

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Friday, 18 April 2008 11:49 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: eBay requirement to use PayPal [SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

-----Original Message-----
From: Craig Macbride [mailto:] **EXCLUDED FROM PUBLIC REGISTER**
Sent: Friday, 18 April 2008 11:13 AM
To: Adjudication
Subject: eBay requirement to use PayPal

Dear ACCC,

1) The the proposed conduct will result in a substantial lessening of competition.

Firstly, sellers can currently do their own credit card processing, which may include American Express and Diner's Club. Their fees are likely to be lower than Paypal. Also, Paypal doesn't accept either American Express or Diner's Club cards, so eBay merchants would be prevented from accepting them, further reducing competition.

Secondly, a lot of sellers and buyers prefer to do direct deposit, or other payment methods.

2) The public benefit here is very small and the detrimental effect due to high fees is significant. The proposed conduct would mean new fees for sellers, not the least of which is the \$1 Paypal withdrawal fee here in Australia. (A fee which Paypal does not charge in the USA, for example.)

Regards,
Craig Macbride