

Roy, Lauren

Subject: Objection to eBay International AG - Notification - N93365 [SEC=UNCLASSIFIED]
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Attachments: "AVG certification"
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**EXCLUDED FROM
PUBLIC REGISTER**

From: Tasha Gergel [mailto:
Sent: Thursday, 8 May 2008 4:08 PM
To: Adjudication
Subject: Objection to eBay International AG - Notification - N93365

8th May, 2008

Dear Sir/Madam,

I wish to state my opposition to eBay Australia's recent policy change which will force all sellers to offer one payment method only. That being Paypal, a company owned by Ebay. This will create a monopoly.

Other perfectly safe payment methods will not be allowed as of June 17th 2008. These include:

1. Australia Post Money Orders & Cash-On-Delivery service. This action undermines Australia Post's services and business reputation.
2. Direct debit and internet bank transfers will not be allowed; again undermining Australian banks and the services they offer.
3. An Australian merchant credit card company named Paymate is also on the list of those excluded. Again undermining this home-grown company who offer a far better service than Paypal.

Competition will be reduced in Australia if eBay is allowed to go ahead with this policy. There will be less business for Australia Post and less bank account transactions. Paymate will be excluded from the merchant credit card market in Australia for eBay users. I have used Paymate for 12 months and sold many items overseas without any problems. International buyers using Paymate will also be restricted from choice.

The benefits as espoused by Paypal do not outweigh the detriments to the buyers, sellers and other Australian businesses.

*Paypal state that this change is to "protect the buyer." The buyer can protect themselves by looking at the feedback of the seller, negotiating a return with the seller, leaving negative feedback, and legal options such as the small claims tribunal - we don't need the "buyer protection" that ebay is promoting as a benefit. We have got along fine without it.

*There will be a substantial increase in fees. Paypal collect fees on Final Value of item plus postage cost. There is also a standard \$0.30c fee for using Paypal in the listing - and as we have no choice there is another fee imposed without any choice. Paypal will not allow combining several items into one postage cost therefore collecting fees on each item plus postage. In Australia we don't pay fees when we use bank transfer as a payment method. Any profit from small transactions will be eaten up by Paypal fees.

*The Paypal method of payment creates huge uncertainty for a seller which will now be increased. Paypal can freeze or remove funds from your account - they act at their own discretion and on behalf of themselves. Sellers are powerless to recover their money from a buyer who scammed them even with proof of item received/customs reports/proof of postage etc. Paypal does not protect a seller from buyers who use scams. Paypal can freeze your account for months and collect interest on it - this interest is never paid back to you when they find in your favour.

*Paypal doesn't have the strict regulations and requirements of a bank. Paypal is not regulated under Australian law unlike Paymate and Australian Banks. Paypal can hold the sellers money for 21 days (thus earning interest) Paypal charge a fee to transfer money from your Paypal account to your bank account.

I pay my eBay fees by direct debit because ebay states "direct debit is a safe, convenient way to pay your eBay seller fees" and yet claims it isn't safe for me to be paid by that method by a buyer.

16/05/2008

I have sold over one thousand items on eBay Australia in the last 18 months. I have never used Paypal as a payment method and I have never had any complaints that I didn't offer it. I have successfully completed transactions using Australia Post COD or Money Orders. I have used Paymate for some domestic & all international transactions. The majority of my transactions have been paid using direct deposit into my bank account. Buyers were given a choice of a range of payment methods.

I also wish to draw your attention to the wording of eBay's User Agreement (appendix I below) which I read & agreed to as part of my joining ebay as a seller and as a buyer. Ebay have broken this user agreement with their new policy when they state;

"...our Site merely acts as an online venue to allow members to communicate and offer, sell, and buy just about anything..."

and

"YOU ACKNOWLEDGE AND AGREE THAT EBAY IS NOT INVOLVED IN THE ACTUAL TRANSACTION BETWEEN BUYERS AND SELLERS. AS A RESULT, EBAY HAS NO CONTROL OVER THE QUALITY, SAFETY OR LEGALITY OF ITEMS OR CONTENT POSTED BY MEMBERS ON OUR SITE, THE TRUTH OR ACCURACY OF LISTINGS, THE ABILITY OF SELLERS TO SELL ITEMS OR THE ABILITY OF BUYERS TO BUY ITEMS."

As a seller I will be greatly disadvantaged by this new policy because of lack of payment methods choice, huge fees, lower profit margins and greater uncertainty regarding 'my' money sitting in Paypal's account.

As a buyer I will have one choice of payment method. Many people don't own a credit card & have no desire to own one. These people will have NO choice if they wish to enter into online buying with eBay.

I hope that the ACCC will investigate eBay Australia's policy and determine if it is in fact creating a monopoly and/or using unfair trade practices.

Yours sincerely,
Tasha Gergel

Address excluded

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APPENDIX I

eBay Australia User Agreement

eBay is not an Auctioneer.

3.1 Online Auctions. Although we are commonly referred to as an online auction web site, it is important to realise that we are not a traditional "auctioneer". Instead, our Site merely acts as an online venue to allow members to communicate and offer, sell, and buy just about anything, at anytime, from anywhere, in a variety of formats, including a fixed price format and an auction-style format commonly referred to as an "online auction". YOU ACKNOWLEDGE AND AGREE THAT EBAY IS NOT INVOLVED IN THE ACTUAL TRANSACTION BETWEEN BUYERS AND SELLERS. AS A RESULT, EBAY HAS NO CONTROL OVER THE QUALITY, SAFETY OR LEGALITY OF ITEMS OR CONTENT POSTED BY MEMBERS ON OUR SITE, THE TRUTH OR ACCURACY OF LISTINGS, THE ABILITY OF SELLERS TO SELL ITEMS OR THE ABILITY OF BUYERS TO BUY ITEMS. WE CANNOT ENSURE AND DO NOT GUARANTEE THAT A MEMBER OR BROWSER OF OUR SITE WILL ACTUALLY COMPLETE A TRANSACTION OR ACT LAWFULLY IN USING OUR SITE.

When you enter into a transaction you create a legally binding contract with another member, unless the item is listed in a category under the Non-Binding Bid Policy (located at: <http://pages.ebay.com.au/help/policies/non-binding-bid.html>) or the transaction is prohibited by law or by this Agreement or our Policies. You are responsible for ensuring that you comply with your obligations to that other member. If you do not, you may become liable to him or her. You must ensure that you are aware of any laws relevant to you as a buyer or seller, or in any other uses you make of our Site. If another member breaches any obligation to you, you - not eBay - are responsible for enforcing any rights that you may have.
