

STEERING BRIEF – MEETING WITH [REDACTED] - ATOS PARIS, 9 DECEMBER 2014

Context of the meeting

Potential for Commercialisation of FIWARE in and by ATOS

Objectives of the meeting

- *Sound out the view of ATOS on the potential for commercialising FIWARE technology components more generally,*
- *Specifically sound out ATOS on the potential for commercialising FIWARE within ATOS, both as user of the technology with their clients but perhaps also a FIWARE provider to SMEs/startups.*
- *Views on how the notions FIWARE stands for are perceived within industry and with clients:*
 - *Open – open specs and open source implementation*
 - *Multi-vendor, capacity to integrate in legacy and recombine with other technology*
 - *Platform neutrality, see annex on a French position paper*
- *Views on a foundation as the approach for making FIWARE sustainable.*
- *Public statements supporting FIWARE (certain events, company strategies)*
- *Are we wasting our time – or what should be done?*

Suggested line to take

The meeting could be opened with a conversation which has a wider context:

- *How will ATOS see itself in 5 years from now? What technology alliances/choices will underpin this change? Here I am hinting at benefits of open technologies, e.g. such as FIWARE.*
- *What is the role of Europe on the Internet of Things and Big Data front?*

Outcomes/results

- *Understanding of the potential of FIWARE (and its principles) for ATOS* ■
- *Public announcement*
- *Dialogue with the group of FIWARE companies, notably Orange and Telefonica, whose [REDACTED] [REDACTED] this process.*
- *Open channel for future exchanges.*
- *Advice on sustainability*

CONNECT Participation: [REDACTED]

Annex: French Digital Council publishes report on platform neutrality

The CNNum (Conseil National du Numérique), the French National Digital Council, published a report on 13 June 2014. The report follows a 2013 request from the Ministry of the economy and digital affairs as well as the secretary of state on digital affairs on two issues: the European Commission's investigation of Google's dominant market position and CNNum's analysis on platform neutrality.

The concept of platform neutrality implies that web platforms such as YouTube, Spotify and the Apple Store do not abuse their position to the detriment of other stakeholders. A working group from the CNNum was set up and a series of consultations were conducted in order to hear the opinions of economists, lawyers and other stakeholders.

The report aims at the application of the neutrality principle and the regulation of digital systems. It is structured in three main parts: the opinion of the CNNum, thematic fact sheets that clarify that opinion and an in-depth economic analysis of platform neutrality. The full report is available in French and the two main parts also in English, German, Spanish and Italian.

Firstly, the recommendations of the CNNum begin by relying on law in order to ensure platform neutrality. State agencies could assess neutrality levels and transparency requirements could be enforced regarding the functioning of algorithms. In case of a breach of agreed thresholds, the platforms would be made accountable before the law. Secondly, measures to guarantee fair use of data collection are presented, e.g. give users control over their online information. Thirdly, CNNum advises the foster digital literacy by various government programmes and partnerships. Fourthly, a strategy is put forward to allow for the emergence of new platforms by means of open source standards, open data, cross-platform solutions, etc.

The second part of the report starts with a definition of platform neutrality that precedes the fact sheets. The legal resources fact sheet describes how competition law, business law, consumer law and data law could be updated and used to avoid platform oligopolies. The fairness & sustainability fact sheet explains guiding principles on how to regulate the "big data" phenomenon. The final fact sheet on "positive neutrality" gives concrete examples on how to create an open web environment that prevents the emergence of oligopolies.

The last part of the report is a detailed analysis of the platform landscape. According to this research, the platform oligopolies create a "three-sided market". The first side of the market is the relationship between the platform and the user. A search engine is accessed by users. In return, users give (often unknowingly) some data to the platform which it can then monetise. The second side of the market is the relationship between the platform and other companies. The platform sells to the companies the access to its user base so that the companies can sell their products. The goal of the companies is to gain visibility on the platform by using advertisements, or generating a good page ranking in search engines by buying sponsored links and keywords. The platforms and companies then use techniques such as targeted advertising in order to increase the efficiency of the ads. According to the report, the comprehensiveness of these techniques leads to a total loss of control over one's data. The third side is that the

platform abuses its dominant position by renegotiating the percentage of earnings of the companies that are given to the platforms as compensation for access to the user base. The platform can also decide to strike exclusive deals with individual companies or even start competing directly in new markets.

The analysis contends that the platforms maintain their dominant position by three main operations: acquisition, diversification and exclusion. Platforms buy innovative start-ups that could threaten their dominance in the long run and/or that can be fruitfully integrated in the already existing infrastructure in order to provide a more diversified platform. The report lists the acquisitions of the GAFTAM (Google, Apple, Facebook, Twitter, Amazon, Microsoft) from 2010 to January 2014, which unequivocally shows that these platforms have been engaging in acquisition and diversification. The last main move of the platforms is exclusion. For instance, the report argues that, when Google introduced Google Maps and Google Shopping, the traffic of websites offering similar services dropped significantly because their page rank suddenly worsened.

The report ends on a very critical note with regards to the platforms and Google in particular, which it accuses of hypocritical storytelling. On the one side, they pretend that free, open services are provided for the general interest, but on the other side, the page rankings are so biased that for instance 80% of Google's first search page consists of advertisements.

The approach of the French government has its own hypocritical storytelling. The Council of the European Union (EU member state governments) is currently negotiating on the "telecoms single market regulation", which includes provisions on net neutrality. The French government is taking the position that net neutrality and platform neutrality should be regulated at the same time. The most likely outcome of this approach is to kill the possibility of the EU regulating in favour of net neutrality. If the French government is successful, there will be little or no possibility of the European Commission legislating on either net- or platform neutrality in the foreseeable future.

Platform Neutrality: Building an open and sustainable digital environment (13.06.2014) <http://www.cnnumerique.fr/plateformes/>