

**Roy, Lauren**

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**Subject:** ebay forceing paypal only [SEC=UNCLASSIFIED]

**Categories:** SEC=UNCLASSIFIED

**ACCC Classification:** SEC=UNCLASSIFIED

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

**From:** The E [mailto: ]  
**Sent:** Friday, 18 April 2008 8:38 PM  
**To:** Adjudication  
**Subject:** ebay forceing paypal only

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PUBLIC REGISTER**

Dear ACCC,

As you are aware, on 10 April 2008, eBay announced that:

- as of 21 May 2008, all items listed for sale on eBay.com.au must offer PayPal as one of the payment methods; and
- as of 17 June 2008, all items listed for sale must only offer payment via PayPal (or credit card transactions processed by PayPal) or cash on delivery.

I am particularly concerned about this eBay policy because it's restricting 1000s of Australian business sellers to limit their payment method. This means that millions of Australian's who bid online can primarily pay using PayPal. If they don't have a PayPal account, they are forced to set up one or travel many kms even interstate to pick up and pay by cash. This is ridiculous! I have 5 eBay accounts and for many years offering various payment methods to suit buyers convenience, never had anything gone wrong. I have 2 showrooms and 2 warehouse for buyers convenience. Many of my 1000s of customers choose to pay by bank deposit or credit card over the phone or pick up. When offered Paypal, they choose not to use because of hassles. How do you expect millions of Australian's to operate with this eBay policy?

My belief is that many fraud and scammers will take advantage of eBay's change of policy. Paypal has a 90 day refund policy whereby if buyer is not satisfied with the product, within 90 days buyers can take their money back through Paypal and sellers are left with a debt to pay. Story's like a \$3000 laptop was sold on ebay and a customer was not satisfied, so they took their money back without the seller knowing it until the bill came in. Certainly I can see many illegitimate eBay buyers taking advantage of this and buying many expensive items on ebay and getting their money back. Personally I cannot afford to take this risk. Also Paypal charges are double of that of merchant banks. They favour the buyers with little protection to the sellers once item is sent.

Another problem is, Paypal freezes your account if they suspect any problems with buyers or scammers. This means the seller will need to stop trading because they cannot use Paypal. Certainly it is not fair for the seller or buyer. Paypal is not the safest solution, but the worse and most profitable solution to eBay. Their aggressive approach should not be entertained. That is why Oztion Auction website has just recently announced their significant increase in membership.

There are many problems with this ebay policy which is not looked into properly, that is why many people are protesting on ebay about it. You only have to see the eBay discussion board to realize the tension that is building up.  
<http://forums.ebay.com.au/forum.jspa?forumID=18>