

Roy, Lauren

Subject: Submission - Ebay Notification of Exclusive Dealing regarding Paypal
[SEC=UNCLASSIFIED]

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EXCLUDED FROM
PUBLIC REGISTER

-----Original Message-----
From: Jill Pernice [redacted]
Sent: Friday, 2 May 2008 1:46 PM
To: Adjudication
Subject: Submission - Ebay Notification of Exclusive Dealing regarding Paypal

Dear Sir/Madam,

I wish to offer my submission regarding eBay international's plan to force the mandatory use of Paypal for buying & selling on Ebay Australia.

The exclusive use of Paypal for all payments on eBay Australia (totally owned by Ebay International) is in direct opposition of the freedom of choice that each Australian enjoys and comes to expect when dealing with any business. By limiting the choice to 'Paypal only' it severely disadvantages a wide range of users of the eBay Australia site. Older users have a distinct dislike with all on-line payment methods - especially a foreign owned business.

Ebay Australia is the only business I know that only has/will have only ONE payment method for payment of items. Even Ebay Australia accept Paypal, direct debit, Money Orders for payment of the seller fees. I find it ridiculous that eBay suddenly declare Paypal is the only 'safe' payment option for sellers.

Ebay has often been quoted as saying that they're only the platform for sellers to list their goods. This forced acceptance of Paypal is in direct opposition of their claim. Surely the payment of an item is between the buyer and seller.

My own dealings with Paypal have been mixed.

As a buyer, I have lost money on a ebay US transaction when the seller failed to send the promised item. As they had withdrawn their paypal funds, Paypal could only partially recover what was left in the account which left me short of a full refund. As a seller, I don't have a problem offering Paypal as a payment option. Bank deposits (over the counter), Internet transfers and Money Orders cater to any customers' fears of on-line payment services.

There is considerable advantages with offering a wide choice of payment options - like all businesses do. Not all customers feel safe entering their bank details or credit card details on-line to Paypal. As the site has been compromised on numerous occasions, most people are uneasy with that lack of security. The Paypal site often has numerous 'glitches' which vary from time to time - lack of payment emails to users unable to log into the site for an extended length of time.

Paymate is an alternative method of payment to Paypal which has been severely disadvantaged in the past.

Paymate is Australian owned & operated, offering the same payment system with a major difference - all payments are directed to the sellers bank account. With Paypal, the seller has a separate 'Paypal' account. Paymate was accepted by eBay Australia in the past, but when eBay purchased Paypal - they outlawed the use of Paymate on their site. Most Australians prefer to use Australian owned businesses - support the local grown first.

My main concern is that Paypal is not a Registered Banking institution which is held accountable by Government Regulation and there's no guarantee of the funds held. If Paypal were to collapse - all users' funds would be seized by creditors.

Problems regarding the service offered by Paypal are often answered by form emails - which is frustrating and very annoying. The emails often show that the 'customer service representative' has not 'grasped' or even read your problem - but they did answer - it's just that it's not addressing your problem.

In my opinion, the statistics offered by Bay are suspect. EBay offered me a free \$50 Paypal credit and no Final Valuation Fees for all items I listed during 16-21 March 2008 that including Paypal as a payment option. I was contacted by email twice & phone by eBay regarding the same promotion.

All eBay promotions over the last couple of years require Paypal as a payment method to qualify.

Paypal has not been widely accepted by the Australian EBay population by choice - hence the promotions etc - so now eBay are trying to force acceptance.

thank you for your time

Mrs J Pernice