

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Monday, 21 April 2008 11:00 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: PAYPAL/EBAY Payment Monopoly ...say NO NO NO
 [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

From: e mail [mailto:
Sent: Saturday, 19 April 2008 12:17 PM
To: Adjudication
Subject: PAYPAL/EBAY Payment Monopoly ...say NO NO NO

**EXCLUDED FROM
 PUBLIC REGISTER**

Regarding the eBay International A.G. notification N93365

It is my understanding that you are open to comments from outside of Australia regarding the new policy being implemented by eBay; specifically, requiring all payments for items purchased on their venue to be paid for via their subsidiary, PayPal.

In the strongest of terms I urge you to reject the application of such free trade restrictions by eBay. Not only will it create a monopoly opening a window for exorbitant financial gouging of the general public using that venue by eBay, it will severely handicap, if not eliminate the operation of many small businesses (i.e., mom and pop type operations oft times operated as a legitimate means of supplementing meager retirement stipends). Such a policy implemented would also prohibit many citizens from participating in an open market; a market based on operating in and drawing profits from an open society, if they do not have credit/debit cards or otherwise either cannot qualify for, or choose not to use PayPal for financial services.

Additionally, such a policy proposed by eBay will provide both incentive and means for greatly expanded financial fraud and outright theft. As an example to support this point one only has to look at the section of the new policy which requires that PayPal be offered for items picked up in person by the buyer. There is no PayPal acceptable proof of receipt of the merchandise by the buyer that can be obtained by the seller, including a signed receipt of acceptance as PayPal considers that a variation not consistent with their internal rules of use for proof of delivery. A nefarious buyer need only file a claim with PayPal that the merchandise was never received and the seller cannot prove otherwise, resulting in the buyer receiving a refund via PayPal and keeping the merchandise as well.

Even with merchandise commercially shipped to a buyer with proof of delivery the buyer need only file a claim that the merchandise was either damaged goods or, was significantly not as described in order to initiate a refund demand that will most likely be successful.

PayPal is not a good, safe method of making online payments for eBay transactions. While they claim that it's safer for the buyer, it definitely facilitates fraud and theft through their strong and consistent historical denial of any counterclaims submitted by sellers. Quite often the nefarious buyer ends up with both the money refunded and possession of the merchandise. PayPal is easily scammed by the dishonest buyer at the expense of the honest seller whether it is a big professional reseller operation, or the average citizen down the street attempting to make a little spare cash off household items they no longer have a use for. To force participants in the eBay venue to accept PayPal is to

23/04/2008

force those participants to accept financial losses via fraud and theft for the financial gain of eBay through increased imposed fees and interest earned by PayPal via the unfair multi-day holds placed on seller funds based on arbitrary and unexplained reasoning.

Monopolies in some industries are necessary for the benefit of society as a whole – e.g., utilities. However, in an open and free marketplace where the company or companies offering a service such as eBay's trading platform is profiting from accessing that marketplace, monopolistic practices are counterproductive and restrictive to that public benefit.

Again, I urge the commission to reject the application of eBay to implement such a policy that would adversely effect both the open marketplace in Australia, and specifically adversely effect the citizens participating in that open marketplace.

Thank you for the opportunity to make public comment on this matter