

Macrae, Tess

Subject: FW: important point regarding eBay and PayPal [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

From: Uni Cage [mailto:
Sent: Sunday, 29 June 2008 1:02 PM
To: Adjudication
Subject: important point regarding eBay and PayPal

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To whom it may concern,

I would like to urge the ACCC to seriously consider the EXISTING requirement of eBay (introduced on 28th May 2008), requiring that all sellers offer (and therefore accept and pay for) PayPal's services, as unacceptable.

PayPal is only one of a number of competing third party payment processing service providers. The seller pays for this service. Many sellers (myself included), DO NOT WANT to use the services offered by PayPal, as we find them to be expensive, slow, high risk, and poorly supported by customer service. There are other options we would prefer to use (such as direct deposit, or the services offered by other providers such as the Australian company Paymate), however buyers are actively discouraged from using these alternatives by the eBay checkout process which is heavily biased towards PayPal. In fact, for many months now there have been frequent technical 'glitches' in the checkout process which have resulted in PayPal being the ONLY method buyers are able to find.

Being forced to accept PayPal payments means that the choice of service provider is removed from the person paying for the service (the seller), and placed squarely with the buyer instead (who is not paying for the service, and who is easily railroaded by the eBay checkout process). Given that eBay promotes PayPal so heavily on its website, and makes it so hard for buyers to choose alternatives, I feel that the requirement to accept payments in this way is an extremely restrictive and anticompetitive requirement, and I fail to see how it escapes the definition of 'third line forcing'.

The current issue apparently under scrutiny, ie eBay's intention to ban any alternatives, is somewhat minor in comparison and I believe a smokescreen. Being able to suggest alternatives is of little value when you are being forced to use options you do not want to use, and which are being so vigorously promoted to the person making the payment. The real issue here is NOT whether or not sellers can suggest alternatives, it is whether sellers should be forced into using (and paying for) a service they do not want at all.

I strongly urge the ACCC to consider the implications of this requirement and to force eBay to remove it immediately. I also think it reasonable that eBay be asked to make financial reparations to those sellers who have lost income or suffered fraudulent payment reversals as a result of PayPal transactions which were against their free choice.

I further request that this message be made available on the public register, minus any personally identifiable information.

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Yours faithfully,
<name excluded>

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