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How the Etoy Campaign Was Won

Reinhold Grether 26.02.2000

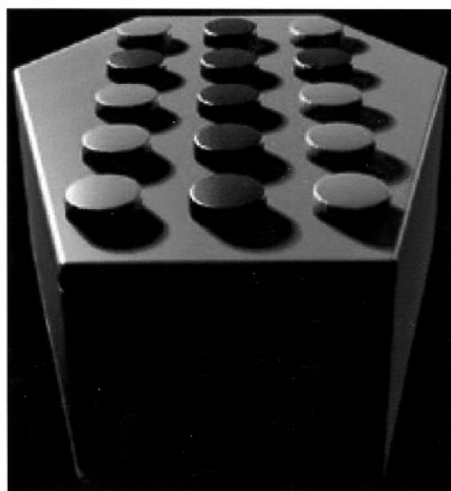
An Agent's Report

Toywar I is over. After 81 days of heavy fighting, www.etoys.com is back with a great victory parade. Read an article by agent.nasdaq, first published in the German Telepolis on February 9th, 2000. The first part deals with the art of etoy, the second with campaign tactics.

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Thank you for flying etoy....

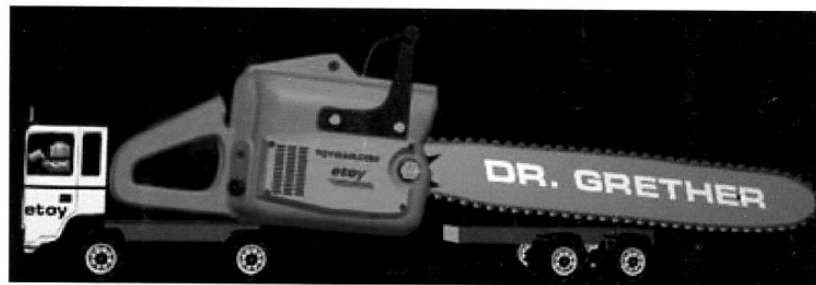
Anyone who logged into the net.art platform [Toywar](#) in early February 2000 was met with two watery graves in the Indian Ocean in which 286 of 1,639 Toywar agents were buried in Lego-like coffins. Victims of their own lack of participation, the warriors had succumbed to a sheer undersupply of energy. A net.art project only exists as long as the nodes of the Net fill it with life. And now, they waste away in their coffins, having to make do with their burials as mere artistic artifacts. They won't even end up on the art market.



They deserve our veneration not because they're dead, but for what they've done. How often I've observed a magazine article placed at the top of a Web page while the bubbling of ideas goes on in the bowels of online forums below. There, the email addresses of eToys' employees and sit-in scripts were passed around, people met and got to know each other, then built a protest site together, and a collective

brainstorming session poured forth a cornucopia of proposals, more than any professional campaign organization could process. Despite all the naysaying, the Net is offering individuals new opportunities to take action and giving ideas a better shot at taking hold. It allows and even encourages cooperation in virtual groups, and in the best of situations, a self-organizing countermatrix as well that can make short work of a highly organized and powerful corporation.

Both etoy and eToys exist only on the Web but on different levels of virtuality. eToys runs www.etoys.com/, making hundreds of thousands of playthings available to millions of children. The Web site is a turntable spinning real objects into the world. If it was still possible in the 1980s for Toys'R'Us to present the universe of toys through a network of giant brick-and-mortar stores, by the late '90s, this universe was being represented by eToys on a network of computer terminals as a purely virtual system of signs. Different means of distribution for the same real objects. Etoy, the artistic third, upped the level of abstraction to that of a purely virtual existence on the Net. Etoy's toys are completely encoded as data sets and the group's only art product for sale is stock, etoy.SHARES, first circulated in galleries and later via the Toywar platform. Whoever obtains these shares, either by buying them, doing some recruiting or performing some other service, becomes part of an art universe that exists only on the Net.



Art is capital, as Joseph Beuys knew, and in his Schaffhauser installation [Das Kapital](#) he placed apparatuses and artifacts of media communication together that force the observer into perceive them in action, to see his or her own productivity as capital and himself or herself as an artist. This model of one's own participation in art gains the dimension of "social sculpture" only in so far as the imaginative interrogation of the relics of anthropological media communication infers the history of the interaction encapsulated within them, thereby opening up spaces for opportunities for participation in the future. Following Beuys, who, it should be noted, used all the media available in his day for the creation of social sculptures, etoy, with its shares concept and the Toywar platform, develops new formats for participation in art which, making full use of the networking potential of the Internet, enliven a virtual space for information, communication and transaction, an ensemble of tools for action for "interventions in the symbolic reproduction process of society" ([Frank Hartmann](#)) and an institutionalizing self-articulation organ for virtuality. So etoy's efforts seem aimed at carrying the concept of the social sculpture over to a digital format.

For artistic reasons, etoy could not accept the takeover offer from eToys, which after all, amounted to a million German marks at the time. The story would have worked, of course, since "unfriendly takeovers" are now a common part of doing business. For the first time, net.art would have brought a newsworthy price and nomadic artists obtain their domains from various contemporary subversion zones anyway. But without the claim on etoy.com, the project of the social sculpture would have been out of reach. It borders on insult and suggests a bad memory when etoy is now accused of "selling out." They already passed up their considerable chance to do so.

And so, two representations on the Web stood opposed to one another. eToys, the parasite-like one, organizing the circulation of already existing real objects, and etoy, the autochthonous one, using Web-based tools to pressure virtual as well as real social processes to reveal and change themselves. Two models of participation were also opposed, one noting the changing valuations of stocks, and the other honoring participation with shares in the project. In the same way, it was a conflict between two lifestyles, one consumerist, giving absolute priority to acquisition, in this case, a domain, and the other artistic, declaring the exhibition of complex social practices, rather than art objects, the object of art. And not least of all, of course, the future of the Web was also at stake. Should it be reduced to a transaction platform for ecommerce -- or should the possibilities inherent in it for spontaneous networking, "social information processing" ([Michael Giesecke](#)), culture jamming, interweaving and penetration and personal

globalization be further developed?

Therein lies the art of etoy, to have expounded upon these polarities in complete clarity and to have forced the Net population to make a decision. And although Toywar didn't go up on the Net until a month after the first court order, Netizens understood the question and answered it in their own unique way. John Perry Barlow is right when he [says](#) we should all be grateful to etoy. But it's not only the posing of these questions and the development of Toywar that needs to be recognized, but also the finessing, invisible to the public, of the juridical problems. What had to be borne out and built upon in terms of pressures and counterattacks, threats and intentionally misleading moves is known only to those who were immediately involved. The legal result, at any rate, is as excellent as the exposition of the decision-making problem.

Is everything, then, not art after all? Art is a term of attribution that's constantly changing its rules. The Renaissance, Romanticism and Modernism all developed countless concepts throwing off aesthetic sparks from the overlapping of life and art. Etoy stands firmly in this tradition. Has Duchamp already done it all? Duchamp's readymades retain the character of objects for the most part; Etoy forces the character of readymades onto social processes, in particular, the making and marketing of virtuality. What [eToys](#) and [Network Solutions](#) do -- these are the readymades of the '00s. Didn't Beuys completely and utterly exhaust the theme of the social sculpture? Wrong -- Beuys developed social sculptures in the medium of anthropological psychism; only the first explorations are now being conducted in the medium of transanthropic virtualism, e.g., [Luther Blissett](#) and [Toywar](#).



Warhol drove the recontextualization of everyday icons with great style, Koons exposed the pornography of surfaces and the Business Art of the '80s recast corporate identity to the hilt, so what's left for etoy? Etoy's perversion lies in upping, measure by measure, the development of the value of a single icon, their own name, virtually cast as [www.etoys.com](#), in the spiraling attention of the economic, political, social and artistic, thus reflecting the process of the creation of value in the financial markets in the excess of self-exaggeration. So it's not enough to merely simulate an airline, as [Ingold Airlines](#) does; you have to chase the take-off and landing slots away from [Lauda Air](#) with the "fucking plugins" from agent.jeff.

Bringing IT to YOU....

When, back in November 1999, eToys management unveiled its coup and Judge Shook pored over the files and etoy developed the concept for the Toywar platform, I had just completed my several-month-long study of the evolution of stock prices on the [Neue Markt](#), Germany's vague equivalent of the US technology index NASDAQ. The bulk of these stocks for the most part rose dramatically after their initial public offering and then more or less zigged and zagged along a plateau before plunging downwards, opening out onto a bland wallowing around the initial offering price. As they say, these valuations are rather drab. Since these new companies are just now creating the markets within which they move, the valuations excuse the most miserable data as long as the story allows expectations for greater future valuations.

Nov. 29: At \$67/share, eToys obtains injunction against etoy.com; protests begin

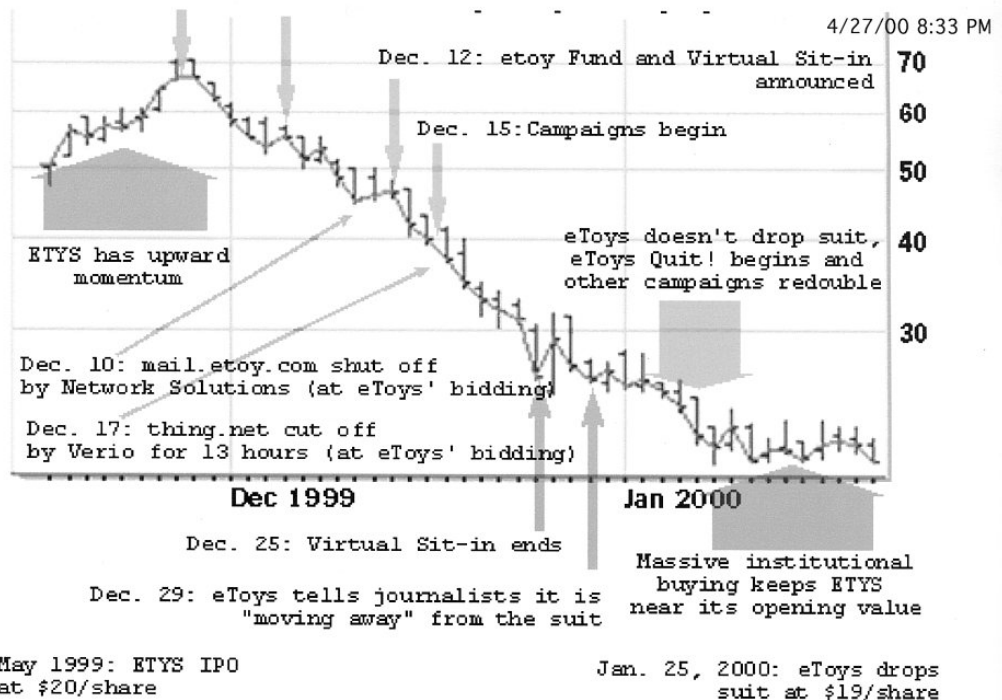
ETYS

Dec. 3: "A new toy for you" campaign announced

Dec. 12: etoy Fund and Virtual Sit-in announced

70

How the Etoy Campaign Was Won

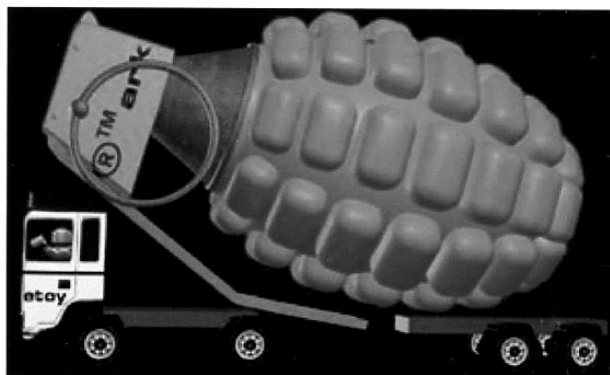


The actual dynamic lies in the story, the fantasy of the market, which, like Switzerland's warm wind, keeps things stirring as long as there's enough hot air feeding it. If, over time, the story loses some of its plausibility, the smart investor grabs his profits, borrowing the same paper for a limited time, selling high, and if the stock falls, buys it back and gives it back. Those who anticipate a change in the market profit whether it goes up or down. The sovereign speculator is the one with his hand on the course of the story.

As the story turns, so turns the market. The stock falls because a majority of investors believe they'll earn more if it falls than if it rises. Rather nasty for those who banking on high valuations. Long-term investors wait for the next upward trend, others take their losses and validate the downward trend, while the truly sorry ones are those forbidden to deal by the rules of the exchange. These are the founding investors and the company management for the duration of the six months following the initial public offering. Looking at the toys market, the general trend on the exchange and overall economic development, literary critics and economists would not be alone in risking argumentatively sound statements on the future of the story and the stock exchange.



If two entities are fighting over the same thing, e.g., the domain www.etoys.com, the one who wins will be the one who can convince the other that the object of desire is not as desirable as it appears. The Etoy domain was an object of desire, for eToys, because they were losing 20,000 of 300,000 hits a day to etoy.com, for etoy, because the domain name was the point of reference of their artistic existence. And the fight was particularly heated because the opponents followed different sets of logic; the economic, on the one hand, which has to do with numbers and payments, and the artistic on the other, where it has to do with anything but. The art group was in possession of a double advantage: for one, the domain was theirs, and for another, far more important one, the exhibition of the bizarre practices of the financial world was nothing less than their artistic project. While etoy could always put both sets of logic into play, eToys was never able to put the logic of economics to use against its opponent by, for example, burying the opponent in an avalanche of legal fees, nor could it use a third logic, for example, the criminal prosecution of Net activists. No one could hold it against eToys that they couldn't follow the logic of art.



When I developed, without knowing any of the participants, the core of what became the [RTMark campaign](http://www.hygrid.de/etoyrhiz.html) with my "a new toy for you" (all of which is documented at www.hygrid.de/etoyrhiz.html), the point was to set up an undeniable mirror which would make the moves by etoy.arts and etoy.politics appear as losses in the market value of eToys. This mirror was the [NASDAQ notation](http://www.nasdaq.com) of eToys, from which I was able to determine that the company had exhausted the hot air puffing up their story and that the market was looming on the verge of introducing a downward trend. The idea of focusing the campaign on the destruction of eToys's market valuation was an act of speculating on speculation, a metastory, telling once again the parallel story already autonomously programmed for a fall. As etoy.arts used the similarity of the domains as a value effect, so did etoy.politics use the fall in the stock price as a battle effect. "To hype out the hype," as Ricardo Dominguez and I coined the tactic in The Thing's BBS chat.

It wasn't a betting game. It was a thought through calculation: The stock was introduced on May 20, and starting on November 20, the insiders flooded the market. The valuation reflected the anticipation of expectations for the Christmas shopping season and was already moving downward. All retailers found themselves under pressure because the traditional companies had found their electronic footing. And the campaign would arouse so much brouhaha that the majority of new investors would be betting on the slide.

Conceptually and legally, etoy.arts was set up brilliantly. Etoy.politics followed a few days afterwards. The judge's ink was barely dry when the first attacks hit the eToys Web site. The spontaneous self-activation of hundreds and the sheer speed of the flow of information were the trump cards. A respectable batch of unmoderated mailing lists such as [Rhizome](http://www.rhizome.org), where my ["urgently needed"](http://www.rhizome.org), sent 36 minutes after I received the news to Nettime and four minutes later to Rhizome - had long since met with a wave of positive resonance, when Nettime moderator Ted Byfield (who, by the way, did a great job in the background) let me know that "we don't send out stuff like this." Even though the point was to attack eToys immediately, to hit them senseless with attacks just when they were already overworked with their monumental Christmas business. The [media and net.art scene](http://www.mediaandnetartscene.com) subscribed to Rhizome understood immediately, and shortly after "a new toy," I found myself hijacked by the brokerage [RTMark](http://www.rtmk.com) to the working group furiously toiling away.



When the forms on the Web site, and then the mailboxes of the management were plastered with protests with the help of Richard Zach's estimable Feedbackpage, eToys was pulled into a press frenzy, and they must have realized in no uncertain terms that they were facing a powerful opponent with a talent for grand politics. Etoy made this clear on a legal level, RTMark on the political, the NASDAQ valuation on the financial and the virtual sit-in on the infrastructural level.

A virtual sit-in is little more than a collective, simultaneous requesting of a Web site. If one requests a Web site faster than it can be transferred and built up on the end user's screen, the server receives, on the one hand, a message telling it that the first request is no longer valid, and on the other hand, the new request. Scripts running on one's own computer or on go-between servers automate this process, and after a certain number of requests, the server under attack begins to suffer under the strain. One has to differentiate very specifically between knocking out a server for private motives and a political action openly disrupting a Web site for clearly formulated reasons and for a limited time. That's when it becomes comparable to a warning strike during wage negotiations, a means of civil disobedience signaling that one side has the willingness and courage to fight. A virtual sit-in risks bringing symbolic forms of action to bear in a medium of virtuality.



In the case of eToys, great pains were taken to attack the server for short spans of time only (six fifteen-minute periods on ten Christmas shopping days) and to avoid completely bringing it down at all costs. There was a "killer bullet script" which was capable of doing just that, but its use was unanimously opposed. One participant wrote: "I'm not ready to trade the distributed, swarming community of activists model for a single tactical nuke." The point was to get across just how widespread the protest was; it was not about a terrorist attack.

This much can be said of the effect: There were seven or eight rotating mirrors around the world running five different scripts. Added to this were several tools circulating around on the Net which can be installed on personal computers. The combination made it possible to keep eToys's server busy performing routine tasks. The cleverest script was probably "killertoy.html", a non-linear script that fills cookies-based shopping carts to the brim without actually making a purchase. For every new item, the server would have to refigure the complete list all over again, a process that would take longer and longer as the cart filled, and some of the mirrors could generate a hundred thousand or more requests a day. eToys's server was able to

process the simple request for pages on the first day without a hitch, but the more complex scripts introduced on the second day gave it a run for its money. Requests for particular IP addresses were completely blocked, meaning that eToys was taking itself out of these networks. It was the "super_plus_version" of the shopping scripts, then, that led to the shut-down of one of The Thing's Web sites by backbone provider Verio. Here, too, the "hype out the hype" strategy was at work, further virtualizing eToys's virtual shopping carts with virtual purchases.

Just as important was the constant presence in all the [investors' forums](#) that had to do with eToys where breath-taking, whiplash-like discussions were taking place. At first, the tone was set primarily by the financial world gloating over those mourning for the lost domain. But the vocabulary of investors can be picked up pretty quickly, and soon, the speculators counting on an upward trend were confronted with all sorts of negative financial data. When the market made its irreversible dip, the catcalls from investors betting on the slump out yelled even those from the activists.

The financial press was as surely in eToys's hands as the cultural press was in etoy's. But the telling difference lay in the fact that one side publicized the story for all it was worth, while the other side avoided every instance of publicity. So the financial press, which could hardly ignore the dramatic fall in the stock price, kept the impact of the "Internet renegades" as invisible as possible. Up to the point of eToys's first concession when Bloomberg.com ran the complete press statement from RTMark. "It's hysterical," one of the founders emailed.



No personal meeting, no telephone contact. Email and Web sites, nothing else. Mad email traffic early in the evening, and when necessary, early in the morning. Then, time to think it all over. Shortly after noon, mails to Rhizome so that the early risers on the east coast were immediately brought up to speed. Flow, when ten to twenty people were communicating at once and sending information around the world. Anyone can do it. You, too.

An email finish with electronic slingshots! Hundreds of Toywar agents place the eToys management under Toywar fire! Unconditional surrender!!!

Days later, we were confronted with 683 fresh coffins. The coffins of those who didn't follow the first Toywar.Order, didn't write the warning email as instructed. The false deaths of Toywar, now revived.

I'd like to know what Mr. Weibel thinks now. At the Center for Art and Media Technology (ZKM), he opened the exhibition [net condition](#) and didn't even invite etoy, winner of the .net category of Prix Ars Electronica in 1996. Perhaps the clever man suspected that the standard-setting exhibition of the net-condition would be outfitted by etoy on the Net anyway.

Translated by [David Hudson](#)

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