

Roy, Lauren

From: Petreski, Sonya on behalf of Adjudication
Sent: Wednesday, 23 April 2008 9:18 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: SUBMISSION - eBay International AG - Exclusive Dealing Notification - N93365 [SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

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

From: risque*business [mailto:]
Sent: Wednesday, 23 April 2008 1:07 AM
To: Adjudication
Subject: SUBMISSION - eBay International AG - Exclusive Dealing Notification - N93365

**EXCLUDED FROM
PUBLIC REGISTER**

Dear Sir/Madam,

Re: SUBMISSION - eBay International AG - Exclusive Dealing Notification - N93365

This submission is in response to the above notification.

I am opposed to eBay's proposal on the grounds that:

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the proposal will result in a substantial lessening of competition

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the public benefit that may result from the proposal will not outweigh the detriment to the public caused by the lessening of competition

The explanations for my objections are outlined below.

I have been a registered seller (selling both domestically and internationally) on eBay since July 2001, although I have been an eBay member for a lot longer, and so consider myself an experienced eBay user.

I have always offered my customers a choice of payment options: Paypal, Direct Deposit, money orders and Bank Cheques. To date I have 9716 successful transactions (7067 of which are from unique users) and my Customer Satisfaction Rating is over 99.9% as shown on my eBay Profile.

My customers do not need an exclusive payment option which provides them "protection" (as eBay asserts) as I ensure they always receive their items and are satisfied with them in order to ensure my ongoing success in my business. Far more important is that my customers have choice in payment options and can choose to use a payment method they are comfortable with, whatever that may be.

A Paypal account necessitates either a linked credit card or linked bank account. Many people are not eligible for credit cards and/or are not comfortable providing financial information to a third party. If eBay's proposal is successful, I am greatly concerned that the customers who

currently choose to pay me by methods other than Paypal will no longer purchase from me if they have no wish to, or worse, are unable to, open a Paypal account. Currently approximately 30-40% of my customer base chooses to pay me by methods other than Paypal. How many of these customers who prefer these methods will happily convert to Paypal? I believe this gives my competitors in other marketplaces who are able to offer a choice of payment methods a great advantage over me and hence, lessens competition.

It also discriminates against potential customers who wish to purchase from me but are not eligible for a Paypal account and who, under the current payment system, can pay me via other methods. Precluding members of the public the right to access my products simply because they cannot open a Paypal account is a significant detriment.

Cash on delivery (the only other acceptable method of payment under eBay's submission), is not a viable option due to the dispersed geographical base of my Australian customers and for personal security as I run my business mostly from my home.

I am satisfied thus far with Paypal as both a seller and a buyer but it is not the fail-safe payment method that eBay maintains. There are numerous examples of where the Paypal system has failed both buyers and sellers. No payment method can ever be completely safe for either party but the only reason there is no Buyer Protection with other payment methods is because eBay removed them and gave sole Buyer Protection rights to Paypal payments only.

When a customer chooses to pay me by a method other than Paypal, I incur no additional fees for the transaction. Paypal fees are calculated on the gross total of a transaction which includes the GST and postal components. This in itself is unfair and is the subject of many complaints but it also means that if I have the burden of having to pay these additional fees on the percentage of my transactions currently not funded via Paypal, I will, by necessity, have to raise my prices. This unfairly burdens my customers and also makes my business less competitive in the marketplace.

This fee is not incurred by my competitors when payment is able to be made by methods other than Paypal. Thus forcing PayPal on me for all transactions places upon me an inescapable and unjust cost burden which my competitors do not have.

PayPal is a subsidiary company of eBay and thus there is ample opportunity (and incentive) in the future for eBay to raise Paypal fees which would progressively escalate my lack of competitiveness in the marketplace.

Thank you for allowing me to express my objections, I hope this important matter will be given every consideration. Should you require further information I am happy to be contacted directly on (02) 9401 5739. I am also happy for you to treat this email as a public submission regarding the notification.

Sincerely,

Rebecca Bowyer

eBay member - risque*buisness

Risque Business ABN 17706719069