

Israel gets local versions of eBay, PayPal

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Israeli Internet portal Walla! unveiled on Wednesday two new services similar to eBay and PayPal: Walla!Buy and Walla!Pay.

Walla!, whose name is hard to translate but roughly means, "Wow, really?" spent more than a year and \$428,000 developing the auction site and the secure payment feature, according to a report in the Israeli daily Ha'aretz.

"Walla!Buy works as an open trading arena, in which any individual or business can offer items for sale," Walla!Shops Chief Executive Officer Uri Nadler told the newspaper.

Nadler expects the site will post revenues of \$64.2 million within three years, the newspaper said.

Walla!Buy features auctions, fixed-price sales and classified ads for items such as cars and real estate.

When a customer pays using Walla!Pay, the site charges the buyer's credit card, but not until he confirms receipt of the product, according to the report. UPS delivery is available for an extra \$10, and once the courier confirms the delivery, the buyer's credit card is charged, the newspaper said.

The site charges 6 percent commission, plus a registration fee. At the end of the introductory period, there will also be a 75-cent charge for each item offered, according to the report.

Not everyone is convinced the model will work in Israel.

"It won't suit Israelis," said Omri Lavi, one of the founders of the Israeli eBay users' community, via the newspaper.

"Israelis ... can't sell something for 75 cents that they paid a dollar for years ago. Instead, they start at \$2 and go down to \$1.50," Lavi said.

Nadler said via the report that Walla! is pinning its hopes for success on the fact that 40 percent of Israeli surfers, or 1.5 million people, shop on the Internet.

Walla! belongs to the newspaper's parent company, Ha'aretz Group.

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