MORRISON | FOERSTER

Legal Updates & News

Legal Updates

European Law & Regulations: A Survival Guide For Technology Companies

March 2008
by Chris Coulter

Related Practices:
● Privacy and Data Security
● Technology Transactions

🖨 **PDF Version**

Since 1980, Morrison & Foerster has been tracking the development of technology-related regulations across Europe – and advising companies on the effects of such laws on their business. We have seen first-hand how some businesses have used the development of laws and regulations to take advantage of new business opportunities. But more often, it has to be said, the growth in technology-related regulation has adversely affected business strategy. And, as much as the language barrier, the lack of harmonisation of laws across Europe has operated as a stumbling block to a unified exploitation of that market.

The EU market has come a long way from the Treaty of Rome in 1957, through the single European market in 1992 – to a point now where it comprises 27 Member States and almost 500 million citizens. The EU Member States account for the world's largest gross domestic product, and are an important trading partner to every other major country. In theory, then, the EU is one market. In practice, of course, it's not so simple. Each of those 27 countries has its own set of laws and regulations and, for the most part, in the technology sector the central EU lawmakers in Brussels have not directly super-imposed laws across the entire market.

It is with dismay that many companies doing business in the EU discover that it is still up to individual countries to put in place national laws implementing EU directives - and they do so in slightly different ways and at different times. So while, at one level, the development of the EU market has led to a considerable degree of harmonisation of technology-related laws, it is still not possible to say with certainty that there is only one way to do something, regardless of the country. Overall, it is still the case that although most technology-related laws may stem from a common basis, they are not truly harmonised.

This presents a problem for any technology-based business – especially non-EU-based companies who may be unfamiliar with EU legal regimes – seeking to exploit its products or services across the European market. Whether a company is involved in the supply of hardware, software, IT or telecoms services, or online services, its business will be affected by EU laws and regulations and variations between countries in the applicable legal or regulatory regimes.

So what guidance can businesses take to steer through the mass of laws and regulations that exist across the EU?

Based upon its experience over the past three decades, MoFo has put together a series of guides for its clients on areas where laws and regulations across Europe need to be taken into account by businesses seeking to exploit the products and services across the European market. Highlights of the areas considered are set out in the attached pdf (466 KB).