

E-Bay Program – Sydney Johnston

Tape 2

SYDNEY JOHNSTON – Watches and sunglasses are big sellers. Designer items... Any time you can get Gucci purses and Ralph Lauren bags and all that kind of stuff...they all sell very well. But there's some really weird things that do amazing. Travel stuff... Travel stuff does really well. Amazing things... Antique barber poles. Huh? Some of these things I've stumbled on. Gift certificates are a big market too. Tickets... those are big. Very big.

ALAN BECHTOLD – Tickets? Okay.

SYDNEY JOHNSTON – Tickets. Event tickets.

ALAN BECHTOLD – Yeah.

SYDNEY JOHNSTON – If you can get anything that has any kind of celebrity attached to it. People like gory stuff too. I mean, they like some of the...

This is the truth... There was a very big auction for fingernail clippings from serial killers.

T. J. ROHLER – Uhhh...

RUSS VON HOELSCHER – Oh my God!

SYDNEY JOHNSTON – Doesn't that just gross you out and turn your...

ALAN BECHTOLD – It probably brought big bucks too.

SYDNEY JOHNSTON – Yeah! And Hitler items... eBay has sort of clamped down on that, but there was a big traffic in Nazi stuff. All kinds of sick stuff, you know? I'm not going to go there and my opinion of some of that.

ALAN BECHTOLD – Hey, that's what happens, though, when you get that large of a group of people involved in a buyers and sellers market.

SYDNEY JOHNSTON – Right. Right. This guy... Have you all read about the Virgin Mary sandwich? I mean, this casino in Las Vegas bought this idiotic sandwich that's supposed to have a picture of the Virgin Mary on it! The woman, as her claim says, "Well, it's never molded." Well, duh, if a piece of bread gets hard and you never get water on it...of course, it's not ever going to mold anyway. So anyway, this casino in Las Vegas...

TED CIUBA – I tell you what, though... My mother would buy that!

SYDNEY JOHNSTON – Well, they bought it for the shock value. Okay? And now they've got it that you can buy t-shirts and tote bags and mugs and all this stuff with this picture of this stupid sandwich.

PANEL MEMBERS – (laughing)

SYDNEY JOHNSTON – Someone was in Miami, so there's this columnist from the Miami Herald who is traveling across the country, bragging every day about his trip with the sandwich. The same casino paid \$65,000 for a haunted walking cane. I mean...what can we say about stuff like that? It's just smart publicity for the casino, but what these people are thinking...I don't know.

ALAN BECHTOLD – Was that the haunted walking cane that sold during the weekend we were in Orlando?

SYDNEY JOHNSTON – It's been real recent. \$65,000 for a cane!

ALAN BECHTOLD – She sold the ghost... and to prove you'll receive the ghost I'm sending the walking cane. It was great.

RUSS VON HOELSCHER – A lot more money than brains.

SYDNEY JOHNSTON – You've got that!

ALAN BECHTOLD – I was talking to somebody else at that conference and we thought about putting a bid in on that, because how cheap could you get it? If you could get it cheap enough, it would be a darn cheap way to get mentioned on CNN.

SYDNEY JOHNSTON – Oh, you bet! You bet!

ALAN BECHTOLD – What they were buying was publicity. In that case, people are selling a publicity opportunity.

SYDNEY JOHNSTON – See, this guy... I mean, this is a perfect example of what I'm talking about. If you all heard of Wedding Dress Larry... His auction wasn't that good, actually. It was a copy of somebody else's. It was a fake deal about he split up with his wife and he took a picture of himself in this wedding dress. He was on several of the news channels and got a lot of publicity. When I looked on that auction... He had a counter down at the bottom. They were showing fifteen and a half million – MILLION – views of that auction!

PANEL MEMBERS – Oh man!

SYDNEY JOHNSTON – He didn't do anything. It's gone. That was his fifteen minutes of fame and I was just weeping for this guy. If I had fifteen and a half million views on anything of mine, I'd be wealthy beyond my wildest dreams!

T. J. ROHLEDER – Well yeah. So how do we get that now? How do we do what he did, but we do it...

TED CIUBA - ...on purpose.

T. J. ROHLEDER – Yes. Absolutely.

SYDNEY JOHNSTON – Right. Right.

T. J. ROHLEDER – Yes. Absolutely! And then follow up and make money. Now that is the question... I'm going to have to take a sleeping pill tonight!

SYDNEY JOHNSTON – No, you're going to have to take my Auction Genius Course!
(laughing)

T. J. ROHLEDER – (laughing)

ALAN BECHTOLD – That will just make him stay up, but at least he's got something to do while he's awake!

SYDNEY JOHNSTON – I teach exactly what Larry should have done in my Auction Genius Course!

ALAN BECHTOLD – Tell us about your course real quickly.

SYDNEY JOHNSTON – Well, it's eight weeks, two hours each week with mentoring and personal attention. I don't know about y'all, but I got tired of selling the \$20.00 eBook and the person wanting 17 page emails all the time with questions and stuff. I decided I was going to

get with people who were really serious about it. Some of my students have done wonders! Alan, you met Todd last week.

ALAN BECHTOLD – Yes.

SYDNEY JOHNSTON – He started his business in May of this year and in December he says he's going to have a \$140,000 month.

T. J. ROHLEDER – Oh that's awesome!

ALAN BECHTOLD – I'm hoping to get him on this program. I'm hoping to get him on this program, Sydney.

SYDNEY JOHNSTON – Absolutely. So that's the kind of thing. It's not that hard to do. But he's got a good system and he's building a warehouse, so he's not sitting there wrapping boxes himself. But still, you have to learn that way. You have to go through that part for a little while.

ALAN BECHTOLD – Yeah, he told me that next year he intends to break...do multiple millions in sales.

SYDNEY JOHNSTON – Right. Right. And have his own warehouse.

I use fulfillment houses. It's so slick. The orders come in and I don't even know about it. The fulfillment sends it out; the money shows up in my bank account in about two days. I just have to keep up with inventory.

ALAN BECHTOLD – I know now why she sounds so happy.

SYDNEY JOHNSTON – Yes, indeed.

TED CIUBA – She’s definitely got it down good, I tell you.

SYDNEY JOHNSTON – Yeah, I do. It’s great.

T. J. ROHLER – I wonder who’s making the most money on eBay? And what’s the largest amount you’ve ever heard that somebody’s actually making on eBay?

SYDNEY JOHNSTON – The number one seller is a couple called Jay and Marie and they sell CDs... and they’re the one cent CD. They start everything at one cent and they’re supposedly the biggest sellers.

But you know, some of that can be deceptive. Like the biggest product, by far the most sales on eBay... You want the hottest product? It’s diet pills. That is it by far. But, of course, eBay Motors makes the most money for eBay. There is a huge market in cars and vehicles and boats. eBay is much smarter than their customers because you go on eBay... Look, they’re going to help you finance it! Oh, well you click this button and they’ll get you some insurance. Well you click this one and there’s an inspector who will tell you if the car is okay or not. Of course, eBay is making money on every one of those services...so they’re smart. They’re very smart!

RUSS VON HOELSCHER – Sydney, what about information products? I’m of the opinion that some of them are selling well and some you can’t even give away.

SYDNEY JOHNSTON – That’s right. That’s right.

RUSS VON HOELSCHER – I met a gentleman in Reno about a year ago who was selling survival booklets and he was doing real well on eBay. Do you have some input about what is working with info products?

SYDNEY JOHNSTON – Yes. Forget the “make money on...” Most of those don’t do well. And you know how these people do... They go and find a big collection of the free auction books that are all over the Internet and try and sell those. They don’t sell... But some of them... There’s a guy who’s been making a lot of money selling a book about poker. He says, “A 9-Year Program... (I’m making this up. I don’t remember exactly.) ...Reveals the Secrets of the Casinos.” He sells those things like mad so, again, it’s tapping into the really powerful interests of your market like “lose weight,” like “make money gambling,” and those types of things. Because most of the products don’t sell at all.

RUSS VON HOELSCHER – Right. That’s good news for me, because I’ve become a real poker player lately.

SYDNEY JOHNSTON – Alan’s heard this story because I was telling it... It’s so recent. This poor guy wasn’t even a student. He sent me this email and he said he’d worked for one week to create this book and he hadn’t sold any, and would I please tell him how to present it differently. So I did. It was approximately 20 recipes and he was selling it for \$9.00. I said, “Okay, look at “allrecipes.com” which has 26,000 recipes for free and tell me why anybody would pay you \$9.00 for this. He never bothered... People do that all the time. Then he lowered the price to a dollar and now he’s not even on eBay. After he spent a whole week of his life... which is what I’m talking about doing your homework first and understanding your market. So I’m sure he’s one of those going, “Well I tried eBay and it doesn’t work,” blah, blah, blah.

I had one student and you’ll love this. She sent me an email and she said, “My boyfriend told me not to get involved in eBay, it’s too competitive, so I got a new boyfriend.”

PANEL MEMBERS – (laughing)

SYDNEY JOHNSTON – All right! You’re my kind of woman! Isn’t that great? I love that!

T. J. ROHLEDER – That is great! That is great...and so are you.

SYDNEY JOHNSTON – Thank you, thank you.

T. J. ROHLEDER – What you really have here is a gap in the marketplace.

SYDNEY JOHNSTON – Absolutely. Help yourself, guys!

ALAN BECHTOLD – It's an active, prove marketplace too.

SYDNEY JOHNSTON – Yeah, nine years worth. And it's just getting bigger and bigger and it's going to keep getting bigger.

T. J. ROHLEDER – Well yes. And now eBay sent us a letter trying to get some business with us. They claim that they've got 80,000 new shoppers every day. You just do the math on that and you figure it's gotta stop one of these days or they'll have every unborn baby in the world counted on that list.

SYDNEY JOHNSTON – Right. Right.

T. J. ROHLEDER – I mean, they are growing by leaps and bounds right now. What do you see for the future?

SYDNEY JOHNSTON – Well, eBay has gotten more and more rule oriented, which makes it harder. I'm not happy about that. It's not nearly as much fun. It's much more businesslike. I'm wondering if one of these days their own success may not just topple them, because if you've got 4,000 people selling the same thing you are...eventually you're going to reach that point of... I don't know... I don't know...

But I do know people who are smart about it, like what I'm talking about, and can just make fortunes.

T. J. ROHLEDER – Absolutely.

ALAN BECHTOLD – I was going to ask too, though, are there other auction sites that are worth examining?

SYDNEY JOHNSTON – Not really. In the general market, even Yahoo and Amazon can't compete with eBay. The only ones that do well... There are some niche sites. There's even one... The most interesting to me is one called Just Beads and it just sells beads and beaded jewelry and it does really well. It's a very small niche market and I see these poor people every day buying software to create their own auction sites. I say, "Don't go there! You can't compete with eBay," but they don't listen. Go right ahead...

There's a site called "epier.com" and it took them two years to start turning a profit. They're a general site like eBay and they make money, but they're a whole lot smaller.

So, not really.

ALAN BECHTOLD – Your techniques are strongly geared towards capitalizing on that gigantic audience of eBay, so why would you go where there's less.

SYDNEY JOHNSTON – Absolutely. Right.

RUSS VON HOELSCHER – What about "overstock.com" though? I hear they're trying to really move big into auctions.

SYDNEY JOHNSTON – Yes, they are and they may turn out to be really well. But I've practiced this before and I couldn't make the kind of money on other sites that I can make on

eBay. But I haven't done that since I've been selling in this way, really, so I can't compare them altogether. I just don't do much of this straight sales market anymore. I mean, why?

Like I was showing some of these people... I said, "I can make more money this way..." "To make this extra money I would have to do 800 more auctions." Well, duh, let me think that one through! I can build a mailing list or I can do 800 more auctions a week. Well, hmm, let me think.

T. J. ROHLER – Right.

ERIC BECHTOLD – Sydney, I've been just kind of sitting back listening, but I had this question that has been looming in my mind. When you sell to a customer, obviously you can acquire that customer and I understand that you can use small priced electronic items or whatever it is to get those customers as buying entities.

SYDNEY JOHNSTON – Uh huh.

ERIC BECHTOLD – But you also hear about those people that do like...in their questions... where you can open up a dialog. Somebody can ask you a question about your product and they do auto-responder things – sign up for my newsletter, do this or that.

SYDNEY JOHNSTON – Sure. Right.

ERIC BECHTOLD – Is that a viable way to acquire a client as opposed to...

SYDNEY JOHNSTON – eBay will jump all over you for doing that. If you don't care, that's fine.

ERIC BECHTOLD – By "jump all over you" will they shut you down or what do they do exactly?

SYDNEY JOHNSTON – eBay’s policy pretty much... They’re not so bad, unless you’re absolutely fraudulent, of course. But what they’ll do is that they’ll keep sending you the same reminder to stop doing whatever. They will shut you down.

ERIC BECHTOLD – So if you plus an auto-responder in there and that is automatically kicking out a message saying, “Email me at this address. But oh yeah, sign up for my newsletter if you have additional questions concerning dogs.”

SYDNEY JOHNSTON – Would I do it? Yes, I would do it. There are going to be a few people who are going to complain, but so? I’ve got lots of other I.D.s, which is why I have them.

ERIC BECHTOLD – As long as you’ve got other I.D.s

So as long as you don’t link yourself or your business to one I.D.

SYDNEY JOHNSTON – Right.

ERIC BECHTOLD – There’s really not that much danger?

SYDNEY JOHNSTON – No. There is...

ALAN BECHTOLD – So you haven’t ever known of eBay to track down someone and go, “Oh, here’s all their other I.D.s.”?

SYDNEY JOHNSTON – No. Never. Never. They would have a hard time finding me. Honestly. I mean, really! See, when I was straight selling... At one point when I didn’t really understand the business, I was selling so many each week and one week I had a box from a supplier that had a hundred briefcases in it. I didn’t even open it because I’d dealt with him so many times. It was just sitting in my dining room. They were all sold. And when I opened the

box, something had leaked in there and about two-thirds of them were ruined. I couldn't fulfill those auctions and I got so much negative feedback it was unbelievable. Everybody got their money back or a briefcase before it was over, but I just got tons of negative feedback. Just because I didn't open the box! I realized what a vulnerable thing that is. It was not anything on purpose! It was just... You know? I'd used him a million times! Why open it? There'd never been a problem. I just didn't think about it.

ERIC BECHTOLD – Yeah, so the re-starting though... It's the percentage as opposed to how many feedback things you have.

SYDNEY JOHNSTON – Yeah. I cancelled that account. It was just loaded with negative feedback and I thought, I'm not ever going to be in this position again! Because I look at these people with 50,000 feedback points... and they make some mistake like that? Oh my gosh! I mean, percentagewise it wouldn't hurt them. But you get all those negatives all over there and that's not good.

ERIC BECHTOLD – Do you see a big dip in your business? Say you had 4,000 positive feedback messages and then your percentage is still good, but you're a brand new business so maybe you only have ten messages and they're all positive. So you have almost 100% feedback, but do you see a vast drop in your business, as opposed to having the 4,000 positives in the past? I would think if I was shopping online, that would make a big difference when I was going in. Or do you just see you kind of overcome that over time?

SYDNEY JOHNSTON – Yeah, but see if I'm selling in the way I'm selling and I don't want people to notice me anyway... Think.... If I have ten points and you're going to buy a ninety-nine cent info product... Is that really that big of deal to you? No.

ERIC BECHTOLD – Yeah, I see what you're saying.

SYDNEY JOHNSTON – It just isn't, you know?

ERIC BECHTOLD – Okay.

SYDNEY JOHNSTON – Yes, if I were trying to build a huge giant jewelry business or something like that. Yes, it might hurt. But I don't want to do that anymore. I did that for a couple of years and that's not what I want to do.

ERIC BECHTOLD – And, hopefully, you're getting them off eBay at that point and selling in your off-eBay jewelry store at that point anyway, right?

SYDNEY JOHNSTON – Right. Exactly. Exactly. Which is where I want them to be. That's where you want them to be if you're going to sell on eBay.

ERIC BECHTOLD – Yeah, exactly.

SYDNEY JOHNSTON – Nobody is going to be doing it but you, so your competition is just almost nonexistent. Isn't that nice?

T. J. ROHLEDER – That is. That is the thing that's going to keep me from getting to sleep tonight.

SYDNEY JOHNSTON – (laughing) Okay! Yeah, just that huge untapped market.

T. J. ROHLEDER – Absolutely. Those of us that are in the direct mail world... you know, the brick and mortar direct response marketing... we can't even begin to even make a penny's worth of profit until and unless we do all kinds of things to go to our customers and establish relationships and do more...

SYDNEY JOHNSTON – Right.

T. J. ROHLEDER – Sometimes, Sydney, we don't even make a profit until the second or third time that we do business with a customer. We live under those rules. To realize that there's an untapped market out here of... I wonder how many people are selling on eBay?

SYDNEY JOHNSTON – I don't know. eBay's rules are strange. If you haven't used an I.D. in years, they still leave it. For obvious reasons... So you'll never lose an I.D. So, I'm sure their figures are inflated.

T. J. ROHLEDER – Oh absolutely. For their own benefit.

SYDNEY JOHNSTON – Which I would do that too.

ALAN BECHTOLD – The one that's probably inflated, too, but it's a little easier to pin down is that one we heard recently on how many people are making a full-time living on eBay.

T. J. ROHLEDER – Well yeah, like 450,000. Yeah.

SYDNEY JOHNSTON – Four hundred and thirty... But that's deceptive too. I could be making ten thousand a month and making a thousand dollars in profit.

T. J. ROHLEDER – Right.

ALAN BECHTOLD – Right. Define "making a living."

SYDNEY JOHNSTON – Yes, that's all very vague and I'm very suspicious of it. But even if it's true, that's a pretty pathetic percentage if you ask me.

T. J. ROHLEDER – Absolutely!

ALAN BECHTOLD – Really. Yeah. Yeah.

SYDNEY JOHNSTON – And then I’m making a really nice living off eBay and they don’t even know about me, so I’m very suspicious of those.

ALAN BECHTOLD – You’re not even on that number!

SYDNEY JOHNSTON – No. And I’ve been on eBay radio twice and Worldwide Brands wanted me to go with him and meet eBay and I said, “You don’t want me to go.” (laughing) Because then they’d say, “Tell us about you and your feedback.” “Well, I have 79 accounts and I’m like...” I’m kidding! I don’t have that many, but I have several dozen. Probably about three or four dozen accounts.

ALAN BECHTOLD – It’s just smart marketing.

SYDNEY JOHNSTON – Yeah. Yeah. And I’m not vulnerable that way. If I ever made such a stupid mistake again like with the briefcases, so what?

T. J. ROHLEDER – Right. Now that is smart. Because so many people are worried; they’re terrified that what happens if they get a bunch of bad feedback and they never stop and even for one moment... They don’t have the ability to think like you think, Sydney. I don’t understand why, but I’m actually glad that they don’t. You just go out and get a dozen accounts and if three go bad, then you’ve got nine more to lean on.

SYDNEY JOHNSTON – Right. Who cares? I don’t mean “who cares” in that... Of course I care. But it’s just not that big kind of tragedy that...

T. J. ROHLEDER – Absolutely.

ALAN BECHTOLD – You care in the angle that you take care of the customers because, of course, you’re building a list and you want them to trust you.

T. J. ROHLER – Yeah, and that's the ultimate reason to take care of a customer.

SYDNEY JOHNSTON – Sure.

T. J. ROHLER – Think about it. You've got all these thousands of people selling on eBay with the mentality that they can't see past the first sale. That's where the relationship ends. And then you've got somebody like you, Sydney, or all of us on this call because we're involved in traditional direct response marketing). To us, relationships are the only thing that matters.

SYDNEY JOHNSTON – Right.

T. J. ROHLER – Russ, you spend hour after hour every week just thinking about building bonds and relationships with your customers, don't you?

RUSS VON HOELSCHER – If you don't... One sale doesn't count. You have to build your customer list and you have to take care of them. So everything that Sydney is doing is the right way to do it.

SYDNEY JOHNSTON – Right.

DON BICE – It's very interesting to me because, really and truly, listening to all of this... you don't have an eBay business.

SYDNEY JOHNSTON – No.

DON BICE – You don't have a business selling on eBay. eBay has become your advertising medium.

SYDNEY JOHNSTON – Right. Right.

T. J. ROHLEDER – Absolutely.

DON BICE – And so you're just using eBay's traffic to generate leads for your separate business entirely.

SYDNEY JOHNSTON – Exactly. Exactly.

T. J. ROHLEDER – It is so brilliant!

DON BICE – It is brilliant. Congratulations!

SYDNEY JOHNSTON – Thank you. Thank you. I can hear all the drool dripping into the phones here now guys!

DON BICE – Good. That's good.

ALAN BECHTOLD – You can bet you'll be seeing about seventy new users accounts popping up for each one of us.

SYDNEY JOHNSTON – (laughing) Okay! Sounds good!

T. J. ROHLEDER – You know what, Sydney? That brings us to another point because a lot of people that are listening to this program... And I know, simply because we meet them all the time at our seminars, they're terrified of competition. And yet, you don't seem to be too worried about it...even when you know that you are making all of us salivate with greed.

SYDNEY JOHNSTON – No. eBay is a really big place. We're not going to run into each other. And even if we do, there is so much opportunity out there. And just because they are so unsophisticated, I don't think that I have any competition. Really. I just don't see any. If

there's anybody else doing the same thing I'm doing, they don't know about me and I don't know about them – and it's not hurting me a bit.

T. J. ROHLEDER – Well let's say this... You have competition, but you have no competitors.

SYDNEY JOHNSTON – That's a good way to put it. That's a good way to put it. That's right. That's right.

ALAN BECHTOLD – And concerning the size of the eBay market, you have very few of those even.

SYDNEY JOHNSTON – Right. That's right. I hear all these people telling me, "I need to find a real cheap source of hot products." That's the way they think! And, you know, there's nothing wrong with that. Don't get me wrong.

T. J. ROHLEDER – No, but it shows a limitation from their perspective. They can never see beyond one sale. That's where their money is.

SYDNEY JOHNSTON – That's right. That's right.

T. J. ROHLEDER – And with us a sale is just a gateway.

SYDNEY JOHNSTON – That's the start. Right.

T. J. ROHLEDER – Absolutely.

ALAN BECHTOLD – It sounds to me like eBay was structured and is relying upon that mentality that most of them have.

SYDNEY JOHNSTON – Oh you bet! You bet. People work for eBay. eBay is the one making the most money, not the users. Which, if I were eBay, I'd be happy about it.

T. J. ROHLEDER – Yeah, they don't want their people to know these things.

SYDNEY JOHNSTON – No, of course they don't! That's why I don't dare go meet with them or something. Oh man, they'd be throwing me out the window!

T. J. ROHLEDER – They'd put up "Wanted" posters with Sydney Johnston all over them!

SYDNEY JOHNSTON – That's exactly right! I tell my students, "When you go to eBay Live, you'll never see me up on the stage with everybody yelling and clapping." I'll be skulking around the corner counting my money! I don't care about the glory; I want the money!

ALAN BECHTOLD – I love it!

RUSS VON HOELSCHER – Here's a question, Sydney. All of us are involved in seminars. I have one coming up in February in San Diego. By the way, you're invited to come and sell, if you want.

SYDNEY JOHNSTON – Oh, that'd be great.

RUSS VON HOELSCHER – I'd love to have you. But these seminars work – especially reasonable and low-priced seminars. Have you ever seen them work as part of an auction?

SYDNEY JOHNSTON – That's an interesting question. Nobody has done that, that I know of.

ALAN BECHTOLD – Oh, Russ!

RUSS VON HOELSCHER – Yeah, it'd be interesting.

ALAN BECHTOLD – Yeah, Russ' gears are churning now.

SYDNEY JOHNSTON – The value of seminars, to me, is always the networking. Of course, I'm sure you know that.

T. J. ROHLER – Right. Absolutely.

SYDNEY JOHNSTON – That's how I met Alan, so I like seminars for sure.

ALAN BECHTOLD – That's how I met Sydney.

SYDNEY JOHNSTON – Right. That's right. That's right...me up there blabbing.

ALAN BECHTOLD – So that's an interesting thing, though, that you've never seen it. I don't remember seeing anybody selling... You said event tickets sell. I've never seen anybody selling seminar tickets or seats.

SYDNEY JOHNSTON – Yeah, that's interesting.

T. J. ROHLER – I think maybe some of the biggest breakthroughs have never been thought of yet, because they're all outside of the box. Let everybody and their brother try to make money selling one kind of item or selling one way. Let the rest of the world grovel around like chickens in the chicken yard with their heads down and pecking each other. And then we're the eagles that are flying above it. You know?

SYDNEY JOHNSTON – That's right. That's exactly right. We can see beyond that limited model.

T. J. ROHLEDER – Absolutely.

ALAN BECHTOLD – They’re down there...

SYDNEY JOHNSTON – But, I mean, I didn’t see that at first either. So hopefully some people wise up over time. I don’t know...

ALAN BECHTOLD – Well listening to this...there’s got to be a few.

SYDNEY JOHNSTON – There’s got to be. I mean, I can’t be the only one. But that’s one of the beauties of it...that you’re so hidden. I mean, isn’t that great? Nobody is going to report me to eBay or copy me. How can they?

T. J. ROHLEDER – Absolutely. You’re doing things that are totally under the radar; especially the way that you scatter. You have the multiple accounts. I’m going to go out and get 50 credit cards right now!

Chris, put that on the “To Do” list!

SYDNEY JOHNSTON – You all are a great audience because you understand what I’m talking about. So often I get a blank look when I talk about things like this. It’s really nice to be understood.

T. J. ROHLEDER – You know what? You are speaking a foreign language to most people, though.

SYDNEY JOHNSTON – Right.

T. J. ROHLEDER – They don't understand. Even regular businesses... Like people in the retail world... they'll have a store and they have the regular customers that come in. Then you try to talk to them about marketing and how to double/triple their profits and you say, "Well look, all you've got to do is just give me a list of all your customers that come in on a regular basis and we'll do some mailings." They look at you with their mouth open and their eyes are glazed over. They've got customers that have been coming in there for years, and yet they've never done any kind of offensive pro-active kind of marketing promotion to try to bring those people back. Even seasoned business professionals are blind to this whole idea of relationship building and two-step marketing.

Ted and Don and Russ, why do you... And Alan and Eric and Chris... Why is that? Why does the whole world seem to be blind to this whole idea of getting a customer and then trying to do as much business with that customer until they either keep on buying or they die?

ALAN BECHTOLD – I don't know personally, but I...

SYDNEY JOHNSTON – I don't get it.

DON BICE – I think maybe it's because we sale the way we buy. We're accustomed to going in to a store, seeing something, and handing our money and getting the product. That's the way we buy for things in our personal lives. I think most people who go into business want to sell like they buy. They say, "This is what I have for sale. Here's what it costs. I take your money," and that transaction is complete. I think that's why they sale that way and they don't look past that. Even when they hear that, it is too foreign to their own buying habits.

ERIC BECHTOLD – I also think a lot of people don't kick in and they're scared to actually ask somebody to buy something from them. I talk to clients all the time that say, "I put this thing out there and I had one person buy it." It's kind of like buying something off the shelf. The supermarket never thinks about going out to you. They're starting to, now, with all those little loyalty cards and things like that. But for the longest time you'd go in there and get your

milk and they'd never try to sell you any Hershey's Chocolate Syrup or anything like that. People are scared to actually ask somebody to buy something from them. It's like something shameful.

SYDNEY JOHNSTON – Right. Right.

RUSS VON HOELSCHER – Not only that... Most retailers don't even capture the names and addresses of their customers.

T. J. ROHLER – Right.

RUSS VON HOELSCHER – I mean, they don't even go so far as to send them a couple mailings a year – much less mailing to them every month. They do things in a very stupid, but methodical way that says, "Here I am. I'm located on Main Street and if you want what I have, come on in the door."

TED CIUBA – Yeah, which ties into my reason. I think people don't promote like that is just because they want the same instantaneous pill. Just like they only want to take a pill to lose weight and be attractive in the morning – feel good. It's the same phenomenon.

SYDNEY JOHNSTON – Quick solution..

TED CIUBA – Laziness... Yeah.

SYDNEY JOHNSTON – Have y'all noticed the prejudice against money in our culture, even though everybody wants it? There's a lot of negativity about it.

TED CIUBA – There sure is.

T. J. ROHLER – Absolutely.

TED CIUBA – The people who have that negativity... I'd like to tell them, "Look, if you're going to be talking like that you'll never have it!"

SYDNEY JOHNSTON – You'll never make money...right. That's right. That's right.

Somebody wanted some free information from me that I wouldn't give them and she sent back this accusatory... "You're just trying to make a sale!" Duh! Yeah, you're right! That's exactly... What do you think I'm in business for? It's to make sales!

T. J. ROHLER – Well sure! And they say things like, "Dirty, filthy rich."

SYDNEY JOHNSTON – Right.

RUSS VON HOELSCHER – I saw a congressman yesterday on FOX talking about proposing legislation to make it hard for Wal-Mart to open stores and to undersell the competition.

TED CIUBA – Legislation...jimmy Christmas!

RUSS VON HOELSCHER – Yeah, legislation. He says they're knocking off a lot of mom and pop businesses, they're terrible, and we've got to do something so they can't sell those products so cheap.

T. J. ROHLER – Hey, you know what? I'll tell you who's knocking the mom and pop businesses away. It's the moms and pops.

SYDNEY JOHNSTON – Exactly.

T. J. ROHLEDER – Here, locally, we’ve got this store that’s not Wal-Mart but it’s run... It’s another chain. It’s called ALCO. They came into this little town that we live close by and there had been a Ben Franklin store in that town for 30 years. As soon as ALCO came and made an announcement that they were going to put their little tiny store (compared to a big Wal-Mart)... As soon as they made the announcement, all of a sudden this Ben Franklin guy (who I knew because I used to go in there and buy crap from him)... All of a sudden he puts a “CLOSED – GOING OUT OF BUSINESS” sign up there.

SYDNEY JOHNSTON – Wow.

T. J. ROHLEDER – And he told me, “I can’t compete with ALCO.” I said, “Bernie, ALCO is not even going to be having their Grand Opening for another 11 months!”

SYDNEY JOHNSTON – Right. Just give up!

DON BICE – No kidding! That’s the lazy solution.

T. J. ROHLEDER – And that’s the kind of thing that’s on eBay all the time.

SYDNEY JOHNSTON – You bet.

ALAN BECHTOLD – And I think this explains the human nature element behind this whole question you asked, T. J. It’s a little more work. You have to be a little more creative to overcome the obstacle of competition, or to sell outside the box. That’s one reason why people do it. They always work within their comfort zone.

One of the lessons I think everyone listening needs to take to heart here – never be afraid to push against the side of the comfort zone and step over it.

SYDNEY JOHNSTON – No. Right.

ALAN BECHTOLD – That’s where you start operating outside of where your competitors are willing to operate, generally speaking.

SYDNEY JOHNSTON – It’s just like when I was talking about those Joint Ventures, Alan. The hardest part is overcoming the suspicion of the people you want to do Joint... “What? We don’t do business this way on eBay! What are you talking about? It must be crooked! I don’t understand it. It’s different.” You know?

ALAN BECHTOLD – “I’ve never heard of it before, so it must be bad.”

SYDNEY JOHNSTON – “I’ve never heard of it before. It must be wrong.”

T. J. ROHLEDER – They fear what they don’t understand, right?

SYDNEY JOHNSTON – Exactly.

ALAN BECHTOLD – Yes.

SYDNEY JOHNSTON – And fear rejection. Right? “Oh, somebody might turn me down! Oh no!”

T. J. ROHLEDER – Or, I love what you said, Sydney, and I love your attitude too when you said it. You were talking about you built this list and you’ve got thousands of people on the list and you’ve got one person that’s complained. And then you just have such a great attitude about it, because some people would actually stop a very successful campaign.

SYDNEY JOHNSTON – You bet! Yeah, “Somebody got mad... I’d better quit!”

T. J. ROHLEDER – I know!

ALAN BECHTOLD – My attitude has always been, if your answer is “no” just make it quick so I can move on.

SYDNEY JOHNSTON – That’s good!

ALAN BECHTOLD – Yeah, just so I can move on. Don’t tie me up. Okay.

SYDNEY JOHNSTON – That’s right. What have you lost if somebody turns you down? You’re no worse off than you were.

ALAN BECHTOLD – Nope.

SYDNEY JOHNSTON – My ego is not that fragile.

T. J. ROHLEDER – Absolutely. Thank God!

SYDNEY JOHNSTON – Yes, thank God!

ALAN BECHTOLD – Do you have some more questions, T. J.?

T. J. ROHLEDER – We’ve got about 15 more minutes that I would like to just burn here on this one great program.

ALAN BECHTOLD – Are you with us, Sydney?

SYDNEY JOHNSTON – Sure.

ALAN BECHTOLD – We’re not cutting into your schedule?

SYDNEY JOHNSTON – No, it's fine.

ALAN BECHTOLD – Oh, you're living that Internet lifestyle!

SYDNEY JOHNSTON – Yeah, you bet!

T. J. ROHLEDER – Really, you are brilliant. We're happy to have you here and I know that the listeners are just going to enjoy every word that's come out of this whole thing, Sydney.

It's just amazing to me how few people... You know, there's this famous psychology guru that runs around the country. His name is Dr. Phil and he says, "Either you get it or you don't get it."

SYDNEY JOHNSTON – Uh huh. Right. Right.

T. J. ROHLEDER – That's what we have here. We've got a whole world of people out there that know that eBay is a way to make money, and yet they're so limited by their own thinking that they never can adopt or adapt new ideas.

ALAN BECHTOLD – The really amazing thing, T. J., is they're making money on eBay so they're happy.

T. J. ROHLEDER – In spite of themselves.

ALAN BECHTOLD – They're like, "Wow! This is great!" They're not even looking for more.

SYDNEY JOHNSTON – Right.

TED CIUBA – Right.

SYDNEY JOHNSTON – “I made \$2,000 last month. I’m happy.” You know?

ALAN BECHTOLD – How about twenty? How about raising it up to five?

SYDNEY JOHNSTON – Yeah. And there’s nothing wrong with that either, of course.

ALAN BECHTOLD – No. And that was a myth we were talking about – the whole evil connotation of having lots of money. I think it is created in the minds of those who feel they’ll never have it.

T. J. ROHLEDER – People are scared of change. They’re afraid. It’s like, “Oh my God, what would happen if I made a ton of money? My friends and family are going to be uncomfortable now.” They just know that there’s going to be a change in their life.

ALAN BECHTOLD – And yet, if you walk up to anyone and offer them \$10-Million... “Here it is...” They’re not going to turn you down!

SYDNEY JOHNSTON – No.

ALAN BECHTOLD - ...for fear. It’s the fear of doing the effort and “Oh, I’m never going to get it. I’ll never have money anyway, so I’ll just settle.”

SYDNEY JOHNSTON – Yeah, it’s too bad.

RUSS VON HOELSCHER – We’ve heard of many people making \$100,000 a year or more on eBay. Sydney, have you ever heard of anyone that’s making over a million dollars a year?

SYDNEY JOHNSTON – Well, Jay and Marie are. But my student, Todd, will be soon. I've got some other students. He's definitely making more than any of the others.

DON BICE – Is it permissible to ask what type/category of product he sales?

SYDNEY JOHNSTON – He's selling men's clothes. Well, no, he's selling women's clothes also.

ALAN BECHTOLD – Okay, clothing then. Yeah.

SYDNEY JOHNSTON – Yeah, clothing. And see, that's not a sexy, glamorous thing.

DON BICE – No, and I really wouldn't think it would sell! Who wants to... I would never buy clothes sight unseen!

SYDNEY JOHNSTON – No, I wouldn't either.

T. J. ROHLER – Oh, but my wife does all the time, though, Don.

DON BICE – Yeah, I know a lot of people do. Yeah.

ALAN BECHTOLD – There's a whole clothing catalog industry out there that sells to people that don't mind!

SYDNEY JOHNSTON – Right. But see, there're so many other tactics you can use on eBay that are more traditional marketing. Like sending search engines... For example, if you have a store or you're allowed an _____. Nobody ever does that. Why not? Don't you think that's strange, if you know something about search engines that you wouldn't use that kind of information to send traffic to eBay?

ALAN BECHTOLD – Oh, and it's a link to it.

SYDNEY JOHNSTON – Oh absolutely. Absolutely. And it's easily done too. I don't get it! But, it's good for people like us. It really is.

ALAN BECHTOLD – That would be one example, too, of an excellent warning too at the conference that I wanted you to repeat here, if you could, about ordering through wholesalers...a problem it could create.

SYDNEY JOHNSTON – Well, there are all kinds of problems that it can create. People get... Your listeners... That free book that Chris and I wrote, we're just giving it away – even though it does have my affiliate links on there.

ALAN BECHTOLD – Oh, that'd be great.

SYDNEY JOHNSTON – But seriously, Chris Malta is a wholesaler himself and he's been in this business of supplying wholesale information for years. He knows it inside and out. There're so many ridiculous examples on eBay – people selling this junk! Like one of the ones I put on the Web-Site... Okay, this guy is selling a list for one cent. In that list he claims that he has sources that will sell you brand new digital cameras at 80% off. So he had this picture on his auction list of this camera. So I went... First, I took the camera and I went to the... It was a Sony camera. I went to their site and I looked to see what the price was. So I said, "Okay, 80% of that would be...whatever." I don't remember the numbers right now, but it's on the site. Then I looked on eBay and I found auctions. This camera was selling like mad and what I discovered was, if you could truly buy that camera at 80 percent off...you would be making about \$390.00 in profit on each sale. So you tell me... If you can make \$390.00 in profits, you're going to sell your supplier list for a penny? Give me a break!

ALAN BECHTOLD – The believability just went down.

SYDNEY JOHNSTON – Yeah. That junk is everywhere!

T. J. ROHLEDER – No, no, no. Let me just say this now. You have just given me a great idea, Sydney, that I would have never gotten had you not shared that story.

SYDNEY JOHNSTON – Okay.

T. J. ROHLEDER – It's the simple fact that one of the reasons why your strategy works so well... And I know this because it's the same strategy that we've been using since 1988 and the same strategy that every other direct response company uses. It is because people are so damn skeptical these days. I can't think of a... When they find somebody they trust, they latch onto them. It's almost like you're doing people a disservice. Really, as long as you're selling good quality stuff and you're honest and you've got integrity...and you don't offer to do more business with that customer... You're doing them a disservice! This guy that you just talked about that's selling this phony crap and ripping people off... The world is full of them!

SYDNEY JOHNSTON – Right.

T. J. ROHLEDER – I can't think of any place where there are more scumbags in the world than on the Internet!

SYDNEY JOHNSTON – Right. You're right.

TED CIUBA – Yep, it's just like real life, isn't it?

T. J. ROHLEDER – Real life...amplified!

TED CIUBA – But it is so short-sighted to rip somebody off. Because we're all going to need to eat tomorrow and we need that relationship. That's what all smart marketers are doing.

SYDNEY JOHNSTON – Right. Right. But not this guy! I mean, he doesn't care.

T. J. ROHLEDER – Well, most people on eBay don't care! They care about their feedback rates.

SYDNEY JOHNSTON – That's right.

ALAN BECHTOLD – Is fraud a big problem on eBay? I mean, you know it is.

SYDNEY JOHNSTON – It is a big problem. But, you know, so much of it is so idiotic. Let me tell y'all... Two weeks ago we got a call from eBay and what happened was I had found one of those fake... "Your eBay account has been suspended. Click here to go and submit..." You know those emails that we've all gotten thousands of, no doubt. To teach my e-zine readers about this, I had taken one of those forms and put them on a Web Page. Up at the top in big red letters it said something about "SCUMBAGS" in giant red letters. The listing was, "auctionknowhow.com/scumbags". Okay? I put that out there as an example and I forgot about it. That was several months ago and in the meantime some search engine picked it up and it was on the Internet! All these people are finding this and trying to fill it out and it doesn't work. So they complain to eBay.

PANEL MEMBERS – (laughing) Oh no!

SYDNEY JOHNSTON – And eBay calls me and tells me... They were very nice. They said, "This is so ridiculous, so would you..." I took it down immediately and everything. But can you imagine going to a Web-Site that says "SCUMBAGS" in red letters and filling it out? It's like people are wandering around like idiots, asking to get fleeced! I don't mean to be unkind here, but that is just an amazing thing to me. What can we say to that? You try and protect people, but where are the limits? I don't know.

ALAN BECHTOLD – Well, and you also mentioned in regards to wholesalers the whole example of... never post an auction for a product you don't have in hand.

SYDNEY JOHNSTON – Right. Right.

ALAN BECHTOLD – That's a really good tip.

SYDNEY JOHNSTON – Alan was mentioning this email I got from somebody right before the conference, so I dragged it in. This woman was so indignant because she had done two 3-day auctions and made seven or eight hundred dollars. What she had done, (I don't remember the exact numbers) was she had sent via Western Union a bunch of money to a supplier in a foreign country who told her, "Yes, he'd be sending the product right away." So she just takes that as assurance and starts listing this stuff on eBay. Of course, she doesn't have it. And then she's all indignant. She says, "I got banded from eBay. It is so unfair and what am I going to do?" I wrote back and said, "If I were eBay, I would have banded you too. You're selling products you don't even have and there's all kinds of stuff on the news constantly. Do not send money to foreign countries via Western Union."

ALAN BECHTOLD – Yeah, that's irrevocable cash.

SYDNEY JOHNSTON – Right. I don't know what these people are thinking. I don't know.

T. J. ROHLER – Well, how about "not" thinking?

SYDNEY JOHNSTON – Yes. They're just so desperate that they're gullible, I guess. I don't know.

T. J. ROHLER – Well I'm glad there's people like you to straighten them out. And that's what we've been trying to do too. That's always been our intention. Sydney, it's time

now to let all of our listeners know that those that are serious and want to make the most money... please, give them all of your contact information and then we'll do our part to get this tape out to as many people as possible.

SYDNEY JOHNSTON – Great. Thank you so much.

My classes are the “auction-genius-course.com” and I put up a page called “/roundtable” where anybody who is listening to this can get that book for free. Everybody on eBay ought to have that book that Chris wrote. All I did is... I’m listed as co-author, but he did all the writing and he is just... He has more integrity and more knowledge than anybody I know about the wholesale and drop-ship market. They can have it for free. If they want to go to that link, just help yourself. Because we don’t want people getting ripped off by these creeps and jerks, you know?

ALAN BECHTOLD – I think we should probably let the buyers know beforehand that that’s an incredible bonus that’s included, just by listening.

T. J. ROHLEDER – Absolutely.

SYDNEY JOHNSTON – Absolutely. Just let them go there and just help themselves, because it doesn’t cost them a penny.

T. J. ROHLEDER – And then they can find out exactly how they can become one of your successful students, and then they can top Todd if they’ve got enough desire.

SYDNEY JOHNSTON – Absolutely. Absolutely. Chris will save people who will take the trouble to read that book.

T. J. ROHLEDER – Okay, one more time for those that didn’t write it down and are too lazy to rewind the tape.

SYDNEY JOHNSTON – Okay! “auction-genius-course.com/roundtable”

T. J. ROHLER – Okay. I just want to thank you and I know all of our panel here is excited about all of this.

SYDNEY JOHNSTON – Thank you.

TED CIUBA – Certainly. Thank you, Sydney.

SYDNEY JOHNSTON – I appreciate it.

ALAN BECHTOLD – I really appreciate it. I was great fun.

SYDNEY JOHNSTON – You’re most welcome. I enjoyed talking with you guys. You’re fun!

ALAN BECHTOLD – Well, you are too!

TED CIUBA – You gave us a lot of good information.

SYDNEY JOHNSTON – Thank you. Thank you.

T. J. ROHLER – Thank you, Sydney.

SYDNEY JOHNSTON – Bye bye.

T. J. ROHLER – Bye bye.