

Macrae, Tess

Subject: FW: An email in support of the ACCC reply to eBay [SEC=UNCLASSIFIED]

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From: Amanda - Help My Auction [mailto:
Sent: Friday, 13 June 2008 2:10 PM
To: Registers, Public
Subject: An email in support of the ACCC reply to eBay

Hello.

My name is Amanda Callbutt and I have been an active user of the eBay Australia site for approximately 5 years, much of the time as an eBay Powerseller. I am not a lawyer and have no experience in writing to an official body such as your, so please forgive my lack of protocol.

I am extremely happy with both the submissions made against eBay attempt for immunity as well as yesterdays notice from the ACCC. I feel that you (the ACCC) have a grasp on how the sites works and the concerns of the eBay sellers and buyers alike - the consumers of the site - which is fantastic.

The reason for my email is firstly to show my support for the opinion that eBay should not be allowed to gain immunity from our laws, but also to voice two more specific concern of my own.

1- From a layman's reading of how the proceeding are going, it appears to be focused on whether eBay can or can not make Paypal and cash on pick up (not very practical for the large majority of sales) the only payment options available for transactions on the site. What I can't seem to find is if the ACCC are just looking at the "paypal only" (beside cash on pick up) part of "the project", or if it includes the fact that eBay have made it compulsory for all sellers to offer Paypal as ONE of their payment methods.

Whilst being forced to offer Paypal as one of the payment method offering, is alot better than the proposed "paypal only", it still leaves sellers being forced to use Paypal, in some (many?) cases against their wishes as a trader.

As you may well know, when a trader accepts Paypal payments they are made to accept payments that are funded by credit cards as well bank funded payments. The decision to accept credit cards for payment is a very serious one and there are risks to accepting credit card payments. Risks that in my opinion casual traders are not educated on.

Casual traders, ones that simply want to sell off a few bits and pieces from around their house, (the same sort of sellers who eBay ACTIVELY court to sell on their site*1), for the most part do not have the time, money nor experience to seek out independent advice on what risks are involved in accepting credit card payments. They just want to sell their items on eBay, rather than having a garage sale.

eBay have told them that it is quick and easy to sell on eBay, not that they need to make complex business decision in order to accept payment for an item. by forcing Paypal as compulsory on all listings, eBay are forcing often uneducated sellers to accept payment methods they don't understand fully. Of course Paypal offer a product disclosure statement, but in my opinion it doesn't really cover the full risks involved with accepting credit card payments - like for example the fact that the credit card company could authorise a chargeback on a payment 12 months after the transaction has occurred or the fact that the seller has no idea of how any particular Paypal payment was funded, credit card, bank funding or Paypal balance.

In a regular mail order/website retail situation, if the seller accepted a credit

card payment and there was any doubt in the seller's mind as to the validity of the transaction, the merchant could take further steps to verify the payment themselves, such as checking if the card was stolen, asking to see a copy of both sides of the card to know that the buyer had it in their possession. With Paypal the seller doesn't even know if the payment was funded by a credit card. A seller being forced to offer Paypal to sell on the eBay site, may not know any of this.

I no longer sell full time in the site. I have taken on a teaching role to teach other people how to use eBay to sell for business transactions and for personal transactions. Having this inside on how "newbie's" (new sellers/buyers to the eBay site) think and the experience - or complete lack there of - that they bring with them, I find that making Paypal compulsory for every transaction, even if other options are offered, is unfair and can lead to people being made to accept a type of payment that they don't understand. From personal experience when I have experienced a "chargeback" from a credit card payment, via Paypal, I was told on the phone by a Paypal customer service supervisor that I shouldn't accept credit card payments if I wasn't "prepared to suffer risk of losing both the item and the payment". He told me that I should build into the price of my items a percentage for "loss". Now that is unsympathetic advice to receive when you are a business seller (which I was at the time), but what casual seller would have the experience to build a percentage into the price of their item in case of "loss"?

I would very much like to see a ruling pasted down to not only stop eBay enforcing Paypal as the only payment method (besides cash on pick up, excluding several niche sections, like eBay motors), but only a stop to eBay being able to force sellers to accept Paypal on every listing. Please let sellers be able to offer only the payment methods that they understand, trust and choose.

2- eBay have blocked sellers being able to offer services offered by other companies similar to paypal, for example Payment and Google Checkout. Once the seller has made an informed decision that they wish to accept credit card payments, they should be allowed to select a company to they feel not only offers the best value for money, but who make them feel the most comfortable in regards to how the account is handled, for security and customer service, etc. In the example of Paymate, they have offered to match any and all protection schemes offered by Paypal for both sellers and buyers, in my opinion there is no reason (except for their own bottom line) that eBay should block users offering the services from these companies if they so desire.

Thank you for taking the time to read my email. I appreciate it immensely. I apologise again for my lack of refinement in the writing of the email. I am but one small seller and buyer, who wants to have her voice heard.

Kind regards,
Amanda.

www.helpmyauction.com

*1 - <http://pages.ebay.com.au/education/ebay-house.html>