

Roy, Lauren

From: Petreski, Sonya on behalf of Adjudication
Sent: Thursday, 24 April 2008 8:03 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: ebay and paypal submission [SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

-----Original Message-----

From: [redacted] [mailto:[redacted]]
Sent: Wednesday, 23 April 2008 6:00 PM
To: Adjudication
Subject: ebay and paypal submission

**EXCLUDED FROM
PUBLIC REGISTER**

I would like to submit a claim regarding EBay's claim that it is only restricting customers to Pay pal because of security.

Firstly, the verification for pay pal accounts is a far more rigorous process than is currently required for any other method of payment. There is no reason to suppose that the same verification process across the board, such as a 100 point checks for verification of seller accounts would be any LESS secure than those who offer Pay pal. The idea that scammers prefer non pay pal methods would be irrelevant of eBay implemented appropriate safety measures across the board.

Quite the opposite, in that buyers can pay in methods that make them feel comfortable, with proof of payment and not providing pay pal or eBay with access to their credit cards or bank accounts. Sellers can have the money in their account before they send the goods out - something they can't do with PAYPAL.

I feel that Ebay have systematically planted the seeds on the trading site about pay pal being more secure - when the FACTS simply don't back it up. There is no evidence given on how many people actually trade SAFELY using the other methods. I suspect that many good honest EBAY sellers like me will not offer Pay pal because it isn't as safe, or convenient, or fair as the other methods of payment.

The problems sellers have with pay pal include excessive currency exchange rates, delays in transferring money from pay pal to the seller's account, withdrawals and suspensions of accounts which freeze the user's own funds. There are countless cases where a seller has lost their item - and their funds simply because a 'buyer' convinces ebay/paypal that they have been sold faulty goods or they have not arrived. Another case I read recently was of a trader who lost \$8000 from her credit card account - with the overseas offender being the person they last traded with - on pay pal.

I researched pay pal thoroughly before I made my decision not to offer Pay pal in my auctions. The internet is awash with Pay pal problems and horror stories. It is those stories that most people like myself would want to avoid - the loss of control inherent in allowing Pay pal/EBay to decide when and if you can withdraw funds. The extra fees too, particularly those relating to wanting to access smaller amounts under \$150.00.

On EBAY recently there have been some not so subtle changes that show that EBAY management are deliberately planting the idea that pay pal is 'safer'.

For example when my buyers get to my checkout and choose between bank deposit, or money order or COD - buyers get a prompt that these methods are not 'safe' - completely overriding my own 'money bank refund policy' for faulty goods. Similarly I protect my buyers by sending items registered post when I want to protect us from loss - but EBAY informs my buyers that buying from me is 'not safe' simply because I won't deal with pay pal. Yet I have an excellent selling record (albeit with only a few hundred transactions so far)

Another supposed 'glitch' unheard of until recently is that sellers like myself who have provided our bank account details to eBay - for the sole purpose of allowing people to use bank deposit, found that bits of our account such as some digits or the BSB number details were suddenly missing/deleted from the checkout. The resultant problems this created when genuine buyers tried and failed to be able to pay - affected MY reputation, as buyers assumed something was 'dodgy'. I have evidence of this as have many other sellers on eBay.

Those sellers who did offer pay pal found that buyers then opted for their second choice (pay pal) as a way of paying quickly, thus involving the seller in unnecessary extra fees. This IS anti-competitive behaviour - hidden under the guise of some unseen glitch -which has never ever before happened on eBay, and which is STILL not fixed for those of us who don't offer pay pal. This is designed specifically to manipulate me into accepting a method of payment I don't feel is safe at all, and is so expensive as to render my trading on EBAY unprofitable.

In this case until I placed my bank account records in my invoice I lost one sale as a result. I believe that this was a deliberate attempt by EBAY to destabilize seller's other methods of payment and making it difficult to trade any other way but paypal - even for well regarded traders such as myself.

EBay isn't safe only because eBay allows dishonest people to trade on their site, without verified accounts, NOT by suggesting that ALL traders who don't use pay pal are 'suspect'.

Instead of confronting the verification issues and multiple ID issues, they are manipulating the safety issue to greatly enhancing their own company (pay pal) market share of online payment options in the process.

I hope you will look on this as anti-competitive unfair trading, and rule accordingly.

Andrea Ross JP (vic registration 12151

**EXCLUDED FROM
PUBLIC REGISTER**

EBay trading ID: mad4cardz