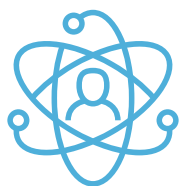
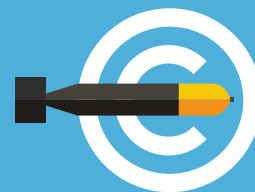


WILL STARTUPS BE HIT BY THE COPYRIGHT TORPEDO?



4.5 MILLION JOBS

are created by the startup sector which is **under threat from the Copyright Directive**

How can we improve and adapt European copyright law to match the development of new technologies? Here is what the European startup community has to say:

TEXT AND DATA MINING IS A MUST

Article 3 effectively excludes startups from conducting Text and Data Mining, stifling innovation

PROTECTING IP DOESN'T MEAN PREVENTING INNOVATION

The new filtering and licensing obligations for user generated or non-licensed content would bring legal uncertainty and risk, costs, and technical challenges for European start-ups

FORGET ABOUT ANCILLARY COPYRIGHT IN NEWS SNIPPETS

Neighbouring rights don't help publishers, but hurt the startup ecosystem and the economy at large

PROTECT INNOVATION WITH AN INNOVATION EXCEPTION, NOT AN SME EXEMPTION

A copyright exemption for startups won't work – it will just create a new glass ceiling for startups

An innovation exception would allow EU startups to flourish without reopening a legislative debate each time



TEXT AND DATA MINING

Europe today is the second largest region for data analytics and is expected to grow further. Article 3's current wording effectively excludes startups

- from developing artificial intelligence applications such as image and voice recognition systems or self autonomous vehicles

- from discovering new insights, patterns and trends from complex data.

➔ **This means:** *legal uncertainty, no more university spin-offs, unrealistic partnerships*



NEW FILTERING AND LICENSING OBLIGATIONS

Having to enter into agreements with rightsholders and filter user uploaded content creates additional burden, however it does nothing to provide fairness, proportionality and legal certainty

➔ **This means:** *disproportionate legal risk, costs, disproportionate technical problems, burden of reporting and proportionality of content recognition*



NEIGHBOURING RIGHTS FOR NEWS SNIPPETS

Startup communities in Madrid & Berlin shared their experiences with the failure of their national laws: neighbouring rights didn't help publishers, it hurt the startup ecosystem and the economy at large.

➔ **It means:** *reduced media diversity, corrosive effect on the evolution of new services, incompatibility with international copyright law, barriers to entry for startups*



INNOVATION EXCEPTION FOR STARTUPS

A copyright exemption for startups won't work – it will just create a new glass ceiling for startups

An innovation exception would allow EU startups to flourish without reopening a legislative debate each time

CONCLUSION:

Good policy means conditions where entrepreneurs in Europe can thrive. Startups and policymakers need to work together to ensure the copyright directive achieves that goal.