

Roy, Lauren

Subject: eBay vs ACCC [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

From: Maureen & Ron Chuck [mailto:
Sent: Saturday, 14 June 2008 3:14 PM
To: Adjudication
Subject: FW: eBay vs ACCC

**EXCLUDED FROM
PUBLIC REGISTER**

Please see the letter below that I sent to the Sydney Morning Herald. Please consider this to be my response to eBay's decision to appeal against the ACCC's draft notice.
Kind regards,
Maureen Chuck

From: Maureen & Ron Chuck [mailto:
Sent: Saturday, 14 June 2008 11:11 AM
To: 'letters@smh.com.au'
Subject: eBay vs ACCC

**EXCLUDED FROM
PUBLIC REGISTER**

I am absolutely astounded at eBay's decision to appeal against the ACCC's draft notice blocking their proposal to implement PayPal as the only payment method allowed on eBay (eBay to fight ACCC PayPal ruling SMH 14/6/08). Their intentions now, are just as clear as they were when they originally applied to the ACCC to implement this on 11th April 2008 – to milk as much money as possible from their customers. By delaying the inevitable by just one month, they will milk a further 2.5% (average) on every transaction. No one is surprised that eBay is disappointed by the ACCC's response, I'm sure many senior executives at eBay were counting on this proposal to ensure their bonuses and job security.

Ebay's spurious claims of increased security would have some modicum of credibility if they were to implement a policy of allowing payments to be made via any 3rd party online payment method that offered the same level of security as PayPal, but they don't. There are only 2 beneficiaries of eBay's proposal – eBay and PayPal which is a subsidiary of eBay. Ebay claims that they have 5 million customers in Australia of which 17,500 rely on eBay for their primary and only source of income. Some have claimed that eBay's proposal is akin to David Jones only accepting a David Jones credit card as the only payment method in their stores, but in actuality, it is more akin to Westfield forcing all their shops to only accept a Westfield card as the only form of payment.

The ACCC received a record 700 submissions in regard to eBay's proposal of which all but about 3 were against the eBay proposal. Approximately 650 of those submissions were from eBay customers (including myself) – the very people who will be affected the most by the proposal. Other submissions against the proposal were received from financial institutions, other online payment providers, consumer and community associations and government authorities such as the Reserve Bank of Australia (RBA) and the Australian Securities and Investments Commission (ASIC). The RBA's submission states that "*Should consumers value PayPal's security features highly, they will choose it...*" and that safer payment facilities

17/06/2008

may be achieved through a competitive process rather than through PayPal alone. Another submission from an anonymous source makes the claim that not only is the eBay proposal anti-competitive but that is the purpose of the proposal – to eliminate competition.

By eliminating its competition what incentive is there for PayPal to ensure that they offer the best services at the best price – none. By eliminating competition and choice for its customers, eBay and PayPal will be able to dictate the terms of their services because their customers will have no alternative.

Maureen Chuck

<contact details excluded>

**EXCLUDED FROM
PUBLIC REGISTER**