Online Art and Craft Selling: Government Information

Catherine (Kitty) Berner

Rutgers University
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An Annotated Bibliography

Introduction

This annotated bibliography of freely available United States Government information is meant to address the research and information needs of artists and crafters who are considering selling online either through online marketplaces like Etsy and DaWanda or through a personally created eCommerce business website on a platform such as Shopify and BigCommerce. The fact that eCommerce opens potential for international markets is taken into account.

Starting an online business can be intimidating. The right information from trusted and knowledgeable sources will facilitate the process by not only answering questions potential sellers already have but also by pointing out questions they need to be asking. The resources highlighted in this bibliography will do both.

Though resources were chosen initially with crafters and artists in mind, much of the information will also be useful to any who participate in the eCommerce or "sharing economy" even those planning to run Airbnb or Uber businesses or those who want to sell secondhand items online such as books, antiques, or garage-sale-type pieces.

In addition to the terms eCommerce and sharing economy, a third term is often used specifically when referring to lodging and transport businesses; this term is gig economy. Knowing all three of these terms will be helpful should users of this bibliography want to conduct further research themselves.

In the bibliography that follows, users will find annotated citations and links to helpful websites and pages from a broad range of governmental agencies and departments. Users who study them well will gain an understanding of how to start up an online business and will know
where to look when conducting further personal research in order to prepare well for beginning this endeavor.

The bibliography begins by highlighting valuable *how-to-get-started* information from the Small Business Administration (SBA) and from the *Craft and Fine Artists* information found in the Occupational Outlook Handbook (OOH) which is provided by the Department of Labor.

There are links and citations leading to information that will help users know what to expect from the IRS—and know what is expected by it. A Federal Trade Commission (FTC) report will alert users to regulatory issues and concerns related to eCommerce and explains the FTCs current and potential responses to it. Following that, there is government patent information and guidelines concerning international trade with respect to eCommerce sites.

US Census data and the U.S. Economic Census are then highlighted at the end of the bibliography. These are invaluable resources to potential business owners as they conduct market research for future success.
Annotated Bibliography


This concise blog post is packed with practical advice for anyone who is considering turning a hobby or hand-made invention into a part-or full-time business. Topics include researching market demand, differentiating product line, knowing customers, choosing a name, developing a selling strategy while taking into consideration the differences between online marketplaces vs eCommerce platforms, sourcing quality materials, creating a niche, practicing product photography, and considering shipping needs for online businesses. The broad scope will provide those just starting out with a clear idea of what to research and do first in order to take the steps from artist or crafter to business owner.

The author, Anita Campbell, is a guest blogger for the Small Business Administration. She runs "online communities and information websites reaching over 6 million small business owners, stakeholders and entrepreneurs annually, including Small Business Trends, a daily publication about small business issues, and BizSugar.com, a small business social media site."


In its *Learning Center*, the U.S. Small Business Administration (SBA) provides "courses designed to help you research, plan, and turn your ideas into a great business." There are courses available here in four categories: 1. *Plan your business*, 2. *Launch your business*, 3. *Manage your business*, 4. *Grow your business*. 
Topics for courses include *How to write a business plan, Legal Requirements, Sales for small business* (which includes "an overview of sales plans and other tools to get your product or service to your customers"), *Social media marketing, Introduction to Accounting* and *Understanding your customer*. This is just a sampling of help available to individuals who plan to start-up a new business.

Flash is required to view the courses offered in the learning center. Each is thirty minutes long. Transcripts of each video are available as are PDF worksheets for each course as well as links to other potential resources.

The SBA exists to assist small business owners; visiting the site will prove beneficial.


The SBA site provides an entire suite of tools which are available for the benefit of small business owners. The *Local Assistance* tool is specifically referenced here as it provides users with an ability to find a local office for face to face consultation. As described on the site: "SBA works with a number of local partners to counsel, mentor, and train small businesses."

The page is dominated by an interactive map of all 50 states. Users can hover over their own state to see how many local SBA offices exist within their state. They can search specifically by zip code. There is a distance range limiter as well to use for this search. The heading for this search instructs users to "Enter your zip code or click on the map to connect with your local SBA district office and other resources in your area." Other potential resources to connect with and learn about through this site include SBA regional offices, the Women's Business Center, the U.S. Export Assistance Center, and the Veteran's Business Outreach Center.

The *Occupational Outlook Handbook* (OOH) provides information about jobs and careers. It includes a wide range of information about each occupation going from clear simple descriptions of tasks and responsibilities (in both written and video formats) to very specific statistical information down to state and local levels and also future job/career outlook projections over the next ten years.

The *Craft and Fine Artists* pages are not specifically geared toward providing information about the use of online marketplaces or eCommerce sites for crafters/artists but rather they provide a well-rounded view of the potential for income, education and/or experience required. A special section provides links to arts organizations and educational possibilities within the field. Using the OOH will provide a foundation of important facts for those who want to sell craft or art items through any means, including online options.


Though this is a report to congress, the brief six-page discussion put together by the Taxpayer Advocacy Service on pp. 165-171 is worth a read for anyone who is considering starting up an online selling business. There is a clear discussion of the problems related to online selling and tax compliance and the plans the IRS has to assist taxpayers in understanding their responsibilities and creating resources to help taxpayers understand how to function in the sharing economy. It concludes with a clear list of recommendations that the IRS should
implement which readers should look for online in the near future to see if they have been implemented such as the following web page which was added to the IRS site in 2018:


This page is dedicated to assisting taxpayers so that they understand their documentation and tax obligations as participants in the sharing economy. It was created in 2018. There are narrative descriptions of issues and links to necessary forms. Developing a clear understanding of what needs to be done to fulfill tax obligation of a small business is a necessity and the IRS has provided good and easily accessible information here. To quote the IRS:

> if you receive income from a sharing economy activity, it’s generally taxable even if you don’t receive a Form 1099-MISC, Miscellaneous Income, Form 1099-K, Payment Card and Third-Party Network Transactions, Form W-2, Wage and Tax Statement, or some other income statement. This is true even if you do it as a side job or just as a part time business and even if you are paid in cash. On the other hand, depending upon the circumstances, some or all of your business expenses may be deductible, subject to the normal tax limitations and rules.


Though this report focuses a fair amount of attention on Uber and Airbnb operators, the relevance to online art and craft sellers is explicit. Users of this bibliography who want to read more about what the FTC is thinking about future potential regulations and the safety of online platforms for commerce will benefit from its information and conclusions.
This 100-page report has an excellent introduction as well as table of contents. Both will direct readers to pages or chapters of keen interest easily. It is heavily footnoted with linked articles and reports that may be of additional interest to online business owners. A quick summary of its chapters:

- Chapter one: focuses on defining economic characteristics of Sharing Economy Marketplaces.
- Chapter two: focuses on trust mechanisms built into the platforms and how they work
- Chapter three: focuses on competition, consumer protection, and regulation
- Chapter four: focuses on regulation of suppliers in the transport and lodging sectors


Potential online art and craft sellers who have created a unique product that may be patent-worthy will find well-organized comprehensive information here about the process of applying for and receiving a patent. It includes a general overview of the process and legal information among other helps. Users of this site will find all they need to begin and complete the process of gaining a patent for their unique product or idea.


The Journeys of Innovation series of the U.S. Patent and Trademark Office highlights a story each month of an inventor or entrepreneur whose invention has made a positive difference in the world. The linked story is recent and will serve as a gateway to other stories in the series. Both audio interviews with inventors and written transcripts are available.
This link is included because these stories not only provide listeners/readers with a better understanding of how the patent and trademark process works—start to finish from a first-hand perspective—but they are also inspiritional.


This eCommerce Export Resource Center will provide sellers who wish to expand their businesses overseas with information and tools to guide that process. Even small art and craft sellers can find markets for their work overseas. Some eCommerce platform marketplaces, such as DaWanda, are designed specifically to be used for international sales. This Resource Center portion of export.gov provides a variety of useful options for the internationally-minded including webinars and videos on topics such as Digital strategy guidance for small to medium size business' cross-border sales, Cross-border eCommerce challenges, and information about international payments and shipping. There is a Business Service Providers directory and an eCommerce Best Practices page.


This succinct three-page publication in PDF format is packed with information starting with a clear definition of eCommerce and then six clear steps to "developing an eCommerce strategy" which are relevant for any eCommerce business start-up, not just those hoping to operate in the U.K.
The six general steps are as follows though in the publication, each is further explained:

1. Objectives: What do you want your online presence to achieve?
2. Resources: What are your contingency options?
3. Target Market and Audience: Who are your buyers?
4. Competitor Analysis: Who are they? What makes them successful?
5. Website Feature list: figure out what you need and want before choosing a platform.
6. Choose the right Channel or mix of sites so you can compete and be found by your target buyers.

Following these more general sections are several U.K. specifics including statistical information about eCommerce, a statistical rundown of the most popular social media and eCommerce sites within the U.K., and an admonition to understand the U.K. Privacy and Electronic Communications Regulations (PECR).

There is clear information about payment security, taxes, online privacy, data protection and international patent and trademark considerations.

Most sections of this publication include copious links to other supporting online resource addresses. There is an extensive section listing ways to "get help," however, many of these possibilities are already cited in this bibliography.


This particular 'snapshot' focusing on the older American population is included in a special storytelling section of census.gov called America Counts. As users will know, the Census Bureau is all about data and numbers. The self-description of this area of census.gov
says "America Counts tells the stories behind the numbers in a new inviting way. We feature stories on various topics such as families, housing, employment, business, education, the economy, emergency preparedness, and population."

This linked snapshot of the U.S. older population specifically focuses on computer and internet access data among this age group. It's nicely packaged and communicated and is useful for market research. Users may want to explore it and other America Counts data stories as they begin to interpret census data for themselves.


Anyone who is starting up a business in the U.S. should know about the Economic Census. Here is a direct quote from the About page on this valuable data rich site:

Every five years, the U.S. Census Bureau collects extensive statistics about businesses that are essential to understanding the American economy. This official count, better known as the Economic Census, serves as the foundation for the measurement of U.S. businesses and their economic impact. As part of the Census Bureau’s mission to provide timely information on the health of the U.S. economy, this “business” census serves as the most extensive collection of data related to business activity. Nearly 4 million businesses, large, medium and small, covering most industries and all geographic areas of the United States will receive surveys tailored to their primary business activity.

The data collected through these surveys is compiled and made available to the public providing a wealth of information to existing businesses and start-ups to help with decision-making. The Economic Census site provides help for users to access and understand the data which is both searchable and browsable.
Methodology

I began by conducting the following Google search: [site:gov online art and craft marketplaces] to cast a wide net.

This search retrieved articles, reports, blogs, and information from a variety of federal government departments and bureaus and also from many state-level .gov sites. I decided to focus only on federal government information, some of which links to local and state resources as well.

After reviewing results from this initial search, I chose to include a blog post from the U.S. Small Business Administration (SBA), its Learning Center, and the Craft and Fine Artists entry in the U.S. Department of Labor Bureau of Labor and Statistics Occupational Outlook Handbook. While perusing the SBA site, I found its Local Assistance page and have included it in the bibliography so users will know how to locate a local office for face to face assistance.

I continued searching broadly with the following terms: [site:gov ecommerce websites sales craft]. This retrieved several more relevant results some of which are concerned with international small business sales and export.

Because small businesses, including Etsy craft sites, are highlighted in the document eCommerce Guide for U.S. Small Businesses to sell online in the U.K. which is found on the site for the Office of the U.S. Trade Representative, I chose to include it in this bibliography. Though this sounds rather narrow for a general bibliography, it includes standard good advice that is relevant even beyond the U.K. and will answer some general questions posed by all potential sellers, even those who want to market only domestically.

I have included another that is focused internationally, the eCommerce Export Resource Center which is found on export.gov. These informational pages and sites may be helpful to
some who are starting small online sales businesses and are thinking of expanding to international sales. This search also brought up the *Local Assistance* page from the SBA.

Thinking it is important to know what the Internal Revenue Service (IRS) is doing about eCommerce art, craft and similar sites or businesses and taxes, I conducted a search for [site:gov eCommerce sales "Internal Revenue Service"]. This retrieved the 2017 Report to Congress by the Taxpayer Advocate Service of the IRS entitled *Sharing economy: participants in the sharing economy lack adequate guidance from the IRS*.

The report reminded me of the term "sharing economy" for the type of businesses I'm targeting and also introduced me to the term "gig economy" as a synonymous term to use in continued searching. I searched [Internal revenue service "sharing economy"] and retrieved the new dedicated IRS webpage for it that is referenced in the *Report to Congress* listed above.

I then searched more specifically through departmental government websites. I began with the *Federal Trade Commission* (FTC) in order to see what consumer education documents or information on proposed regulations are available. The report I have included in the bibliography is an FTC Staff Report entitled *The "Sharing" Economy: Issues facing platforms, participants, and regulators*.

In recognition of the fact that some people who are interested in starting up an online business are doing it because they have handcrafted/ designed something that is new, sellable and patent-worthy, I visited the *U.S. Patent and Trademark Office* (USPTO) website and have included two citations from it in this bibliography. One is simply the *Patent and Trademark* home page which I've annotated to direct users to its many available definitions, features, tutorials and helps. The other USPTO citation is the link to a *Journeys of Innovation* series entry
because it includes first-hand interviews with people who have worked with the U.S. Patent system as they developed their inventions.

Finally, knowing that demographic information is important to potential sellers as they research target markets, I went to Census.gov and have chosen to link a recent "Snapshot" report which found that most older Americans have access to the internet. Potential sellers would do well to conduct personal research using data found on Census.gov but I wanted to highlight the availability of these Snapshots in which data are brought together and packaged with narrative on different subjects of interest to a variety of Americans. There is also an annotated link to the 2017 economic census page.

A total of thirteen resources were chosen for the bibliography. These should provide a broad and comprehensive introduction for potential online sellers to all that is available to them through the U.S. Government in order to assist them with a successful business.
Bibliography


