

Roy, Lauren

Subject: ebay proposal regarding Paypal exclusive dealing [SEC=UNCLASSIFIED]

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From: Alistair Watt

Sent: Wednesday, 30 April 2008 7:55 PM

To: Adjudication

Subject: ebay proposal regarding Paypal exclusive dealing

hello .

As both a long time buyer and seller on Ebay. I wish to register a very stong objection to the request by Ebay , to the ACCC, to permit them to dictate a " Paypal " only system.

As a seller, I find around half my buyers on Ebay sales demand payment by direct bank deposit to reduce costs and allow convenience to them. It is their choice which should be paramount in the Australian market place. Furthermore. as a seller, it is my right to decide with my customer how our transaction should be completed.

I agree to the right of Ebay to decide the conditions under which I chose to use Ebay. After the sale however, there is no reason or commercial law that surely should then allow Ebay to decide that they can dictate how the 3rd party payment financial agreement can be completed.

To give an analogy, after a auction for sale of a house, is it the right of the auctioneer to demand that payment must be in cash \$1 notes and only made through the auctioneer ! I think not.

Ebay uses the argument that it is " safer' For whom , how do they justify this . Direct deposits are safe . Credit card are safe. Cheques are safe. The baking sytem has had to prove this.

This claim by Ebay, and I speak as a buyer , is a fallacy. Paypal is convenient , especially for overseas transactions but it is not "safer '

This proposal by Ebay is clearly no more than a ploy to allow them to skim a further " cut " of the pie. I would wonder if Ebay Australia sees from its internal figures that the Australian public actually prefers to deal through our regulated banking system rrather than go through its more expensive Paypal system. !

If this issue were about " safety" would then surely the American public, the worlds greatest and longest term users of Ebay. would have demanded a " Paypal " only regime by now. !

I therefore strongly urge the ACCC to dismiss the Ebay proposal as nothing more than an opportunistic grab for a far reaching and intrusive monopoly. One which will be able to create a less competitive payment structure and which coincidentally gives far greater profits to Ebay Australia '

Yours faithfully

Alistair Watt