

International Pirate Shop Concept

Introduction

Given that a lot of smaller pirate parties don't have the budget to build their own shops with enough merchandise pre-ordered and that most of them don't have the resources to operate a full-scale commercial operation. Furthermore, based on the fact, that economies of scale can only be reached if we operate on a larger scale and because the Pirate movement is largely international, I proposed to the PPEU to operate a shop on their behalf providing neutrally- and PPEU-branded merchandise to member parties and individual pirates.

This document serves as explanatory note for the PPI board to understand the current state of the project, the ideas behind it and the operational details as far as we already decided on them.

The International Pirate Shop as documented hereafter ("shop") should not yield profits for an individual party (at least not for the neutrally-branded merchandise) but should help finance the PPEU (and maybe the PPI)

The idea

The idea is to create a shop based on the German "PShop" (shop.piratenpartei.lu) system and sell neutrally-branded merchandise to pirates across Europe (the world for PPI). The PPLU will stem the operational and financial risk of the inventory that will be pre-ordered to get economies of scale up to a certain extent. (10kEUR to start with, more if need be).

Those neutrally-branded article should help smaller parties to be able to distribute promotional gifts that are pirate branded without the need to order 10k pens or thousands of flyers.

PPLU would cover the operational and logistical aspect of the system while PPDE (more specifically the PShop) would cover the software aspect.

In a second stage we would like to offer to all the member parties to operate their own (shop-in-)shop systems on the platform where they would be free to set their prices and define own articles. If they'd send their merchandise to Luxembourg in bulk PPLU would cover warehousing and shipment else they would ship their products themselves and PPLU would cover the shipments for the international items.

Current state

PPEU decided in its last board meeting to task Sven Clement (treasurer PPEU and president PPLU) to open such a shop for the needs of PPEU. The goal of PPEU is to yield enough money to pay for the (small) operating expenses of PPEU all while enabling smaller member (and non-member) parties and individuals to cheaply procure Pirate-Branded merchandise.

On Tuesday, July 28th Sven Clement (PPLU) and Gordon Thomas (Pshop) had a phone conversation to decide on a potential cooperation between the PPEU shop and the Pshop as well as on how to enable PPI to be included in the project too.

The outcome of this call was, that the following structure would be applied:

- PShop will provide the shop system (heavily modified osCommerce)
- PShop will negotiate the bulk prices with their suppliers and resell the articles to PPLU
- PPLU will operate the warehouse and logistics for the shop and ship orders to the respective customers.
- All the profits from the shop will be paid to the European Pirate Party (and a share to PPI if PPI wants to join the project)
- PPEU (and PPI) will recognize the shop as the “official” shop selling articles profiting immediately their goals
- PShop and PPLU are mostly interested in generating turnover and not profits because of the financial regulations regulating Parties in their respective countries.

The shop would be operated entirely as part of a Party and not as an independent company, so that adherence to Pirate values would be guaranteed and almost no taxes (except VAT) would be payable.

Given that PPEU will probably (after a Council vote on new statutes in autumn) move its headquarter to Luxembourg, the warehouse would be on the same premises as the PPEU so that a sustainable process could be guaranteed.

On Wednesday, July 29th Sven will have a meeting with Deutsche Post International in Brussels to discuss their pricing for international packages. If their pricing is satisfactory we will have a strong logistics partner enabling us to serve the entire world. If the meeting would not yield the results we hope for we have different options (including La Poste, PostNL and bpost).

Advantages of this solution

The advantages of this solution are quite clear:

- Smaller Pirate Parties could buy bulk merchandise and promotional gadgets without the need to stockpile them, thus get them cheaper and not invest their whole budget to acquire them
- The software would be based on Open Source and can integrate with Credit Card payments, Bitcoin as well as Wire transfers
- Two member parties of PPI and PPEU could profit from higher financial subsidies through their respective governments which could translate into higher transfers to PPEU and PPI.
- National and Local parties could join the system and operate their own web shops without the high cost of starting up or paying for services like shopify.
- Common merchandise could increase the visibility of the Pirate brand internationally

Transparency

As soon as there is money in play one has to address the issue of transparency. This document is a first try to address the issue already during the planning phase of the project. To enable as much transparency in this process without divulging trade secrets of our suppliers, the books of the international shop can be audited at any time through the PPEU (and PPI if applicable). Payment streams (Outflows) will be shown transparently and updated on at least a monthly basis in a transparency report. Inflows will be bundled and displayed alongside. Internal costs will be communicated to all the partners beforehand and every change needs to be handled in the same way. This allows individuals to check how much money got raised for PPEU or PPI (if applicable) purposes.

Further thoughts

At the PPEU level we thought about neutrally branding merchandise with the “pirateparty.eu” domain which would in turn redirect visitors to the respective national party website (based on their IP address). This would enable us to provide steep discounts as we could order bigger quantities while also directing visitors of the website to the respective parties. If we want to do this on an international scale, we should try to acquire or gain control over pirateparty.org or pirateparty.net or pirateparty.com (owned by a domain squatter)

If other Pirate Parties need to generate turnover, we could find a way to include them in the project too and shuffle money around as often as needed for optimum turnover generation. This would be up to the respective parties whether they want to join in.

Another important point is, that not every party could receive money from companies, but most of them should be able to receive at least material aid from their parent organizations like PPI and PPEU so that money generated through the shop would find their way to the respective national parties.

Regarding the PPIS shop that is currently hosted on Shopify and operated by an irish-dutch commercial entity we could foresee a cooperation, but given that we could not yet reach them, no firm agreement can be presented at this point.