

Roy, Lauren

From: Petreski, Sonya on behalf of Adjudication
Sent: Wednesday, 23 April 2008 9:15 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: eBay International AG - Notification - N93365 [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

From: [Redacted]
Sent: Tuesday, 22 April 2008 2:50 PM
To: Adjudication
Subject: eBay International AG - Notification - N93365

EXCLUDED FROM
PUBLIC REGISTER

Anthony Curtis

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Dear Sir/Madam,

I write to you regarding the request by eBay to be allowed to restrict consumer choice by forcing all customers of eBay to use PayPal to complete online transactions; eBay International AG – Notification – N93365.

While I regularly use PayPal for online sales and purchases and find the service offered by PayPal to be efficient and convenient (especially for overseas transactions), I must object in the strongest possible terms to eBay being allowed to restrict consumers to solely using PayPal for all transactions made through eBay.

As you are no doubt aware PayPal is a fully owned subsidiary company of eBay, therefore this change to eBay’s payment policy is a shameful and blatant exercise solely aimed at securing a monopoly position and increasing the profits for the eBay Group through the unfair, and currently illegal, restriction of consumer choice.

The argument that the change is being made for ‘security’ reasons is basically false, as you would know there are certain risks associated with electronic transactions of any kind made via the internet (including online banking). I would argue that Direct Debit transactions undertaken through a major financial institution (regulated by Australian Law) would be inherently safer than transactions undertaken through a privately owned company that is owned and based overseas.

This change in eBay’s policy is not based on providing a more secure environment for consumers – it is solely aimed at increasing profit for the eBay Group and exporting consumer choice and control over their private financial affairs overseas.

This change offers no tangible benefit to Australian consumers or businesses, on the contrary it will inconvenience many consumers who do not wish to be forced to provide their private banking information to a foreign owned company, and will therefore stop purchasing through eBay.

In addition this change will have the flow on effect of stifling many small businesses operating through eBay who will lose customers and be forced to pay higher overheads and operating costs. If this monopoly position is allowed to proceed there will be nothing to stop PayPal from raising transaction fees and effectively extorting money from eBay based businesses that (after being forced to exclusively use PayPal) will not be in any position to object (otherwise they will lose their livelihood).

I am also concerned that the creation of a PayPal monopoly on eBay transactions will result in Australian consumers losing protections under Australian financial regulations due to the fact that eBay and PayPal are registered in Switzerland, which as you know have differing banking laws and regulations on corporate transparency.

I call on the ACCC to protect the rights of Australian consumers by blocking this illegal and blatantly monopolistic attempt by the eBay Group to restrict consumer choice in a shameless grab for extra profit.

Kind Regards,

Anthony Curtis (MFAD)