

Making Sure On-Line Auctions Are On The Level

On-line auctions are becoming an increasingly popular way to buy and sell unique items, but they also are generating a lot of complaints from consumers. The Internet Fraud Watch, operated by the National Consumers League at www.fraud.org, says on-line auctions are the most likely type of on-line purchase to generate a consumer complaint.

A key point to remember is that when you buy something from an on-line site, such as eBay.com, you often are purchasing from a private individual. The website is only a clearinghouse to bring buyers and sellers together. If you have a problem with a sale or purchase, you are on your own. Government and non-profit consumer fraud agencies generally will not intervene in private sales transactions between two individuals.

The following is some general advice for dealing with on-line auction sales:

*Know your Internet site. Some auction websites list items without verifying if they actually exist or are described accurately.

*If a seller is a business, check the Better Business Bureau and Attorney General's office in the state where the business is located to determine if anyone has complained about the company. Remember, however, that a clean complaint record does not mean you will have no problems.

*Get information about where the buyer is physically located. Get a telephone number, street address and name. Verify this information, if possible. If you cannot obtain or confirm this information, do not buy.

*Get information about the company's policies on returns, deliveries, warranties and service. Insist that the shipment be insured and know what you can do if you have problems with the item.

*Be careful about claims regarding collectibles. You cannot assume anything about the appraised value of an item. So get a clear, written description of the item before you give any money.

*Pay by credit card. Con artists love cash, so be careful about sellers who insist on cash-only terms. In 93 percent of the cases of on-line fraud last year, the victim paid with cash or money order, according to Internet Fraud Watch. Charges to credit cards, on the other hand, can be disputed if a problem with the goods arises.

*Consider using an escrow agent or COD. An escrow agent acts as a go-between to make sure you get your merchandise and the seller gets your payment. You will pay for this service—eBay charges five percent of the cost of the item—but it might be your best protection, especially if you are buying from an individual. Cash on Delivery is another option to use to protect yourself when dealing with a private seller.

*Complain to the auction site if you have a problem. Some sites will investigate phony bidders or sellers. The site's manager will want to know who is abusing the site, and may bar repeat offenders from it.