

## CULTURE CLASH AS HIP ONLINE FIRM ETSY HITS WALL STREET

**NEW YORK:** Cultures will clash this week as Etsy, the online marketplace known for artisan goods and strong social values, makes its Wall Street debut.

Etsy is expected to raise between \$233 and \$307 million in its initial public offering (IPO) market priced yesterday, which would push its valuation as high as \$1.78 billion.

The stock is set to trade on the Nasdaq market today under the symbol "ETSY." Etsy, a Brooklyn-based firm which was founded in 2005 and pegs itself as the "antidote to mass manufacturing" by selling handmade and vintage goods, says hitting the stock market won't mean selling its soul.

"I intend to keep our unconventional operating philosophy as we become a public company," said chief executive Chad Dickerson in a letter included with the Etsy regulatory filing.

"We eat on compostable plates, and employees sign up to deliver our compost by bike to a local farm in Red Hook, Brooklyn, where it is turned back into the soil that produces the food we enjoy together."

Etsy plans to maintain its status as "a certified B

Corporation," which seeks to contribute to solving social and environmental problems.

The company is one of 1,200 certified by the B Lab by showing "the positive impact the company has on its workers, its suppliers, its customers, the community in which it operates and the environment," according to B Lab co-founder Jay Coen Gilbert.

Only two B corporations, however, are publicly traded, reflecting the apparent contradiction between social values and responsibility to shareholders.

"Investors want a company to do good, but they don't want too much at the expense of getting the profit they are looking for," says Kathleen Smith at Renaissance Capital, a research firm which specializes in IPOs.

"There could be a little bit of contention between the investors' constituency and social responsibility." In the past year, Etsy reported a loss of \$15 million as it ramped up marketing efforts. But it has generated sales on the platform of \$1.93 billion, one-third of which came from outside the US market.

Last year Etsy boosted its international presence with the acquisition of its French-based rival, "A Little Market."

### Potential 'negatives'

Etsy itself acknowledged in its filing that investors should expect to see a different kind of company.

"Adherence to our values and our focus on long-term sustainability may negatively influence our short- or medium-term financial performance," the company said in its Securities and Exchange Commission filing.

It added that "we may choose to prohibit the sale of items in our marketplace that we believe are inconsistent with our values even though we could benefit financially from the sale of those items."

Etsy also noted that it may take actions "such as investing in alternative forms of shipping or locating our servers in low-impact data centers, that reduce our environmental footprint even though these actions may be more costly than other alternatives." Etsy has gained a reputation as a hipster, artisanal version of eBay, featuring a large number

of vintage and handmade items. But critics say mass-produced goods from China and counterfeit items make their way onto Etsy despite the company's efforts. Some analysts say the company has been successful enough to generate investor interest. Smith at Renaissance Capital told AFP that Etsy has "a good, growing business" as well as a "high retention rate" of buyers and sellers and a large percentage of women using the platform.

"They have a nice niche, they're growing it," Smith said.

As of December 31, Etsy had 1.4 million active sellers and 19.8 million active buyers, with a large number of both coming back to the platform. Sucharita Mulpuru, a retail analyst with Forrester Research, said Etsy has the potential to be "highly lucrative."

"The fundamentals of the business are solid," she told AFP. "Marketplaces are extremely lucrative especially once you have a brand and that brand is reinforced by the products that you produce. Etsy has done a great job at that. It's a fine place to shop, a lot of people know about it, and they don't have to own any inventory. It's a great model." — AFP



## MICROSOFT KUWAIT IMAGINE CUP IGNITES INSPIRATION OF STUDENTS

**KUWAIT:** Microsoft along with sponsors Burgan Bank, Diyar United Company and RISE Center at the American University of Kuwait announced today that Kuwait Imagine Cup 2015, the world's most prestigious student technology competition, will take place at the American University of Kuwait on the 22nd of April. Imagine Cup 2015 will give students in Kuwait an opportunity to bring their tech ideas to life with Microsoft resources and support.

Imagine Cup 2015 is comprised of three competition Tiers:

**1. Games:** This tier invites students to create a game on their favorite gaming platform: Windows (PC or touch-screen), Windows Phone, Xbox Indie Games, or Kinect SDK.

**2. Innovation:** This competition honors the most innovative, groundbreaking, and appealing software application built with Microsoft tools and technology.

**3. World Citizenship:** What global challenge can you help solve with technology? Got an idea for an app that will help reduce world hunger, provide better treatment for disease, raise awareness of environmental issues, or provide better access to education

The competition is open to students between the age of 16 years and 26 years, empowering them to use their creative and technical abilities to make a positive impact on society. The first place winning team in the Kuwait finals will participate in the Imagine Cup Pan Arab semi finals which will be held in Bahrain in June 2015 and from there the winning team will attend the Imagine Cup worldwide finals which will be held in Seattle, USA in July 2015.

Commenting on the Imagine Cup, Charles Nahas, Microsoft Kuwait General Manager said: "Microsoft is fully committed to supporting Kuwaiti youth and guiding the way towards the development of a digital knowledge economy in the country. Imagine Cup has grown to be a truly global competition focused on finding solutions to real world problems. The Kuwait round of this competition will give students a chance to take their ideas to a global forum and an audience of the best young programmers, technologists and designers in the world. We also hope that the Imagine Cup will continue to inspire the next generation of technology and business innovators in Kuwait and region."

## EU SENDS GOOGLE ANTITRUST CHARGE SHEET OVER SHOPPING SEARCHES

### EU REGULATOR LAUNCHES PROBE INTO ANDROID MOBILE SYSTEM

**BRUSSELS:** The European Union accused Google Inc yesterday of cheating competitors by distorting Internet search results to favour its shopping service, and launched another antitrust investigation into its Android mobile operating system.

Competition Commissioner Margrethe Vestager said the US tech giant, which dominates Internet search engines worldwide, had been sent a Statement of Objections - effectively a charge sheet - to which it can respond. She also said other probes into Google's business practices would continue.

"I am concerned that the company has given an unfair advantage to its own comparison shopping service, in breach of EU antitrust rules," she said. "If the investigation confirmed our concerns, Google would have to face the legal consequences and change the way it does business in Europe."

The Commission, whose control of antitrust matters across the wealthy 28-nation bloc gives it a major say in the fate of global corporations, can fine firms up to 10 percent of their annual sales, in Google's case up to \$6.6 billion.

If it finds that companies are abusing a dominant market position, the EU regulator can also demand sweeping changes to their business practices, as it did with U.S. software giant Microsoft in 2004 and chip-maker Intel in 2009. Its record antitrust fine was 1.09 billion euros on Intel.

Asked whether she was ready to go as far as fining Google, Vestager told a news conference: "It is very important that every road is open - first when it comes to commitments but also when it comes to the other road, at the end of which is a fine."

Google now had an opportunity to explain itself, she said, and the case might be settled by the company making further commitments to change its products.

### Flourish

Of the formal investigation into Android, used on smart phones and tablets, Vestager said: "I want to make sure the markets in this area can flourish without anticompetitive constraints imposed by any company."

In its first reaction, the Mountain View, California-based company said in a blog post that it strongly disagreed with the EU's statement of objections and would make the case that its products have fostered competition and benefited consumers.

"Android has been a key player in spurring this competition and choice, lowering prices and increasing choice for everyone (there are over 18,000 different devices available today)," it said of its free operating system for mobile devices.

Vestager, a Danish liberal who took over the politically charged EU competition policy dossier in November, announced the moves on the eve of a high-profile visit to the United States. Her findings following nearly five years of investigation and abortive efforts by her Spanish predecessor, Joaquin Almunia, to strike a deal with Google.

The focus on the ranking of searches for shop-



**BRUSSELS:** European Union's competition chief Margrethe Vestager listens to questions during a media conference at EU headquarters in Brussels yesterday. The European Union's executive hit Google with an official antitrust complaint yesterday that alleges the company abuses its dominance in Internet searches and also opened a probe into its Android mobile system. — AP

ping sites - Google has its own service called Google Shopping - did not address all complaints lodged with the Commission by competitors, large and small, in Europe and the United States, which say Google has hurt their business.

Vestager stressed her antitrust staff would continue to investigate other areas of concern, including alleged "web scraping" to copy rivals' content, and restrictive practices on advertising.

She stressed the EU regulator did not seek to change Google's screen design nor the mathematical algorithms it uses.

Google initially has 10 weeks to respond to the charges and can demand a hearing. A final resolution - quite possibly involving court action if Google does not choose to settle - is likely to take many months and probably years.

### Critics welcome

Google's critics welcomed the decision to pursue the U.S. giant, though many industry experts believe the action is unlikely to markedly shift existing business their way. Rather, by firing a hefty shot across Google's bows, it may favour competitors in new areas as technology develops.

That has been a priority for the new European Commission led by Jean-Claude Juncker, which wants to promote a more dynamic digital market in Europe and foster home-grown enterprises.

Juncker is also pressing for a free-trade treaty with Washington to bolster growth and Vestager has stressed she is not seeking to penalise American firms or large companies - merely to avoid abuses of dominant market positions.

Vestager's action won cross-party endorsement in the European Parliament. In a statement head-

lined "Even Uncle Google must play fair", German lawmaker Manfred Weber, floor leader of the largest conservative group, said: "Internet is not the Wild West - there are rules on the web that must also be respected."

French Socialists Pervenche Beres and Virginie Roziere applauded the Commission for "at long last" taking action against "the threat posed to the European economy" and renewed their call for the breakup of Google.

President Barack Obama accused the EU in February of taking a protectionist stance against the U.S. tech industry.

American domination of the Internet and other new technology sectors has prompted a mixture of admiration and anxiety in Europe in an echo of similar mixed feelings about reliance on U.S. military might for security against a resurgent Moscow.

However, many of the firms that have complained to Brussels to challenge Google's business practices in Europe are themselves U.S. companies, such as Microsoft and Expedia.

The Initiative for a Competitive Online Marketplace, an alliance of businesses, applauded the Commission for taking what it called "decisive action to end Google's years of abusive behaviour in its long-running antitrust case". Germany, backed by major companies in the EU's biggest economy, has been particularly vocal in pressing the Commission to act against Google.

Axel Springer chief Mathias Doepfner told the German media group's shareholders in Berlin on Tuesday that Almunia's efforts to negotiate a deal with Google would have been a "shoddy compromise" and praised Vestager for being "more determined, quicker and more true to the facts". — Reuters

## ADOBE PDF TOOL IS GREAT, BUT CASUAL USERS WON'T NEED

**NEW YORK:** No doubt you've run across your share of PDF documents in your work and personal life. Adobe's Portable Document Format has become a common way to publish newsletters, instruction manuals and even tax forms. Creating your own PDF document is easy, with features built into major Web browsers and Apple's Mac system, or available through an array of free Windows apps.

So why pay \$156 or a more a year for Adobe's Acrobat DC service? You get those free capabilities in one place, plus features for filling out forms, appending digital signatures and making changes on the go.

### THE BASICS

Many people already use Adobe's free Acrobat Reader for reading documents. But to create documents, you need to pay for Acrobat, or use a free PDF creator from an outside party. Not all

PDF creators are the same, though. Some convert text to graphics, for instance, so you're unable to search documents later. And editing capabilities tend to be limited and cumbersome.

I create a lot of PDF files instead of printing out records. Free tools are typically adequate for that, but Acrobat is much easier for rotating and reordering pages and combining multiple PDF documents into a single file. Acrobat also makes it easy to edit text and convert documents back to their original form, whether that's in Word or a Web page.

Adobe Systems Inc. also makes an iPad version, though with fewer features. Versions for iPhones, Android and Windows Phone devices have even less. Files you create and edit will sync through Adobe's Document Cloud storage service. All this comes with Acrobat DC.

### FORMS AND MORE

My favorite tool is the Fill & Sign app for iPads and



**This undated photo provided by Adobe shows a signature on the Fill and Sign app. Many people already use Adobe's free Acrobat Reader for reading documents. But to create documents, you need to pay for Acrobat, or use a free PDF creator from an outside party. — AP**

Android tablets. Take any form, such as a school permission slip for your kid. You simply snap the form with your tablet's camera and enhance the image using technology Adobe borrowed from its Photoshop editing software. You can do more than standard cropping. Let's say you snapped the form on your lap, so the page is curved rather than flat. On the app, you mark where the corners are, and the document magically stretches out so that it looks flat, as though scanned in. Then, you can type text, check boxes and even add your signature.

This can be useful for all the forms I hate filling out and mailing. And for forms that come in electronically, I can skip the printer.

But going paperless isn't easy. I'm months late in mailing a housing form because I couldn't find a

stamp. Fill & Sign would be great, but there's no place I could email that form to, nor would a parent necessarily know where to email a permission slip that's designed to be handed in.

Plus, you can get this app for free. All the subscription does is integrate the feature with others in the package.

### SIGNS AND TRACKS

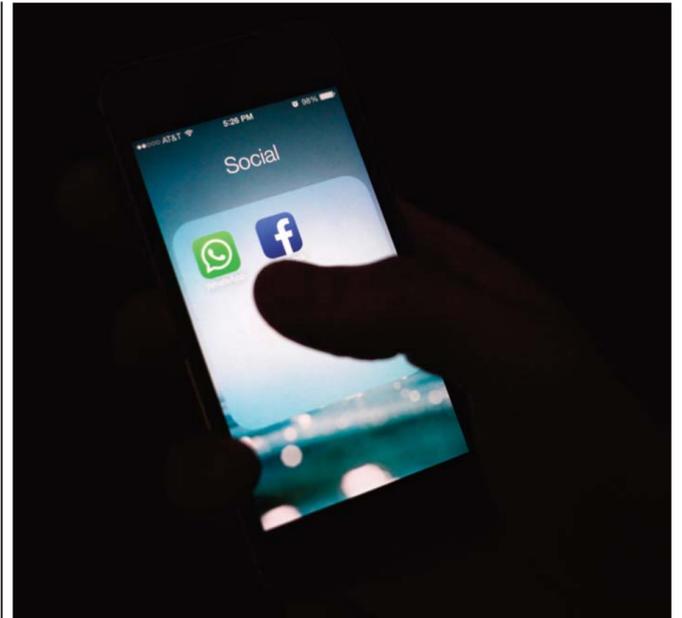
For small business owners and others who deal with contracts, Adobe offers tools for sending out forms for signing - even to those who don't have Acrobat. Signers can draw signatures with their mouse or type their names in a signature-like font (It's not your actual signature, but Adobe says it's legally binding). Tools help you track who's already signed which documents. This also leaves a legal audit trail.

Speaking of tracking, another feature keeps track of who's read or downloaded your document. Your recipients can no longer pretend they didn't get it. Recipients can't decline the tracking, which feels creepy, though they are notified if you opt for detailed tracking.

### PRICING

The standard subscription starts at \$13 a month, with a one-year commitment. A Pro subscription, at \$15 a month, gives you additional features, including the ability to compare two

versions of a document. If you just want it for a month, though, the subscriptions cost \$23 and \$25, respectively. You can also buy the Mac or Windows version the traditional way, for a one-time fee that starts at \$299 (\$139 for upgrades), but you don't get all of the mobile, storage or tracking features. With the subscription, you can sign in on two PCs at a time, with no limits yet on mobile. — AP



**NEW YORK:** This Feb. 19, 2014 file photo shows the Facebook app icons on an iPhone in New York. Facebook remains the most used social media site among American teens ages 13 to 17, according to a new study from the Pew Research Center. And, surprisingly, boys visit the site more often than girls. Aided hugely by smartphones and other mobile devices, 71 percent of teens surveyed said they use Facebook, with the same percentage saying they use more than one social network of seven options they were asked about. — AP