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Allan Hewlett

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To: ACCC

From: Allan Hewlett

Attn: Adjudication

Pages:

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Date: 18 June 2008

Comment on proposed action by ACCC regarding ebay AUS payment changes

I have bought and sold on ebay for over 8 years, initially listing on the US site and lately on the Australian site, with total sales exceeding US\$133,000.00. Over that time I have offered a variety of payment methods but this year in frustration with Australian buyers, I limited payments to PayPal only. This was clearly stated on the site, to try and gain some control over being paid by the method of my choice within a reasonable time frame.

Out of 20 worldwide auctions I only had 2 buyers come back to me and ask could they pay by bank transfer, often a slow process, and my bank does not notify you of deposits into your account unlike PayPal. Not surprisingly the two buyers who ignored my conditions were in Australia and later one buyer paid me by postal note.

Some Australian ebay buyers, and some sellers, approach auctions on ebay with a Rafferty's Rules approach and in some cases use Bushranger tactics. They know that once they have won an auction they have the seller over a barrel, the seller can only report a 'non paying bidder' 7 days after the auction closes. You also have to contend with the real problem of negative feedback.

June 20, 2008

Earlier this year I did a spot survey in 'Cameras used' on ebay AUS, where I buy/sell, and found 28% of sellers did not offer PayPal. A similar site on ebay USA there were only 4% not showing PayPal availability; on a closer look they appear to be camera stores which offered their own credit card facility. In my experience it is an Australian bidder who is the least likely to observe the seller's conditions and in some cases ebay's rules.

I had been intrigued by some Australian sellers on ebay listing that they accept PayPal and then placing a clause in their conditions stating that it is not available to Australian bidders or they ask for a surcharge, these are both against ebay's rules. Another likely statement is that the seller prefers payment by bank deposit apparently under the illusion that bank accounts are free while PayPal charges a fee. A look at PayPal actual fees will show that they are far below those provided by a local bank for acceptance of credit card payments to a small business.

There are some things I don't like about ebay like the 'Byzantine rules' which I sure no individual knows by heart. However regardless of the outcome of this matter between the ACCC and ebay AUS, I will continue to list my items with a PayPal only clause and hopefully with the changes already seen on ebay, where everyone now offers PayPal, we will see the disappearance of Rafferty and the Bushranger on ebay AUS.

I am happy to discuss this matter further and can be contacted on the number above during business hours.

Yours faithfully

Allan Hewlett
Ebay name act551