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WILD, WILD WEB

Are online auctions worth the risk for serious collectors?

FOR EVEN AN astute collector, acquiring antiques and collectibles entails a certain risk. Buy them over the Internet, and that risk increases. More than \$200 million was lost to online fraud last year, according to the Federal Trade Commission, which received more than 80,000 complaints about online auctions in 2003, a 130-percent surge in two years.

In an effort to make digital marketplaces more secure for buyers and more profitable for sellers, one company has

begun certifying qualified merchants and guaranteeing their transactions with surety bonds. The Alexandria, Va.-based company buySAFE, founded two years ago, reviews a seller's past performance, financial stability, experience and history to determine whether or not it is eligible for certification. Those that are have their transactions guaranteed for up to \$10,000, backed by bonds issued by The Hartford Financial Services Group. Beyond providing security

for buyers, the service also benefits sellers by guaranteeing their credibility, which often translates into higher bid prices.

"Trust is a fundamental problem in the world of e-commerce," says Jeffrey Grass, CEO of buySAFE. "The Internet is a great place to buy lower-end items, but as prices go up, so does the risk. People are willing to take a chance for a \$20 piece, but not for a \$5,000 piece."

If a dispute arises between a buySAFE-bonded seller and a buyer, the company initiates a transaction resolution process. The first step is a mediated digital discussion between the two parties. If mediation fails, the buyer can submit a claim to The Hartford, which thoroughly investigates the issue. If the claim proves valid, and seller default is verified, the buyer is compensated up to the full purchase price of the item in question.

Fraud fears are not the only issue worrying buyers, especially in the world of antiques and collectibles. For years, buyers have been able to open escrow accounts on eBay while vetting their purchases, observes Reyne Haines, the owner of Reyne Gallery and an appraiser for the PBS series *Antiques Roadshow*. "So I don't think fraud is the only concern for buyers," she says. "Collectors will always be hesitant when they cannot physically touch and inspect an item."

Haines, an expert in Art Nouveau glass, stresses the importance of researching the background of an online seller before committing to a sale. A seller's "about me" page is a good first stop for

inquisitive buyers. Haines says buyers should review a seller's past transactions, any articles he might have published on the subject, as well as the seller's reputation among other members of the collecting community. "If a seller's past sales have all been TVs and blenders, I would be suspicious if it began selling Tiffany vases out of the blue," she quips. Additionally, a true expert in a given field will know the importance of describing every detail of a piece, including restorations and imperfections. "Little things make a big difference in the overall value of a piece," Haines adds.

But digital guidelines and clearinghouses for online collectors remain rare, since the vast majority of the more than \$54.9 billion spent on e-commerce last year went toward consumer purchases. "Collectibles and antiques are in a different category," says Ina Steiner, publisher of *AuctionBytes.com*, a guide to online auctions. "Part of the culture of collecting involves spending a day going to the auction houses and inspecting and handling the items. That doesn't really merge with the world of online auctions."

Not yet, but Internet auctions are gaining ground, and a collector who eschews the Web risks missing out. There is good news: new digital cameras and streaming multimedia are providing greatly enhanced images, real-time technology allows streamlined communication between buyers and sellers and initiatives like buySAFE are making the payment process more secure. —KW

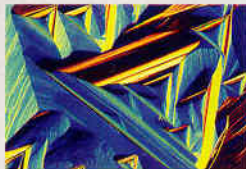
Notable WEBSITES

MOLECULAR EXPRESSIONS

www.molecularexpressions.com

Incredibly brilliant colors and fantastic shapes that are part of the "universe within" highlight this website, a collection of color photographs shot through an optical microscope. The site is a joint effort between Michael W. Davidson and the Florida State University Research Foundation.

Hundreds of shots show the molecular beauty of everything from wine to computer chips to



gems to cholesterol. Along with the photographs are scientific or historical descriptions of the objects. Separate pages on the website explain the mechanics behind the images, including cameras, microscopes and even the physics of light and color. The images are available for licensing, and a custom photography service is offered. —Debra Ryono

BOWERS & MERENA GALLERIES

www.bowersandmerena.com

This renowned Louisiana-based dealer sells rare coins online and at auction. Troll the Auction Highlights section for recent sales, such as the octagonal 1915 Panama-Pacific Exposition \$50 coin that sold for \$40,250. The well-stocked Library section had a cache of 236 articles, at last glance. Its "Thoughts on Forming a Collection" was especially concise and informative.