

Roy, Lauren

Subject: Ebay counter submission [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

EXCLUDED FROM

From: Peter d [mailto:**PUBLIC REGISTER**]
Sent: Saturday, 14 June 2008 9:48 PM
To: Adjudication
Subject: Ebay counter submission

Dear Madam

I have read the eBay notification and their submissions to the ACCC about exclusive dealing, I have also read the ACCC's draft notice of revocation.

I hereby wish to lodge my support for the ACCC's draft notice to revoke Immunity for Ebay's Paypal only Policy (Notified Conduct Parts 1. and 2.) for the following reasons -

- * eBay's proposed conduct would decrease competition and not have an overall public benefit.
- * Without competition Ebay/paypal would have no pressure placed on them to improve issues that currently exist in their payment system, and they would have no reason to provide a better service in future.
- * If Ebay/Paypals reason for this change is for customer safety then I believe we should be allowed to use other online payment systems such as PAYMATE that offer equal security and cover. Also PAYMATE is an Australian Company with a far superior HELP DESK that is located here in Australia and is much easier to contact with customer issues than PAYPAL.
- * Sales on Ebay.com.au are a Contract Between the SELLER and the BUYER, Ebay has no function or part in this contract, Ebay merely provides an online venue for Sellers and Buyers to conduct business together. It must be left to SELLER and BUYER to agree on method of payment.
- * Compulsory Paypal will increase costs to Sellers which will result in higher costs being passed onto Buyers. Other payment methods such as Direct Deposit are a favoured method for both Sellers and Buyers as fees are small or Nil plus any issues can be easily remedied thru local bank branches.
- * I ask the ACCC to deny immunity to Ebay for both parts of the notified conduct 2.15.

eBay describes the notified conduct as follows:

- (1) effective on and from 21 May 2008, eBay will amend its User Agreement and alter the functionality of the eBay Site such that all sellers (including both new and existing sellers) will be required to offer PayPal as one of their accepted payment methods; and
- (2) effective on and from 17 June 2008, eBay will amend its User Agreement and alter the functionality of the eBay Site such that eBay will supply the services on the eBay Site to users on the following conditions:
 - (a) sellers may only offer to accept payment made through PayPal, Pay on Pickup or Visa/MasterCard processed by PayPal;
 - (b) all eBay transactions must be paid for using PayPal, Pay on Pickup or by Visa/MasterCard processed by PayPal, and not through the use of any other payment method; and

17/06/2008

(c) sellers will still be permitted to have arrangements with third party providers that provide checkout facilities (commonly as part of an overall business/inventory management facility). When a customer purchases a product from these sellers, the customer is not taken to eBay checkout – but instead redirected to a third party checkout facility. However the seller must be a PayPal member and the product must be paid for using eBay's accepted payment methods and not through the use of any other payment method.

I thank you for allowing me to lodge my support of the ACCC's Draft Notice to Deny Ebay Immunity. I hope the ACCC agree's that this notified conduct by Ebay is not in the best interest of its customers, will have a serious negative impact on competition to Paypal, and if Parts (1) and (2) of the notified conduct are allowed to proceed then Ebay/Paypal would have no reason to improve its Payment System.

Regards, Peter Di Maio. {Ebay user.}