

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Monday, 21 April 2008 5:29 PM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: Ebay Paypal [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

From: Blindsonline [mailto:sales@blindsonline.com.au]
Sent: Monday, 21 April 2008 4:17 PM
To: Adjudication
Subject: Ebay Paypal

I am writing to lodge my disapproval at Ebay new payment scheme of only accepting Paypal.

This will seriously affect my business due to the following;

The negative effects this will have on me-

- Reduced customers – Customers will not want to sign up to Paypal if they have been using other methods of payment that they feels safe with.
- Reduced profit, due to higher fees and lower sales
Higher risk of fraud – In the 3 years I have been trading on eBay I have never had a problem with Bank Cheques, Personal Cheques, Direct Deposits or Credit cards. In the 2 weeks that I used Paypal I had a fraudulent transaction and Paypal froze my account. I instantly removed Paypal as a payment option and haven't had a problem since
- Lack of choice for customers – People should have the choice of how they handle there own money and what they feel comfortable with. They shouldn't be told that Paypal is the only method
- Higher fees – Paypal charge 2.4 % whereas I currently only pay .7% for my merchant credit card system
Due to currently selling interstate and not wishing to offer Paypal, this only leaves me with cash on pick up. So now I can only sell to Victorian Customers.
- As my product is custom made window furnishings, I can not risk making a product without a payment until the goods are collected. So I am unable to offer cash on pick up and will have no choice but to close my business.

The likely benefit to the public will be outweighed by the likely detriment-

Ebay are using Dominant market position to reduce competition for one of their own businesses

- Ebay are third line forcing
- Older people will not be willing to change payment methods to Paypal; they prefer to

use money orders or bank cheques.

- Disadvantaged members of the public also wont be able or willing to change to Paypal for there own valid reasons and will not be able to use eBay for purchases any longer.

Customers will not easily change over to Paypal, risking a loss of business to all sellers on eBay.

- Paypal does not have a customer service department and if you need to discuss problems, you will only ever receive standard form emails which will not help to instill confidence with customers.
- Paypal have the right to withhold or freeze our accounts if they see fit. This is an action that Paypal often do. We are then left without funds for 21 days until they decide to unfreeze the account. In the meantime payments from other sales will continue to feed into our account and we can not touch the money to proceed with customer orders. This will result in large amounts of monies being frozen and our business failing.
- Ebay say that Paypal is the only safe method of payment, this is purely so they can gain the benefits of all the fees that will now be paid to them. If this was the case Paypal would offer to reduce it's fees but they haven't.
- I have worked too hard to watch my business profits go to Paypal
- It is not Australian to force people to do something. People will not accept it and leave eBay.
- Now in eBay's 75 page submission eBay suggests that they CONTRIBUTE to the economy in a positive way....I personally don't see how encouraging hundreds of thousands of customers to acquire a credit card in order to be able to make instant payments is going to really benefit the economy in the current economic climate. A Mac user buys something on eBay tries to pay via Paypal, Paypal won't let them log in as they use Safari (a very superior browser BTW) and they get a strike from eBay for not completing the sale.
- **In short my business will close down**

Kind regards

A & G Crosby

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Our ebay store is located at <http://stores.ebay.com.au/Crosby-Online>

Our NEW Oztion store is located at

<http://www.oztion.com.au/vshops/vshops.aspx?shopid=4631>

We're passionate about your windows