

*Industry Leaders Facebook and FT.com Using PayPal to Simplify Micropayments for Digital Content*

SAN FRANCISCO--INNOVATE 2010 -- PayPal today announced the upcoming availability of PayPal for digital goods, a new in-context, frictionless payment solution that lets consumers pay for digital goods and content in as little as two clicks, without ever having to leave a publisher's game, news, music, video or media site. The online equivalent of dropping a quarter in the slot to buy a newspaper or play a video game, PayPal's new solution solves a key problem for the digital goods industry by offering a faster, safer and more cost-effective way to send and receive micropayments globally.

The new solution offers PayPal's competitive fee structure for micropayments, with pricing at 5 percent plus 5 cents for purchases under \$12 -- lower than the fees typically charged by payment processors in the digital goods industry. Every time a customer purchases content, publishers and merchants get paid quickly, giving them fast access to their funds. PayPal for digital goods will be available late fall this year. At PayPal's second annual Innovate developer conference, Facebook Chief Operating Officer Sheryl Sandberg announced that Facebook will integrate PayPal's new digital goods payment flow to make PayPal the way to make purchases on Facebook.

Several additional companies, including Autosport.com, FT.com, GigaOM, Justin.tv, Ooyala, Plimus, Tagged, Tyler Projects and Ustream announced that they are also using PayPal to monetize the growing opportunity in digital goods.

"Our readers want their news on demand, whether they're on a laptop, a mobile phone or a tablet," said Mary Beth Christie, head of product management at FT.com. "PayPal helps us provide the experience our customers expect, along with flexibility to experiment with payment mechanisms for subscriptions. This gives our customers the flexibility to pay for what they want, when they want."

"The decision to purchase digital goods and content usually happens on impulse, so the act of paying needs to be as quick as that impulse," said Sam Shrauger, PayPal's vice president of global product strategy. "PayPal for digital goods is an ideal solution for game developers, newspapers, bloggers, media companies, and anyone who is looking to monetize premium digital content around the globe."

Because PayPal for digital goods is built on PayPal's sophisticated fraud prevention engine, developers don't have to worry about building the systems required to protect customers' sensitive financial information. PayPal is already one of the leading payment methods for digital goods, giving merchants global reach with 90 million accounts in 190 markets around the world. The company closed out 2009 with \$2 billion of total payment volume for digital goods and reached \$1.3 billion in the first half of 2010.

Innovate 2010 is the only developers conference dedicated to payments. The conference, at Moscone West in San Francisco from Oct. 26-27, brings together developers and industry experts to explore three main areas that are changing the way we pay: the phenomenal growth of mobile payments, the rise of social commerce and the move to Internet-enabled local payments.

Follow PayPal on Twitter: #xinnovate, @PayPal and @PayPalX. For additional information please visit [www.paypal.com/digitalgoods](http://www.paypal.com/digitalgoods), or [www.x.com](http://www.x.com).

## **About PayPal**

PayPal is the faster, safer way to pay and get paid online. The service allows members to send money without sharing financial information, with the flexibility to pay using their account balances, bank accounts, credit cards or promotional financing. With more than 90 million active accounts in 190 markets and 24 currencies around the world, PayPal enables global ecommerce. PayPal is an eBay (Nasdaq:EBAY) company and is made up of three leading online payment services: the PayPal global payment service, the Payflow Gateway and Bill Me Later.

More information about the company can be found at PayPal.com. PayPal is headquartered in San Jose, Calif. and its international headquarters is located in Singapore.

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<https://newsroom.uk.paypal-corp.com/2010-10-26-PayPal-Unveils-New-Payment-Solution-for-Digital-Goods>