

**Roy, Lauren**

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**From:** Creative Art Girlz [mailto:creativeartgirlz@mysoul.com.au]  
**Sent:** Friday, 9 May 2008 11:47 AM  
**To:** Adjudication  
**Subject:** Proposed Changes to Payment Options re:Ebay Interantion Australia

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Submission re: eBay proposal

To Whom It May Concern,

I am a sole trader conducting business on ebay through Auctions and store based listings - I am a power seller and 50% of my customer base are currently paying via other payment methods including bank deposit, Money-Order, Cheques and cash on Pick-Up

I consider Ebay Interantions proposal to come in affect on 17th of June 2008 - unfair trade practice especially for small business - as a small business we should be able to decide what forms of payment we accept from our customers and also our buyers should be able to choose what payment option they prefer.

I have many customers that don't want to put their bank details on the internet - and other customers that simply find it more convenient to pay via Australia Post Money Orders or Bank Deposit.

eBay appears to be trying to justify the proposed change on the basis of the number of disputes relating to bank deposits/transfers, cheques etc... and that PayPal is a safer way to shop.

Please note alot of this disputes are entered by sellers due to the customer taking longer than 7 days to pay - and customers only pay just before they are about to receive an unpaid item strike - and 50% of these dispute customers end up paying via paypal anyway - so ebay's reasoning is not really valid.

And PayPal accounts aren't always safe - as there are scammers out there trying to break into PayPal accounts everyday and I fear for my customers who don't have anti-virus and don't have the know-how to recognise scam emails - May be affected and

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have their PayPal details stolen and/or their money stolen by scammers.

But eBay themselves COULD do more to make bank transfers easier ...

(a) They could shorten their item numbers to the number of characters permitted in Payer References in order to avoid confusion.

(b) They could issue separate item numbers for each sale in a multiple listing (as does Ozton.com.au) so as to avoid confusion when two or more people buy the same item number.

(c) But better than either of the above, their system could easily generate a shorter unique Payer Reference number and they could make it well known on their site that buyers should use this Payer Reference Number (which Sellers would also be given and be able to search for) when making bank transfers or deposits.

I make the following points also ...

1. In order to make instant payments buyers must leave sufficient cleared funds in the PayPal accounts (at no interest) - otherwise the transactions remain pending for up to 5 business days while PayPal clears a direct debit from the buyer's account, to the seller's PayPal account and then the seller must wait another 5-7 days for the funds to be transferred from their PayPal account to their Australian Business account.

2. PayPal is no safer for a buyer than merchant credit cards used in the rest of the retail industry, so what justification can eBay have in regard to preventing the use of merchant credit cards which, after all, have a charge back facility.

3. When a buyer has had dealings with a particular seller he or she usually has confidence about paying by bank deposit, Money Order or cheque

The eBay feedback system should also give even new buyers such confidence when dealing with an established seller.

I am an established seller not only on eBay - But at numerous Markets and Casual Leasing sites - so some of my eBay customers know my familiar face

There may be some justification in restricting new sellers from not offering bank deposits until they have, say, 10 positive feedbacks. There are other restrictions already in place for such - for example, no multiple listings or feature listings.

Or in addition to combat fraud on eBay - Why don't they require all sellers to provide their drivers licence as proof of identity.

But when eBay force buyers and sellers to tie up funds in PayPal accounts, and sellers to have to pay commissions on all sales, including the postage component, there is

certain to be an overall increase in costs to buyers and sellers.

In the retail industry sellers (like Petrol Stations) charge extra for the use of credit cards. eBay specifically prohibits this with PayPal - no discounts or bonuses etc are allowed for bank deposit payments. I question the legality of this restriction also under the current system.

I spoke to Vincent M at the eBay Powerseller Support Line this morning as there seems to be some confusion about whether we as sellers will be required to accept PayPal ONLY for Pick-Up Items as well , and can we offer other payment options to Pick-Up customers - Vincent told me eBay consider this a loophole and if we offer other payment options other than Paypal on our listings for Pick-Up ; eBay will cancel all our listings which state we accept other payment options in description-for Pick-Up Customers- at the sellers cost!

Vincent said eBay cannot make us accept Paypal for Pick-Up - but sellers have to offer it. I think the new proposed policy is very confusing and ebay cannot answer our questions sufficiently.

In addition to these proposed changes - eBay have currently disallowed sellers to leave negative feedback for buyers- I think this system is very unfair - as we have no control over fraudulent buyers - Or cannot even leave a negative feedback to a non-paying buyer - Who costs us money with eBay in listing fees and also - causing sellers inconvenience by having to wait 14 days for eBay to refund our commission.

I am hoping the ACCC will not allow eBay to go ahead with these changes , as I feel my business income is going to decrease if these changes go ahead - and it is going to put alot of small Australian Businesses out of work.

Thank You  
Regards  
Lisa Hayman