

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

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**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.