

FOR IMMEDIATE RELEASE

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## **Europe's startup community rallies to demand EU net neutrality, with a new open letter from 126 founders, investors, and companies.**

*With signers including founders of Skype, Soundcloud, and Shapeways, the letter joins academics, public interest groups, and over 500,000 members of the public in a clear, unified demand for strong net neutrality rules.*

BERLIN—Today, a group of 126 founders, investors, technology companies, and startup organizations released an [open letter](#) to European telecom regulators, making the business case for strong net neutrality protections. Until August 30, regulators are drafting guidelines that will define how Europe's new net neutrality law will be applied in practice. The letter urges regulators to make three changes to these guidelines to protect startup innovation in Europe.

The letter from European technology innovators and investors comes on the heels of similar demands from a broad coalition of [academics](#), [public interest groups](#), [consumer organizations](#), [web inventor Tim Berners-Lee](#) and leading net neutrality scholars Larry Lessig (Harvard) and Barbara van Schewick (Stanford), and the [510,370 members of the public](#) who submitted comments to a 6-week public consultation by the group of European telecom regulators BEREC, which ended Monday.

Signers include:

- *leading international tech investors* such as Brent Hoberman, Founders Factory, Simon Levene, Mosaic Ventures, Christophe Maire, Atlantic Internet, Philipp Moehring, Angellist, 500 Startups, Max Niederhofer, Sunstone Capital, Ciaran O'Leary, BlueYard Capital, Matthias Ummenhofer, Mojo Capital and Brad Burnham and Fred Wilson, Union Square Ventures;
- *the founders of startups of all sizes* whose products are used by millions, including Skype founder Niklas Zennström (now an investor at Atomico), Soundcloud founder Eric Wahlforss, Carlos Silva of Seedrs, Edition F founders Susann Hoffmann and Nora-Vanessa Wohlert and Shapeways founder Peter Weijmarshausen; and
- startup organizations (and their representatives) including Allied for Startups, European Startup Network (ESN), German Startups Association, Coalition for a Digital Economy (Coadec), Startups.be, Startup Cyprus and Engine Advocacy.

The letter was organized by [Factory.co](#), a Berlin-based startup focused on building a network of office spaces for technology companies and entrepreneurs across Europe. The full text of the letter is available [here](#).

Two weeks ago, major European telecom companies [threatened to delay investment](#) in the next generation of 5G mobile network technology unless regulators weaken the current version of the guidelines. The letter replies:

“We urge you to not concede to the pressure from certain companies to water down the current draft guidelines. To the contrary, BEREC should build upon the existing draft and strengthen it to the benefit of startups, consumers and the overall market. Without strong net neutrality rules, European companies will be at a huge competitive disadvantage, with the risk of further cementing the US-dominant position in the global digital economy.”

“The free and open internet is the foundation for innovation, economic growth, and free speech.”

“If the open nature of the internet ecosystem was to come into question within the EU, it would become increasingly difficult for existing European companies to compete globally and to continue to develop innovative products and services for consumers, and would impact the future growth of the European tech industry by discouraging new market entrants and investment.”

“If European startups had to make special deals with every European ISP just to be able to compete on an equal footing, I can say with confidence that there would be no startup community here in Europe,” **said Factory.co founder Simon Schaefer**, “Net Neutrality is the very basis on which startup entrepreneurs can challenge established businesses and be innovative. If Europe wants to enjoy the economic and social benefits of a thriving Internet, we must have strong net neutrality rules, to ensure that anyone on the Internet can start small, but dream big.”

**Said Shapeways CEO and signer Peter Weijmarshausen**, “Shapeways is proud to join with the European tech community to voice our support for an open internet. The internet has proven to be a force that levels the playing field. It has democratized access to commerce, learning, and manufacturing – a list that is sure to grow. Regardless of whether they are called ‘specialised services,’ ‘data cap exceptions,’ or ‘class-based traffic management,’ loopholes that allow ISPs to pick winners and losers undermine the core ideas of net neutrality. That is why we call on regulators to establish strong, clear rules to keep the internet open for everyone.”

**Said Fred Wilson, signer and founder of Union Square Ventures**, “If Europe doesn’t pass strong net neutrality rules, telcos will pick their preferred partners, subsidize the data costs for those apps, and make it much harder for new entrants to compete with the incumbents.” said Fred Wilson, co-founder and partner at Union Square Ventures. “We invest in European startups, so we want them to succeed, but that will become very difficult if EU regulators don’t get these guidelines right.”

Signatories are asking for three specific changes to draft BEREC guidelines, before BEREC finalizes guidelines on August 30th:

1. To clearly ban on anti-competitive forms of “zero rating” (i.e. the practice of exempting select applications from users’ monthly data caps) in the guidelines;
2. To prohibit telecom companies from using the law’s legitimate exception for specialized service to offer paid fast lanes to Internet applications, content, and services that could function on the regular Internet, which would circumvent the law’s ban on fast lanes on the Internet.
3. To strengthen the “traffic management” provisions to ensure that telecom companies can only speed up or throttle entire types of application, such as games, or video chat if there is no other, less discriminatory way to solve the traffic management problem.

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### **About Factory:**

Factory is a network of spaces built to support entrepreneurs and foster innovation. The concept uniquely combines the potential of digital innovation with the advantages of real estate. We bring together best-in-class startups with international tech companies and local heroes, creating the ideal platform for organic growth, collaboration and serendipity to occur in one place. Factory initiated in Berlin and is now building homes for startup communities around the world.

For more information visit [www.factory.co](http://www.factory.co) or [twitter.com/factory](https://twitter.com/factory)