

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Tuesday, 29 April 2008 5:36 PM
To: Chisholm, Shane; Roy, Lauren
Subject: RE; eBay International AG - Notification - N93365 [SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

**EXCLUDED FROM
PUBLIC REGISTER**

-----Original Message-----

From: Karen Ward [redacted]
Sent: Tuesday, 29 April 2008 4:28 PM
To: Adjudication
Subject: RE; eBay International AG - Notification - N93365

ATTENTION ACC;

I am voicing my concerns and complaints that I feel are warranted by Ebays attempt to remove competition and fair trade practices, providing a monopoly in online auction selling by the enforced acceptance of Paypal payments only. My concerns regarding this matter are as follows;

1. Paypal charge a higher rate for credit card transactions than that is currently offered by my Australian bank and that of many other institutions.
2. Paypal retains your funds in an account that you cannot access until you pay a withdrawal fee. The Commonwealth bank which I currently use does not charge any such fee. In fact, the funds are transferred into my nominated bank within 48 hours free of charge- a practice that is commonplace with all Australian banks.
3. Paypal does not provide any security measures to safeguard Ebay sellers. An excellent example of this would be an experience I had approx. 2 years ago. An American resident purchased an item from me in excess of US\$2000.00. I refused a credit card payment due to security concerns so the customer paid through Paypal using funds in their bank account. Two months after the transaction was completed, I received an email from Paypal stating that a bank dispute had been opened claiming the credit card payment was fraudulent and Paypal could not verify it so they would be withdrawing the funds from my bank account. Despite several emails from me stating I had not accepted a credit card payment, I received no response from Paypal. The matter was only resolved when I personally rang the Sydney branch and advised that if they tried to remove any monies from my bank account, I would be handing the matter to my lawyer.
4. Paypal dictates its own terms and conditions, restricting your choices and eliminating any opportunity to negotiate fees and interest rates charged to your account. Under Australian terms, consumers should be allowed to shop and negotiate with competitors to find the supplier that best suits your needs. Under Ebay's proposal to allow only Paypal payments, there is no opportunity to negotiate and/or compare with competitors ie; Paymate, Western Union or bank credit card facilities.
5. Paypal do not offer adequate customer care and/or avenues to resolve customer complaints. Another example of this is the fact that my Paypal account has been frozen for several months and I still am not able to my account balance in excess of \$500.00. If this was to occur with an Australian banking institution, you would be entitled to forward the matter to the banking ombudsman or similar. Paypal dictate their own terms and conditions, thereby removing your legal rights to take action and rightfully claim your monies.
6. Ebay listing fees and final fees on the Australian site are already higher than many online auction sites. Their demand for payment only through Paypal further increases the fees charged to the seller, thereby reducing the limited profit margin. This action removes the opportunity for any fair competition, allowing them to increase fees as they see fit without the need to ensure that they remain competitive in the market place.

Ebay and Paypal have repeatedly shown that they have no desire to operate as a fair and safe selling medium. This further attempt to monopolise the online auction market would ensure that competitors are removed as a viable option. Furthermore, it would guarantee that more credit card scams and the like, would flourish within the Ebay community making it even more risky than it currently is.

Ebay requires a thorough investigation and removal of scams and fraudulent activity to return it to the safe and competitive online environment it claims to be.

Regards,

Karen Ward

Quirky Werx Antiques.