



ACT | GLOBAL APP ECONOMY CONFERENCE

UNITED KINGDOM 2025



OVERVIEW

The inaugural Global App Economy Conference: United Kingdom (GAEC: UK) 2025 brought together entrepreneurs, small businesses, and policymakers at a pivotal moment for tech leadership. Over four days in London, one message stood out: the UK has a rare opportunity to build the world's most SME-friendly digital policy framework.

While others wrestle with gridlock or overreach, UK policymakers can create a model that rewards transparency, fosters competition, and supports homegrown innovation. From artificial intelligence (AI) sandboxing and cybersecurity to standard-essential patent (SEP) reform and fairer merger and acquisition (M&A) policy, our members shared their lived experiences of building successful tech business from the ground up.

The conversations weren't theoretical; they were grounded in real startup experience. Whether highlighting their experiences navigating cloud infrastructure rules or scaling AI-powered medtech, our members made one thing clear: policy is not just about guardrails,

it's about growth. If the UK gets this right, it won't just support small businesses, it will set a global example for innovation-ready regulation.

From shaping policy to forging cross-border collaboration, GAEC: UK demonstrated the power of SME-led advocacy in building the future of the UK digital economy. As the Global App Economy Conference grows, it remains central to our mission: giving startups direct access to policymakers and a voice in the policies that shape their future.



GAEC: UK QUICK STATS

20 micro and SME representatives joined, reflecting the increasing engagement of independent developers and tech startups in policy advocacy, including AI, digital health, enterprise solutions, and cybersecurity.



**MINISTERIAL
DEPARTMENTS: 3**

PARLIAMENTARIANS: 18

**REGULATOR +
AGENCY: 2**

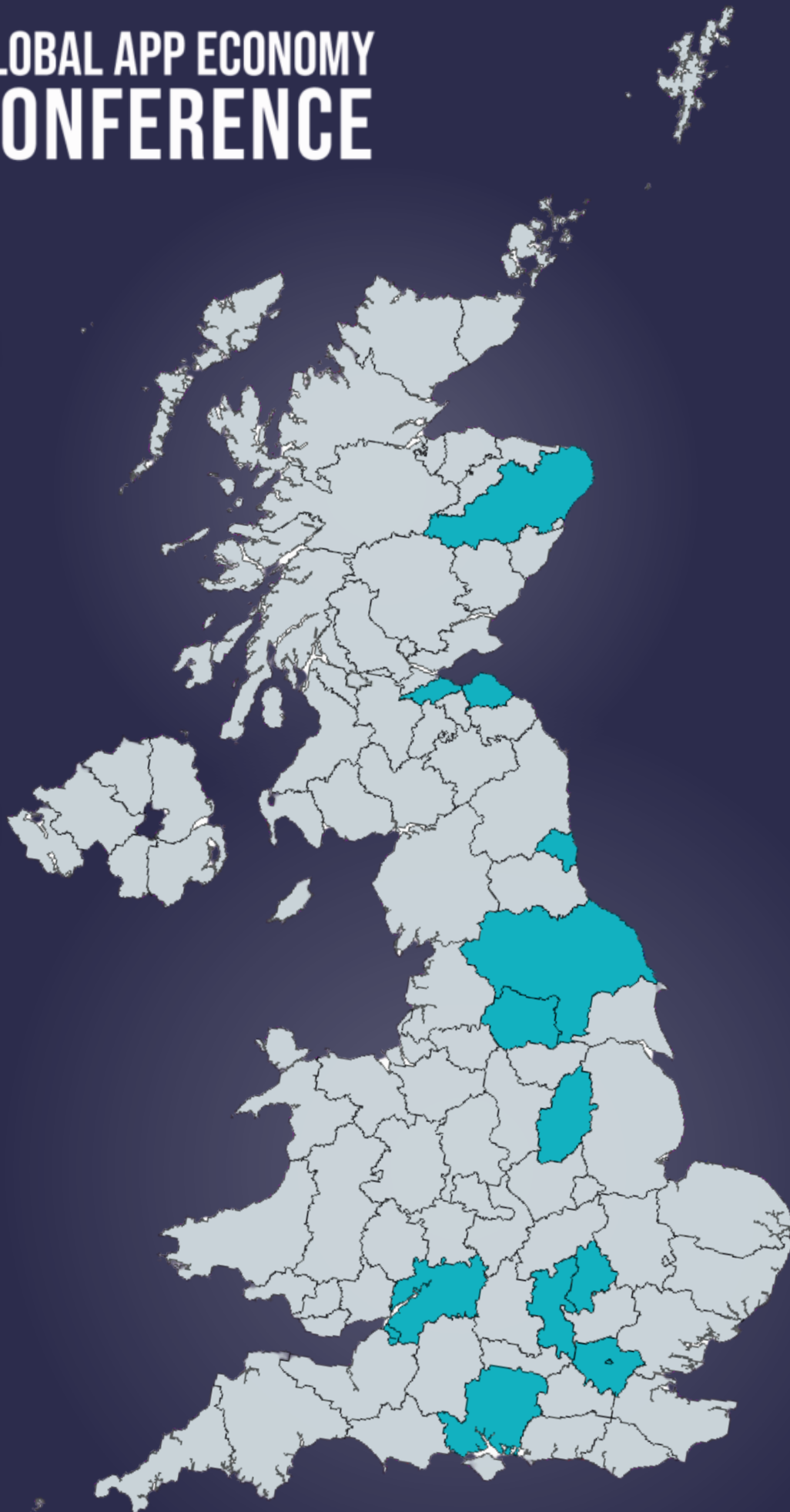
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We held two dozen key policymaker meetings, fostering direct dialogue between SMEs and key UK decision-makers with sessions covering topical policy issue areas ranging from AI regulation to mergers and acquisitions (M&A).



ACT | GLOBAL APP ECONOMY CONFERENCE

GAEC: UK saw attendees from nine regions across the United Kingdom – including London, the North East, the South East, the South West, and Scotland – demonstrating the broad impact of SME-driven advocacy in shaping UK digital policy.



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growth, but the regulatory landscape is changing. It's not just about their success just as a passport to a more thoughtful, future-focused policy.

NAME: ACT | THE APP ASSOCIATION



Below, we stamp the key policy areas discussed at this year's conference, marking the most pressing issues impacting SMEs and the global app economy.

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Under the current standard-essential patent (SEP) licensing system, SMEs that rely on technical standards to make interoperable IoT and communications products face opaque pricing, NDAs, and existential legal risks. The UK is uniquely positioned to lead on SEP licensing reform that could empower SMEs and prevent large SEP holders from exploiting legal asymmetries to demand excessive royalties or threaten injunctions. While the UK IPO has begun to address these issues, meaningful reform is still needed to ensure licensing fairness, transparency, and innovation incentives across the tech ecosystem.

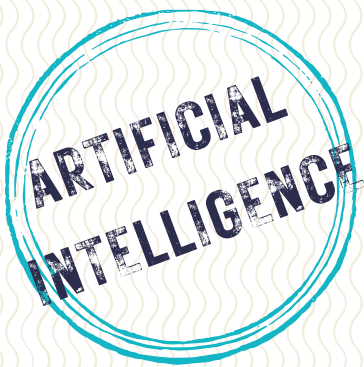
KEY POINTS

- SEP abuse undermines SME innovation and threatens market access for UK IoT and AI developers.
- Reforms must include essentiality checks, royalty transparency, and FRAND enforcement that protects willing licensees.
- Injunctions should only be permitted in exceptional circumstances to avoid coercive tactics by SEP holders.



Mike Griffin, Managing Director,
MyPrintPod

'One of the most important issues we discussed is standard essential patents, and the fact that large organisations are effectively controlling the behaviour of small and micro businesses through patent control and patrolling. It's something I feel particularly strongly about, and it's an area where legislation and meaningful action are urgently needed.'



The UK's AI regulatory landscape is still taking shape, with recent efforts like the AI Opportunities Action Plan and the AI Regulation Bill aiming to ensure responsible use without stifling innovation.

SMEs are at the forefront of AI adoption, both as developers and integrators of productivity-enhancing tools. However, uncertainty around copyright, data use, and safety standards, especially for generative AI, creates barriers. To foster investment, innovation, and competitiveness, UK AI regulation must remain proportionate, clear, and supportive of SME-led development.

KEY POINTS

- Regulation should scale with risk, ensuring SMEs can develop and adopt AI without excessive burdens.
- Clear copyright rules and standardised opt-out mechanisms are essential for training data and transportation demand management-related activities.
- SMEs need support for testing, upskilling, and accessing government procurement opportunities under the AI Opportunities Action Plan.

'As an AI-based SME, one of the biggest challenges we face is that most AI regulations are still undefined or unclear. And that uncertainty has a direct impact on how we develop our products and services.'



**Buse Bircan, Data Scientist,
INSINTO**

MERGERS AND ACQUISITIONS

M&A is a critical growth and exit pathway for UK tech SMEs, yet current narratives and regulatory scrutiny portray it as inherently harmful. The CMA has been criticised for delaying or disrupting M&A activity, particularly in AI and emerging sectors, damaging investor confidence and limiting the enterprise value of SMEs. For many startups, the possibility of acquisition is not only a goal but a prerequisite for securing early-stage investment. When exit routes are restricted, so are entry points for the next wave of innovation. A more nuanced, evidence-based approach is needed to distinguish between anti-competitive consolidation and pro-innovation acquisitions that fuel SME growth.

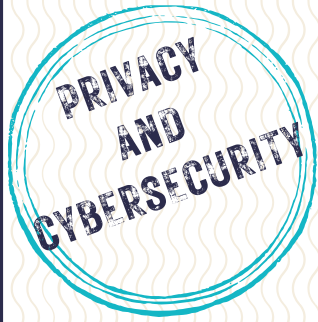
KEY POINTS

- M&A delays reduce enterprise value, making it harder for startups to access early-stage and follow-on capital. Barriers to exit ultimately become barriers to entry, stifling innovation and discouraging new startup formation.
- Policy must acknowledge that M&A is a key business model and growth strategy for UK digital SMEs.
- Regulators should adopt restraint and proportionality in reviewing M&A deals, especially below threshold levels.



**Matt Croall, Co-Founder,
Undisclosed DNA**

'It's nearly impossible to secure funding as a UK tech business today. Innovate UK rejects most applications unless you're tied to a university, and venture capital is out of reach because the regulatory outlook on mergers and acquisitions, a primary exit strategy, is so poor that investors won't take the risk.'



UK privacy and cybersecurity policy is at a crossroads. SMEs face significant challenges from overlapping and sometimes contradictory rules under the UK GDPR, Online Safety Act, Investigatory Powers Act, and the forthcoming Cyber Resilience Bill. Recent amendments to the Investigatory Powers Act, commonly known as the Snoopers' Charter, have reignited controversy over government surveillance powers, particularly in the wake of Apple disabling iCloud's Advanced Data Protection in the UK. This rollback not only reduces privacy for UK users but also sends a chilling signal to small businesses that depend on strong encryption to secure customer data. For SMEs, trust is non-negotiable, and strong privacy protections, legal clarity, and proportionate obligations are essential to innovation and competitiveness.

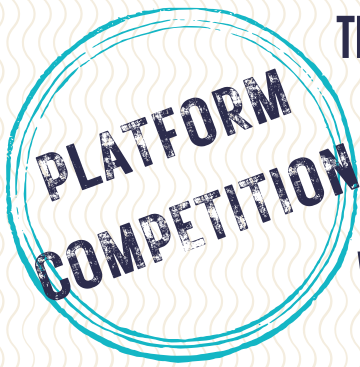
KEY POINTS

- SMEs need consistent enforcement of existing privacy rules and better clarity across overlapping laws. Scalable privacy and cybersecurity frameworks should be developed in collaboration with SMEs, not just tech giants.
- Regulators must preserve end-to-end encryption and avoid mandating backdoors that weaken user security and increase SME vulnerability.
- The UK government must recognise that undermining encryption doesn't just threaten individual privacy, it threatens the operational security of entire SME ecosystems.

'Mandating encryption backdoors might sound like a security solution, but it does the opposite. It weakens trust, exposes users, and puts small businesses like ours at risk. We rely on strong encryption to protect our users, and we can't compete if trust in our platforms is compromised.'



Malcolm John, Strategic Advisor, Quokka



The UK's Digital Markets, Competition and Consumers Act (DMCCA), overseen by the Competition and Markets Authority (CMA), introduces significant changes to digital platform regulation.

While aiming to rein in dominant platforms and promote consumer choice, new mandates like sideloading and alternative app stores introduce risks for small app developers who rely on trusted ecosystems for security, discoverability, and monetisation. Unclear implementation could erode consumer trust and increase compliance burdens, placing SMEs at a disadvantage compared to larger firms. A thoughtful approach is essential to preserve innovation, safety, and fair access in the UK's app economy.

KEY POINTS

- Regulators must balance platform access reforms with the need for consistent, secure app ecosystems that benefit SMEs.
- The DMCCA and Strategic Market Status (SMS) investigations must avoid one-size-fits-all remedies that compromise user trust and SME sustainability.
- SMEs need continued support from app stores, through simplified pricing models, fraud protection, and global reach, to remain competitive.



James Hanson,
Managing Director, Layers Studio

'Policymakers often look at problems from the perspective of big companies with big resources, but their decisions affect all of us, especially SMEs. If regulation makes it harder for our clients to innovate, it makes it harder for us to grow. We need a market that's not just free, but fair.'

FINAL TAKEAWAYS

Policy Education

Briefing day wasn't just a policy download, it was a space for our members to lead the conversation. We may have brought the policy experts into the room, but it was our members who brought the substance. Their insights were sharp, grounded in personal experience, and reflected the hard realities of building and scaling a business in the UK.

'I think it's really important for small companies to have a seat at the table, you never realize how much you're affected by these regulations until you're deep in it.' – Tom Payne, Head of Technology, Footfalls and Heartbeats

The dominant theme wasn't AI, SEPs, or M&A on their own, it was how each policy issue, when misaligned with startup realities, becomes an investment barrier. Ambiguity around licensing or compliance isn't a legal headache, it's a barrier to hiring, a delay in delivery, a reason an investor says no. And that uncertainty doesn't hit big tech the way it hits small companies. For SME founders trying to build AI products ethically, or bring privacy-first platforms to market, the pace of regulatory change is just contradictory or confusing, it's a threat to their viability.



'We started talking about standard-essential patents, and that's when it clicked. These issues have a real effect on building hardware that works with electronics, and those electronics are what drive the apps that solve real problems.' – William Fish, CEO, Manulytica,

By the end of the day, members had surfaced a powerful throughline: across AI, SEP licensing, funding access, and platform rules, every issue ultimately shaped whether a company could attract investment and grow. What began as distinct policy topics became a connected set of barriers and opportunities. Members left with a sharper sense of what's at stake and a shared purpose: not just to navigate the rules, but to shape them.

'The more complicated it gets, the less we can grow. And if we can't grow, we definitely can't raise capital.'— Chris Morris, Founder and Director, Shoo Social

Advocacy Impact

Briefing day gave members the foundation, but it was the meetings that gave them traction. Over the course of more than 30 meetings with Members of Parliament (MPs), Lords, and officials from His Majesty's Treasury (HMT), the Department for Science, Innovation and Technology (DSIT), the Department for Business and Trade (DBT), and the Competition and Markets Authority (CMA), members brought more than policy concerns, they brought the tech SME reality. They explained how policy gaps lead directly to stalled funding rounds, abandoned pilots, and startup relocations. And in conversation after conversation, they showed that when small businesses speak early, policy starts to shift.

'It was great to go into a space where people were listening to the actual problems. Not just the symptoms, but what's underneath them.'— Adam Bolus, Founder, INSINTO



Across every policy conversation, from SEP licensing to AI regulation to platform competition, members didn't just highlight barriers, they revealed patterns. Founders explained how vague guidelines stall procurement, how mismatched eligibility criteria exclude startups from funding, and how enforcement mechanisms often miss the mark entirely for SMEs. The message wasn't that regulation is unwelcome. It was that regulation designed without small business input will always fall short, especially when access to capital is on the line.

'Everything we talked about tied back to one thing: can we raise money, or can't we? The answer keeps coming back to how well the rules are written.' — James O'Sullivan, Founder & CEO, Nuke from Orbit

What made the biggest impact wasn't just the problems our members outlined; it was the way they offered to be part of the solution. Several policymakers asked for follow-ups, requested briefings, or invited members to submit written proposals. Some even offered to raise issues in Parliament or set up additional visits. The credibility came not from lobbying, but from lived experience: real businesses working through regulatory uncertainty in real time. As one policymaker put it, "We just don't hear from people like this enough."



'Being here at the Global App Economy Conference means a lot. We don't always get the chance to talk directly to policymakers, but today we did. And we told them: AI rules that ignore small business realities aren't going to keep kids safe. They're just going to stop the people actually doing the work.'

- Buse Bircan, Data Scientist, INSINTO

Community Connection

For many members, the Global App Economy Conference was their first time stepping into policy spaces, not as observers, but as contributors. They didn't just show up to advocate. They came to connect. Over the course of the week, those connections deepened into something more: a shared recognition that the challenges they face aren't personal, they're systemic. And the only way to fix them is together.



‘Being a member of The App Association is part of what I believe in. When we work together, we can solve many of the issues that none of us can fix alone.’— Cumai Aboul Housn, Alter Sapiens

Over lunch, on the walks between meetings, and during debriefs in the halls of Parliament, members opened up about the realities behind their products, from raising funds under tight timelines and trying to scale without regulatory clarity, to just figuring out how to stay based in the UK. Those conversations, unfiltered and practical, built the connective tissue that made the week feel less like a series of policy meetings and more like a cohort with a common cause.

‘The App Association is both giving us a network of people to interact with and to connect with so that we can build our business in that way, whilst also giving us a voice in Parliament... where we can tell the legislators and lawmakers what the problem is and why aren't we getting any further any quicker. When a small business gets squashed, it just disappears. Big business has the money to make a racket; we don't.’— Paul Croall, Undisclosed DNA

For many, this wasn't just a conference, it was a first step into something longer-term. Members left with new contacts, clearer context, and a sense that showing up matters. GAEC: UK gave them access, but the community gave them confidence. It reminded them that small businesses don't need to speak the loudest to be heard, they just need to speak together.

'The issues we're talking about affect much bigger companies than us, but we don't have £20 million in the bank to fight it. That's why being part of something like ACT matters, you bring small company urgency to a big conversation.' - Lawrence Archard, Founder, Factoree

The Global App Economy Conference: UK 2025 reinforced the growing influence of SMEs in shaping the United Kingdom's digital future. As the regulatory landscape shifts, ensuring that independent developers and SMEs have a direct line to policymakers remains essential. This year's conference strengthened advocacy efforts on AI, platform regulation, privacy, cybersecurity, M&A, and SEPs, providing a space for meaningful engagement and policy impact.

With its expansion into London, our Global App Economy Conferences continue to evolve alongside the digital economy, ensuring that innovation and competition stay at the forefront of policy discussions. By championing smart regulations, the App Association and our members continue to drive the future of the app economy.

