

# Google unfazed by 3 US government inquiries

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(AP) -- Google Inc. doesn't believe it needs to change its ways despite three separate U.S. government inquiries into whether some of the Internet search leader's actions are thwarting competition.

"There is no reason to be upset or surprised with the scrutiny," Dana Wagner, Google's competition counsel, told reporters Wednesday. "It comes with the territory."

With technology playing an increasingly important role in society and Google steering most of the Internet's traffic, Wagner said it's understandable why the Obama administration is taking a close look at the Mountain View-based company.

"They wouldn't be doing their job if they weren't taking a look at all the industries people are telling them to take a look at," said Wagner, who worked at the U.S. Justice Department for seven years before joining Google in 2007.

Wagner suggested the push to investigate Google is being propelled by "enemies" that the company has made as its [search engine](#) and other free or low-cost products siphon money away from other businesses in media and technology. Google reaped a \$4.2 billion profit on revenue of nearly \$22 billion last year.

Without getting into specifics of the various inquiries under way now, Wagner predicted Google would be able to amicably resolve any

differences with the government.

"I am a lover, not a fighter," Wagner said. "One of the reasons we have haven't had a huge fight (with the government) is because we generally can find common ground."

Google's biggest clash with the U.S. government so far occurred last year when the Justice Department threatened a lawsuit to block the company's proposed advertising partnership with rival [Yahoo](#) Inc., which runs the Web's second most popular search engine.

Although Google still believes the government exaggerated the alliance's potential effect on the Internet ad market, the company ultimately abandoned the Yahoo partnership.

Google also has shortened the amount of time it retains information about its users to satisfy the privacy concerns of European regulators.

Since President Barack Obama took office in January, antitrust regulators have targeted Google in three different areas.

The Justice Department is poring over a settlement of a class-action lawsuit that critics contend could give Google too much control over the electronic copies of millions of copyright-protected books that are no longer in print. Google believes the settlement would improve access to books that are mostly gathering dust at libraries across the country.

In a sign that the book inquiry is intensifying, investigators have issued formal demands for more details about the settlement. Google confirmed Wednesday it is among the settlement participants that received the civil investigative demands, or CIDs. A federal judge is scheduled to review the settlement in October.

Justice also is looking into whether Google and other technology companies, including Yahoo and biotechnology pioneer Genentech, which is now controlled by Swiss pharmaceutical giant Roche Holding AG, have colluded by agreeing not to recruit top employees from one another. CIDs also have been issued in that probe.

And the Federal Trade Commission is looking into whether Google's common ties with computer and gadget maker Apple Inc. might discourage competition.

Eric Schmidt, Google's chief executive, and Arthur Levinson, Genentech's former CEO, are directors at both Google and Apple. Google makes an operating system, called Android, that's used in mobile devices that compete with Apple's iPhone and will soon be used in inexpensive computers, called "netbooks," that could siphon sales from Apple's Mac line.

Since Stanford University graduate students Larry Page and Sergey Brin started the company in a Silicon Valley garage in 1998, Google has become synonymous with Internet search, processing nearly two-thirds of all U.S. search requests.

That has turned Google into a magnet for antitrust regulators, just as Microsoft Corp. was a decade ago given its dominance with the Windows operating system and Internet Explorer browser, said Don M. Tellock, who formerly specialized in technology regulation for New York's attorney general.

"When you have a company that is dominant in the marketplace like Google is, that is going to garner a lot of attention," Tellock said.

"Whether that will lead to prosecution is another question."

Wagner said he thinks Microsoft demands more antitrust attention than

Google because Windows still affects more people's interactions with computers than any search engine. But he understands why Google is getting more attention now, calling Microsoft "yesterday's news." He also said many people have "Microsoft fatigue."

Meanwhile, Microsoft is hoping Web surfers are tired of using Google's search engine. The Redmond, Wash.-based software maker is reportedly spending \$100 million to promote Bing, a Google challenger that Microsoft calls a "decision engine." [Google](#) cites Bing as evidence of the challenges it faces in search.

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