

Swap shop: Tech to barter your way to the good life

By Fiona Graham

Technology of business reporter, BBC News

27 March 2015 | **Business**



"It started out as appreciation of a bargain. I'm ridiculously frugal and not a fan of spending money."

California resident Sara Dunaway-Seitz got married last year. While planning her nuptials a friend suggested an app called Yerdle that offered a modern twist on bartering.

"I was pulled in by the idea of getting things I could use in the wedding for dirt cheap, but the more that I got the hang of it, the clearer it became Yerdle would become an outlet for me to reduce clutter more than acquiring new things," she says.

"In the 15 months I've been an active member, I've tallied up 325-plus gives, and at last check was at about a three-to-one give/get ratio."

Users list items they no longer want or need, priced in Yerdle dollars. They can then be used to buy items from other members of the community.



Ms Dunaway-Seitz is a regular - notable acquisitions include a vintage mink stole and the camera she took on her honeymoon. And in April she's taking part in a **Yerdle for a month** - using the site for anything she would normally have bought.

Another #Y4M participant, Sacramento-based Becky Cardwell is similarly enthusiastic.

"Some items that I love that I received from Yerdle are a \$600 restaurant-quality waffle iron, a leather jacket that fits my mom perfectly, a funky hat, a dozen different craft scissors that came with a carousel that my niece uses all the time, a vintage metal cookie press ... The list literally goes on and on, because I have received hundreds of items from Yerdle," she says.

"You can tell by my interests that I enjoy a good bargain, however it is also important to me to keep objects from filling up the landfills.

"I also love the idea of making a huge difference in someone's life with object that people have sitting idle around their homes."



Free as a bird

Barter is probably the oldest form of commerce, and in the brave new world of the so-called sharing economy it's arguably the last frontier.

Search the net for examples of companies making it work and you find a battlefield littered with mortally wounded and frankly deceased casualties.

So how do you make it work?

"I think currency has been helpful, I think shipping actually has been really powerful for us as well," says Yerdle co-founder Adam Werbach.

"It's a question of timing, right. And I think those others were just a little too early because this really is a mobile phone experience. You want to go and take a picture of the item and can't really do it with a desktop."

Shipping is handled by UPS. Once the buyer has paid, you print a label and drop it off at the nearest office.

"What we find is a lot of our members have a store of boxes because they are already getting things that way. So it's a very easy behaviour for them," he says.

Revenue comes from the sale of Yerdle dollars so people can top up their earnings.



Listia is another start-up that uses an internal currency model to broaden the appeal of bartering, here in an auction environment. It has more than eight million members and some hefty venture capital backing.

Chief executive Gee Chuang agrees that mobile is a major factor in the success of these platforms.

"A huge trend we're seeing is the shift in online shopping from the desktop to mobile devices," he says.

"Looking back over the past 18 months, the amount of people using Listia's mobile apps to buy and sell has completely overtaken desktop, and over half of all transactions are occurring on mobile devices now.

"The mobile apps make it so easy to walk around your home, snapping photos of items you no longer need and uploading them."

Green, green grass

Sustainability is a recurring theme.

"For years I'd seen fruit trees on private property producing an incredible amount of fruit that ended up falling to the floor to rot, or being left to the birds. Then walking into the nearest supermarket I'd see the same fruit being sold for a small fortune, and often imported from interstate or overseas," says Australia-based RipeNear.me founder Alistair Martin.

"It just didn't make sense! We figured there must be a way to connect locals with the abundance growing in neighbourhood yards, so we started to build the framework for what would become RipeNear.Me."

There are now more than 5,000 produce listings in over 40 countries, and it's a roughly 50/50 split between barter (or gift) and sales.

Could it work on barter alone?

"I think it's quite possible," says Mr Martin.

"Finding the right balance for the community and sustainability of the platform is the key, and we're working on a few ideas to make this happen."

It's a concept that is reliant on the internet

"Though people have traded fruit and vegetables with their neighbours throughout history, connecting neighbourhoods (not just the people next door) requires a lot of real-time, relevant data. And maps. Lots of maps."

Art attack

Art Barter revolves around events, rather than a platform and community. The intent is to give people from all backgrounds access to works of art.

Pieces are displayed without the name of the artist, and members of the public decide what they can offer in return.

"Beyond making art more accessible for many, it also encourages people to think creatively about what they can offer," says co-founder Alix Janta-Polczynski.

"By taking money out of the equation, people often feel empowered and rejoice in this unusually egalitarian approach."

Pieces can be viewed online and are then displayed at a show. The latest one took place in Mexico City.

Swaps have included 30 hours of French tuition for a Tracey Emin monoprint, an intern for three months in exchange for a Tom Sachs' sculpture and a crate of vintage wine for a Jason Dodge piece.

No cash may change hands - but barter transactions are still potentially taxable.

In the UK, according to accountant Julie Butler writing for TaxationWeb, **"this can underpin what can only amount to potential income tax, corporation tax or VAT non-disclosure or even fraud"**.

And US serial barterers should beware, says Robert Wood, a tax lawyer and contributor to Forbes.com.

"The IRS at least views this as a big problem and as not a silly issue. A swap of a loaf of bread for vegetables at a farmer's market is unlikely to draw scrutiny. However, big ticket or

repetitive behaviours certainly could," he says.

"Sales are taxable to both parties whether money changes hands or not. There is an underground economy that assumes it will never be tracked. But the IRS is working on this.

"One way it does is to look at transactions with barter exchanges and intermediaries. The IRS requires them to report to the IRS. There will probably always be some off the grid peer-to-peer activity the IRS can't track. But the US tax system mostly relies on self-reporting."

Despite this, the appetite for barter is likely to continue to grow with the current vogue for sustainability.

"It saves money, and it also puts to use an existing item rather than throwing that item into a dump," says Yerdle user Sara Dunaway-Seitz.

"I feel like as a society we're conditioned now to always be needing and always be shopping, and I think most people acquire out of habit versus need."

Follow Fiona Graham on Twitter at [@FionaGraham](#)

Share this story About sharing

Technology of Business

Latest stories

Does 'pay by app' mean an end to shopping queues?

1 April 2016

From fine wine to lotteries: Blockchain tech takes off

29 March 2016

Is old tech putting banks under threat of extinction?

25 March 2016

The tech driving down car insurance fraud

22 March 2016

Would you let a robot invest your hard-earned cash?

18 March 2016

The fitness apps giving gyms a class in flexibility

15 March 2016

Show, don't tell: How video is swamping the internet

11 March 2016

How tech is forcing firms to be better global citizens

8 March 2016

How can you improve upon 'automotive perfection'?

4 March 2016

Five star dining or burger joint from hell?

1 March 2016

Can we predict Oscar winners using data analytics alone?

26 February 2016

Can technology help us improve reality?

23 February 2016

Ad blockers: How online publishing is fighting back

19 February 2016

Related Internet links

Yerdle

Listia

Ripe Near Me

Art Barter

Wood LLP

The BBC is not responsible for the content of external Internet sites

Business

Huge leak reveals elite's tax havens

4 April 2016 | **World**

Alaska Air to acquire Virgin America

4 April 2016 | **Business**

LIVE Panama tax leak reaction

Business

Top Stories

Panama leaks spur global investigations

Authorities across the world are spurred into action after a huge leak of confidential documents revealed how tax havens are used to hide wealth.

10 minutes ago

Greece expels first migrants to Turkey

29 minutes ago

Boxer Blackwell wakes from coma

23 minutes ago

Features



The sleep box

Why babies all over the world now are in cardboard beds



Shadow at the door

The stalker and the woman who refused to give in



'I want to be the first'

The African American woman who wants to change the face of road cycling



Unlikely cagefighter

The recruitment consultant who entered the ring



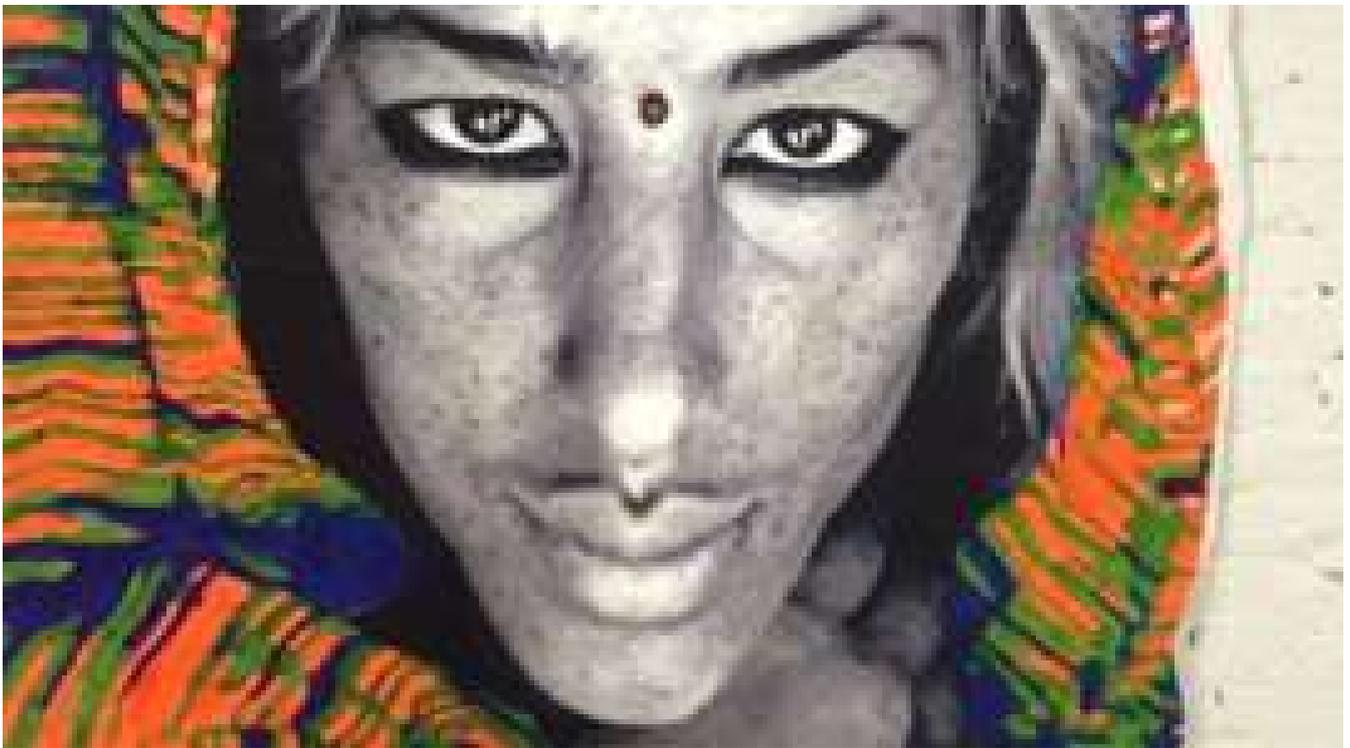
'Keeping it alive'

T20 isn't killing Caribbean cricket - far from it



Haircare queen

How one woman went from shantytown to millionaire



Eyes on walls

The ArtLords armed with paintbrushes



Year of mercy?

Obama's clemency decisions raise and dash hopes



Hot property

China's housing bubble balancing act

Most Popular

Read
Watched

PM's father was Mossack Fonseca client	1
#COVERDALEY didn't go so well for Tom	2
Entire village goes up for sale	3
13 of the world's most stupid criminals	4
Panama leaks spur global investigations	5
Why babies all over the world are now sleeping in boxes	6
Early Lennon letter flops at auction	7
Thieves took selfies in gambling raids	8
Panama tax leak reaction	9
Tulisa banned from driving for 15 months	10

'I want to be the first' says cycling pioneer	1
BBC News Channel	2
Road runner: Police chase runaway dog	3
World On The Move: The Air Hostess	4
Headlines from BBC News	5
How your brain picks the right word	6
What the Panama Papers reveal	7
Dame Judi Dench 'livid' at Olivier win	8
New footage of Soviet spy Kim Philby	9
'Bright lights' seen after power fault	10

BBC News Services

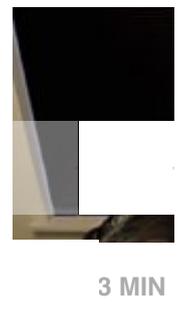
On your mobile

On your connected tv

Get news alerts

Contact BBC News

New to BBC Two



Top Gear: The wait is almost over...

Are you gripped by Line of Duty?

"Without chaos"

News

Weather

TV

CBBC

Food

Bitesize

Music

Arts

Taster

Sport

iPlayer

Radio

CBeebies

iWonder

Travel

Earth

Make It Digital

Local

[Terms of Use](#)

[About the BBC](#)

[Privacy Policy](#)

[Cookies](#)

[Accessibility Help](#)

[Parental Guidance](#)

[Contact the BBC](#)

Copyright © 2016 BBC. The BBC is not responsible for the content of external sites. **Read about our approach to external linking.**