

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Monday, 21 April 2008 10:44 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: eBay Australia's PayPal-only stance is anti-competitive and they're double dipping [SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

**EXCLUDED FROM
PUBLIC REGISTER**

-----Original Message-----

From: Rob Maude [redacted]
Sent: Saturday, 19 April 2008 10:50 PM
To: Adjudication
Subject: eBay Australia's PayPal-only stance is anti-competitive and they're double dipping

Dear Sirs,

I am writing to complain and voice my concerns at eBay's intention to allow PayPal only transactions via their online auction site.

Firstly, I feel that there is a conflict of interest here - eBay owns PayPal. So by forcing users to send/receive payments via PayPal is surely anti-competitive to all of our Australian Banks - since direct deposits and cheques are effectively being placed off limits.

Secondly, in terms of consumer choice, it is unfair for eBay to force users to pay not only a final value fee at auction, but then an additional PayPal fee when sending/receiving a PayPal payment. This means eBay is double-dipping as they effectively get both the final value and the PayPal fees. And as a consumer I have no choice in this.

At the end of the day as a consumer I have the right to choose how I send/receive a payment from an online auction. eBay should be the auction site - not the payment gateway. They're already getting the final value fee from the seller so why are they now being greedy and forcing me to use a payment method that gains them an additional fee?

Many small business who use eBay operate on small margins. The PayPal fees are very expensive and I fear that many Australians trying to make an honest living are being unfairly treated as a result of this change. This is exactly the same as someone like Coles saying that only people who bank with ANZ can use EFTPOS or ATMs in their stores.

The ACCC wouldn't stand for that - so this situation shouldn't be any different!

I also think that their current communication on this has been misleading. They are selling the change to customers by implying that it will offer better security for payments. This isn't so - PayPal is no more secure than Bank Deposits or Cheques - eBay is blatantly doing it to make money. And I fear that many eBay users will unwittingly believe that the current setup is insecure and feel obliged to use PayPal as a result. Where's the evidence from eBay that PayPal is going to protect me any more than my Bank does now? Their claims are deliberately misleading, deceptive and motivated by profit - the evidence for this being that they haven't done this in other countries (the UK for example).

I urge you to act upon this ASAP.

Regards,

Rob Maude