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-----Original Message-----

From: chad [mailto:
Sent: Wednesday, 18 June 2008 10:02 PM
To: Adjudication
Subject: Ebay Paypal decision - Submission

Hi

My name is Chad Fenton-Smith and I am both a buyer and a seller on Ebay, although very small in nature. I have made fewer than 90 transactions in my five years as a member of Ebay.

I am writing to express my concerns at Ebay's new 'Paypal Only' policy. As many many users will agree on, Paypal offers NO added security to direct deposit banking at all.

* If Ebay were serious about improving safety, they would simply request banking details upon opening new Ebay accounts, to confirm the user was using a valid name and address.

* Paypal's website and emails are subject to fraudulent activity as much as any bank or financial institution. There have been documented instances where sellers had received fraudulent emails telling them the Paypal payment had been processed, they then send the goods, but in fact the payment was never processed through the Paypal website. I received one of these myself in 2007, fortunately I am savvy enough to recognise fraudulent emails. Many are not.

* Ebay's security is lax. I saw in an internet café where a novice computer user recently opened an account in a false name and using a fake address and was allowed to bid on items and list items for sale the same day!

* Paypal fees are exorbitant for their service. You get charged when funds go into the account, and you get charged when the payment comes out if it is under a certain amount. These fees eventually get passed onto the consumer, as in any marketplace. The buyers will eventually pay for this policy through higher prices at the start of the auction or sale.

* Small sellers will be the first to be damaged and leave Ebay, therefore REDUCING competition due to these higher fees through Paypal.

* I am also disgusted in the way which Ebay removed the posts on their own members' forums that were against its new policy, hid them in a new link and has made them very difficult to find. There are online petitions with, at last count, over 15,000 signatures against this policy. It was all hidden from view from normal forum users. You had to click on another post to find the link to the new 'board'.

What can possibly be safer than a direct deposit? I have had problems as a buyer with Paypal on many occasions, but never with a buyer paying me directly. There is NO added security in forcing this change; as many sellers will attest to. Would tens of thousands of us be up in arms if it were going to benefit us?

I trust the ACCC will look after the online community as it does the offline world, and reject these proposed changes in full.

I am happy to answer any questions regarding my submission and I would like my submission to be 'tabled' or included in the hearing process.

Thank you.

Chad Fenton-Smith
<Address excluded>

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