

## **eBay Program**

### **Todd Taylor**

01/13/05

Tape 2

ALAN BECHTOLD – Do you have some tools outside of eBay? Ones that eBay doesn't provide? You know, they are party type tools that you also recommend or use?

TODD TAYLOR – Absolutely. There's a whole host of different tools that I use on a regular basis and we could probably spend a good bit of time if you want, going through each one of these and what they do. One thing I would advise people to do, and I'm not normally about promoting other people's Web-Sites and stuff, but there's one Web-Site called auctionsites.com. There's a lady that runs this. Her name is Ina Steiner and she puts out a daily, basically newsletter about what's happening in the auction world. She's actually a journalist and comes from that background and it's not hard sell information about trying to get you to buy anything. She's actually reporting, here's new changes in eBay, here's new changes in some other type of auction company besides eBay. It's very good useful information. I would recommend everybody subscribe to that ezine of hers.

ALAN BECHTOLD – Does it cost much?

TODD TAYLOR – It's free. Once again, it's free!

But yeah, you can subscribe to her newsletter. It's delivered right into your Inbox of your e-mail and you can keep up on all of the developments. Because there are things that you really want to know about. I mean, just last night eBay did a big change in their fee structure for a lot of different things and people need to know these things.

ALAN BECHTOLD – Yeah, they want viable information.

TODD TAYLOR – It is. Absolutely.

ALAN BECHTOLD – I noticed the other day they started tinkering with a test on a change in the way their ratings are shown. But they're only doing it on the overseas ones. But that kind of thing, instead of having to browse around on eBay and look for that kind of stuff, it's right there in that simple ezine that arrives daily.

TODD TAYLOR – Yeah. She gives you a nice concise overview of what's happening in the online auction world on a daily basis.

ALAN BECHTOLD – That's great.

TODD TAYLOR – One other tool that I like to use is a company called “Andale”. A lot of people who aren't familiar with that being a Spanish word call it “Andale” or something like that. But it's A-N-D-A-L-E.com. Andale. They offer a research tool, or a suite of tools I should say, that are actually quite fascinating. This is one the use on a pretty regular basis. But it will actually... Where I was talking about being able to pull up the completed listings a while ago?

ALAN BECHTOLD – Uh huh.

TODD TAYLOR – You can go in and buy their research tool package and we'll go ahead and get the price out upfront. It's \$9.95 per month. But they have a thing that shows you what's hot on eBay, it shows you the different categories that are moving up and moving down as far as sales, they have a thing that shows you on your particular item that you may be wanting to sell what the pricing is – whether it's going up or down. It has a product sourcing thing on there. The thing that I like the most is, it shows you what your completed items are. We were talking about looking up by a seller, well with their tool I can go in and I can type in an item and it's going to show me every seller's completed items for like the last 30 days. So instead of having to do all this research on eBay, I can type in my item that I want into this one simple tool and it pulls it all up for me.

ALAN BECHTOLD – Man, research in your lap!

TODD TAYLOR – Yeah, absolutely.

There's a whole suite of tools that come with this and they call it their Andale Market Research pack. And like I said, it's 10 bucks a month and I wouldn't be without.

ALAN BECHTOLD – That was one thing I wanted to clear up. You didn't mean \$995.00 a month. It's \$9.95.

TODD TAYLOR – No, \$9.95 a month.

ALAN BECHTOLD – You couldn't pay a high school kid to stop by after school every day for less than that per hour.

TODD TAYLOR – Oh, absolutely.

ALAN BECHTOLD – A couple hours to do that kind of research for you.

TODD TAYLOR – It's just a fantastic tool. It really is.

ALAN BECHTOLD – Yeah.

TODD TAYLOR – There's another tool that is similar to this one, but in a different way is equally if not more powerful. I don't know if you're familiar with Worldwide Brands or not?

ALAN BECHTOLD – Yes.

TODD TAYLOR – But my buddy, Chris Malta, runs this company. They have a product that you can use not only for eBay, but outside of eBay called “The Market Research Wizard.” What this does is it actually polls and lets you know the supply and demand on different items – not only on eBay, but outside of eBay. It actually search is eBay, Google, and some other areas.

ALAN BECHTOLD – Wow!

TODD TAYLOR – It can show you what the percentage is of buyers to people actually selling the product, so that you know the supply and demand ratio on different products. It’s a fantastic piece of software.

ALAN BECHTOLD – How much is it?

TODD TAYLOR – Now that one, I really don’t know offhand. I think it’s like sixty or seventy dollars, but it’s a one-time deal.

ALAN BECHTOLD – Listen, I want to stress how valuable this is to the listeners, because so many of my clients we have to get over this hurdle. So many people I’ve worked with in the past, they have a hard time how easy success in business is because they’re coming in it from how do I make people buy this thing I have, instead of asking the question: What do these people want to buy? – and then supplying it. If you do it that way you can lose! And you just named two incredible tools people can have a very inexpensively that will tell you exactly that... What they’re buying.

TODD TAYLOR – I can’t remember what the price on the Market Research Wizard is, Alan.

ALAN BECHTOLD – Even if it’s \$600...

TODD TAYLOR – I can tell you this, there’s a free trial.

ALAN BECHTOLD – Well that’s even better!

TODD TAYLOR – Yeah. So you can try it out for free.

ALAN BECHTOLD – Do you have a... How do people get ahold of it?

TODD TAYLOR – Well...

ALAN BECHTOLD – Here we are selling stuff for them!

TODD TAYLOR – They can go directly to be Worldwide Brands Web-Site or they could go to my Web-Site and there’s a link on there to their Web-Site.

ALAN BECHTOLD – I was gonna... You’ve got a Web-Site that is a blog.

TODD TAYLOR – Yeah, it’s basically a blog about eBay and online marketing.

ALAN BECHTOLD – This is another great resource for people, because I noticed you talk about different things you’ve discovered and new tools and developments that you’ve seen in your stages along the way, as well as interviews, links to interviews that you’ve conducted or that were conducted with you where you divulged a lot of information. That a really valuable resource. Why don’t you give people the address to that?

TODD TAYLOR – It’s [www.tigertodd.com](http://www.tigertodd.com). That’s Todd with two “d’s” not one.

ALAN BECHTOLD – And that’s tiger with one “g”. Tiger – not Tigger.

TODD TAYLOR – No, I haven’t made the leap to Disney status yet.

ALAN BECHTOLD – That’s right.

Now what do you see for the future of eBay?

TODD TAYLOR – Actually, a bright future. A lot of people are going to hear what I’m about to say and they’re probably going to take this wrong. But I see eBay becoming less dominant. Just like we saw in the past with anybody that has dominated a market for a long time, sooner or later someone else gets it and they come along and do an equal or better job. We’ve seen it happen in broadcasts. We’ve seen it happen in the telephone industry.

ALAN BECHTOLD – That’s a good example. We used to have the big three networks. Now look what we’ve got.

TODD TAYLOR – There’s a lot. Yeah, there used to be AT&T and that was it.

ALAN BECHTOLD – Right.

TODD TAYLOR – There was Ma Bell. That was all you had as far as an option.

I see some opportunity as far as being able to diversify across several different online auction marketplaces. There’s one right now but I think is going to be a big hit and it actually has to do with, I think, your next question.

ALAN BECHTOLD – We can go right into that because I was going to ask you, indeed, if there were other auction sites that you deal with or recommend.

TODD TAYLOR – Yeah, and the one that I see that’s going to give eBay the most competition, at least immediately, is overstock.com. Most people are familiar with Overstock through their massive advertising campaigns that they do in the media and have probably gone there and at least looked at buying some type of product in the past. But just earlier this year, or

at the end of last year I should say, around September or August or something like that, they launched their own auction division. They are the first ones who are seriously making inroads on eBay.

I know this to be the case, not only because of just the massive amount of advertising that they're putting into this campaign, but little things that I pick up being somewhat of an insider on the industry dealing with vendors who deal with eBay are telling me they are starting to gear towards Overstock auctions now also. Those little things are very clear telltale signs, as far as I can tell. Overstock auctions scored a major coup a couple of months ago when they were able to get the person who bought Barry Bond's 700<sup>th</sup> homerun ball. They got that person to list on there instead of eBay and that generated a lot of publicity for them, because that ball ended up selling for \$865,000.00, I believe.

That was a good catch.

ALAN BECHTOLD – Great catch, is right!

TODD TAYLOR – So I think Overstock is definitely the way that others are going to be able to use auctions in the future. I said that eBay is becoming... Was going to be less dominating, and that was a good thing. Well, if you're going to start online in auctions... How much better of it to have five marketplaces than one?

T. J. ROHLER – That's right! I mean, I'm just chomping at the bit here, man. Who gives a damn? It serves as best if there's 10 different eBay's out there.

TODD TAYLOR – Yeah. I'm going to tell you something most people don't get. If you're a McDonald's, who would rather have across the street from you than anybody else in the world? Burger King.

ALAN BECHTOLD – Burger King. And vice versa.

TODD TAYLOR – Exactly. And most people do not get that! They just don't get it.

ALAN BECHTOLD – That goes back to that whole fear of competition. They're not there stealing away from you. They're driving people to one location where they'll pick.

TODD TAYLOR – There you go!

T. J. ROHLER – Absolutely. We'll make money on eBay, overstock.com, and the 10 or 12 other big huge super auction sites that come into existence.

ALAN BECHTOLD – Exactly.

TODD TAYLOR – And that's what I don't get. You know, on the other hand there's been others who have tried to enter the auction market – Amazon, Yahoo – but it was never a focus for these guys. It was always an afterthought. They do a little bit of auction business, but no one ever really takes them serious compared to eBay.

ALAN BECHTOLD – I'm actually surprised Bill Gates hasn't jumped in both feet yet.

TODD TAYLOR – Yeah. You never know.

T. J. ROHLER – Yeah, you can be everything to everybody, though. I think that's what Todd is saying. Todd is saying that the companies that are going to get eBay the biggest run for the money are the ones that are going to go after them in the most... They're going to go right for the jugular. They're not just going to... It's not going to be just some little offshoot that they don't pay that much attention to.

ALAN BECHTOLD – Most likely it will be that.



Because T. J. is so anxious to get in here... I'm sure the rest of us are too. I wanted to wrap up with one quick question I did want to get out to you, Todd. Then we can go back and revisit any of these or bring up any other topics we want, to round off this conversation.

You tell a great story and you stood up and told it at this conference about how your kids are now getting involved with eBay now that you have been doing so well. I wanted to share that and then we're going to open it up to the group.

TODD TAYLOR – That's a great story.

ALAN BECHTOLD – It is.

TODD TAYLOR – Back in November of last year – November 4<sup>th</sup> of 2004 (not very long ago) – my daughter turned 11 years old and we had the birthday party and had all of her friends come over. I noticed an interesting new trend in birthday parties. They give cash. They give gift cards a lot more than they do presents anymore. So anyway, my daughter ends up sitting there and she's got 100 or 150 dollars in cash. I know exactly what she's thinking. She's wanting to go buy new games for the PlayStation, right? But dad is thinking ahead of her at the moment, so...

ALAN BECHTOLD – Hey, that's only three new PlayStation games.

TODD TAYLOR – Yeah, exactly. Oh my gosh, don't even get me started there. Anyway, I sat her down. Her name is Sarah and I said, "Sarah, look, you've got an option here. You can take that money and you can blow it on these games." And like you were saying, Alan, it's like three games. "You're going to have fun with them, obviously, because you like doing this type of stuff. But the fun is going to wear off in a couple of months and the money is going to be gone and the enjoyment is going to be gone. What are you going to have left at that time? So here's what I propose. Why don't you take \$60... I'm not even asking you to spend all of it. Take \$60 of what you have and buy some merchandise from me. I'm going to show you how to

take that \$60 worth of merchandise that you buy, put it into an eBay auction, and I promise you you're going to make money." Well, she thought about it. She didn't just jump on it right off the bat. You have to understand, my daughter is a very bright kid in the first place.

ALAN BECHTOLD – Well, and being the ruthless marketer you are, you probably had a healthy markup in those items you were selling her. No, just kidding!

TODD TAYLOR – No, I sold them to her for cost.

ALAN BECHTOLD – Okay.

TODD TAYLOR – I'm not going to make a profit off my kids.

ALAN BECHTOLD – Yeah, I knew you said that earlier. I wanted to bring that up.

TODD TAYLOR – Yeah. Anybody else, but not my kids.

ALAN BECHTOLD – Right.

TODD TAYLOR – Anyway, so she buys \$60 worth of products from me and, basically, it was some women's designer sweatshirts. I help her design the auction, we put this up on eBay, it runs for seven days, and low and behold she sells it for \$120. So at her very first experience she's doubled her money. Obviously, we had to sit down and explain to her that the 120 is not really 120 because you, not me, are going to pay these Pay Pal fees for the credit card transaction. You, not me, are going to pay these eBay fees. And she understood that and realized that it was a part of doing business. So she ended up netting... It ended up being \$115 and some change after those fees were taken out.

So now she's gung ho. She's wanting to list stuff left and right. Well, I made her sit down with me again and at this point we decided to devise a plan. I said, "It's great that you

want to sell on eBay. But if you're going to get anywhere, you have to know where you're going. So what do you want to do with this?" She didn't know what I met at first, but then I kind of coached her a little bit and she realized what I was trying to get her to see was that she needed a target for the type of income that she wanted to earn on a monthly basis. And not just what she wanted for herself, but what she wanted for her future. I told her... I said, "Very easily, Sarah, you're going to make a couple of thousand dollars a month and that's a lot of money for an 11-year-old girl. So what you need to figure out is how much you want to make over that that you want to keep for yourself, because I'm not going to let you have any of that. You're going to put all of that into savings." So she had to sit down and figure out... Which I think she finally came up with she wanted \$2150 a month. She wanted like \$150 that she could buy clothes or whatever with.

ALAN BECHTOLD – Or three PlayStation games.

TODD TAYLOR – Three PlayStation games, there you go.

And so, then we sat down and we looked at what that was going to do for her. And even without compound interest, by the time she graduates high school she is going to have \$180,000 in the bank – if it didn't earn one penny of interest.

ALAN BECHTOLD – Whoa! What a way to get out of high school!

TODD TAYLOR – Yeah, and that's a fantastic start in your adult life for any kid. Instead of giving it to them, you've made them earn it. You've made them see the importance of it, and at that point they're not going to just go out and blow it on a big party. They're going to respect where that money came from and they're going to use it the right way.

ALAN BECHTOLD – Well that's great. And what was the result on your 8-year-old son?

TODD TAYLOR – Well, he saw what big sister was doing. So Josh, my eight-year-old boy, decided he wanted to jump into the business. So he gathered up what he had as far as money and he bought some stuff from me too. It's important to note here that I made them pay for this. I didn't give it to them. They had to start off just like anybody else would. They had to buy their merchandise. They had to expect that they were going to lose part of their profits to the cost of doing business. These are all valuable lessons that they're learning as eight and 11-year-old kids.

ALAN BECHTOLD – I want to stress here these are valuable lessons for everybody listening because 8-year-old and 11-year-old kids can do this. Everybody can do this. And there's room for many, many, many thousands more. That the exciting part in my mind!

Now what I want to do, Todd, is open this up. I know there's a group of very, very, very great minds listening here in this Roundtable who have probably all been pounding the phone going, I've got a question! I want to open it up to everybody now.

But first, I wanted to just introduce everybody really quickly because I forgot I didn't tell Todd who all was on this call today. We've got Don Bice. We've got Randy Charach. We've got T. J. Rohleder. We've got Chris Lakey, Eric Bechtold, my illustrious rising star nephew. Is there anybody I'm missing? I think that's the group. Oh, Russ von Hoelscher!

PANEL MEMBER – Did you mentioned Russ?

ALAN BECHTOLD – Yeah, Russ von Hoelscher! How could I forget Russ? The great Russ von Hoelscher!

So I'm going to open this up now and let's continue this exciting conversation.

T. J. ROHLEDER – Hey, I want to start out by saying if you’ve got an 11-year-old girl that’s making a couple thousand a month on eBay, there is no excuse for any of our listeners not to do it!

DON BICE – Yeah, you’re absolutely right!

RANDY CHARACH – Yeah, that the great tip. I have three daughters. The oldest is 13 and she’s always begging for more money, so I’m going to act on your advice today and get her to put some stuff on eBay.

ALAN BECHTOLD – Following Todd’s example, even if you didn’t put that in an account that theirs at the end of high school. If everybody out there that has kids that are struggling with that “What am I going to do to afford college?” Here’s a way to get them involved in helping with their own college.

T. J. ROHLEDER – Well, and teach them good skills that will last a lifetime.

ALAN BECHTOLD – Those skills are everything. Yeah, they’re going to be writing. They’re going to be writing copy. They’re going to be advertising. They’re going to learn marketing. They’re going to learn retail sales and communications and customer service. They’re going to be able to apply that anywhere.

DON BICE – That’s right. And then when they graduate you present them with a bill for their room and board for all the previous years and you keep the 180,000.

ALAN BECHTOLD – Isn’t it a great deal? It’s cool how these things work out.

RANDY CHARACH – Don, you’re speaking but you don’t have kids. It’s different. I really like what you said earlier too, by the way, about how eBay will not necessarily be the dominating auction for us, or at least there will be some competitors on board, which sparks an

idea which I had which I'll share now. There's an opportunity, maybe not for the average person listening right now to necessarily compete with eBay per se on a grand scale, that set up our own little niche auction site. You know, for example, I'm involved in many different niche markets and I'm thinking that I could actually set up an auction site just specifically for these niches and probably do quite well.

TODD TAYLOR – I think you could do quite well and, to be honest with you, people are already doing this.

RANDY CHARACH – Right. Give us some examples.

TODD TAYLOR – Well, I know for a fact that there are several car clubs out there that specialize in particular vehicles. Let's pick an easy one like 57 Chevys or 66 Ford Mustangs and they'll sit there and put together auction Web-Sites where the people who are interested in this one particular market can go and trade with each other.

RANDY CHARACH – Great! So there's a whole other business opportunity that's available right now for people. Now, of course, I think that would be a step well after they've gotten used to auctioning on eBay. But it's certainly viable. I'm glad to hear that people are already doing it and I predict there will be a lot more coming and I think I'll be involved in that too.

T. J. ROHLEDER – While hey, Todd, there's something if I don't ask you this I'm going to be doing our listeners a disservice. I would really love to ask you specifically... Not to embarrass you or anything, but to educate our customers. When you talk about you got lulled to sleep by one of these "wholesalers", could you be more specific and show our listeners how to avoid such a thing?

TODD TAYLOR – Absolutely.

The way this person found me was through the place I was talking to you about earlier. When you go to wholesale411.com there is a link there where you can go directly to their forum. When you enter in your information there and register as a user, what happens is if you enter in like Instant Messenger services that you use, a lot of these folks will go through there and if you have an interest in what they're selling they'll pull your user ID off these Instant Messaging services and they'll put them into theirs so that when they see you pop online they'll start a conversation with you. And what ends up happening is... Well, I'm just gonna... If you don't mind, I'm just gonna read to you what this guy said.

T. J. ROHLEDER – Okay.

TODD TAYLOR – The lawyer that I'm talking to... He said, "A typical client of mine consists of those who were duped into sending a wire transfer or a Western Union to unknown individual after seeing a shiny Web-Site or speaking with an individual over Instant Messenger for a few days, weeks, or even months." Now, to that description you can add "over the telephone" with me. This did take place over a period of about three months, because I am very meticulous in my research and to the markets that I want to go into. I wanted to make darn sure that I was ready and was picking the right market to move into for the next step. And so, I spent a lot of time with this lady. And then it says, "These people become convinced their opportunity is worth the while and they part with between two thousand to ten thousand dollars in hopes they can make it all back shortly on eBay. They wire the money, wait two to three weeks for their products, and all of a sudden communication breaks down. They are no longer on Instant Messenger, the phone calls are no longer being answered," and to a "t" that's what happened to me. I hate to admit it, because...

T. J. ROHLEDER – Well, no, I'm glad you had enough courage to admit it because that's going to help a lot of our listeners avoid such a thing. And, in hindsight, how would you have done things differently?

TODD TAYLOR – Well, one of the things I could have done (which I mentioned earlier) is there's a section on that particular forum that says "Have you dealt with this person?" and if I had just taken the time to type their name in there as a search, I would have seen that they had been taking other people. That would have been my first clue.

Now outside of that particular forum, you know, you obviously don't have that safeguard and you're not always sure that they're even going to show up in there. So what I would do is, first of all, you want to check...double check if you're wiring money or if you're doing transfers and that type of thing... First of all, don't do it...not on a new buy...not for the first time that you've ever dealt with someone. Use a company like escrow.com to hold the money until you've actually received the goods. That way, you protect yourself on that level.

T. J. ROHLEDER – That's smart...very smart.

TODD TAYLOR – Yeah. You want to get references from other people that they've sold to and actually pick up the phone and call these people. You know? Because if they're doing it over email, this person could have five different email accounts set up and they're sitting there replying right back to you. You've got to be as diligent as you can in getting as much hard info.

And one of the things that... This is going to sound weird, but one of the things that the lawyer I'm working with who's helping me try to recover this information said to do is if you're dealing with an individual and not a company, get their social security number. If they don't want to give it to you, tell them so long. Because you can track them anywhere with that.

T. J. ROHLEDER – Well that is smart. Look, I'm just so curious... We've bought pallets before for one of our closeout stores on our Mall of the World and you never really... There's so many people that sell pallets and you're talking about buying semi loads. Do you inspect? Will you buy a semi load of pallets sight unseen?



TODD TAYLOR – Umm...kind of. It depends on if I have a broker that I know that I trust to buy for me. Somebody is looking at it. So I should say, “Yes, we’re going to look at it.” If it’s not me, it’s going to be a broker that I’m dealing with.

T. J. ROHLEDER – Okay.

TODD TAYLOR – Somebody is going to see this actual merchandise, yeah.

T. J. ROHLEDER – Okay.

TODD TAYLOR – Look, you know... The old saying is, “A fool and his money are easily parted.” Right? And nowhere is that more true than in this business – in dealing with wholesalers, because there are so many scammers out there. I’m really not trying to scare anybody, but you need to be realistic and you need to make sure that...especially if you’re starting out and all you’ve got is a \$500 to \$1,000 investment to get started, that you don’t get that taken from you right off the bat.

T. J. ROHLEDER – Or, taken from you from somebody who is there buying from the original source and they’re marking it up two or three times before they give it to you.

TODD TAYLOR – Yeah. Absolutely.

T. J. ROHLEDER – What are some of the other ways people get ripped off?

TODD TAYLOR – Well... As far as wholesalers?

T. J. ROHLEDER – Yeah.

TODD TAYLOR – Boy... There are so many different ways that people need to guard themselves. I mentioned don’t ever do wire transfers, right?

T. J. ROHLEDER – Uh hmm. Escrow.com was a smart idea.

TODD TAYLOR – Yeah, escrow.com. Don't use credit cards either!

T. J. ROHLEDER – Okay.

TODD TAYLOR – I wouldn't use Pay Pal either, as far as that goes. A lot of people think these things are safe for conducting this type of business. No. They have all these things splattered all over the Pay Pal Web-Site about buyer guarantees and all this. That's fine and dandy, but if you really want to protect you and your money, use escrow.com and nothing else.

T. J. ROHLEDER – And anybody that would refuse to do that, you could just rest assured that they're a scammer.

TODD TAYLOR – They may not be a scammer, but chances are they are. I mean, they'd better have a darn good reason why they won't do that.

T. J. ROHLEDER – Right.

TODD TAYLOR – The people that I would deal with and that your listeners would be dealing with are people who deal on a smaller scale than some of these larger wholesalers. A larger wholesaler isn't going to go through all that trouble with you.

T. J. ROHLEDER – Right.

TODD TAYLOR – They're really not going to. But you don't have to worry about them. They've got 50,000 square foot warehouses that they're sitting in, in five or six locations across the country that they're shipping from. They're not going anywhere.

T. J. ROHLEDER – Okay, that’s good advice.

RUSS VON HOELSCHER – You know, Todd, I’m surprised you said don’t pay with a credit card, because I know for a fact (being in business for so many years) that the credit card companies will error on the side of the consumer – the buyer. So please explain why you say don’t pay with a credit card.

TODD TAYLOR – Well, the person who is selling on eBay is going to have to go through a lot of trouble to recover that money through a credit card company when all they have to do is just deal with escrow.com. You can use a credit card, if you don’t mind that hassle of having to recover your money. That’s fine.

T. J. ROHLEDER – Well how exactly does escrow.com work?

TODD TAYLOR – Well, basically, it works as a clearinghouse. You set up a purchase with the person that you’re going to do the transaction with. Both sides agree that this is the transaction amount and this is what’s going to happen once the money is delivered. They hold the money until the transaction is complete and both sides are satisfied.

T. J. ROHLEDER – And how do both sides communicate that? I’m just curious.

TODD TAYLOR – Well, you basically let them know, once you’ve received your merchandise, that you’re happy with it and it’s acceptable and it’s what you agreed upon. At that time they will release the money to the person you bought from. If you’re not happy with it, on the other hand, they don’t release your money back to you till the buyer knows that they’ve got their goods back in their hands. So it protects both sides.

T. J. ROHLEDER –Okay. Very smart.

TODD TAYLOR – Yeah.

T. J. ROHLER – Well I also like what you said about buying right. I mean, that's the whole secret – or part of the whole secret – is you make your money when you buy it right.

ALAN BECHTOLD – Well, and the important thing to remember is that... I wanted to throw this in too... All this research...the market research is so important to buying right, because you can't buy wrong if you know what it's selling for.

TODD TAYLOR – Exactly.

ALAN BECHTOLD – Your only misjudgment is going to be, “Wow, I thought those would sell for a lot more than that!” And, “I didn't have time to do the research.” There's no excuses for that. It's cheap and quick and easy.

TODD TAYLOR – Yep, that's absolutely right. I mean, if you don't know what you're going to make going in off the products that you're buying, you're doing it all the wrong way.

ALAN BECHTOLD – Exactly. And I mean, the market research not only shows you how to buy it right...but what to buy. It's just... It's almost a cookie cutter that somebody is handing you in this regard, by following the steps that you've outlined just in this conversation: doing the research, locating the items people are buying, and then knowing what they're selling for, so you know what to pay for them. It almost eliminates the risk.

DON BICE – Well, you know, we always sell the beginning... Well, not the beginning... But we always tell the person who wants to get in the information selling business to go to Standard Rate and Data to find out what people have already bought, find out what the market is, find out how much they've been paying for items, and that's a good way to get started. Then you create a product that fits the market. What's the market looking for? This is the exact same thing! Through the research you find out what products they are buying, you find out what they're paying, and then you know what to shop for and what to promote. It's identical.

TODD TAYLOR – I can take the System that I’ve outlined into any product line and I can tell you almost immediately – with a little bit of calculation – if I want to make \$15,000.00 a month – exactly what I need to buy and how much of it I need to buy to be able to sell it on eBay in a given month and make that income. It’s almost like a scientific formula.

T. J. ROHLER – Well sure. And that’s come from the experience that you have. You know, the confidence that you can use to express that... You know... Hey, if I wanted to make \$15,000.00 a month; I know exactly what I’ve got to do. If I want to make \$100,000.00 a month; I know exactly what I’ve got to do. That kind of confidence comes from the fact that you’ve done your homework and you’re actually practicing what you preach.

The one thing I really love that you said... And this is what I’d like to hear from you and then maybe the rest of my group here. But you talk about on the three things that it takes – doing it better than the next guy. I was instantly reminded of one of my favorite quotes from Dan Kennedy that says, “In the land of the blind, the one-eyed man is king.” You know? Because isn’t it true, Todd, that on eBay there are so many people that are just doing it on this one-shot thing? They’re not really thinking about customers or long-term or going back and re-selling to people. Doesn’t that just make everything that you’re doing to reach your goal of several hundred thousand a month... Doesn’t that just make it all so much easier for you?

TODD TAYLOR – Yeah, it really does. And I don’t know if you guys picked up on this when I was telling you about how I initially got started on eBay, but I mentioned that a lot of the materials I was buying were direct marketing materials like a lot of you guys produce. I learned that stuff and I came in to selling on eBay with that background in my mind, as this is the way you sell things. It was very easy for me to look at what other people are doing on eBay, see where they were missing the whole concept and ways to improve on what they did, and just not necessarily re-invent the wheel but just do it a little bit better than the next guy and you can dominate. Because the marketing sense of most of the people on eBay is nothing. They just don’t get it!

T. J. ROHLEDER – And yet some of them are still making money!

TODD TAYLOR – Yeah, exactly!

It's kind of a little hobby of mine, actually. I do it just for fun...just to prove to people how badly marketed a lot of the stuff is. Once every couple of weeks when I'm bored, I'll sit down and I'll just sit on eBay and I'll go through a few categories and I'll find items that are just so poorly presented and so poorly done and I'll buy them for a dollar or two and turn around and sell them for fifty or sixty bucks apiece, because these people had no clue as to the right way to market their product. I do it just to show my kids or my wife or whoever else is looking and wants to listen to me at the moment, there's a difference between doing this right and a difference between just doing it in a half-assed manner.

DON BICE – But, Todd, one question I have that I don't think we've made very clear... Are you using a follow-up system to sell items of the eBay listings? Are you confining your marketing strictly to the eBay sales?

TODD TAYLOR – At this point, strictly eBay.

DON BICE – Okay.

TODD TAYLOR – I did go into that just a little bit earlier, about some of the future expansion that we're looking at doing, and at that point... Now at this point, I am collecting a lot of customer data. I've obviously got the names and addresses and emails and phone numbers of all these customers that I deal with on eBay. I sell worldwide, so I'm not just limiting myself to the United States. That's a very important thing that we've never really touched on. But I'm going to... There's a point not very far down the road where we will be using all these materials to up-sell and back-end every one of these customers into different products and different

product lines more than likely. We'll get them buying from us in several different avenues instead of just one.

DON BICE – Okay.

T. J. ROHLER – Right.

ALAN BECHTOLD – That's a very smart approach.

T. J. ROHLER – Absolutely. Absolutely.

Using eBay, overstock.com, and the ten or twelve other big giants that will spring up over the next decade as ways of just pulling...

I love what you said. "It's dirt-cheap marketing research and dirt-cheap lead generation," which gives you a whole different paradigm for the way you think about eBay – in terms of the way most people think about making money on eBay anyway.

ALAN BECHTOLD – Well I was going to say, too... I wanted to add to the predictions on new services coming. What I think will happen... The next ten we see, six of the next ten new auction sites – besides overstock – will most likely be specialized in one category or the other that's large enough to support itself as a category of its own with the sites surrounding it, so you'll have two opportunities. For example, if clothing becomes one big auction site – I have a feeling Todd will be starting that auction site one day – probably in the next two years. But the bottom line is, you'll be able to advertise your clothes on that site and on eBay and on overstock, but maybe not all ten. But that still means the other six you watch what they are. Those are the hottest selling items...period. That's one thing to really watch.

TODD TAYLOR – It's interesting that you bring that up, Alan, because when I was prepping myself for this conversation that we're having right now, I was doing some

comparisons between overstock and eBay. The three top categories are the same on both sites, and those are (at this particular time...and they will fluctuate), at this particular time, it's home and garden, DVDs and movies, and collectible coins. That's the category that really fascinates me, because that category on eBay consistently – week after week, month after month – collectible coins have the highest sell-thru rate of any category on eBay. What I mean when I say “sell thru rate” is that of the auctions that start and end, they're the ones that end with the most buyers and just don't expire without having someone purchase.

ALAN BECHTOLD – Wow! I wouldn't think that either.

TODD TAYLOR – Well, I mean, who would until you actually sit down and look at the data? Right?

ALAN BECHTOLD – Right. I know coins are popular, but I always thought there was other collectibles that are a lot hotter than coins. But...

TODD TAYLOR – Well, they're the top category on overstock auctions right now, too.

ALAN BECHTOLD – Hmm. That's something.

T. J. ROHLER – Well, it just means that's where market research... You know... It reveals all kinds of things to you.

And I love what you're talking about. You're talking about all kinds of ideas on gaining knowledge – just sitting at home in front of the computer screen. I love the story of Sam Walton. In his autobiography that Russ gave me years ago, it talks... You know? He got thrown out of so many K-MARTs. As a matter of fact, Sam Walton made the claim until the day he died that no one had been in more K-MART stores than him. So he understood, of course, the value...and now Wal-Mart is the biggest retail giant in the world.



ALAN BECHTOLD – And look what he did to K-MART. I mean, isn't it odd that the one store he was researching against is the one that he brought down first?

T. J. ROHLEDER – Absolutely.

ALAN BECHTOLD – And it was a giant.

T. J. ROHLEDER – But, you know, it's spying on your competition. I mean, that's the way I look at market research. I just look at it as spying.

ALAN BECHTOLD – Well, and the other thing I want to stress here is continuing education. Hook up with people like Todd's blog. Go to that site. Hook up with this ezine that's daily and keep abreast of new developments, because they're spying on you too – whether you know it.

T. J. ROHLEDER – Yeah, the good ones are.

ALAN BECHTOLD – Yeah, the few out there that know...exactly. But the cool thing is, most of the people you see on eBay... Most of the 30-million a month or however many there are on eBay... And I don't know how many are selling on eBay every month, but I'm sure Todd knows. But the point is, the vast majority don't know a thing what they're doing and they're still succeeding in spite of themselves. You can come in and just kill.

T. J. ROHLEDER – Yeah. You know, that is so exciting! That is the most exciting thing. They say that the secret to getting rich is to simply find people who are making money in spite of all their stupid blunders and all the mistakes they're making and zero in on that, because you know that by simply correcting some of the major mistakes they're making you can get all the money that could be theirs – should be theirs – but now it's going to go to you!

ALAN BECHTOLD – Well you heard Todd say it, T. J... He just mentioned the same thing...and we've heard it before from the other interviews we've been doing...for fun. For fun! Sometimes he goes out and finds a really stupidly promoted marketed item on eBay, buys it dirt cheap, puts it right back up, just changes it, and makes more money.

T. J. ROHLEDER – Well sure. And what also that does, though, I know... We've run out of time here, but it gives you a great sense of confidence, doesn't it, Todd?

TODD TAYLOR – Oh absolutely. I know that if I lost everything today, that tomorrow I could start over on eBay and be right back where I'm at within six months.

T. J. ROHLEDER – That's a good place to end this Program! Todd, can you give our listeners some contact information for if they want to get a hold of you, or some Web-Site information if they want to go to your Site?

TODD TAYLOR – Yeah. Well, the easiest way to reach me... The great thing about a blog is you can post comments on there. My Web-Site is [www.tigertodd.com](http://www.tigertodd.com) and just go there and if you have something you want to ask or you want to comment on, just feel free to type in a comment. And if you need specific direction, I can get with you that way also.

T. J. ROHLEDER – Well, I think I'm speaking for all of my group here. This has been so educational and informative. You've had so many wonderful things to say. We've got another minute left on this tape. Does anybody have anything burning to wrap this up?

RANDY CHARACH – Just thank you very much, Todd. That was great!

ALAN BECHTOLD – I was taking notes every second.

T. J. ROHLEDER – I've got like ten pages of notes here, just spread out all over my floor!

RANDY CHARACH – Me too. I learned a lot.

TODD TAYLOR – I would like to thank you guys for having me. It's been quite an honor for me.

ALAN BECHTOLD – Well, it's been...

RUSS VON HOELSCHER – It's our pleasure.

DON BICE – It's been a pleasure.

ALAN BECHTOLD – It's our pleasure and our reward. We got rewards abundantly.

T. J. ROHLER – Yes, and for all the listeners... You need to listen to this tape several times, read and study the transcripts and scribble it all up, get on Todd's Web-Site, and you need to put these ideas and principles and methods into action. There has been a wealth of knowledge here that's been given to you freely. And everybody that's listening to this Program that's serious about making the most money, you've got to go to Todd's Web-Site – if nothing else, just to thank him for so freely sharing information that is now making him hundreds of thousands of dollars a year...soon to be making him many millions of dollars a year with the same information he freely gave you.

Thank you again very much, Todd, from the bottom of all of our hearts and for our listeners who can't thank you yet.

TODD TAYLOR – You're welcome.