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From: Mechelle Ridenour [mailto:
Sent: Sunday, 15 June 2008 7:32 PM
To: Adjudication
Subject: eBay/PayPal sake payment scam

Though I do not sell on eBay Australia- I do on eBay.com, and I want to give you some input from another user- really it is us who have the best understanding of the implications of eBay's purposed anti-competitive business practices.

This may sound paranoid or maybe even dramatic, but eBay/PayPal (this new regime anyway) appear to be maliciously abusing those of us who sell on eBay, and by extension the buying only members.

eBay.com has restrictions on what payment method we can offer. Last year there was BidPay, but of all the transaction I only had 4 use it. Money orders/cashiers checks are available, but again I have only had 6 over the past 15 months. BidPay abruptly shut down on January 1st 2008, so that is no longer an option even for very few transactions.

To understand the 10 or 11 payments I received outside of PayPal are extreme my gross sales last year was \$39,000 and I sale makeup by the piece- I don't sell lot auctions- 1 piece at a time. In other words I had close to 2000 transactions as a seller in 2007- all but 11 paid through PayPal.

Considering so many, virtually all, of my customers pay through PayPal why should it matter to me if it is paypal only? The cultural circumstances need to be looked at by location- in the US direct deposit, cashier checks, money orders, personal checks, BidPay (when it was an option) all fail as a significant payment option:

Direct deposit, wires, transfers - we don't seem to do any of those things here

Cashier/money order/personal checks- mostly inconvenient - we are obsessed with ease.

BidPay or any other unknown- that is the problem the brand is unknown

BidPay or similar unknown payment methods never had a chance- it was only allowed because eBay/PayPal knew it was essentially a dead link in a listing.

eBay employs terroristic strategies in controlling the member base:

If you study the layout of the eBay checkout you will experience a barrage of warnings - that undermine the credibility of eBay's customers (the sellers) - implying that the buying member is taking a huge risk to trust the person they just purchased

from. Suggesting of course the only safe payment method is PayPal- with the threat on the back end -

if you don't use our payment service PayPal don't come whining to us when that scamming seller screws you over.

Take into account the constant negative image eBay portrays of their own customer base - without merit- those new to eBay already hyper vigilant do to the public opinion eBay has provided of the dealers on eBay, the new comer is running to the paypal sign up- she's heard it on the news and she has eBay saying it right here on the site- hell yes I'm using eBay/paypal she/he announces internally. I know this, because I was one of those new members. I've been an eBay member since Dec 2006, I started selling in Feb 2007. I was apprehensive the first couple transaction, but I grew comfortable with the sellers quickly and am entirely comfortable with both selling and buying members. Of course just as in the general public there are deviants, but you learn who they are and stay clear.

Clearly, as a buyer eBay scares you into using PayPal by setting the system up to offer no help to buyers if something should go wrong unless they use PayPal, and by the constant message that the sellers on the site are criminal so you better protect yourself with paypal. **Without any alternatives (as demonstrated the above may be "allowed by eBay, but not only is it highly discouraged, it is against the grain of the cultural insistence of convenience) our only option has been to accept paypal - unless you are not reliant on your business income. If you want sells you take paypal, because there is no other option!**

The only other payment that would be viable and break eBay's <text excluded> resulting in another payment being used at a significant rate would be to allow a well known - highly regarded- credible Brand to enter the marketplace, but eBay prefers a non-competitive environment. They don't want to have to step up and follow through on their lies of protection, fix their glitch ridden software, or hire real customer service. They are fully aware that their product is sub-par and in a real game of competition they would go.

So, eBay banned that which they knew would have the power to take them down- Google Checkout. Using PayPal costs me 1% more on domestic + .10 cents per transaction than it would with Google Checkout. Using PayPal costs me at least 2% more + .30 cents for international sells than if I were using Google Checkout.

I am an adwords user and as such I can process 10 transaction free for every one dollar spent on adwords - so in reality paypal costs me 3% +.30 domestic and 4% + for international.

Benefits of Google Checkout:

Money is passed through into my personal bank account- it is not held in a Google account for them to do with what they may. I'm sure you have heard the horror stories of PayPal stealing thousands of dollars from individuals through account freezing-

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they assume the right to hold your money 6 months if they feel like it. All the while pocketing the interest.

Google Checkout (nothing under the Google brand) is not rot with system errors - that often result in conflicts between the transaction parties.

Google Checkout is cheaper- friendly- complimentary with other Google Services

Google is a trusted Brand one which if given the opportunity every eBay seller would flock to leaving PayPal to dry up.

Of course if eBay wasn't so crooked - PayPal would have to provide a competitive product and maybe it wouldn't be so hated. It is difficult not to hate an entity in which we are forced to use in order to use the eBay marketplace.

This is the most important consideration

With eBay's new policies PayPal is the weapon of choice- their new system to "Punish their sellers- their words" is to create disadvantages for them in the marketplace and cause them financial hardship- all on their self-acknowledged deception of buying only members (meaning they don't know the eBay dirt, because they don't sell). With the use of measures derived from manipulative rating systems eBay intends to hold the buyers payment at will- with the expectation that the seller ship the product and hope the buyer is someone who lives on eBay so will be interested in hopping on to leave feedback- otherwise PayPal will keep the money until 21 days have passed. This could be thousands of dollars- this could be the money that puts one of your citizens and their family on the street because they couldn't pay their bills.

I am begging you - please don't let eBay kick the chair from beneath our feet. Everyday as all of this crap keeps piling on I scream inside for someone to help us- please won't someone help us? Please won't you help us?- every one of eBay's customers are in agony, and we need you to come out strong on the side of humanity, to tell eBay they don't get to rule the world, to tell the rest of the world they need to wake up and protect their citizens from the tyranny that is eBay/PayPal.

Please help!

Mechelle