

# Google makes proposals to EU on competition concerns

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"We have made a proposal to address the four areas the European Commission described as potential concerns," said Google spokesman Al Verney.

The proposals, made in a letter from Google executive chairman Eric Schmidt to EU Competition Commissioner Joaquin Almunia, followed a demand by EU anti-trust officials in May to quickly respond to their concerns.

A Commission spokesman confirmed it had received a letter from Google and anti-trust officials would now analyse the response.

The European Commission launched its antitrust investigation in November 2010, looking into allegations that Google had abused a dominant market position following complaints from rivals.

Almunia said in May that the probe had identified areas of significant concern in Brussels.

They were: "preferential treatment" in the hierarchical presentation of search results; doubts over Google's full respect of copyrights; and "restrictions" written into advertising contracts and the "portability" of advertising across different Internet platforms.

Microsoft-owned Internet portal Ciao was an early complainant and more than a dozen plaintiffs are now attached to the case.

The FairSearch coalition, which includes Microsoft and several airfare comparison websites, said it hoped the letter signals a change by Google.

"We hope the proposals reflect a greater willingness to end Google's anti-competitive behaviour than has its consistent rejection of the concerns that Mr. Almunia identified after collecting evidence for nearly two years," said Thomas Vinje, EU counsel to the FairSearch coalition.

If satisfied with Google's response, the Commission could close this investigation.

Otherwise it could possibly push forward the case to the next stage with a formal statement of objections.

Fines eventually imposed under this type of probe could reach up to 10

percent of a company's sales -- meaning record EU penalties.

Even if this case is closed it would not end all of Google's troubles with EU competition authorities.

It is also facing complaints from travel websites such as Expedia and concerns about Google's Android mobile phone and tablet operating system.

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