AFS Statement on the Franco-German compromise on the treatment of SMEs in Art 13 of the Directive on Copyright in the Digital Single Market

[Brussels, 4 February] Following the Franco-German agreement regarding the “SME exemption” in Article 13 of the Copyright Directive, Allied for Startups reiterates that this is no remedy for startups, and especially not for scaleups.

“Startups are about growth. Especially in Europe, entrepreneurs and investors aim at sustainable growth rather than quick returns.” Lenard Koschwitz, Senior Director Global Policy at Allied for Startups comments: “The latest Franco-German compromise on copyright is throwing an meagre bone to the startup communities across Europe, telling them to wait outside while media and tech companies divide the market among themselves. How can we Europe build globally competitive tech firms when everyone who attempts will be punished by rules that have been written for giants? This will not help build European scaleups or even unicorns, but will punish and ultimately drive away small companies for aiming to grow and succeed. A bad day for European competitiveness and innovation.”

Going forward, Allied for Startups encourages MEPs to avoid creating barriers for growth and to support solutions that work for startups in all growth stages. Moreover, we continue to use every opportunity to remind negotiating parties that Article 3 remains a sticking point for startups. Koschwitz adds; “Startups are part of the solution, and hope that the next trilogue can form a positive and ambitious outlook for startups in Europe.”

Allied for Startups is a worldwide network of over 40 advocacy organisations focused on improving the policy environment for startups. We are working together to create a consensus on policies that can positively impact startups and grow digital entrepreneurship and digital economy at large. Our mission is to ensure that the voices of startups are heard in government.