

## Roy, Lauren

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**Subject:** A Fair Go for those signed up by eBay for PayPal under falsepretences  
[SEC=UNCLASSIFIED]

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**ACCC Classification:** SEC=UNCLASSIFIED

EXCLUDED FROM  
PUBLIC RELEASE

From: Newtown Dog [mailto:  
Sent: Friday, 30 May 2008 4:22 PM  
To: Adjudication  
Subject: A Fair Go for those signed up by eBay for PayPal under falsepretences

Hi,

My name is Ross, I closed my eBay account today which I ran for my family as a small private seller and I also closed my PayPal account both in protest at eBay Australia's continued proposed and implemented changes which have ruined what was a reasonably good market to sell and buy in. I was both a buyer and seller on eBay in roughly equal proportions.

I want to make one thing clear, I am basically damaging my own income by doing this but I have principles and will not be bullied by a multi national Trying again to diminish the rights of the general public by insisting on a payment method.

But there are a few things I would like to point out;

1. Unlike others on the eBay forums I have LITTLE faith that the ACCC will do the right thing and/or have enough legal teeth and legislative power to stop eBay from bringing in (which they have already implemented so the damage is already done to a large extent). This also relates to my lack of confidence in Government generally to be in touch with the REAL world. Having said I have little faith I remain open minded that the ACCC will investigate these issues thoroughly and not just because of the huge outcry. AND be proactive in future on issues like this in such a woefully unregulated area of online sales which needs urgent regulation as supported by the Reserve Bank.
2. What do the ACCC (requires proper response) intend to do (IF they do in fact decide on the basis of submissions opposing and their own investigations decline eBay's application and inferred immunity) ABOUT the most important issue and possibly eBay's main motivation for attempting to foist these largely un wanted changes in payment options - which is to gain new members for PayPal generally by already and for some time now FORCING new eBay members to sign up for PayPal.
3. In my opinion if the ACCC REALLY understood and appreciated the significance of this they would either write themselves to a list provided by eBay to ALL those affected and who have been forced to join PayPal and advise them that they were conscripted under false pretences, BEFORE a decision by the ACCC was handed down (i.e. Based on an 'Assumption' by eBay that they were entitled to do so) and providing a mechanism or link for them to -unsubscribe to the service and to appraise them in the same email or letter of the OTHER payment options available to them, WITH a formal apology by eBay and providing links to services such as PayMate and the numerous others they may CHOOSE to join IF they wish to.
4. Lastly, do the ACCC intend seeking further powers to stop this sort of monopolistic behavior in future and by what methods, it is shameful that eBay have been allowed to do this and that no authority has stopped them including the ACCC, and there should be legislation in place as part of any review of the powers of the ACCC to stop this happening again. This issue and the feedback one has affected tens of thousands of peoples lives.

These issues have caused a lot of stress and pain to eBay sellers and buyers and have disrupted the market considerably.

Also what do the ACCC intend to do or who can sellers turn to in relation to eBay's

equally draconian changes to feedback rules where sellers can no longer leave negative feedback for a buyer if they default on payment for an item purchased? On eBay's Australian site they have a total contradiction in rules,

Feedback scores and stars

Feedback ratings are used to determine each member's Feedback Score.

A positive rating adds one point to the Feedback Score.

A neutral rating has no impact on the Feedback Score.

A negative rating subtracts one point from the Feedback Score.

The higher the Feedback Score, the more positive ratings a member has received. Learn more about how scores are calculated.

NOW despite this still being a current link on the site, sellers who previously had 100% positive feedback (making them more attractive for buyers) Have now been relegated to less than that through the new rules, meaning they have less chance of selling in an already competitive market, in other words eBay are now counting neutral (i.e. Neither good nor bad) as negative This is yet another issue that is causing a lot of anger amongst sellers many of whom had 100% feedback on often thousands of sales and now reduced simply because of one or more neutral scores. Do you guys there realise what an achievement that is to have 100% positive feedback? That's hundreds or thousands of successful transactions.

Finally, why don't eBay get forced to pay GST in this country as they have for VAT in the UK? They are operating here clearly, why are they allowed a loophole others are not, and if so why is that loophole not closed.

I look forward to your response,

Ross Paterson  
<contact details excluded>

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