

Submission in relation to eBay Notification N93365

Attention: Lauren Roy

From: Robert Herron

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To whom it may concern.

I doubt anyone, especially eBay executives or their highly paid spin doctors really believes this move by eBay to force sellers to offer only Paypal is driven by anything more than a desire by Paypal/eBay to increase its revenue. The only question is whether the ACCC is prepared to allow them to get away with it .

As a seller with a most unfortunate experience at the hands of Paypal employees I feel sure it would be disastrous for many honest sellers who have worked long and hard build up a business using eBay.

As Paypal can decide at any time to freeze your account and or seize all the money it means that if Paypal were to be the only means of payment your eBay business can be closed down with a few keystrokes at the whim some of an adolescent in San Jose or wherever they are based now. Take it from me they can and they do.

Paypal is very useful if expensive while every buyer and seller are both happy with the deal, but when this is not the case, and Paypal take it upon themselves to arbitrate, it can quickly become a huge problem for the seller.

For example - I sold a collectible watch to someone in Italy which had been looked at by several experts in this type of watch, and so I knew it to be genuine . The buyer, who presumably found it to be less valuable than he hoped or at best was the subject of some very bad advice, claimed it was not as described and demanded a refund which I was not prepared to give . He went through Paypal's dispute process . I was given a couple of small windows on a page to provide my reasons which I used and then gave little more thought to it knowing my cause was true so to speak .

When Paypal decided in the buyers favour I was stunned! I tried to appeal this decision by phone and by numerous emails to no avail. Paypal refused to offer any sort of justification or even explanation for their decision. Their only response to these emails was to keep telling me to put back the money for the sale into my account so they could return it to the buyer ( I was able to view what the buyer had said about the watch, but as it was in Italian it was not very helpful. ) Paypal even had the dishonesty to "thank me for authorising a full refund" and no doubt communicated this lie to the buyer. Of course I had done no such thing . Eventually Paypal helped themselves to what money was left in my account and froze it which is how it remains today.

I have been in business for 35 years, and never in that time have I come across anything like the arbitrariness , lack of transparency, ignorance, intractability, and downright dishonesty displayed by Paypal in this matter.

I have been trading on eBay for some years and find direct deposit is excellent for both buyer and seller . I have feedback of over 360 (100 % positive) which I guard jealously as a good feedback record is the best guide a buyer can have when deciding on whether or not to bid . I have on 4 occasions been asked for, and have given, refunds and have once received a refund myself . I also have a retail shop . I try even harder in my eBay business to satisfy my customers than I do in my shop as like all sellers I know a good feedback record is essential for successful selling.

I do not need or want some uninformed third party making these decisions and effectively closing down my business until I agree with them.

Not unreasonably retailers/sellers, except with trusted account customers, expect to be paid before handing over their goods and not have this payment reversed at the whim of an uninformed third party. The Department of Fair Trading is there to arbitrate in such matters within NSW not some anonymous Californian.

Any quick search of the internet will reveal a multitude of similar bad experiences with Paypal. Some of these are about Paypal freezing an account simply because they suspect something unusual may be going on .

Paypal does have advantages. It is quick. It is probably safer for a buyer than providing credit card details to an unknown seller especially outside the eBay environment, but it must not become the only means of payment for eBay.

The alternative COD to be offered is of course utterly useless in most trades as the very nature of eBay is commerce between people who live far apart.

Regards

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