

## Chisholm, Shane

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**Subject:** FW: eBay International A.G. notification N93365 /pre-decisionconference  
[SEC=UNCLASSIFIED]

**Categories:** SEC=UNCLASSIFIED  
**ACCC Classification:** SEC=UNCLASSIFIED

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

From: Tim Courtley [mailto:

Sent: Saturday, 28 June 2008 3:34 PM

To: Roy, Lauren

Cc: Adjudication

Subject: Re: eBay International A.G. notification N93365 /pre-decisionconference

FROM: PUBLIC REGISTER

Good Day Lauren & the ACCC Team

Thank you for keeping me up to date.

Unfortunately, the tyranny of distance precludes my attending the pre-decision conference.

However, I would like to make a further submission on the matter, as follows:

I unequivocally support the ACCC's draft revocation of immunity regarding the eBay International A.G. notification N93365 and sincerely hope that it is formalised as a Final Notice as soon as possible.

Also I hope that the ACCC sees fit to forcefully guide Ebay & its subsidiary , Paypal towards more equitable & fairer behaviour.

I do not accept that there are any quantifiable benefit to the public if ebay was allowed to implement their plan.

Instead there is obvious & significant detriment both to the public as individuals, as ebay traders and as an economic entity.

1. As individuals:

(a) limitation of choice

(b) being forced to accept a mode of financial transaction that may not be acceptable or practical

(c) having to deal with a 'faceless' organisation (Paypal) that actively avoids p2p dealing, has a questionable reputation in the International Trading community as is easily assessed with Internet searches, utilises stock answers rather than actually reading communications & makes claiming on their 'protection' an arduous task if not impossible in some International transactions.

The fact that Australian addresses will not be verified by Paypal is indicative of the double standards that are part of this business's MO.

2. As ebay Traders

- Buyers: as above - 1 (a), (b), (c)

- Sellers: as above - 1 (a), (b), (c)

Plus:

(i) Increased costs to the extent that it will not be economical to sell low cost items.

(ii) Increased exposure of the seller to fraudulent claims by dishonest buyers

(iii) Vulnerability of seller's funds held by Paypal being frozen or sequestered without cause that would be upheld in a court of law.

(iv) Inaccessibility of funds from sales until released by Paypal at their discretion

(v) In the case of Paypal freezing a seller's account with or without due cause, that seller would be effectively barred from conducting any further transactions for the duration (until the account was unfrozen).

Anecdotal evidence suggests that time frames ranging from 4 to 78 weeks are not uncommon - the survival of the seller's business would be difficult at the minimum.

3. Public as an Economic Entity

(a) The current power of ebay in the online trading marketplace is such that

their mooted proscription of all other methods of financially transacting within their aegis will:

- (i) Limit & reduce the chances of alternative systems surviving, eg: Paymate
- (ii) Limit the development of new alternative systems

Ebay's proposal is anti-competitive.

These are only some of the issues that I am able to enumerate at this moment in time.

There are many more as evidenced by the hundreds of submissions to the ACCC in response to this notification, the thousands of posts on ebay's forums & other forums around the world and many business organisation & media reports.

The overwhelming response is that the mooted action is not to the public benefit & is indeed detrimental & anti-competitive.

Further:

I once used Paypal regularly as an Internet buyer, my experiences with them have caused me to limit my use.

As a seller, I resent being told I must list Paypal as means of consumating the transaction when I can not list alternatives such as Paymate or Moneybookers, let alone EFT or non electronic methods.

Therefore, I think ebay must be forced to roll back the 'Paypal compulsory option', i.e having to offer Paypal on all listings, as soon as possible.

In my recent transactions on ebay, as a buyer, from late May, I have been forced to use Paypal to pay the seller as ebay has not been honouring it's commitment to the ACCC to withhold the mooted changes, instead ebay has been implementing them !

I alsoy believe Paypal should sign the Australian EFT Code of Conduct or cease to operate in the Australian financial marketplace.