

Petreski, Sonya

From: on behalf of Adjudication

Subject: FW: Notification N93365 eBay forcing PayPal only

From: Leanne Carroll [redacted]
Sent: Monday, 21 April 2008 7:55 PM
To: Adjudication
Subject: Re: Notification N93365 eBay forcing PayPal only

**EXCLUDED FROM
PUBLIC REGISTER**

Dear Sir/Madam,

I submit this objection with respect to the recent announcement by eBay to force both buyers and sellers to use only PayPal as a method of making and receiving payments as of June 2008.

As a small and occasional seller on eBay I am appalled by this and am of the belief that it is simply a means by which eBay can become an online shopping mall (for want of a better term) for Power Sellings and shops, rather than an auction portal used by everyone.

I would submit that the proposed changes by eBay (effective 17 June 2008) will result a substantial lessening of competition for the bigger sellers, by the forcing out of smaller sellers, many of whom prefer not to use PayPal (myself amongst them) owing to excessive fees, the fact PayPal is not a bank and therefore not subject to banking regulations, it is not an Australian company, it has some fairly dodgy practices (including the ability to hold on your funds for as long as it wants, to unilaterally cancel a transaction for reasons not required to be disclosed and can in fact ban a user on flimsy if not outright false evidence), plus the unattractive prospect of having a basic transaction take up to 21 days to process, not to mention doubling up on fees as the proposed new regime would see sellers paying not only listing fees, percentage fees on sale price *and* PayPal fees. The system is full of holes (no more negative feedback allowed - everything must be shiny and positive, whether or a trading partner richly deserves negative feedback) and basically is not trusted by many Australian eBayers (including myself) and therefore, not a viable option when conducting transactions. I have had over 200 bank deposit transactions both as a seller and a buyer over five years and have never had any problem.

Australians do not do business in this way. Never have, never will. It all boils down to choice. That eBay apparently fails to recognise this and seeks to remove that most basic of rights of sellers and buyers of itself speaks volumes for its practices and its complete disregard for both sellers and buyers - the very people who have made eBay the billion dollar company it is today.

I also believe that this blatant removal of choice - something vital to all consumers on both sides of the cash register is in fact extremely detrimental to consumers and sellers. Can you imagine how long a company such as, say, Harvey Norman would last if they suddenly tried to force all their customers to pay for goods via only *one* payment method? Not very long of course as everyone in the retail sector and consumers alike all know that choice is the key to a successful business.

I would question what what, if any "*public benefit*", as proclaimed by eBay could possibly result by this forced removal of people's choice, given that all the benefit of each

transaction goes directly to eBay (who of course own PayPal). I think it is in fact quite transparent that the only benefit will be to eBay itself, as they are quite clearly only seeking to expand their profits and by enforcing this removal of payment choice they are well aware of how it will affect "the little people".

I believe that what is proposed is in breach of the Trade Practices Act and needs to be seriously looked at.

I urge the ACCC to please look into this clear breach of consumer rights and to find that eBay is in fact *not* entitled to force people to use only one method of payment and monetary receipt and that they be made to reinstate buyers' and sellers' rights to conduct their transactions in any way the parties to any transaction deem mutually acceptable. Please do not let eBay bully their way into forcefully removing people's choice. Or, at very least, make them publicly admit the real reason behind this specious move.

I am happy for this to be made a public submission.

Thank you,

Leanne Carroll
(formerly MsLil63 on eBay - Australian seller & buyer)