

**Roy, Lauren**

---

**Subject:** FW: eBay International AG - Notification - N93365 [SEC=UNCLASSIFIED]  
**Categories:** SEC=UNCLASSIFIED  
**Attachments:** A monopoly by ebay.doc  
**ACCC Classification:** SEC=UNCLASSIFIED

---

**From:** Blanch, Belinda **On Behalf Of** Adjudication  
**Sent:** Monday, 21 April 2008 10:48 AM  
**To:** Chisholm, Shane; Roy, Lauren  
**Subject:** FW: eBay International AG - Notification - N93365 [SEC=UNCLASSIFIED]

---

**From:** [REDACTED]  
**Sent:** Saturday, 19 April 2008 5:51 PM  
**To:** Adjudication  
**Cc:** [REDACTED]  
**Subject:** Re: eBay International AG - Notification - N93365 [SEC=UNCLASSIFIED]

**EXCLUDED FROM  
PUBLIC REGISTER**

**EXCLUDED FROM  
PUBLIC REGISTER**

Dear Sir/Madam,

Please find attached a Word Document, which is our submission in the above matter

Please feel free to contact us, should you require clarification or more information.

We look forward to any feedback on this matter, as we view this with great interest.

Sincerely,

Debra Rankin.

## A monopoly by eBay.

eBay are using their monopoly in the live auction market to now force out small/occasional 'mum & dad' users. This is anti-competitive behaviour and discriminates against the community that built their monopoly, over many years.

Many people, especially older people and people living in the country would be greatly disadvantaged by a move to Paypal only transactions. Most do not feel safe about using electronic banking and at present have other payment options that they can choose. We do not feel secure with all of our financial information and every transaction detail stored in the U.S. by an eBay owned company. See Paypal Product Disclosure Item 8.

In Paypal's Product Disclosure item no 10:

Paypal states "**Paypal will have the right to withhold people's money for up to 21 days**". Without a watchdog, this is another area of discriminatory and anti competitive behaviour. This is in effect, freezing accounts so that people cannot access their funds and enables eBay/Paypal to use these funds without risk to themselves, for their own money market gains. The money in the account does not belong to Paypal, **only** the transaction method belongs to Paypal.

Item 10 also states that Paypal **takes no responsibility for any technical problems** within the Paypal system. As eBay claims, there are 5 million users on ebay.com.au. Imagine the disaster a technical problem would cause. All cash frozen, or lost, possibly 'hacked' with no other payment options in place and no right to claim. There is too much risk associated with having all of the money in the one place and with no choice. **All payment options should remain available.** For example, if the computer system was down at my bank. I could post a cheque or money order instead. Having only one computer system in place for payments with no other options clearly disadvantages the community. eBay and Paypal do not have a good record for rectifying these technical "glitches". Some technical glitches within eBay have been left unrectified, to eBay's advantage for long periods of time. The statistics eBay has produced on Paypal use and disputes, is flawed. Those figures have been manipulated. For example, in 2007 there were many months of bank deposit details not showing on invoices. This was a ploy called a technical glitch to entrap more users into Paypal. There have been many 'free offers' to entice people into Paypal. Members who joined from Jan. 2008 were **forced to sign with Paypal.**

eBay has a dispute resolution centre, largely for all general payment options and they are recorded. I must add that in over three years of membership (1100+ transactions), I have never encountered any fraud. I find the members to be decent, honest members of the community. The few minor disputes that I have reported have been largely due to a lack of communication. These were resolved amicably by sensible adults and did not involve any claims. Paypal insist on registered postage. Registered post insures packages for up to \$100.00 and is currently offered as an option, by choice. We are aware of

and take full responsibility for any risks that we incur. We currently choose our own level of risk.

For these transactions, we do not need Paypal's protection policy of up to \$20,000.00 when the majority of transactions on eBay are under \$100. Forced Paypal use will only result in Increased postage cost and general increased prices, which is detrimental to the community. Cash on pick up is simply inappropriate for eBay as most transactions are between states.

People have difficulty in contacting Paypal, if asking for help. They are re-directed to an International number and are not listed in the White Pages. We only have automated responses. This also applies to EBay. There is never a proper answer to a question, only a 'script', which is followed 'doggedly' by the attendants. We joke that it is 'run by robots'. See Paypal Product Disclosure items 15., 16., 17.

Paypal is not safer than depositing cash in a bank, or posting a payment via cheque or money order, as all of these payment options are receipted and secure. EBay do not recognise these receipts as proof of payment, they will only recognise Paypal transactions in any claim. EBay have been falsely advertising for some time now that 'Paypal is the safest way to pay'. This is because in another discriminatory act, eBay has only offered protection on items bought/sold through its Paypal system. Paypal offers users no further safety and will only increase prices and postage costs. **It is anti-competitive to the community and discriminates against other payment methods.**

I am not totally against Paypal, it is good for making purchases overseas, but is not suitable for local transactions as our banking system is safe and we even have a choice of which bank we can use. Forced use of Paypal takes our money out of our control.

Paypal is the most expensive option and given a monopoly, the fees can be increased at any time. This is anti competitive and disadvantages the community. I urge you to look at the fee structure. Paypal is already driving out sellers, which is limiting buyers choice, also making it anti-competitive . See Paypal Product Disclosure Item 12.

EBay itself offers us a choice of direct debit, credit card, cheque, money order or Paypal to pay our EBay fees indicating their confidence in these payment methods. We also insist on having the same 'freedom of choice' to decide on how we are to pay or be paid. This discriminates against the community.

Another 'cut & paste' from eBay's User Agreement page, is as follows:

**'eBay is not an Auctioneer.**

**3.1 Online Auctions.** Although we are commonly referred to as an online auction web site, it is important to realise that we are not a traditional "auctioneer". Instead, our Site merely acts as an online venue to allow members to communicate and offer, sell, and buy just about anything, at anytime, from anywhere, in a variety of formats, including a fixed price format and an auction-style format commonly referred to as an "online auction". **YOU ACKNOWLEDGE AND AGREE THAT EBAY IS NOT INVOLVED IN THE ACTUAL TRANSACTION BETWEEN BUYERS AND SELLERS.'**

In my view, eBay will be in breach of it's own agreement with me by wanting to interfere in my transactions and the way they are conducted.

I must add, the behaviour of EBay has been astonishing in announcing to us on the 10<sup>th</sup> of April 2008 that all purchase transactions are to be paid via Paypal from the 17<sup>th</sup> of June 2008. This announcement was made prior to the presentation of their Exclusive Dealing Notification. This suggests to us that eBay believes that this is a 'done deal'. They have been hiding discussion boards, refusing to answer valid questions and gagging members by deleting emails. Members are being harassed and intimidated via email and suspended from eBay by eBay. We have been told that if any member tries to offer another form of payment after June 17<sup>th</sup>, they will be suspended from eBay. This is simply not democratic. I urge you sir, to take a good look at the proposal by eBay/Paypal and consider the detrimental effects on it's existing user base by taking away their right to choose how they accept or make a payments.

The following 'cut & paste' was taken directly from ebay.com.au.

Easily pay your eBay Seller fees using Direct Debit, Credit Card, or cheque.

**Please note:** This payment option is **not** for a buyer to pay their seller. It is for sellers to pay their eBay seller fees.

Your account balance is: **AU \$57.08** as of 17-Apr-08

19:58:17 AEST

### **Pay using Direct Debit**

Direct Debit is a safe, convenient way to pay your eBay seller fees.

[Make a Direct Debit Payment](#)

---

Choose a payment method:

[Pay with your credit card](#)

[Mail in a cheque or money order](#)