



“The voice of crafts and SMEs in Europe”

Marketing scams: SMEs welcome Commission’s communication

Brussels, 27 November 2012 – UEAPME, the European craft and SME employers’ organisation, warmly welcomed the communication on misleading marketing practices adopted by the European Commission today (Tuesday) after years of insistence from our association and its members. UEAPME was particularly pleased with the suggested actions against misleading company directories, i.e. fraud cases where small companies are invited by a business directory to update their contact details under the false impression that they will be listed free of charge, only to discover later that they have unintentionally signed up to a paid contract. EU-wide rules are fundamental in this respect as scammers increasingly operate cross-border, which makes enforcement very difficult. UEAPME welcomed the announcement of a legislative proposal, urging the EC to do so as soon as possible.

Enterprise Policy Director **Luc Hendrickx** offered the following comments:

“Every year, thousands of small businesses in the EU fall prey to deceptive marketing practices. Misleading company directories in particular have been a scourge for SMEs for decades. Cases are now on the rise, as technology makes it easier and cheaper for scammers to mass mail their fake offers. Our members have taken up responsibility at national level, with actions ranging from ‘black lists’ and awareness raising to legal disputes, and specific rules against misleading company directories already exist in some Member States. However, we have also been at the forefront for a long time in calling for action at EU level, which is clearly needed. We are delighted that Vice President Reding has listened to our pleas and has decided to go in this direction today, and we would like to congratulate her on this occasion. This is a concrete example that shows the added value of EU-wide action.”

“As rightly pointed out by the Commission, the hardest cases to tackle are those involving scammers operating cross-border within the EU. Small companies rarely have the means to bring forward a court case against a misleading company directory based in another Member State, both in terms of costs and in terms of legal knowledge. Clearly banning such practices in the whole EU, increasing penalties for infringements, designating an enforcement authority in each Member State and having these authorities cooperate cross-border will go a long way towards reducing deceptive marketing techniques in the EU. However, today’s communication will not make a difference for SMEs unless it is followed up by a concrete legislative proposal. We hope that the Commission will do so as soon as possible. It already has all the evidence it needs about the benefits of EU-wide rules, so it must act now as a matter of urgency.”

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EDITORS’ NOTES: UEAPME is the employers’ organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 80 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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