

Response to ACCC Draft Notice (N93365)

The application by Ebay to the ACCC has upset and angered thousands of ebay Members.

I am trying to build a Business to sell on line through Ebay Australia and I would like to voice my disgust at the application and therefore submit my reasons for asking that the ACCC refuse this application.

I am supposed to post by "Registered Post" in future adding \$2.70 in additional Cost to my Customer in Australia, \$7.95 to my Overseas Customer for the so called "Seller Protection" increasing from \$3,000 to \$20,000, as I have to provide proof of Postage to PayPal, to qualify for this seller protection, proving to PayPal the address to where my parcel has been sent. Customers will not buy from me in future, if I can't keep my costs down, as simple as that.

If today the buyer didn't receive my goods I would lodge a "Customer Service Complaint" with Australia Post, who would reimburse me up to \$50.00, if they could not trace the Item, even if it was not registered! Therefore Paypal is not really providing any protection in the first place! I feel protected with Australia Post! I do not sell Items worth more than \$3,000, so why does PayPal think that I need protection?

The greater protection of \$20,000 instead of \$3,000 only applies to a very small number of items listed on eBay and many of those don't have to be paid for with Paypal, i.e. houses and cars etc.

If I do the sums on yesterday's listings, of the items worth over \$3,000 dollars only <1% would qualify for Buyers Protection, which means, 99% of eBay Items would get absolutely no benefit at all from the new proposed Customer Protection.

I believe Feedback plays a Role as well, as Members under a certain % of Feedback Rating don't qualify to be protected.

To me it sounds like a big Money Grabbing scam for charging more Fees for bigger Profits and to force PayPal to grow as big as ebay faster (in fact instantly by 15th July 2008) by forcing Members to use it.

I want my choice of Payment Method, and I will use PayPal for overseas Customers only, if PayPal changes their Policy and stops charging commission on my Postage Amounts (very expensive to overseas). Commission on my Sales Price I accept. My opinion is, that Postage has nothing at all to do with ebay or PayPal. It is between my Customer and myself and it is wrong to benefit from my high Postage costs and take a cut, which I cannot charge back to my Customer.

Maybe the ultimate planned "Outcome" for Ebay and PayPal is not so much wanting to help their Members, but to rid themselves and eliminate the very Members who built ebay's Business to what it is today and who do not sell Items under \$ 3,000? Just a thought!

If this PayPal only Plan is going to be permitted, a lot of smaller Businesses will have to leave and therefore ebay could move to their new Plan's of upmarket shopfronts faster.

The majority of Members will be totally unaware of what is happening, if they don't sell and don't already use PayPal. They might believe they will be protected until they have their first claim to PayPal, as not everyone always reads the fine Prints.

I have sold 293 Items through ebay and have never had a problem with receiving monies into my Bank Account or Items not being delivered by Australia Post. I had two delays, that's all.

The problem I had on ebay was, that I received a message "through the ebay messaging system" from a hijacked ebay Customer account in Florida (as I found out later) and I went into the link "through the ebay messaging system" (not my own e-mail account), which should have been secure and it directed me to an Arabic site, which at first looked like ebay having me confirming my customer ID and Password with the exact screen I normally do this.

I also receive a lot of "Phishing" e-mails pretending to be PayPal and to ask me to sign into my Account via a link in the e-mail. I sent these e-mails on to PayPal and asked them, if their Computer System had been compromised and how do these people sending me e-mails, know, that I am a PayPal Customer. Well I received a "cut and paste response" to say "never go into a link".

I know that, but what is the answer to my question????????? PayPal did not think they had to reinforce my sense of security. I do not feel save with PayPal!

Paypal have given very little reasoning to substantiate changes, other than self centred arguments indicative of profiteering and removal of freedom of choice.

It defies all logic that over and above "eBay" conveys that recent changes, as they have made to "bidding", being the "non-disclosure of bidders" during the course of a listing AND the now abundant private listings that disclose lesser again!!!! Transactions are not transparent any longer and the System has given Member's who have "Shill Bidded" their Items in the past a legal way to keep "scamming" bigger and better

The system is now ripe for the "scamming types" of which eBay now clearly show support for rather than the upfront sellers. It must be remembered that eBay Safe Practice Policy categorically advised against bidding on private listings that "hid bidder's identity" and that "Shill bidding" is prohibited as per ebay's Policy.

The effect of the actions of eBay will soon flow onto the public and then to the bottom line of ebay.

The problems associated with the forced use of paypal are:

1. Lack of choice for buyer and seller to Trade and Payment Method
2. Increased fees and charges if forced to use PayPal
3. Increase selling price due to having to pass on the associated fees to the Buyer.
4. Increased workload for business being forced to trade with paypal.
5. The lack of choice of payment options for the seller to offer his clients.

I believe the proposed Policy is a disgrace. PayPal is expensive, inflexible, not as secure as Banks and here are the time lines to process payments:

- CREDIT CARD through PayPal: instant and then 3-7 days to transfer the funds to my Bank Account. Where is my Money for these 3-7 days????? Money Market to earn Interest for PayPal, I suspect????? PayPal does not pay Interest to the Account Holder, no matter how long the Funds are kept in my PayPal Account.
- BANK PAYMENT "e-Cheque" through Paypal: 6-10 days. The Buyer can reverse his Payment after Transaction is complete and I can receive a Charge Back to my PayPal Account, or even to my Credit Card without my Authorisation, if my PayPal Account has no Funds for this reversal. Therefore I have sent my product and my Money is gone as well.

Here is another scenario to think about:

Buyer wins an item say on the 15th June.

Buyer pays on 22nd June into PayPal via his Bank Account

Funds are cleared on or around 29th June.

Allow 7 days for delivery to 6th July.

The Buyer now only has a few day left to lodge an item not received dispute before the PayPal Deadline is up!

It does not sound like a fair and workable Business Practice to me.

If I now wish to transfer funds from paypal to my account, there is an exit transaction fee of \$ 1.00 as well, if the transfer Amount is less than \$150.00.

The proposed application (if successful) will change the way trading on line occurs in Australia and creating market domination via unethical business methods.

Australians are proud of their freedom of choice and therefore I ask that the ACCC to reject the application (N93365).

Yours sincerely,

Astrid Rosemergy