



## FILE NOTE

Matter name:	eBay International AG exclusive dealing notification N93365		
ACCC parties	Lauren Roy		
Other parties	Anja Kapelski		
		Date	23/04/2008

Anja called to provide an oral submission regarding this matter. Anja is opposed to having to offer PayPal has a payment method and submitted that the notified conduct:

- limits buyer choices
- creates additional fees for buyers and sellers
- will result in small sellers being unable to generate business

Anja submitted that there are a number of problems with the PayPal system. Anja submitted that if an item is sold and the buyer doesn't leave feedback, PayPal has the power to withhold the money from the seller for up to 21 days.

If a seller sends an item without any tracking options, the seller has no means of fighting a charge back of a buyer through PayPal.

Using Registered Post increases the postage charges for buyers and sellers have to physically go to the post office. Part-time/private sellers without the possibility to go to a Post Office daily because of other commitments are disadvantaged. The handling time of those sellers will be prolonged and they will lose business. Or they might have a higher risk of PayPal charge backs from dishonest buyers. Those risks would have also to be calculated into the starting/BuyItNow Prices and business will be lost through these higher prices. If time has to be taken of work for posting items, also this is a cost to be calculated.

eBay provides a platform where buyers and sellers can meet to buy and sell. eBay provides a service. PayPal offers also a service which enables even private/casual sellers to accept credit card payments from buyers without setting up a merchant account.

With the announced changes sellers and buyers are forced to pay for a second service, which is PayPal. Buyers will pay indirectly as sellers have to calculate the cost of the PayPal service into their prices.

Sellers are loosing business due to this fee and also from customers who simply do not want to use PayPal for several reasons.

Small sellers will loose much needed extra income generated through eBay. There is a large number of stay at home mums dealing on eBay to help support the family. If opportunities of self-support are limited the government has to step in – and it is cheaper to keep corporations powers in boundaries than to support struggling families through tax payers money.

Anja was of the view that it is safer and cheaper for sellers to accept direct deposits or Money Orders from buyers rather than using PayPal. Anja submitted that it takes up to five days or even longer to transfer money from a PayPal account to a bank account and PayPal can freeze accounts completely without giving proper notice. If an account is frozen no money can go in or out, means that buyers won't be able to pay and might cancel orders – causing a further loss for the seller.

PayPal pays no interest on funds in PayPal accounts.