

FeeBay

By AGWire™
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Let's face it. If it weren't for eBay, many of us wouldn't have bought nor sold nearly as much as we have, nor would we have met so many wonderful buyers and sellers in our great collector community. In fact, we probably wouldn't be very far along in our hobby at all! Ironically, the two All Engelhard founders initially met through an eBay transaction, and the site was developed as a warning platform because fake bars and ingots were being offered on eBay, and collectors were being scammed. All good for sure, mission accomplished, onward and upward! But we've come a long way in our hobby over the past several years, new sale platforms and venues have come about, and as prices rise, so do proportionate eBay selling fees. There's a point where it makes sense to pay sale and tax fees, and a point where it no longer makes sense. However, some folks have found a way to have their cake and eat it too!

If you're like us, you're now consciously limiting your social media exposure in fear of being spied on. Of all the venues and platforms that collectors trade on, eBay still has possibly the best security and transaction financial protection, integrated with PayPal, to all but insure a buyer against a deal gone bad, especially if you pay with a credit card. Conversely, there are no guarantees with Instagram, Etsy, Craigslist or other forums. eBay is a great way for a new collector to acquire their first round of bars or ingots while at the same time likely meeting some of the more advanced collectors in our community. And once you know a few of the bigger players, they know someone who knows someone and soon you're doing deals directly at slightly discounted prices (with no written guarantee but with the guarantee of an individual's reputation in the community – yes, bad reputations travel **quickly** in our hobby!). The tricky part for most is how you provide your personal contact information to a seller or buyer while eluding eBay's bothersome messaging surveillance. You could try to send a phone/text number in three separate messages, first the area code, then the prefix, then the 4 numbers. Or you could send your email address in your own clever way, like Johnsmith ATTTT Geeee Male. You might get flagged a few times by eBay, but you'll eventually figure out a way to get your information through, and hopefully you'll be on to direct dealings.

Why go through all this trouble? eBay final sale fees for bullion and coins are 10%, and PayPal transaction fees are 3%+/-, so if an eBay final sale price is \$100, you can expect to pay \$13 in fees and net \$87. That doesn't sound so bad, but what if you're selling a \$3000 ingot, and the sale fee is \$390, and your net is \$2610? That's a big difference! Many states now charge sales tax on bullion purchases, but that's another story altogether. At All Engelhard, we are always excited to see higher dollar valuations, as this is an indication of growth in our market. We're even more excited to see higher valuations on direct transactions, as that means the seller received substantially the full sale value.

Many of our core collectors are active on eBay, selling bars or ingots every week through eBay to keep inventory moving, while at the same time meeting new buyers. Some eBay sellers generate high enough listing volumes or final sale volumes that they qualify for a lower tier percentage, all the more incentive to remain loyal to eBay. Most sellers, however, don't meet this sale volume threshold.

If you have collectible bullion bars to sell, what should you do? That's a tough question! eBay is still the best worldwide platform to present and sell your bars, fees aside. Most every collector reviews eBay auctions, often many times a day. If you want exposure as a seller, eBay does that. If you want choices as a buyer, eBay also does that. Just make sure that when listing a piece on eBay auction that you use a descriptive title that can easily be searched, that your listing reflects accurate information, and provides good quality photos. This will save time for both seller and buyer, thereby delivering quicker results!

To us, buying and selling on eBay makes sense for higher-premium rare bars, while it makes far less sense for generic silver rounds and bars that are priced closer to spot value. Experienced collectors know the drill, what they can and can't pay for bars, and how to navigate directly to a seller to make a deal that works for both parties. And new collectors typically figure out the process quickly. Happy stacking!

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