

## "The voice of SMEs in Europe"

## Press Release

FOR IMMEDIATE RELEASE:

## SMEs oppose cynical attempt to mislead MEPs on software patent

**Brussels, 27 April 2005** European small businesses have criticised a cynical campaign being run to misinform policy makers on the impact of the proposed software patent, currently being discussed in the European Parliament.

The vast majority of small software firms in the EU are opposed to the proposal to make software patentable, according to an internal survey by UEAPME, the European association representing 11 million small and medium businesses. However, a campaign claiming SMEs support the directive is being carried out with the funding of large software companies.

"This directive will threaten the existence of many small businesses if passed in its present format," said **Hans-Werner Müller**, UEAPME Secretary General. "The rapporteur has committed to preventing this scenario but it is important that the Parliament and the Council are not mislead by lobbying from big business."

Small firms are concerned that introducing patents for software would seriously limit their ability to be innovative and endanger their survival. The costs involved and the limited resources available to SMEs would enable large software developers to increase their monopoly and prevent innovation by open sourcing.

The European Parliament recognised this in the first reading on the directive and the rapporteur (Michel Rocard) has since reaffirmed his commitment to excluding pure software products from the directive. The Parliament must not bow to pressure from large firms in the second reading.

Software clearly differs from other industrial computer products in that it evolves on the basis of pre-existing ideas. This process of open sourcing, which has enabled innovation in the sector to thrive, would become almost impossible under a patenting system. UEAPME believes that software products are already successfully covered by the copyrighting system.

"Software patenting must be excluded under the directive if we are to prevent the software giants from tightening their stranglehold on the sector. It is important that the Parliament and Council are aware of the very real dangers faced by SMEs under the proposals," concluded Mr Müller.

\*\*\*\*\* End \*\*\*\*\*

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