

EBay cuts auction listing fees for casual sellers

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eBay logo

(AP) -- The online marketplace eBay is eliminating some upfront fees to attract more sellers who occasionally auction off items.

San Jose, Calif.-based <u>eBay</u> Inc. said Tuesday that users will soon be able to offer up to five items for auction every 30 days without paying the fees that eBay usually charges to list goods. Those listing fees usually run 10 cents to \$4, depending on the item.

EBay users will still have to pay fees for items sold. Under a new fee schedule that applies to no-listing-fee items, sellers pay a flat 8.75 percent of the sale price, with a cap of \$20 per item. Usually, sellers pay different rates depending on the sale price, with no cap.



EBay spokesman Usher Lieberman said the change, which takes effect June 16, is meant to make it simpler for consumers to list items on the site.

It also lowers the upfront risk for putting items up for sale - something that eBay hopes will lead more consumers to dust off items buried in their garages and closets and auction them off online.

"We love that inventory and we want more of it," Lieberman said.

The fee change does not apply to fixed-price listings, and sellers pay standard fees after their five no-fee items.

The majority of the 25 million people who sell on eBay are occasional sellers, and many of them stand to benefit from the change. Some could end up paying more in fees, though, particularly for items that sell for \$50 to \$450.

For example, if you sold a pair of earrings for \$300, you would owe eBay \$20 under the new fee structure. Under the current system, you would pay up to \$3 to list the earrings and \$11.82 as a final value fee, for a total of less than \$15. However, you'd pay the listing fee of up to \$3 even if the earrings don't sell, whereas you'd owe nothing under the new system.

Users can still choose the old fee structure for their first five items.

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