

### The Open and Neutral Internet

The success of the internet is primarily due to the fact that creators, innovators and campaigners can connect to anyone, without active discrimination. This has created a huge amount of social value, cultural opportunities and commercial benefits.<sup>1</sup>

This is now at risk. As a result of very unclear wording being proposed by the European Commission, we are being asked, in effect, to abandon the single most important factor in the internet's success – apparently to serve the narrow – and probably misguided - financial interests of a small number of ex-monopoly telecoms and quasi-monopoly online companies.<sup>2</sup>

### The Closing Internet

We already see telecoms companies like AT&T offering companies like Google the possibility to “sponsor” the costs of accessing their services on mobile devices<sup>3</sup>. Citizens will have a choice – use big companies like Google for free or use a new, innovative company at a price. Communicate via “sponsored” Facebook services, or try to communicate with people that have to pay to receive your message.<sup>4</sup> This trend is only just starting, but the result is clear – oligopoly domination, less consumer choice and destruction of the foundation for innovation in Europe.

Half of Europe’s mobile internet users are already suffering net neutrality violations from their access providers, according to independent analysis from BEREC<sup>5</sup>. In September 2013, the European Commission proposed a regulation with the name “Telecom Single Market” that would abandon the principle of net neutrality in Europe, while claiming to protect it. On February 24<sup>th</sup>, the European Parliament's Industry Committee (short ITRE) will decide to either support the bureaucratic, complicated, incoherent Commission proposal or to defend free speech, innovation and competition in Europe.

### Small Businesses need an Open and Neutral Internet

Today, any small business can set up online and have equal access to a world of potential consumers. Under “sponsored” deals or chaotically regulated “specialised services”, big operators can buy privileged access to the customer base of internet access providers. This removes incentives for innovation and funding of startups, undermines competition and increases market entry barriers. This will not only destroy online competition, it will also lead to consolidation in the telecoms market, undermining Europe's SMEs even further. A large-scale consolidation cannot fail to endanger millions of jobs in Europe, as 56% of all employees in the information and communication sector work for

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1 Plum report “The open internet – a platform for growth” from October 2011  
[http://www.plumconsulting.co.uk/pdfs/Plum\\_Oct11\\_The\\_open\\_internet\\_-\\_a\\_platform\\_for\\_growth.pdf](http://www.plumconsulting.co.uk/pdfs/Plum_Oct11_The_open_internet_-_a_platform_for_growth.pdf)

2 Plum report “The open internet – a platform for growth” from October 2011  
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3 This is the case since AT&T announced its “sponsored data” plan on January 2014.  
<http://www.businessinsider.com/att-sponsored-data-plan-2014-1>

4 <http://online.wsj.com/news/articles/SB10001424052702304887104579304451794540152>

5 BEREC Report “A view of traffic management and other practices resulting in restrictions to the open Internet in Europe” from Mai 2012, see [http://ec.europa.eu/digital-agenda/sites/digital-agenda/files/Traffic%20Management%20Investigation%20BEREC\\_2.pdf](http://ec.europa.eu/digital-agenda/sites/digital-agenda/files/Traffic%20Management%20Investigation%20BEREC_2.pdf)

SMEs<sup>6</sup>.

### Europe's Digital Industries need an Open and Neutral Internet

Problems with licensing have generated huge problems for the development of business models for the distribution of cultural content online. If access providers are allowed to establish themselves as “gatekeepers” that have to be paid and/or asked for permission to access their customer base, we will introduce new market entry barriers at a time that the old barriers are slowly being removed.

### The companies lobbying against the Open and Neutral Internet need an Open and Neutral Internet

The big telecoms providers and mobile companies have consistently lobbied against measures which have aimed at opening and preserving competitive markets. The competition and innovation which was generated as a result of the partial or total failure of these lobbying campaigns has been of huge benefit to citizens and businesses, and has also led to huge growth in the telecoms market. Without political leadership favourable to open markets and supportive of a competitive market, everyone loses.

### 4 Ways To Take Action

- 1) Contact the Members of the European Parliament and notify them of your concerns regarding this proposal.<sup>7</sup>
- 2) Give us your testimony for net neutrality as a CEO of an internet company.
- 3) Draft an Open Letter, find support in the business community and send it to Members of the Industry committee.
- 4) Promote the [SaveTheInternet.eu](http://SaveTheInternet.eu) campaign within your network. Banners and Widgets are available on the site.

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<sup>6</sup> 2013 SME Performance Review of the European Commission <http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/>

<sup>7</sup> Contact information can be found on [MemoPol](http://MemoPol) from La Quadratur du Net or on the [SaveTheInternet.eu](http://SaveTheInternet.eu) campaign.