

Environment and Communications Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
DIGI
Inquiry into the Copyright Amendment (Service Providers) Bill 2017
6 March 2018

QUESTION 1: Hansard page 31 – Senator Steele-John

Senator STEELE-JOHN: Up there with R&D tax incentives?

Ms Buskiewicz: That's right. It was on page 2 in the *AFR*. I believe their words were that we risk sending billions of dollars of investment offshore. To give another statistic, in a report, I believe back from 2011—and this may have also been quoted by the ADA—there was a survey of venture capital investors in which 81 per cent said that they would be more likely to invest in a digital content platform under a weak economy with Safe Harbour rules than in a strong economy with that lacked limitations on intermediary liability. So, this is a real problem with real consequences for Australian entrepreneurs and innovators and for investment in the sector.

Senaoth STEELE-JOHN: Is that figure contained within your submission?

Ms Buskiewicz: It's not, but I can provide the reference, if that would help.

ANSWER

Survey of venture capital investors reference: *"there was a survey of venture capital investors in which 81 per cent said that they would be more likely to invest in a digital content platform under a weak economy with Safe Harbour rules than in a strong economy with that lacked limitations on intermediary liability"*.

Matthew Le Merle et. al., The Impact of U.S. Internet Copyright Regulations on Early Stage Investment, A Quantitative Study (2011) Booz&Co.

QUESTION 2: Hansard page 31 – Senator Steele-John

Senator STEELE-JOHN: Is that figure contained within your submission?

Ms Buskiewicz: It's not, but I can provide the reference, if that would help.

Senator STEELE-JOHN: That would be really helpful—and also for the stats you quoted in relation to 99designs.

ANSWER

99designs statistic: *"...in its 10 years of operating in Australia [99designs] has shared more than \$250 million with designers who use their platform to sell their content to the world"*.

Reference can be found in the **attached** 99designs submission (Sub39), page 1.

Note: also in this submission is a copy of the Page 2 AFR Advertisement taken out by StartupAus where safe harbours are given equal importance to R&D tax incentives and 457 issues for the startup industry.

QUESTION 3: Hansard page 31 – Senator Steele-John

Ms Buskiewicz: If [Redbubble] moved offshore, which the CEO has publicly said they would consider if Safe Harbour weren't reformed, that would mean the loss of a growing company worth \$160 million, and nearly 200 jobs.

...

Senator STEELE-JOHN: Is that figure contained within your submission?

Ms Buskiewicz: It's not, but I can provide the reference, if that would help.

Senator STEELE-JOHN: That would be really helpful—and also for the stats you quoted in relation to 99designs.

Ms Buskiewicz: Yes

Senator STEELE-JOHN: We have Redbubble's submission here. That would be great as well.

Ms Buskiewicz: Of course.

ANSWER

Reference can be found in the attached StartupAus submission (Sub22), on page 3. However, the current figure from Redbubble is \$200million (in sales) and 220 employees. In terms of market capitalisation, Redbubble is now worth over \$400 million.