IBM

edeal Auction Network presents e-marketplace of sweet deals.

It would seem that, with cybergiants like eBay and Amazon.com heating up the online auction market, it would be hard for a smaller company to compete. But don't tell anyone at edeal. The Toronto-based auction e-marketplace for businesses and consumers is carving a niche for itself in a market that analysts predict will top $3 billion in the next couple of years. And, it's doing so by offering multiple selling options, dealing in over 300 currencies and, above all, providing a place where goods won't be easily overlooked. What's more,

edeal has launched the edeal Auction Network, enabling small to medium size businesses to add branded, online auctions to their own Web sites.

"At *www.edeal.com*, our sellers find our environment more conducive to sales because they can get better exposure," says edeal CEO Colin Webster. "At larger sites, it's much harder for their items to get spotted. Plus, sellers do sell on more than one site, so there's plenty of room for us in this market."

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– Colin Webster, CEO, edeal

Application	B-to-B and B-to-C e-marketplace: auction network
Business Benefits	Value of goods sold increased 93% in one month; 80,000 users generate three million hits per month; new network partners/auction sites added weekly
Software	IBM Net.Commerce IBM DB2® Universal Database™ for AIX® IBM Net.Data®

At www.edeal.com, sellers have three auction alternatives and an opportunity for their items to be exposed to thousands of potential buyers.

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e-business

The auction e-marketplace was built by edeal Services Corp. with an IBM e-business solution chosen for its scalability. IBM Net.Commerce PRO (now part of the IBM WebSphere™ Commerce Suite family) provides advanced cataloging tools, intelligent searching and other added e-business functionality. IBM DB2 Universal Database for AIX and IBM Net.Data complete the solution.

"With Net.Commerce, we've got a solution for rapidly rolling out new features in response to customer feedback," says Webster. "And people seem happy with our ability to scale as we add new auction sites to our Network. What's more, in one month, our value of goods sold grew 93 percent, from $83,000 to $160,000."

Meeting sellers' needs

Since its launch, edeal has hosted more than 300,000 auctions. Last month, its growing registered user base of 80,000 buyers and sellers generated three million hits. Sellers can sell to the highest bidder in the open auction. Or using the reserve price auction, they can determine an item's fair market value by starting off below a reserve price, the lowest price at which the seller is willing to sell an item. Sellers can then allow the bidding to increase the price to its fair market value. Alternatively, they may use InterActive Classifieds, which are fixed-price ads — similar to traditional print classified ads — that can be posted for up to 30 days. edeal will soon launch a tender auction, allowing buyers to place a want ad on the site for a specified time, during which sellers try to underbid each other.

Browsing, bidding, buying and posting on edeal is free. Sellers only pay fees if their items sell. A step-by-step wizard guides sellers through the posting process.

Planning for growth

Two and a half years ago, Webster joined the online auction world by creating the Used Computer Exchange site with Microsoft® Site Server, enabling people to buy and sell PCs online. Wanting to expand the business, he and his colleagues formed edeal. Seeking a more scalable, adaptable solution for the new site, the company chose Net.Commerce to build the electronic storefront that now handles 300 transactions daily.

Packaged with Net.Commerce is DB2 Universal Database, a data management system that allows edeal to store a half-gigabyte of buyer and seller information and the current catalog of 25,000 auction items. Net.Data macros pull information from DB2 and dynamically generate the Web pages. edeal is particularly pleased with the DB2 component of the solution. Says Leon Kuperman, chief technology officer at edeal, "DB2 is the silent giant, running our whole e-business solution under the covers. It's the glue that pulls it all together. One of the key features of DB2 Universal Database V7 is its capacity for business intelligence, which will enable us to mine our customer data so we can add a deeper level of personalization to our online auction services."

To capitalize on the success of its own auction site, edeal is seeking opportunities to launch similar sites in other countries and for other companies that would be built on the same platform and feed into a central database located at *www.edeal.com*. The edeal Auction Network has already attracted the likes of OgilvyInteractive, Chapters Online and the Toronto Maple Leafs. Says Webster, "Backed by IBM e-business solutions, we're poised to grow our e-business into an easily searchable, global electronic flea market, enabling people to make or find the best deals they can."

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