

Dear Members of the European Parliament,
Dear Colleagues,
Dear representatives of the European Institutions, associations and industry,
Ladies and Gentlemen,

Garage sellers do it, amateur football clubs and student newspapers do it – NGOs and parties do it - the EU does it - even armies, governments and whole countries: advertising.

And they do it in many different ways: in print, on TV, the radio, online, inside, outside... They promote themselves, their products, ideas, objectives, the beautiful landscape in their country and so on and so forth.

Advertising is constantly changing, it is adapting to change and it is driving change and innovation. How advertising is doing this and what impact advertising has on our economy and our society - this will be the topic of today's event.

I am happy that we have with us a whole range of experts from the advertising field who can tell us their story about advertising. Together, they would like to provide us with a comprehensive, coherent and united view on Europe's advertising industry – as a modern, innovative and growing sector. I would like to thank them at this stage for taking the initiative to organise this event today.

Before I hand over to the experts, let me briefly share my thoughts with you why I think that we can agree with the title of the event:

First of all: Why is advertising a driver of innovation?

Advertising is a highly innovative and creative sector. Long gone are the times when advertising was only found in print. Today, we find split screens on TV, crawl messages and branded entertainment. On the internet, we have soon moved from often boring banners to dynamic, creative and even interactive advertisement.

But also in the offline world, advertising becomes ever more creative. You now find advertising on airplanes, on subway platforms, on shopping cart handles - and your shopping bill. "Guerilla marketing" has found its way in public places directly involving the viewer. And there are even ads that are influenced or created by consumers themselves.

The advertising industry is also an important investor. It is playing a crucial role in financing European content, be it information, education or entertainment - which often comes for free to the consumer.

Advertising is also driving the digitisation of the European market. New ways of selling products and services online have put pressure on businesses, governments and providers to speed up the roll-out of broadband internet in order to ensure that citizens can share in the benefits from e-commerce.

Second, why is advertising a driver of growth?

Just think about all the industries that benefit from advertising when it's well done. First of all, the advertising industry itself - an important employer and investor, as we just heard. But also related industries, such as paper, will benefit. Advertising stimulates people to buy products and services. Providers, manufacturers and suppliers experience higher demand and will employ more people to satisfy the demand. It seems to be a win-win situation for all.

Now, what benefit is there for the citizen?

Citizens or consumers benefit from advertising as it makes prices for goods and services more comparable. This enhances competition and lowers prices. Advertising also plays a crucial role in fostering culture: many sports, music or cultural events would not be possible without sponsoring as an important source of funding

Advertising can also deliver important information, for example, about AIDS, the need to fasten your seatbelt or the risk of drug abuse. Advertising can also be entertaining. Some ads are incredibly creative - I am only thinking about the roller-skating babies in the advertising for a water brand - not to mention all the others that made us laugh or watch in surprise.

So, is there really a need to regulate the sector?

Against this background, it clearly does not seem to be in the interest of the EU to curb the activity of the advertising industry by over-regulating it. However, freedom does not come without responsibility. When mail advertising turns into spam, when young people are told to be cool when they smoke, when movies turn into a row of advertising clips, when news content can no longer be distinguished from advertising and when contextual advertising starts revealing a full profile of the users - then it is time to step back and re-consider.

Self-regulation has proven to be an effective and efficient tool, offering complaint systems and applying sanctions. As long as the industry can ensure that advertising remains legal, decent, honest and truthful and does not intrude into people's privacy, self-regulation should remain the decision-maker's instrument of first choice.

Ladies and gentlemen,

This was my picture of the advertising industry as a source of creativity, an essential investor in European content and an important employer. As such - at least in my view - advertising will continue playing a crucial role for future innovation and growth in the European Union.

With this introduction, I would now like to hand over the floor to the following speakers who will provide you with their vision of advertising. We will then have a panel debate. Afterwards you are kindly invited to stay on for an informal get-together in front of this meeting room.

I now have the pleasure to hand over the floor to the first speaker, Mr Reinhard Büscher, Head of Unit for Support for Innovation of the European Commission, DG Enterprise. Mr Büscher, you have the floor.