

**Roy, Lauren**

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**Subject:** FW: eBay International A.G. notification N93365 [SEC=UNCLASSIFIED]

**From:** [REDACTED]

**Sent:** Saturday, 19 April 2008 12:43 PM

**To:** Roy, Lauren

**Cc:** Ray K.; Glenn Fry

**Subject:** Re: eBay International A.G. notification N93365 [SEC=UNCLASSIFIED]

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PUBLIC REGISTER**

To  
The General Manager  
Adjudication Branch  
ACCC  
[adjudication@accc.gov.au](mailto:adjudication@accc.gov.au)

Dear Sir,

We are a small business who sells on line through EBay Australia. The application by Ebay to the ACCC (N93365) has Upset and angered thousands of people.

We, as a business, would like to voice our disgust at the application and therefore submit our reasons for asking that the ACCC refuse this application.

1. *from 21 May Requiring sellers to offer Paypal as one of their accepted payment methods . And on the 17 June ..... Ect.*

We have been trading on ebay for 2 years now and our pricing has to be competitive with the market price. To gain prominent exposure on ebay (not store listings which only feature if the same product has not payed full price listing) we have to pay full price listing on a percentage to the sale price. If the product sells then there is an added percentage fee for the sale to be payed to ebay.

We have not offered Paypal to our customers due to the fees associated with paypal which would increase our selling price and loss of business time.

In all the time we have traded on ebay, we have never had bad feedback and our clients have welcomed paying via our account bank deposit, pickup and money order/ Australia post.

We as a business want repeat business so how we deal with our customer base is very important. Offering a choice for payment is critical to our business clients as some clients do not want to trade with paypal and are very aware of the problems associated with paypal transactions.

Once a product is sold and the transaction information details are exchanged with the parties, then that should be the final obligation for ebay in reference to the sale. Ebay are wanting to channel all transactions through them to maximise profits. The issue is not the so called security offer by paypal but the lack of choice being available to those who have invested interests.

If we as a business are forced to use paypal then the increased accounting workload will have to be passed on via price increases.

The problems associated with the forced use of paypal are:

1. Lack of choice for buyer and seller to trade/payment.
2. Increased fees and charges if forced to use paypal
3. Increases in selling price due to having to pass on the associated fees.
4. increased workload for business being forced to trade with paypal.
5. The lack of choice of payment options for the seller to offer its clients.

In regard to the sellers allowed to have 3rd party interests but must transact through paypal, Does this alone

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not smack of market domination by not allowing the freedom of trade via the choice of the consumer.

Trading on line requires product to be freighted to the end consumer. Currently ( and the correct method) Ebay does not charge a percentage for the freight costs as this is dealt with between the buyer/seller. The seller has payed to list only the product - not the freight costs.  
If we are forced to use paypal, then we will be charged a percentage of the product sale costs and freight costs.

The associated fees in our case are:

1. Up to 10% of listing and final sale;
2. Paying GST of 10%
3. Business expenses.

If we are forced to transact via paypal the final percentage fee is up to 12.5% - this coupled with the freight costs, GST, existing bank charges and business expenses WILL force us to increase prices. If we wish to transfer funds from paypal to our associated business banking accounts, then there is an exit transaction fee as well.

In summation-

We feel that Ebay is a media for people to trade on line but on many occasions ebay have morally over stepped the "good will" of its client base just for monetary domination effects.

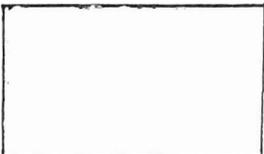
The increased workload and fees will have a huge detriment to businesses and through the chain of supply.

The proposed application (if successful) will change the way trading on line occurs in Australia and creating market domination via unethical business methods.

Australians are proud of their freedom of choice therefore we ask that the ACCC reject the application (N93365).

Yours sincerely,

R & G Bertram



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