

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Thursday, 17 April 2008 9:26 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: Ebay International Exclusive Dealing Application [SEC=UNCLASSIFIED]
Follow Up Flag: Follow up
Flag Status: Purple
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

EXCLUDED FROM

From: Rocky Wood **PUBLIC REGISTER**
Sent: Wednesday, 16 April 2008 4:16 PM
To: Adjudication
Subject: Ebay International Exclusive Dealing Application

Dear Sir/Madam

I write as an ebay user of many years standing to serve as an example of the public detriment that will flow from ebay's proposal to force users onto paying and receiving payment via their Paypal system (which by the way I find useful in many non-ebay transactions).

When selling on ebay it has always been my policy to allow bidders (that is the public) as many payment options as possible, as this increases my likelihood of securing a sale, or a sale at the highest possible amount.

By restricting my ability to offer Direct Bank Deposit and forcing me to effectively only offer Paypal (most buyers can't/ won't travel to pay Cash on Pickup) ebay will have used their market power to secure the following impact on myself as a seller, along with most other members of the public who sell via ebay in this country.

1. I will be forced to pay fees to Paypal that I do not have to pay my bank (in fact, I have a fee-free account) when customers choose to use Direct Deposit.
2. I will lose at least some, if not many, potential bidders, who will not want to be forced to use the Paypal system, particularly if they are (as are many) irregular buyers. As a result my item may not sell at all, or will sell for a lower price.
3. For lower value items this increased fee (with its minimum charge) will mean I cannot make a profit at all selling via ebay and therefore will not offer the goods at all, meaning potential buyers in the public will miss the opportunity to purchase.

I should note I feel very much the same impact will occur as a buyer - I am very happy to pay via Direct Bank Deposit where this option is offered to avoid excessive and unnecessary Paypal transactions and possibly fees (I can see before I bid that Direct Deposit is offered) by sellers. Again Ebay propose to effectively force me to contribute to fees I can currently avoid in many cases (I suspect many sellers will up their minimum sale price to cover these fees and consumers will therefore pay the tab, which in this inflationary environment is not at all helpful).

If other sellers have the same concerns as myself the number of goods offered on ebay in Australia (also possibly to Australia by overseas sellers; and from Australia to overseas sellers) will decrease, reducing the diversity of retail offerings (obscure or unusual items) available to me as a buyer in this

country; and possibly trade between Australia and other countries.

For those who would argue I don't have to buy (or sell) on ebay I would point out that ebay's effective worldwide near-monopoly on many items offered by auction or fixed price sales means the items I buy are very often *not* available anywhere else (they are second hand and obscure books and magazines).

Ebay's argument that security is enhanced by Paypal's protection policy is only half right - yes it can be enhanced by their program but why should any buyer or seller be forced to pay for enhanced security they do not need or want? Equally I have *never* had a problem with a transaction I have paid for, or been paid for, using methods other than Paypal - DIrect Bank Deposit, Cheque or Money Order.

The ACCC should reject this transparent attempt by a large overseas corporation to gouge Australian consumers and restrict our rights.

Rocky Wood

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