



Digital Technology Services and Global Small Business Commerce

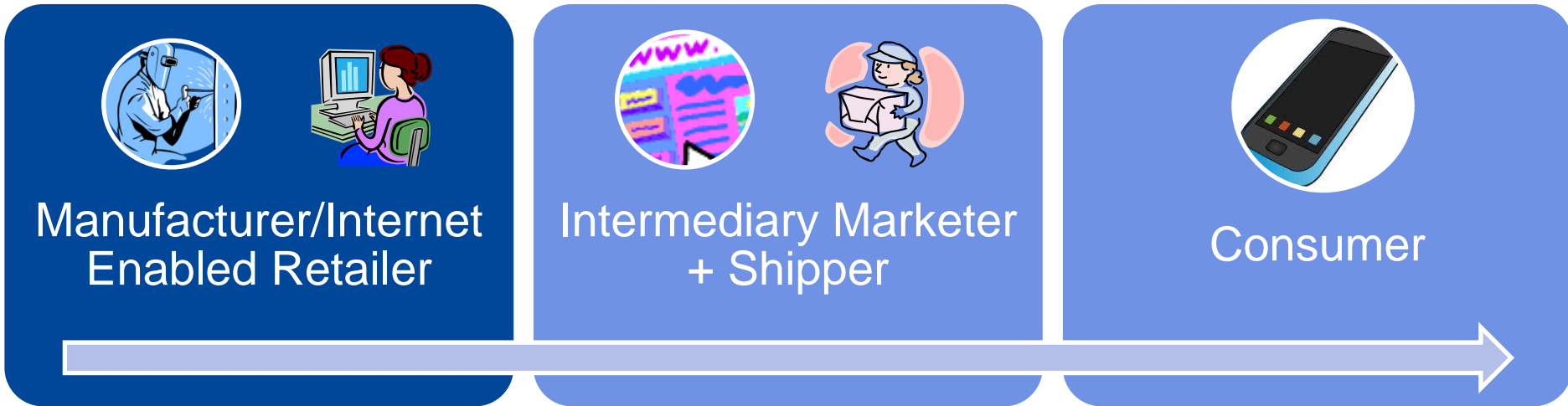
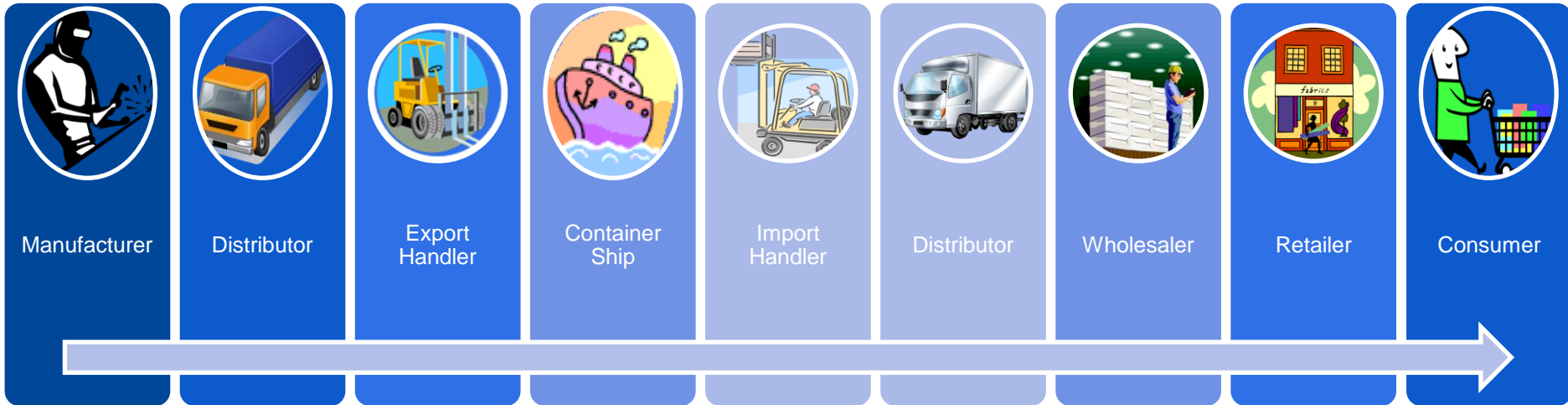
New Opportunities and Challenges

Brian Bieron
Executive Director
eBay Inc. Public Policy Lab
August 18, 2014

eBay Inc. Public Policy Lab

The Public Policy Lab explores issues that sit at the **nexus of technology and commerce**. We seek to understand the challenges on the road to an open, global, transparent technology enabled economy.

Traditional Trade and Technology-Enabled Trade

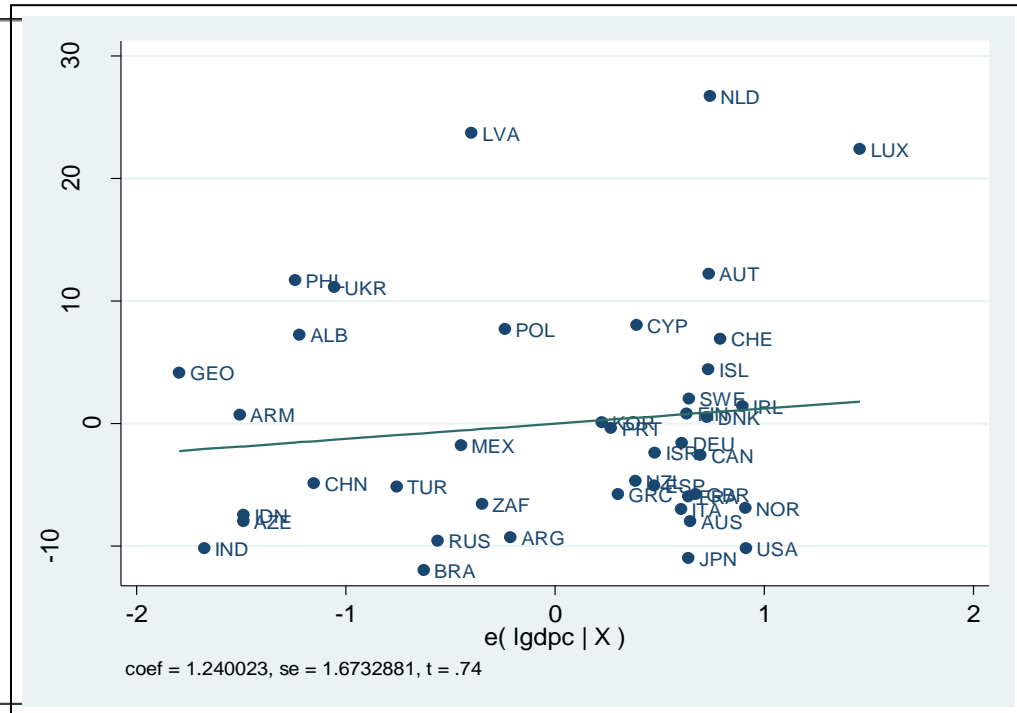
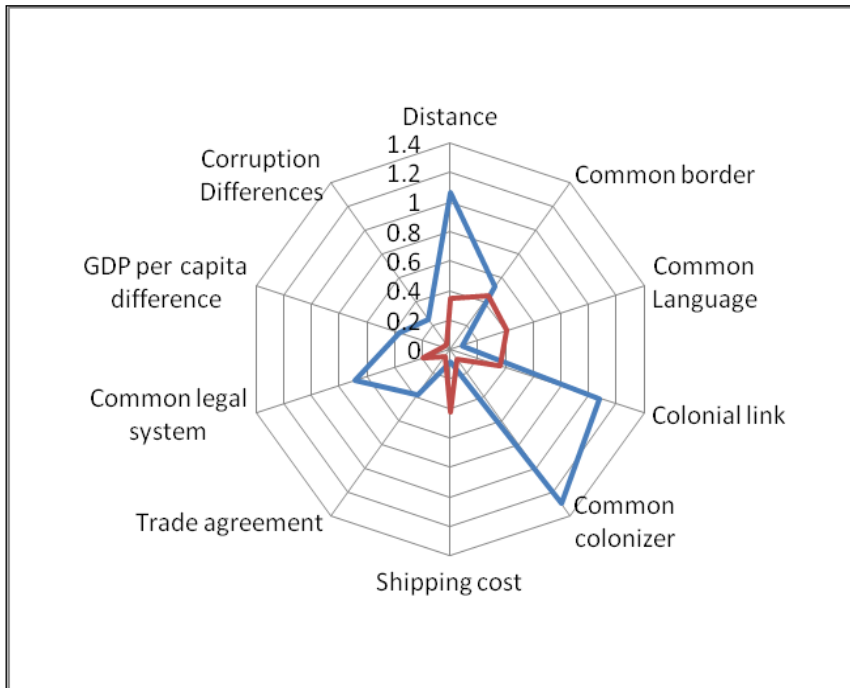


Data Elements Measured

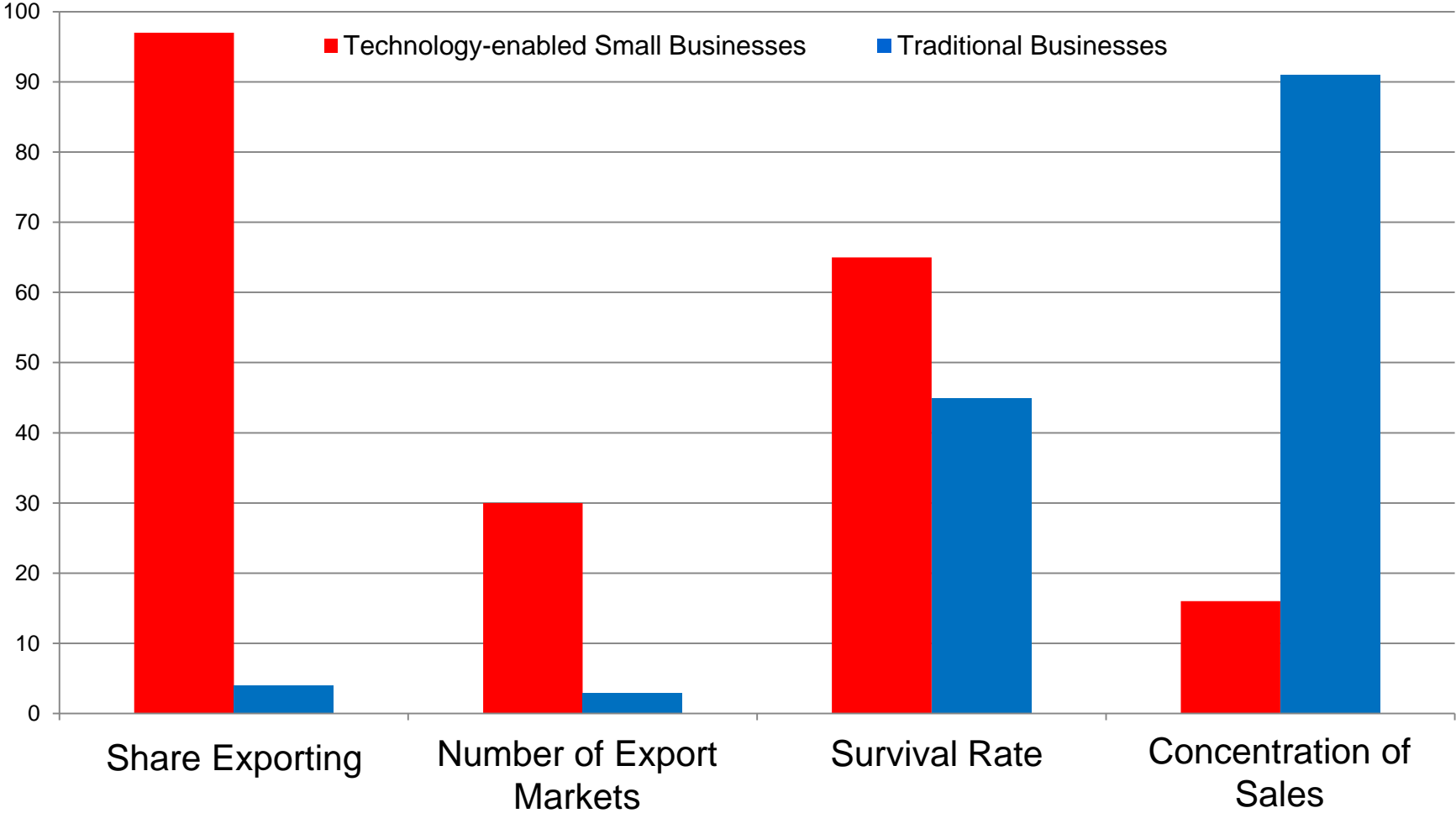
- 1. Share Exporting** - What percentage of businesses engage in exporting?
- 2. Export Markets** - Of the businesses that do export, how many countries do these exporters reach?
- 3. Survival Rate** - What is the percentage of businesses that continue to survive four years after opening up their businesses?
- 4. Concentration of Sales** – What percentage of total exports are made up by the largest 5% of businesses?

• All data calculated using eBay Inc., US Commerce data, and World Bank data

Scholars Are Beginning to Take Notice

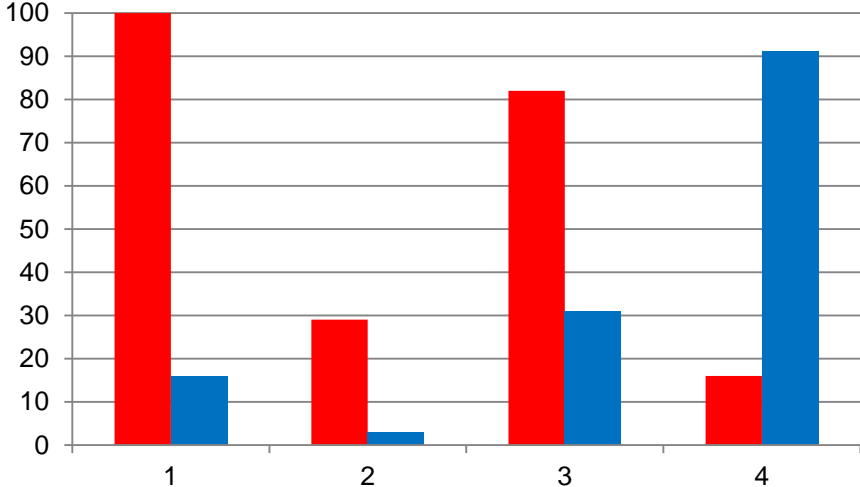


Data from US Technology-Enabled Businesses

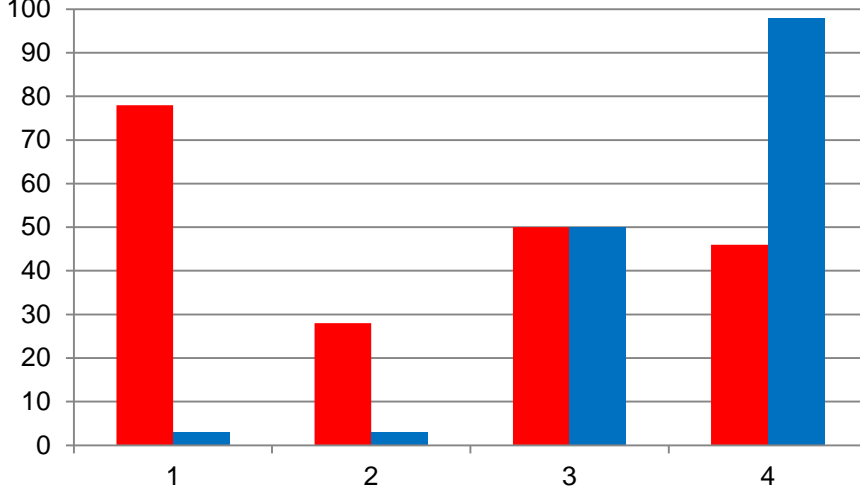


Data from Across the Globe

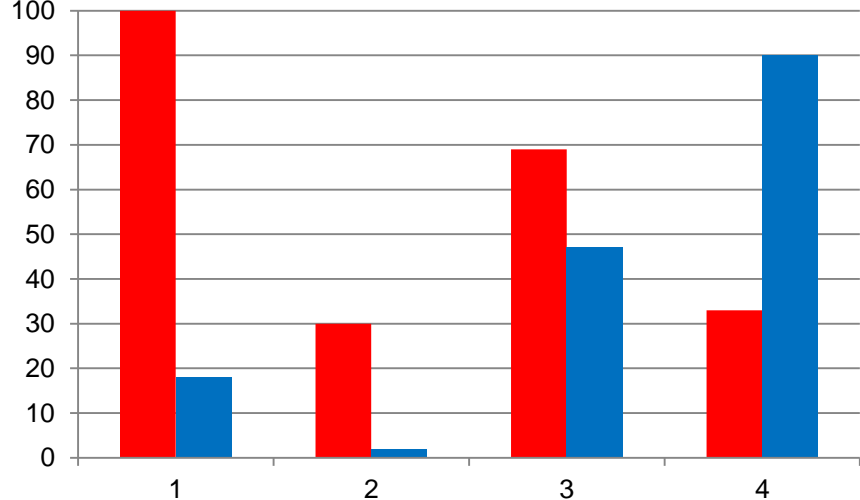
CHILE



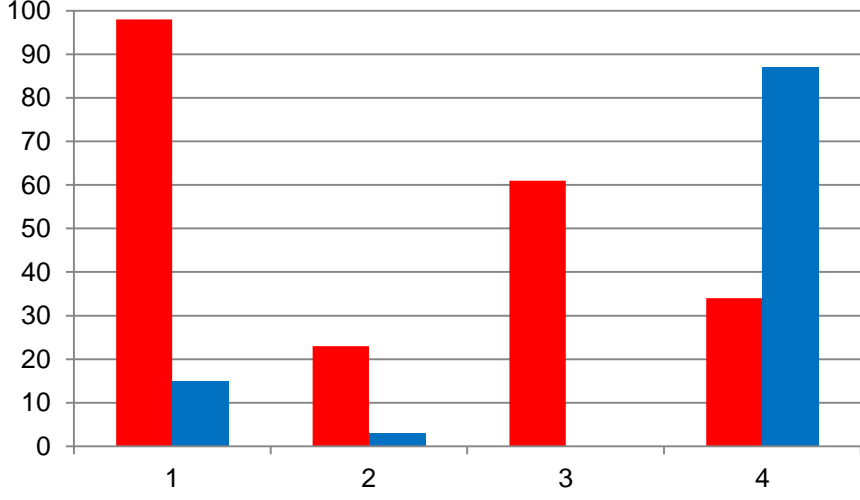
AUSTRALIA



SOUTH AFRICA



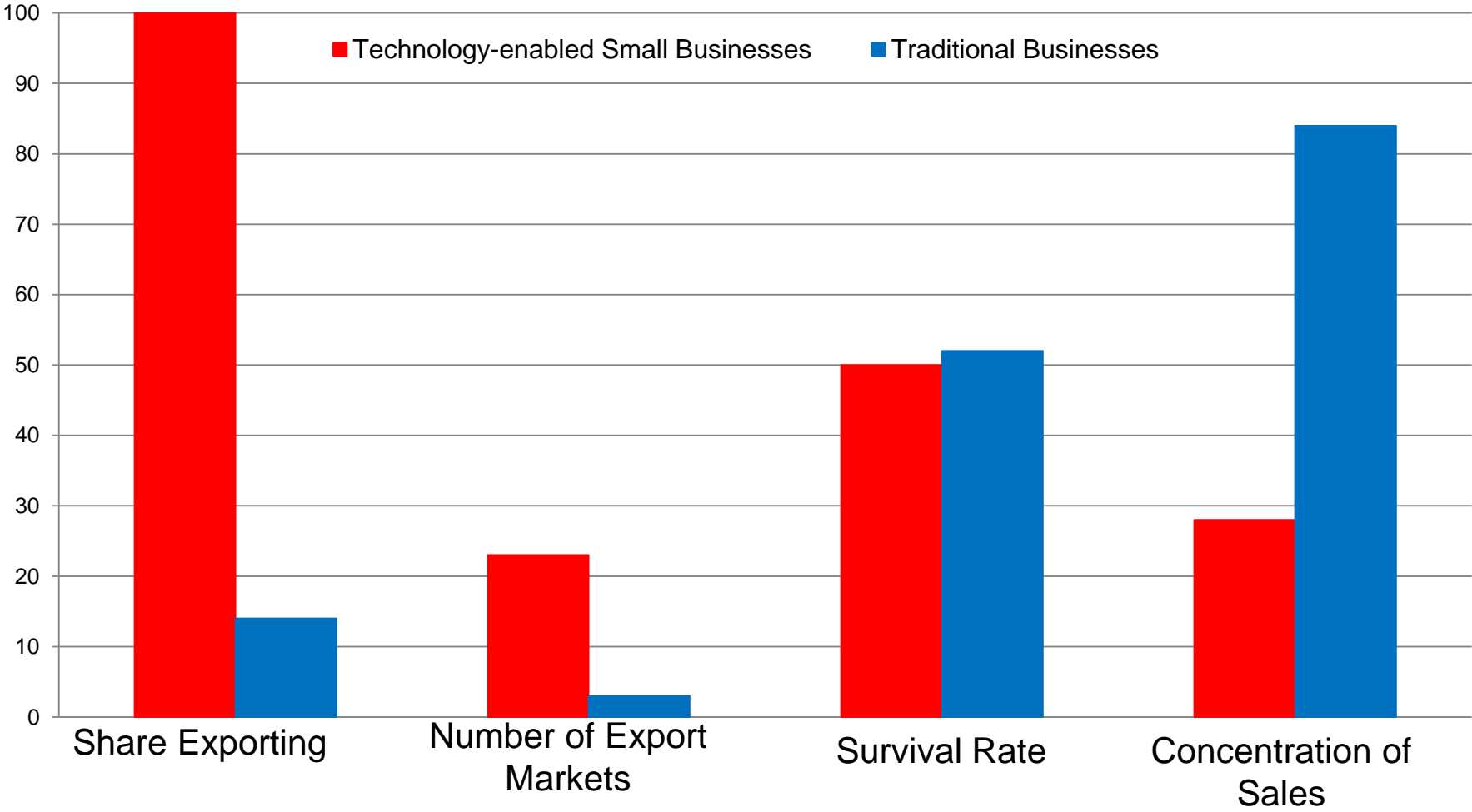
FRANCE



 Technology-enabled Small Businesses

 Traditional Businesses

Preliminary Data from Brazil



Small Businesses Are Now Global Businesses

Oliver Margaron
Grimsby, United Kingdom
Electrolve LTD



Farishta Zarify
London, Canada
OFF Runway Gown



Parul Aurora
New Delhi, India
India Trend



Roxanne Baker
Canberra, Australia
Nunie|Yu



William Chong
Selangor, Malaysia
Robotica Toys



Raed Shakhshir
Amman, Jordan
Timepieces-Jordan



Jean-Louis Beek
Claremont, South Africa
Cameratique



Eduardo Becerra
Cusco, Peru
Cultural Immersion



Steve Douge
Washington, USA
Hardware Sales Inc.

Small Businesses Are Now Global Businesses



Farishta Zarify: London, Canada

- Identified a gap in the online luxury gown market.
- Sells new and pre-owned gowns from fashion houses such as Oscar de la Renta, Carolina Herrera and Marchesa.
- Over 95% of sales are exported to countries such as Romania, Russia, Italy, UK, Saudi Arabia



Steve Douge: Washington, USA

- Hardware Sales Inc. sells hardware and tools out of a store and online.
- Family-owned business employs 124 people.
- Only 30 miles from the Canadian border, they did not begin exporting until they starting selling online. Now 40% of sales are exports.



Eduardo Becerra: Cusco, Peru

- Cultural Immersion is a tourism services business that supports visitors to the natural wonders of Peru, Ecuador, and Bolivia.
- 60% of their payments come through the PayPal platform.
- This small business employs 22 guides and 10 drivers

Small Businesses Are Now Global Businesses



Olivier Margaron: Grimsby, UK

- Electronics and small household appliances.
- About 40% of the business is exports. 25% of that is within Europe and 15% of the products go to the rest of the world.
- The company has shipped to 170 countries to date.
- The business employs 8 people



Raed Shakshir: Amman, Jordan

- Raed abandoned the banking sector due to the 2009 global financial crisis
- Decided to make his passion of collecting fine timepieces into his profession.
- 90% of his sales are international.
- Raed is currently an independent entrepreneur.



Jean-Louis Beek: Claremont, South Africa

- Capetown, South Africa-based Jean-Louis sells "Anything vintage with a lens"
- His focus is online, selling vintage and classic cameras, binoculars, telescopes and microscopes.

Small Businesses Are Now Global Businesses



Parul Aurora: New Delhi, India

- Runs an online jewelry business with her mother.
- Employs local artisans to design and manufacture the jewelry.
- Over 90% of business is exports, selling to more than 40 countries a year.
- “You have people appreciating your work as far away as Finland or somewhere in a village in Tamil Nadu.”



William Chong: Selangor, Malaysia

- Toy collecting began as a hobby for William and he turned it into a business.
- Launched his own website in 2009 selling handmade and vintage toys.
- Built Robotica Toys into a small global business with customers from Malaysia, USA, Australia and Spain.



Roxanne Baker: Canberra, AU

- Acquired a boutique which had existed for over 30 years.
- Set up a website in 2008 to expand beyond her local community.
- She picks up customers who can't find these types of products locally, often in rural areas of Australia

Technology-Enabled Trade



Public Policy Issues Impacting Technology-Enabled Trade

- Geographical Mandates on Internet Operations and Services
- Interconnection and Non-discrimination
- Internet Services Liability
- Consumer Rights in the Digital Age
- 21st Century Customs/Shipping/Postal
- Intellectual Property for Modern Consumption
- Taxation and Regulation: Sovereignty over the Internet

Thank you!

Questions and Answers