

Jean-Claude Juncker
President, European Commission
Rue de la Loi
1049 Brussels
Belgium

4 May 2017

Dear President Juncker,
Dear Vice-President Ansip,
Dear Commissioner Bieńkowska,

As a group of Europe's leading digital companies, innovators and entrepreneurs, we are writing to underline our continued support and commitment to the Digital Single Market (DSM), to highlight concerning practices of some online platforms and to express our views on the Commission's policy response. Our comments are provided ahead of and in view of the Commission's mid-term review of the DSM, due on 10 May.

A key factor to consider is the role of platforms, as *gateways* to consumers and as competitors to services in downstream markets and their ability to turn into *gatekeepers*. Therefore, we urge the Commission to avail itself of the important opportunity provided by the mid-term review, to pursue a pro-growth, pro-consumer, balanced but targeted, legislative framework for online platform Business-to-Business (B2B) practices.

As the Commission has already acknowledged, online platforms "have dramatically changed the digital economy over the past two decades" and "play a prominent role...in future economic growth for the EU". When working well, major online platforms – be they mobile operating systems, app stores, search engines, marketplaces or social media platforms – are *gateways* to the digital economy: they enable consumers to access innovative services; they spur innovation and help small businesses and start-ups reach new markets; and they drive investment, growth and employment.

Notwithstanding, the very nature of online platforms – be it their sheer and growing scale and reach, the concentration of market power in a limited number of platforms, the tendency towards "winner takes all" market dynamics and their already substantial and increasing impact on European citizens' lives and across all aspects of the economy – requires careful consideration and response from policy-makers.

Our collective experience is that where online platforms have a strong incentive to turn into *gatekeepers* because of their dual role, instead of maximizing consumer welfare, they *can and do* abuse their privileged position and adopt B2B practices with adverse consequences for innovation and competition. These practices range from restricting access to data or interaction with consumers, biased ranking and search results to lack of clarity, imbalanced terms and conditions and preference of their own vertically integrated services.

This subject issue is not a new one. History has shown that platforms are manipulated to the detriment of broader interests – mainframes, operating systems and web browsers are but a few of the past examples. Competition law enforcement has often been an effective means to address such abuses. However, today, the imbalance of resources between online platforms and their business users, which are often much smaller businesses, requires additional measures, including setting out specific rules guiding the interactions between platforms and their business users.

The Commission has rightly focused its work to date on the impact of such B2B practices. The combination of the essential role online platforms play in the European economy and the material risk from harmful B2B practices necessitates a timely and targeted policy response.

We respectfully submit this policy response should be a pro-growth, pro-consumer legislative framework covering B2B practices, based on non-controversial principles like non-discrimination, transparency, consumer choice and interoperability. These principles and rules are needed to ensure platforms refrain from harmful and unfair practices. Such a legislative framework will ensure consumers and businesses across Europe continue to reap the full benefits of the Digital Single Market.

Yours sincerely,

Hans-Holger Albrecht, CEO of Deezer

Daniel Marhely, CEO of blackpills and Founder of Deezer

Stephane Distinguin, CEO and Founder of FaberNovel

Denis Thebaud, CEO of Qobuz

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