in a shade that *only* exists in stamps printed from the *Harrison* plate. The break in the outer frame above 'ST' of 'AUSTRALIA' is not visible; however, as that is often over-inked I have always believed that the absence of this break is not a very reliable guide in categorising this issue at the best of times.

It is also important to note that the relatively high position of the watermark with no watermark line across the base of the stamp in the scan of the reverse shows that this stamp is *not* from the base of the sheet, which it clearly must be if it is to be a die IIA stamp. With the watermark centred as high as it is, there should be a horizontal watermark line about half way between the bottom of the 'A' and the base of the stamp. The absence of this line *proves* that the stamp is not from the base of the sheet, and accordingly, *cannot* be the rare die IIA.

In all, that makes no less than *seven* reasons why this stamp has been misrepresented, with each one of them except for the frame above 'ST' in isolation being sufficient to prove the case! This stamp has been reoffered for sale on *eBay* by the seller on at least one further occasion since I emailed them, and thankfully, no one appears to have wasted their money. Unfortunately, the same result is not always true. This is not the first occasion I have seen a 6d kangaroo incorrectly offered as the rare die IIA on *eBay*, and I am sure it will not be the last! I do know of one such case where a buyer paid a significant price for a damaged example of the common version of this stamp.



Worth \$US1.50 and yours for only \$US650!

On other occasions, the item on offer is just a common everyday stamp worth a few cents or a dollar or so, and is offered at a start price of hundreds or even thousands of dollars with no description except 'rare'. Late last year a US seller offered a used KGV CofA wmk ½d orange, worth a maximum of about \$US1.50, with a start price of \$US650! From the photograph which took up only a small portion of the image area I could see nothing special about this item. When I emailed the seller to ask if there was anything about this stamp that I had missed, and why it was starting at such a high price, the reply included words to the effect of 'I don't know much about stamps and was told by someone who knows it is rare, good luck with your bidding'. Infamous last words and luckily no philatelic bunny appears to have wasted their money on this item.



Asking price \$US1,400 or best offer – real value zero!

More recently, I noted a used New South Wales 5d Diadem on offer by another US seller with a '**Buy it now**' price of \$US1,400. A '**Buy it now**' price means that an item is not being sold by an auction as such, and that it is available for immediate sale to the first buyer who chooses to buy it. Item number 5656167462 was listed on 13th January 2006 being described as

'Extremely Rare ... I will offer this stamp ONE time only on *eBay* at a price of \$US1,400, but I will entertain Best Offers... Please note that I do not know what it catalogues now, but I can tell you there are few of these stamps going around... Scott Catalogue number is A-11 and is Type #1851...'

Well, the design type is A-11; however, there is no number 1851 – that is probably a mistranscribed date. The implication is that it is number 26, the *imperforate* 1854 first issue of this stamp, which has a current retail value of \$600 in very fine used condition. In the rather ordinary *photo* provided, it appears to be a poor example of the 1882-91 issue, worth \$2 in good condition and of no commercial value discoloured as it appears to be and with the base cut straight. Need I say any more! Apparently several people including myself reported this listing, either to the seller or directly to *eBay*, and it was stopped early.

Examples of items not in the condition as described

Some specific examples of items that appear to have sold for well in excess of what could be justified by their lack of quality not matching the description given include the following items, with the official *eBay* item listing number given to reference them:

Kangaroo 1st watermark 5/- grey and yellow mint unhinged (item number 5621303353) sold for \$1,551. In this *eBay* auction, the item description included a photograph as shown below and not a proper scan. I had earlier seen this stamp offered at a well known public philatelic auction in Sydney, where it was described as hinged, of which there was no doubt. I had crossed it off my list when I viewed it and was not interested in buying it at the \$200 reserve due to problems with its condition. At \$1,551 the *eBay* buyer has paid a considerable sum for a very average stamp at best. I believe that one of two things have happened in this instance. Firstly, the stamp might have been misrepresented either unintentionally or intentionally by the seller in the description it carried. Secondly, it might have been altered in some way, including the possibility of being regummed since it was last sold by public auction in Sydney. I would only be in a position to confirm the latter if I was given an opportunity to examine the stamp again.



1st Wmk 5/- offered as MUH



CofA Wmk £1 offered as MUH

Kangaroo CofA watermark £1 grey described as mint unhinged (item number 5635593314), sold for \$610 not long after I saw this exact stamp sold at a public philatelic auction, also in Sydney. In that auction it was correctly described as *regummed*, and was a particularly poor job at that. Once again, I had crossed it off my list, not being interested at the reserve price due to poor condition. It sold at the public auction for a total price of \$291 including the buyer's premium. From the *eBay* seller's scan above, it is quite clearly soiled with gum problems on the reverse also coming through to the front of the stamp. Having seen the stamp in question only a few weeks prior, I was particularly interested in following this one up *before* the *eBay* auction had closed, and specifically asked the seller if they would guarantee that the gum was in genuine original mint unhinged condition. The response that came back speaks for itself:

'Hello, as a private collector, my husband bought this stamp in this condition. I am now selling part of the collection. My feelings are this, and as you would know, if you want a guarantee then you should buy from a respected dealer. Thanks ...'

Having previously seen the stamp in the flesh, I know that the only thing in its favor was that it was well centred; almost everything else was sub-standard. This is a very rare stamp well centred in fine condition, and I would expect a very fine genuine mint unhinged well centred example to sell for in excess of \$2,500 on today's market. That is if you could ever find one, bearing in mind that it is more than *five years* since I have seen one offered for sale *anywhere* that would come even close to meeting that description. At \$610, the buyer probably thinks he or she has scored a bargain; however, that clearly is not the case, as I believe the previous realisation of \$291 was more than enough for this stamp!

Kangaroo small multiple watermark 10/- grey and pink offered as mint unhinged sold for \$1,036 (item number 5630177973). This stamp was described as much better than it appeared in the scan, with regard to the centring, gum, freshness and perforations. As evidenced by the somewhat poor scans or unclear photographs as they were in this case, of the front and reverse of this stamp, I would have been more than happy to sell it for about \$300. Once again, the buyer has paid a highly inflated price for a stamp that I believe has been significantly misrepresented by the seller.

The above three examples are a sample of such cases that I already have specific information to hand on, and I understand that further research is currently being done in identifying other misrepresented items of this nature.

An important point to consider here is that the actual price that someone pays for the stamp is a secondary concern. In *any* market the prices will normally fluctuate to some extent, and bidders are free to bid to whatever level they are comfortable with. The more important point is that bids are made with the correct information in mind, so that the stamp the winning bidder buys at least matches the description. If there are undescribed faults, alterations, misclassifications or other problems, then that clearly will not be the case.

It should also be recognised at this point that it is certainly true that some mint unhinged stamps are incorrectly described as hinged when offered in public auctions and even on *eBay*. Other mistakes in descriptions are also made from time to time, whereby the stamp is actually *better* than the seller recognises, however, that occurrence is actually rarer than often perceived in all markets.

Whether or not to advise *bidders* of items that are clearly not correct?

As a second approach regarding how to respond to the selling of suspect items, I have asked *eBay* via email on several occasions what their policy is on whether I can advise *buyers* that have already bid on an item about such matters, either before or after the conclusion of the auction. They have clearly indicated such communications should not be made, would not be welcome and could result in suspension or expulsion as a user of *eBay*.

It is true that such tactics in the wrong hands could be used to abuse the system, intimidate buyers and try to scare them off certain sellers without foundation and to one's own advantage. However, in the right hands it would be a useful safety net for unsuspecting buyers who I am sure in the long run would genuinely appreciate such efforts very much.

What is being done about suspect items being offered on *eBay*?

A third approach, and one that appears to have been under-utilised in Australia at least, is to notify *eBay* directly of items that appear to be suspect or misrepresented, and have them investigate such allegations. On the one occasion last year that I did report such an item I did not know what processes were followed and the auction was allowed to continue through to the end. I understand that *eBay* have not accessed suitable philatelic experts in Australia to provide opinions on or investigate such matters, however, from recent discussions, I am hopeful that this might change in the future.

More specifically, I recently wrote to *eBay* Australia, sending them an early draft of this paper, with a covering letter and received a very prompt and positive reply. The results of this to date have been discussions over the telephone, by email, and a meeting with one of their senior 'trust and safety specialists'. I believe that the lengthy discussion was very informative and positive and hope that this will prove to be a useful step in the process of making *eBay* Australia a safer place for buyers of Australian stamps. I have also had brief discussions with Michael Eastick, the newly elected National President of the *Australasian Philatelic Dealers Association (APTA)*, who is positive about seeing what can be done to improve safety issues for buyers on *eBay*.

Some time ago I was surfing the web for information on expertising, fakes and forgeries, and discovered a site largely devoted to informing collectors of USA alterations, fakes, forgeries, misidentified stamps and other issues in buying stamps at <http://www.sheryll.net/> This site is an excellent resource and I would recommend that *everyone* in the philatelic community spend some time exploring what it has to offer. Regardless of whether you have an interest in USA stamps or not, I believe that you will be very surprised and fascinated by what you see. The site documents about five hundred cases of stamps being purchased on *eBay* and then altered or repaired in some way to supposedly enhance their value. The before and

after illustrations and other information provided for each case leave little room for doubt as to the changes that have been made to the stamp. It is made clear that these are the tip of the iceberg. Useful articles on this site include 'eBay – the good, the bad and the downright ugly'. There are buying tips, resources relating to understanding the various frauds committed by some sellers and links to many related articles and websites.

Another closely linked site called **Stamp Collectors Against Dodgy Sellers** can be found at www.scads.org On this site there are many useful hints on a variety of buying and expertising issues. There is even a *hall of shame* highlighting sellers who have been specifically identified with regard to allegations of a variety of untoward practices. Even though they largely relate to USA stamps, I cannot recommend these sites highly enough as useful learning resources for *everyone* in the philatelic community.

The USA arm of eBay and the American Philatelic Society (**APS**) are doing considerable work together in these areas. In 2003 eBay formed a group called '**Stamp Community Watch**' (**SCW**) comprising a group of eBay community members appointed by eBay. The **SCW** members are a selected group of philatelic experts including dealers and collectors, who review questionable auctions reported to eBay and pass those deemed to be misrepresented or fraudulent to the **APS** who then either have the listing corrected or the item removed from sale. One aim of this setup is to get rid of sellers who *repeatedly* try to buck the system by offering misrepresented items. The second is to educate sellers more generally in matters relating to making their listings comply with the code of conduct written by the **APS** and eBay. A number of repeat offenders have been barred from selling on eBay and quite a number of borderline sellers have been forced to mend their ways. The number of misdescribed US classics has also been reduced to a fraction of the previous number.

At this point of time the **SCW** *reviewing* of suspect items is mostly confined to USA stamps on the USA site; however, I would hope that their range of expertise might be expanded to include other countries in the years to come. There is no doubt that such a move would benefit the wider eBay community significantly.

The **SCADS** website includes articles and links to references explaining the formation and extent of this co-operation and how it works. This site also has a page with links explaining the mechanics of the *reviewing* of suspect items and the investigation process in some detail. As mentioned earlier, there is no such review process in Australia at this point of time; however, it is my hope that this will change in the near future.

In the meantime, I can only encourage Australian members of the eBay community to report suspect items to eBay, so that they will at least be more aware of some the problems that are occurring out there. On the eBay USA site, which I actually use more than the Australian site, this can be done via the '**Report**' link at the bottom of the '**Selling of Stamps**' page. It can also be done via the Stamps page standard reporting in the '**Security Center**'. The following link also works very easily, however, to access it you must be a member of eBay and be signed in: <http://www.eBay.com/scw> Reporting a suspect item in this way is a simple process, whereby you type this address in or click on the link, either of which will take you to a box where you type in the item number and a question or concern about the item. A suspect item can also be reported via the eBay Security Centre page, by going to '**Problems with sellers**', highlighting '**another problem**', then going to the '**listing violation**' heading and following the prompts until you send an email with the item number and a brief description of your concern about the listing.

As I write this, eBay Australia have recently introduced a '**Report this item**' link near the bottom of the listing page for each item. The process here is very simple, and enables users to report an item for a wide variety of listing violations. In addition, the **eBay Security**

Centre page includes the same process to that outlined above on the US site. This can be done if you suspect an item is a forgery, a fake, has an undescribed repair, or if there appears to be a misrepresentation in the seller's description of the item. Both of these *eBay* sites also have a section detailing a variety of listing violations and *eBay* community members have the right, and many would suggest even the *responsibility* to report such items so that they can be investigated by *eBay*, and acted on if deemed appropriate.

It is important to note that this should *not* become a mechanism to be abused without foundation. The aim of this is to help clean up the on-line market by doing the right thing and not attempting to abuse such resources or services for one's own purposes. If someone did attempt to abuse the system in some way by making malicious or unfounded reports, then I would be most concerned if *eBay* failed in their duty to take disciplinary action against that person or business.

Advice for buyers of stamps on eBay

In this section I am grateful for being given permission to use some of the ideas presented in the article '*Guidelines for buying stamps on eBay*', published on the **SCADS** website, with all direct quotes coming from their guidelines being shown below in *italics*. The **SCADS** article is excellent, and the list given below is certainly not an exhaustive indication of these. I have also added a number of ideas of my own that I believe buyers should be alert to.

- (1) Knowledge – As I have noted many times in my column over the years *Improve your knowledge* and learn as much as you can through a variety of means, including talking to others, reading relevant literature and putting the time in – it will prove to be time and money well spent in the long run.
- (2) Feedback – Carefully check the seller's feedback and other details, with the above comments on feedback in mind. *For stamps, anything under 99% positive is a bad sign. Also check the feedback of those leaving negative and neutral comments. Sometimes it's not the seller's fault.* In other words, do all you can to learn more about the seller.

It is important for both buyers and sellers to leave honest feedback, and whilst it is important to leave feedback quickly, if a problem occurs in the transaction, leave it only *after* reasonable steps have been made to fix any problems that might have occurred, and not as a first port of call.

Also watch out for feedback that the seller has made *private*; in some cases there might be a valid reason for it, however, I suspect that might be the exception rather than the rule. With the *eBay* system being so transparent, I cannot see a valid reason for allowing feedback to be made private. If there is a genuine problem with the validity of any feedback left, I would prefer to see a better mechanism for having it *removed* by *eBay* than there currently appears to be in place.

- (3) Private auctions – Following on from feedback, be careful about bidding in *private auctions*, whereby users cannot see who is bidding on an item, as these *could* also indicate a variety of problems. Whilst it is true that there may not be a problem, you have to wonder why the auction is being made private. It may be a sign that 'shell' bidding is going on, whereby the seller has different user names registered, or gets certain others to regularly bid up the prices on their own items. Under normal circumstances you are free to see who is bidding, and can even check the history of bidders to verify that they have been bidding on a variety of different seller's items as genuine buyers. When the auction is private, this kind of transparency no longer exists.

It is my view that there should be no valid reason for anyone to be able to conduct

private auctions. If a seller or the bidders on their items have been intimidated by an unethical competitor, then that is a problem that should be reported to *eBay* and cleaned up. The way it is set up, *eBay* is a very transparent community and allowing the 'privatisation' of such aspects appears to be at odds with or even contradict that transparency.

- (4) Inadequate or poor descriptions – Be particularly cautious of sellers who give little or no information in describing the item on offer. If a seller provides little description and notes something like 'I don't know much about stamps' or words to that effect, tread very carefully. Either they are deliberately intending to mislead you, or they do know so little that to buy from them could be very dangerous.
- (5) Watch out for ambiguous descriptions whereby the implication is that the stamp is better than it actually is, or it is left open to interpretation. If sellers do not say that their item is in fine condition, then you have to assume that it is not. Likewise, if they imply that it is something without making a clear statement to that effect, once again my advice would be to assume that it is not until proven otherwise. If you are unsure, get the seller to clarify your questions with a clear statement before the close of the auction and if the answer is not posted onto the auction listing, make sure you keep the email you receive in reply.

On the other hand, if a seller makes specific statements such as 'no hidden faults of any kind', or 'guaranteed genuine in all respects', then they are making themselves accountable to their descriptions with no room for ambiguity. When coupled with a simple guarantee and refund policy, this should give potential buyers greater confidence in that seller.

- (6) Forget about 'as is' auctions – If a seller says 'no returns – all bids final' or words to that effect, then my advice is simple – don't bid! As noted in the **SCADS** Guidelines, *Never bid on an 'as is' auction. If the seller cannot guarantee the stamp, the chances are that it is not what it is claimed to be.* As it currently stands, I understand that an item can be listed 'as is' with regard to condition, provided all or any faults are completely described. If the 'as is' relates to the item's authenticity, then that is clearly a listing violation that should be reported to *eBay* immediately.
- (7) Pictures are vitally important – Be wary of sellers whose scans or pictures are too small or unclear in some way. Some sellers use photographs, and often poor ones at that, or even worse, try to sell the item with no picture at all. When selling stamps on *eBay*, there is no excuse for a poor illustration. I believe that the scan should be of at least 300dpi and unenhanced. If it is anything else, there *may* be a reason for setting it up like that, so if in any doubt, ask the seller for a better scan to be posted onto the auction listing or emailed to you or don't bid on the item.

Remember that the picture(s) are an integral part of the auction description, so check them very carefully for faults of any kind and particularly any that are not mentioned by the seller.

- (8) Certificates – As noted earlier, be careful of rare overprints and other items that should, or in some cases I would say must carry certificates being sold without them. Refer to the [expertising articles](#) for a brief list of Australian items that I believe should *only* ever be sold with recognised photo certificates, and for other items to watch out for.

I firmly believe it is vital for *buyers* to become an active part of the certification process by asking sellers of such items without certificates as to why they do not have one. If it doesn't have a suitable certificate, make sure that you can obtain one by asking the seller if you can buy it on extension *before* you bid and importantly, *keep* a copy of the email where the seller has agreed to this. In such instances it is also wise to clarify responsibilities for payment, who submits the item for expertising and what happens if the item fails to be given a positive certificate before you bid.

- (9) Compare the seller's other items and similar items being offered by a variety of sellers, both present and past, in order to make reasonable and more realistic comparisons of both quality and price. There is nothing wrong in selling forgeries, repaired or damaged stamps, provided that they are clearly described as such and priced accordingly. If you do not have the knowledge to judge how to price such items, then it is worth making the time to find trustworthy assistance in this regard.
- (10) Ask questions – Ask any questions that you might have *before* bidding, and preferably well before the close of the auction in case there are any delays in getting the seller's answer. From my own experience as a seller, I travel considerably throughout the year and it is not always possible to get to a computer to check emails and answer questions as they come in. That is one reason why I make a particular effort to anticipate possible questions and include that information in the descriptions provided. A little bit of extra time at the point of listing can save both the potential buyer and the seller time and possible hassles later on.
- (11) Contact details – Be careful of sellers who fail to give full contact details. It is my belief that *eBay* should require *all* sellers to provide more adequate details in their auctions than is often the case. In order to enable easier contact than just a user name, or an email address, I believe that an actual name or a business name if applicable, mailing address and phone number should all be *mandatory* in order to run *any* auction on *eBay*. At present such information is only provided in listings on a voluntary basis by sellers.
- (12) Payment methods to watch out for – If the accepted payment methods of a seller are inadequate, or if a seller accepts payment only by means such as cash or 'Western Union' you may be taking a big risk. In my early days as an *eBayer*, I got stung to the tune of \$740 by using this method to pay an unethical seller and will never use it again. Unlike *PayPal* or direct credit card payments, such methods have little if any safety net. The person can literally walk away with your money and your recourse options are minimal. Yes, you might get some of it back up to certain levels if the transaction was a legitimate one through the *eBay* system, however, on more expensive items, you will generally not get it all back, and may lose much if not all of your money.
- (13) Insurance and registration – Be careful of sellers who do not offer insurance or registration as a part of their shipping policy. This may not be that important for cheaper items. However, if you are buying more highly priced items, then I would consider these services a must.

I have often been surprised by buyers who prefer to save a few dollars by having an expensive item shipped to them by ordinary mail at *their own risk*. In the normal philatelic commercial world I send virtually everything by registered mail. However, some *eBayer's* choose to have even multi-thousand dollar items sent by ordinary mail clearly informed as being at *their* risk in order to save \$2 within Australia or \$US6 overseas on shipping costs! At the time of organising payment, many buyers do not specify a preference for shipping by ordinary mail (at their risk) or registered mail. So in all of my auctions it is a condition that *unless advised otherwise*, sendings of a total value under \$US100, or about \$AU135 are sent by ordinary mail and those above are automatically sent registered, for which full insurance is included at no additional cost to the buyer .

- (14) Refunds – Carefully check the sellers return policy. I strongly believe that it should include the full item cost *and* the shipping costs, including the *return cost* of an incorrectly described item. Why should the buyer still pay the shipping cost if the seller has made a mistake? I say this as both a buyer and a seller on *eBay* and believe that such a policy should be a mandatory requirement to sell on *eBay*.
- (15) Read *all* of the seller's description and conditions carefully and if you are unsure of anything, ask questions before you consider bidding. There is provision on *eBay* for the

question and answer, or an additional picture to be placed onto the auction description by the seller; if that is not done, when you receive an answer, make sure that you keep a copy of the email.

- (16) If buying from dealers – Look for information on their membership of professional philatelic organisations, such as the International Federation of Stamp Dealers Associations (IFSDA), Australasian Philatelic Traders Association (APTA), American Stamp Dealers Association (ASDA), a dealer member of the American Philatelic Society (APS), the UK Philatelic Traders Society (PTS) and the like. In each case, they are bound by a strict code of ethics and are held accountable to that. If you are unable to resolve an issue directly via *eBay*, this will normally provide you with another avenue to consider in solving any problems that might eventuate. It would make considerable sense for it to be a requirement that all on-line sellers join an on-line dealers association.

The **SCADS** guidelines include some of the above items, and others that make very informative reading, so I suggest that you spend some time exploring their website in order to familiarise yourself with these .

External and other Issues

Although the main focuses of this paper have been the genuineness and quality or otherwise of items, and the ethics of real sellers on *eBay*, it would be remiss of me not to mention a second group of safety issues when it comes to participating as a buyer on *eBay*. These are external to the authenticity or quality of the item as they relate to other types of fraud and even the ownership of the item in question.

The most common problem is that of fake emails, commonly known as **spoof** purporting to originate from either *eBay* or *PayPal* in particular. The culprits are generally seeking sensitive account information in order to access funds via your credit card, bank account or *PayPal* account. In most cases these can be readily identified for what they are, however, some of the emails are quite convincing. They generally ask you to log on by clicking a link that takes you to a website where they can easily access the information you give to them. Such sites pretend to be the official *eBay* website, however, they are not!

My advice here is very simple. Firstly, only ever give out sensitive information via '**My eBay**' on the official *eBay* website. As *eBay* advise, they will never seek sensitive information such as passwords or credit card numbers in an email. Secondly, forward the fake emails or even ones you suspect might be fake to **spoof@ebay.com** or **spoof@paypal.com** depending on the name on the apparent source or the subject title of the email. That way it can be investigated and hopefully dealt with severely by the authorities if deemed appropriate. You will receive two reply emails from *eBay*, the first almost straight away notifying receipt of your email; the second a report on the status of the email in question, as to whether it originated from *eBay* or not. In every case that I have submitted to date, it has been the latter.

eBay have also recently introduced a system of messages being received within the system on the official website, and if you are in doubt about the status of an email received to your nominated email address, you can check to see if it is in the message system before replying, or you can simply reply directly via the *eBay* message system if you feel safer that way.

Another issue I have encountered is that of fake '**Second chance offers**'. A second chance offer is where a bidder who failed to win an item in the auction is offered a duplicate that matches the description at their highest bid, or in instances where the sale of the original

item falls through for some reason, the original item. I have received fake second chance offers on two of the more expensive items I missed out on as a bidder. In both cases they were quite convincing, and in the end the only way I knew they were fake was because the email addresses to reply to at the base were different from those of the original sellers, which I only knew because I had emailed them asking for some further information.

I also sold a very rare item for over \$5,000 recently and the top two under-bidders both received fake second chance offers from people in other countries attempting to con them. Luckily they emailed me first asking if I actually had another example or if the winning bidder had reneged on the sale. They were saved from the embarrassment of losing big money. However, I unfortunately know for a fact that this is not always the outcome. I know of instances where unwary buyers have lost amounts of and up to \$1,500 through paying for fake second chance offers by methods such as Western Union or MoneyGram. Not surprisingly, they did not receive the stamps, nor did they get their money back! Had they paid by credit card, they would have had a chance of getting their money back, although even that can be a difficult process if the customer has actually authorised the purchase.

There is also a problem in the unscrupulous 'lifting' or 'borrowing' of scans, a practice that can easily be done from almost any website, be it *eBay*, a commercial auction house, or that of a dealer or a collector. The seller then lists the item as if it were their own property, when in fact they have never been near it. If you carefully follow the advice above, then in most cases, there should be some warning signs. However, a skillful operator of this type of scheme could be quite convincing, even if only for a short time under one user account, so be on the alert! This is best reported as 'fraud' or 'possible fraud' via the methods outlined earlier.



These high value kangaroos were each on offer in two places at once by different sellers!

In mid January 2006 it came to my attention that a seller in the US had just listed two items on the US site that an Australian seller *already* had on offer (visible on both the Australian and US sites), with identical scans of the front and reverse of each. The US seller of user id 'gt39t' made the claim of not knowing much about the stamps and provided little in the way of any useful descriptions. Despite this, someone bid on the first of the apparently fraudulent listings shortly after it was listed.

After carefully checking these listings, my next step was to ask the US seller for a better scan of the reverse of one of the stamps, which I did not expect to receive as I had good reason to believe the stamps were not in the possession of that seller; naturally it did not come. I then reported both items to *eBay* with the item numbers of the original listings and other information to enable them to make comparisons. The fraudulent listings were

withdrawn within about twenty-four hours. I also received a 'communication partner warning' from *eBay* – notifying me of the risk of fraud and '...to encourage you to ignore the email you received from this member...', together with additional information on fraud protection. Although I didn't actually receive an email back from the seller, despite lacking in certain areas, some of *eBay's* anti-fraud system is clearly working well. It is also worth noting that the US seller had a net feedback score of 190 with a comparatively low rating of 95.2%; certainly a warning sign worth looking out for. The fact that someone would copy listings with the originals still on offer is extraordinary and shows what some people will do in efforts to defraud others. A major concern that I do not have the answer to at this point of time is why the US seller in this instance has been allowed to continue to trade on *eBay*.

The above example of a seller offering items he or she does not own was not the first of this kind that I came across, and just as I was completing this paper, another such scam, this time on the *eBay* Australia site was uncovered. In this instance, the seller's listings, under the user name 'aussie_franko' provided some useful clues. Firstly, the seller's feedback count was very low at only twenty-nine, and almost exclusively gained through buying cheap stamp items totaling less than \$500, with no previous sales of stamp items recorded. More importantly, nearly half of the listings included errors in the watermark descriptions clearly visible to the trained eye by examining the illustrations (a mixture of scans and photographs that were not from the same source). The seller apparently knew very little about the stamps, and when asked for more information and a scan of the reverse side of two stamps admitted to little knowledge of stamps and gave unconvincing excuses as to why they could not be provided. Further research found evidence that the seller's emailed responses were somewhat deceptive to say the least. Over the next few days it was confirmed that the seller was offering *at least* two and almost certainly more items that he did not have possession of, nor the right to sell. One of these items, a mint lightly hinged third watermark 6d ultramarine Kangaroo was sent to me by the rightful owner for examination during the time the *eBay* auction was still running.



Prestige Philately lot 323



eBay item 5666533802

Another of these items was a third watermark £1 Chestnut and blue Kangaroo with watermark inverted and in fine mint very lightly hinged condition. This was lot 323 in the upcoming auction of **Prestige Philately** to be held on 4th March 2006 as illustrated above; their catalogue having been published in early February 2006. The *eBay* seller had set the auction period from 12th to 22nd February 2006, and described the stamp as first watermark

sold on *eBay* to another user and was understood to still be in that person's possession during the running of 'aussie_franko's' auction of that stamp. On presentation of this and other evidence, all of the seller's auctions were stopped early and he/she was deregistered as an *eBay* user – a stronger immediate action than that shown by their American *eBay* counterparts.

Other useful hints in regard to 'external and other issues' of this nature would firstly be to have *different* passwords for your *eBay* user account, *PayPal*, or any other such services that you might access. Secondly, it is wise to change your passwords from time to time. The *eBay* websites of each country each have sections with safety tips, and these should also form an important part of your reading on these topics.

Some of these scams are fairly convincing, whilst others are rather crude to say the least. What is also known is that as *eBay* tighten up and improve the security of their site, the unethical will also work on becoming more convincing, so you will require a disciplined approach in order to remain alert to possible problems such as these.

Final thoughts

As I have said before, it is vitally important to be prepared to put in the time to explore issues such as those raised in this paper, to read and to ask questions if you are uncertain of anything. In the long run, there is no substitute for a combination of undertaking careful research and seeking reliable advice, no matter where you buy your stamps from, and *eBay* is no exception.

Acknowledgements and further reading

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