# Enhancing your eBay Strategic and Tactical Skills VII

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Back in Enhancing your eBay Tactical Skills I, Enhancing your eBay Tactical Skills II, our Enhancing your eBay Tactical Skills III, Enhancing your eBay Tactical Skills IV, Enhancing your eBay Tactical Skills IV, Enhancing your eBay Tactical Skills VI tutorials found in GuruGrams #41, #49, #62, #70, #71 and #78 we looked at some advanced eBay items from our email help line, from our What's New and newer blogs, and the alt.marketing.online.ebay newsgroup. Plus stuff I've been meaning to emphasize beyond our earlier info resources that you will find in our Auction Help and our Auction Resources links.

I thought we might once again continue here with some newer **eBay** tactical skills topics. Many of these concepts are enhanced and expanded from their previous coverage in our **WHTNU05.ASP**. **WHTNU06.ASP**, **WHTNU07.ASP** and (ongoing) **WHTNU08.ASP** news blog pages. Which are now also **RSS Available**.

But 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 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 more recent concepts...

## **Regional Data Mining**

Sometimes serendipity can play an enormous part in finding new opportunities. I overheard two auctioneer's talking that led to a major "secret" auction every Monday from a larger electronics manufacturer.

From which I got to wondering how many other "under the radar" auctions and surplus sales there may be. By starting with **this directory** or **this one**, you can prune down a list of Arizona Manufacturers who just may have hidden opportunities.

You should be able to **Google** similar results for your area. Paring the Arizona list by size produces...

**Walmart** (known and handled by **Bonnette** and others) Honeywell Intel **Raytheon** (one example here) Quest Communications (known and handled by WSM) Freeport McMoran (was PD) (handled by Dickerson) **Boeing General Dynamics** IRM Freescale Semiconductor **Microchip Technology** Motorola Medtronic **ON Semiconductor Lockheed Martin Texas Instruments** Bombadier (known and handled by Starman) **Southwest Gas** (known and handled by **WSM**) **Northrup Grunnman Cox Communications Computer Sciences** 

Global Aircraft Solutions
Universal Avionics
Sargent Controls
Comcast
SAIC
Salt River Project
Unisource

Much more on our **Auction Help** library page. Your own custom regional auction finder can be created for you **per these details**.

Curiously, if you list the top end of the total employment specific to Southern Arizona a radically different picture emerges. It turns out that **seven of the eight largest employers are military**, **schools**, **or government**. And the sole "business" in the top eight sells only to the military. From a facility that is almost totally USAF owned.

Which creates their own set of auction and sale opportunities. Most of which we already know about and have already made available on our **Arizona Auction Resources** library page.

At any rate, here they are in size order...

Fort Huachucha (handled by Government Liquidation)
University of Arizona (does their own auctions)
State of Arizona (some handled by Sierra Auctions)
Davis Monthan (hanndled by Government Liquidation)
Tucson Schools (sometimes does their own auctions)
Pima County (some handled by Sierra Auctions)
City of Tucson (by Public Surplus or Auction & Appraise)
Tohono O'Odham Nation (by Southwest Liquidators)

I haven't been able to find a statewide combined list just yet. Please email me if you know of one. Meanwhile, there just might be specific and nonobvious opportunities in your area. Custom regional directories can be created for you through this link.

Yet another approach to finding serendipitous possible "under the radar" auction and sales source would be through this **SBA Subcontractor Opportunity site**. With the theory that if the company is big enough to need subcontractors, they just might be big enough to have surplus sales and excess needs auctions.

Arizona results through the above link include...

**Arizona State University** Boeing **Dynamic Science, Inc. General Dynamics Goodrich Turbomachinery Goodrich Propulsion Honeywell International Glendale Honeywell International Phoenix Honeywell International Tucson Litton Electro-Optical Lockheed Martin** Motorola **Orbital Sciences Pacific Scientific Energetic Materials Raytheon Missile Systems** Sargent Controls & Aerospace **Signal Technology Corporation** Simula **University of Arizona** 

Results for your area can be found by clicking through on the above link.

# **Digging Deeper**

Sometimes you find only the briefest hint that some auction may or may not be worth attending. Here's a few nonobvious tools that can aid you in deciding...

**ADDRESS SEARCH** — Who is or was here? Who lives next door?

**PHONE REVERSE SEARCH** — Has the line been disconnected? Is it a working company? An upset landlord? An auction house?

**GOOGLE SATELLITE PHOTO** — Is the building a factory or part of a strip mall or an auction barn home? Or a "lives with Mom" scam?

**GOOGLE STREET VIEW** — The zoomable street photos now showing up for many cities can be enormously useful. Especially for resolving parking and access problems.

**COMPANY HISTORY** — Is there anything in the news about any plant closings or a bankruptcy. How long ago?

**LIVE COLD CALLS** — Try to reach a real person that can tell you more about the overall vibes of the auction.

**DEEPER AD SEARCHES** — Possibly in papers you do not normally read or display ads you do not normally search. Be sure to read all of the ads, not just the new ones.

**PRICE HINTS** — Have some of the for sale items been listed in **Craig's List** or **Kijiji** at prices far above distress? Are there unlisted hints?

**NONPROFIT NONPROFITS?** Does this turn out to be a church rubbish — er... make that **rummage** fundraising sale? Are there any factors that would raise final prices far beyond their value?

**WEBSITE STATUS** — Does their website still exist? What are its vibes?

**THE WAYBACK MACHINE**— What did the company used to do? To whom? For how long?

**URGENCY**— Is this a carefully planned sale, or do we have a sudden deep distress panic? Is this a routine recurring event?

And, above all...

**UNREASONABLENESS** — Have they made enough dumb mistakes that nobody else is likely to attend? 120 degrees in the shade, the 4 inch hail, and the scorpions are all your friends, Plus, of course, the nonworking restrooms.

# **Seeking Obscurity**

I've found that it pays to really dig deep into obscure second tier auction resources. Lately I've found these to be paying off big time.

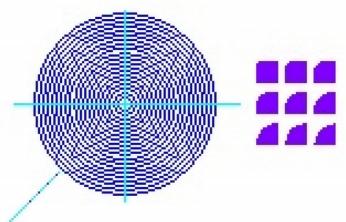
Far better than the regulars. Some recent ferinstances...

- A distant community college provided several exceptional items.
- A rare aerospace action by a liquidator did even better.
- A normally **vapid auction site** for cities and counties yielded some highly useful items. But only after a bluff was called on a reserve.
- Several "over the transom" email offers were lowball bid. And awarded.
   Even discounting the few items that were grossly overvalued, the rest of the lot continues to generate long term profits.
- A national auctioneer did not bother with local ads on industrial inventory.
- Single item bids did quite well on a stock barn auction where nobody else spotted value.
- A bankruptcy attorney decided to hold their own auction. Very few showed up. There can be a distinct advantage when you are the only bidder.

The bottom line being **continuing vigilance**. Avoid getting in a rut where you only check the few obvious biggies. And **always** seek out the nonobvious.

## **Rounding .BMP Bitmap Corners**

Getting decent looking rounded corners and round objects in any bitmap (new or as image postproc) can be tricky. This new template might be of help...



You can click on this image to access the underlying 1:1 bitmap. Which you irregularly lasso, cut, and paste to get you started on a rounded corner.

First and foremost, **keeping your horizontal and vertical lines accurate to one pixel** should help a lot. As should using the same detail for both horizontal and vertical edges when possible.

Note the "log" nature of curved lines. Where the pixel count per line normally **smoothly** increments or decrements without any gaps or sudden changes. Thus, a 5 - 5 - 4 - 4 - 4 - 3 - 3 - 3 - 2 - 2 - 2 ... sequence is almost always preferred to erratic pixel count changes.

Symmetry lets you do only a quarter of a circular object at once. By mirroring vertically and horizontally, the complete object can be built up. If something is "not quite" symmetric, layers can be used to handle any differences.

You can also do "octal" symmetry by starting with a **45** degree wedge. Created by a **45** degree white line to define your upper boundary. Eight fold symmetry can then complete your object.

Carrying things even further, a **22.5** degree wedge can be created and repeatedly "symmetrisized" by a rotation and copy process. The tangent of **22.5** degrees is **0.4142**, which, by a really obscure trig identity, can be remembered as **one less** than the square root of two. Or the fraction of **12/29**.

To use the template, grab a quarter of it and paste it into your corner. Then, you

overwite the outer and inner boundaries. A middle trace might also be overwritten. Chances are the rest of the pixels do not have to be particularly accurate, so long as they do not get too fat or two thin.

For very small rounded corners, it pays to "memorize" the needed patterns. These can be found to the right of the main template. Winning patterns are...

```
Memorize these "perfect" small bitmap corners...

1
1-1
1-1-1
2-1-2
2-1-1-2
2-1-1-1-2
2-2-1-2-3
3-2-1-2-3
```

Additional bitmap tools appear here.

# **Auction Strategy**

Timing can be everything at a live auction. Whether something is or is not a bargain very much depends on **WHEN** during the auction the lot is offered.

Ferinstance, the very first few lots will usually go for outrageously low prices. First because the crowd is shy. Second because the auctioneer is not yet up to speed, thirdly because things are still confusing, and fourthly because early good deals encourage manic bidding.

The first hour or two will usually have **too much** interest and often way too much competition to give you much of anything worthwhile.

Most any auction will have a focus where the "good stuff" is sold at a particular time. Especially working computer systems or vehicles. Many individuals will come only for these items and may tend to leave afterwards. Your own best strategy, of course, is to **ignore the** "good stuff".

As the auction ages, **the serious bidders will end up spending more and more**. They may run out of money or hit a limit to what they can carry with their available vehicles. Or get tired or lose interest.

Eventually, some totally useless pile of trash will not sell, and the auctioneer will "Combine it with the next lot". Thus creating a **poisioned lot** that you can steal for a song.

Similarly, worthless trash on top can sometimes mask goodies on the bottom of a skid or box. **Careful inspection and preview is thus a must**.

Note that you can almost always give away anything you do not want later. Or simply abandon it. Auctioneers do not want you to know about your legal "right of abandonment". On the other hand, don't repeat this stunt very often (or very obviously) with the same auctioneer.

The further you get into an auction, the further behind the auctioneer will typically get, and the more fatigued and disinterested your competitive bidders may become.

Thus, the stunning buys all tend to occur near hour fourteen of a three hour auction. Once again, ideally helped along by the 120 degree temperatures, the four inch hail, the scorpions, bad lighting, dirt & grime, and, of course, the nonworking restrooms.

And those are the times to get in the auctioneer's face and aggressively bid on the "contents of cabinet" and "contents of room" bargains.

#### **Some Mixed Auction Strategy**

What is a good strategy for online bids at a mixed online/live auction?

You ALWAYS have a big advantage in being there and bidding live, so rule number one is to **avoid all online bidding**. If you must bid online, make sure you are approved at least a day ahead of time.

**NEVER** bid too early! All this does is telegraph your intent and draw interest in the item. Besides starting pissing contests.

Early in the auction, it is a good idea to **place a token shill bid** on something you do not feel strongly about and have no chance of winning. This makes sure you are properly online and your bid machinery is working.

Needless to say, on any item that you really want, you place BOTH your current bid of ONLY the amount needed to be highest bidder. AND your proxy max.

#### Do this ONCE AND ONLY ONCE!

Since you are unlikely to have to pay your proxy max (you will almost always win for less or be outbid), your proxy max can be **somewhat** higher than what you are really willing to pay. Perhaps 30% more.

There is a tradeoff on your best bidding time. Too early and others have a chance to respond. Too late, and the usual auctioneer online screwups may miss your bid as their equipment chokes.

Something like **seven lots** or **nine minutes early** may be a good to optimum choice. And avoid getting stressed out. If it was such a big deal, you should have attended.

#### On Resetting to Zero

As our **Arizona Auction Resources** page or your **Custom Auction Finder Service** clearly show us, the number of local auctions is sharply up and new opportunities clearly abound. Particularly in these areas...

**MACHINE SHOPS** — Those that have failed to go CNC are no longer competitive, and those that have may be facing payment issues with their costly new equipment.

**FITNESS CENTERS** — Interest in these has clearly peaked, so there's bunches of bargains in equipment and fixtures and accessories.

**PRINT SHOPS** — You can now do just about everything a print shop did on your own far better, far faster, and ridiculously cheaper.

**CANDLE STORES** — The web has severely cut into brick and mortar stores of all sorts, especially Mom and Pop operations. Candles are but one example of newly unviable ventures.

**WOODWORKING** — I'm not sure why there is a peak in these auctions. Offshore suppliers and labor costs do have to be factors, though.

**co-op Food Services** — Wal Mart and similar chains have pretty much eliminated any cost advantages to many co-op ventures. Even worse is the skyrocketing costs of maintaining delivery routes.

**OFFICE SUPPLIES** — You cannot give classic steel desks away. and most business ventures have sharply cut back on paper filing and similar accessories.

**TONER RECHARGING** — Laser printer demand has clearly peaked and inkjet refilling services are handled in a totally different way.

As usual, the best buys will be in related inventory, "contents of room" and "contents of cabinet" unsorted, murky, or poisoned lots that are a minor and nonobvious part of a larger liquidation.

Going on the assumption that something "really big" is just around the corner, this may be the best time to **REDUCE** your inventory, not increase it.

First because anything new is likely to cost a lot more than what you already have in stock and written off. And second because things are likely to get MORE competitive rather than less. Owing to the tons of merch now being dumped.

And third because if you hit it big on an auction, you will now have the storage room you will need. And finally, because you can be more selective which auctions to attend. Yet still have higher odds than usual of a spectacular buy.

Some "reset to zero" guidelines...

- Flushing anything over a year old not yet listed.
- Put stuff that obviously is not selling on the Alvin Pile.
- By dramatically slashing clutter.
- Eliminating the "shit floats to the top" phenomenon.
- Increase efficiency of known good inventory storage.
- Expand the training and skills of any hired help.
- Be genuinely proud of any newly listed offers.
- Focusing on new items with the best total return
- Fully give each item the attention to detail it deserves.
- Favoring current production and in demand items.
- Providing useful technical links when and where possible.
- Expanding listings through **Craig's List** or Kijii.
- Carefully research product viability and potential interest.
- Maximizing personal value added through special expertise.
- Dropping problem categories entirely.
- Leading with items that are easily tested, packed, and shipped.
- Give away anything questionable or marginal.
- If you touch it, deal with it.
- Keeping inventory counts exact and returning loose items.
- By promptly finishing any refurb you start.

#### And, of course...

• By promptly admitting when and where you were wrong.

#### **Some Lesser Notes**

Let's briefly look at a collection of shorter "loose ends" topics...

**REFUND POLICIES** — We pride ourselves on our **eBay** service and go out of our way to never have an unhappy customer. We promptly issue full refunds (often without returns) for any time we are even slightly at fault. We have very few problems. And those that do exist are easily covered by the **30:1 SBR** (sell/buy ratio) that we will always seek out.

Clearly offering a fifteen day inspection privilege (customer pays all shipping) on higher ticket items heads many problems off before they occur. A customer that accepts an implied risk is less likely to end up unhappy.

But what about a customer who simply did not read clear and obvious statements in a product offer? Or whose expectations were flat out of line? One ploy is to **wait a few days before responding** and then offer only a product refund less shipping upon return. More often than not, the customer may never get around to an actual return. Yet still find your response acceptable.

**TWO AUCTIONS AT THE SAME TIME** — Start by getting as much info as possible on each auction. Especially lot lists and photos if they are available. If you can, preview the **least valuable** of the two.

Sometimes sending an associate to the second auction can work. Other times, placing proxy bids with the auctioneer can prove useful. And if the main auction turns into a dud, consider traveling between the two. Simplest of all is to **ignore the second auction**.

Chances are something similar will shortly come up anyhow. And the auction would not have been in second place if you really were excited about it.

**COPYRIGHT AND IP VIOLATIONS** — Some first principles: ANYTHING you write is **IMMEDIATELY** protected in the US the instant it shows up in tangible form. All that copyright registration does for you is give you a few additional obscure legal rights.

Naturally, **copyright 2008** or whatever should prominently appear on everything you create. Along with any other restrictions. Because of a legal principle called **due diligence**, you should continuously seek out any copyright violations.

If you let them slip in the past, then you may not be able to go after a major future offender.

Two useful monitoring tools are your own **log files** and **Googling** yourself every now and then.

Many violations are simply not worth the hassle of pursuing. But the usual defenses include a polite then a stronger email demanding removal followed by a complaint to their ISP demanding that they be shut down immediately.

A lawyer nastygram can also prove of use but heads you down the route of costs and bad vibes. Foreign ripoffs are rarely worth chasing after. You do, of course, always have the right to refuse any reuse or promotion of your work or to charge any royalty structure that you care to.

As to **eBay**, you can immediately shut down anybody who steals your images or ad copy by going through their **NOCI** process.

Once again creative use of your **log files** can quickly spot stolen images. Sometimes a substitute image (perhaps of a suitably clad individual pioneering new methods of animal husbandry) can prove of value.

**ON STAYING LEAN AND MEAN** — It often pays to stay lean and mean when attending any auction. An empty SUV, one dolly or cart, some tools, and somebody that wants to come along that you do not have to pay for riding.

Chances are you will only hit it big once every six to ten auctions or so. Dragging trucks, trailers, or hired help around for trivial hits or nothing at all usually makes no sense.

Parking can also be a serious problem that gets a lot worse with a trailer tagging along. And, if you do hit it big, chances are you will have to return the next day with the full proper tools and hired help.

Keep your out-of-pocket costs to an absolute minimum until you have scored big enough that they become negligible. Make sure that "needing a trailer" or "many trips" or "needing a truck" is completely justified by your current auction lot won.

Before that, avoid upscaling with trash. After that, stuff in nearly everything you can. Find your auctions here, or your own custom local resource finder here.

**ON VISA/MC AND COST EFFECTIVENESS** — Almost all of our received payments these days are via **PayPal**, both for our on and off **eBay** sales. We pretty much decided to drop our own VISA and MC merchant accounts because their fixed expenses are no longer remotely competitive.

Much as we like UPS, they simply cannot compete with USPO for flat rate boxes and for items in the one and two pound range. So we also have dropped our UPS daily pickup service. **UPS** remains available to us for heavier items.

To pay us via Paypal, go to **this link**, and select "goods" or "auction" or "services" as appropriate. As always, we are happy to combine shipping rates for you to give you the lowest possible total cost.

**COPYING A TRADEMARK** — Is this ever legal? Suppose you buy a case of Heinz Ketchup at a bankruptcy and then scan or photograph one of the bottles so you can resell them on **eBay**. Have you violated any trademarks by your image?

It turns out there apparently is a legal principle called the **First Sale Doctrine** in the US and the **Doctrine of Exhaustion Rights** elsewhere. Which says that strict trademark enforcement expires with the first sale of any item.

So, apparently (check with your legal council to be sure), you can use the trademark copy without infringement specifically for the item sale.

The first sale doctrine originally applied only to copyright, but it seems to have been extendable to trademarks under specific sale circumstances.

You cannot, of course, sell fake ketchup or a different brand. Or imply you are official or an authorized distributor. Nor copy any existing owned image. Or try to scam anything even remotely similar. Or modify the item.

You are likely to be able to show a Mustang hood ornament on one you are selling. But probably NOT in a collector car calendar you are publishing.

Naturally, it is bad news to ever confront the legal council of anybody, anyplace, any time. Especially corporate ones who will squash you like a bug.

But the chances are that you are lawfully entitled to make a new copy of a image you are offering on a lawfully acquired item for resale.

**GOVERNMENT SURPLUS UPDATE** — There seems to be a move underfoot to completely eliminate US Government surplus sales. Based on the obvious terrorist threat of ancient and horribly obsolete commercial test equipment.

After all, if a terrorist scattered a bunch of these late at night, you could bark your shins on one something fierce. The military is apparently trying to **recall and destroy** previous sales of this type. Yet another scaling back.

Mil surplus deals pretty much ended for me a year or two back when the feds decided to truck all Southern Arizona surplus to Northern Utah. And, by **this map**, seem to have made mil surplus opportunities specific to tightly restricted geographical areas.

While sales remain through **Government Liquidation**, lately I've found their feral site managers, dramatically scaled back offerings at many sites, and high opening prices to be personally unacceptable.

**OUR PRICING GUIDELINES** — Here is how the pricing and lotting of our electronic components offered on **eBay** gets done: We start with an opening price of just under ten dollars and adjust the lot quantity to end up at a price of **one-sixth** of current distributor list pricing.

Prices get further adjusted depending on their popularity or rarity and to how many times they are listed. Prices get lowered on some items that we have enormous quantities of. Especially our white banana jacks and miniature snap switches.

The quantity in a lot is also adjusted to give you the best possible shipping rates. As in under thirteen ounces to package at a one pound rate.

Oddball quantities sometimes result if we have a strange quantity left that can be split into one or a very few lots. There is an ebay listing penalty above \$50 total, so we typically list five lots at a time. More often than not, we have more inventory available. These additional items are immediately shippable, on or off **eBay**.

## 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**. Seminars available as noted above.

Further **GuruGrams** await your ongoing support as a **Synergetics Partner**. For details, you can email **don@tinaja.com**. Or call **(928) 428-4073**.