

Google's Android target of new antitrust complaint (Update)

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Google is in the firing line again after a group of major companies, including Microsoft and Oracle, complained to the European Commission over Google's offerings for Android-powered mobile phones.

A group of companies led by Microsoft have called on European authorities to launch an antitrust investigation into Google's dominance of Internet usage on mobile devices.

The complaint comes from the "FairSearch" initiative of 17 companies,

including Microsoft Corp., Nokia Corp., and Oracle Corp. The group claims that Google is acting unfairly by requiring device makers using its free Android operating system to bundle an entire suite of Google's services to ensure they can include just one or two "must-have" apps, such as Google Maps and YouTube.

"Google is using its Android mobile operating system as a Trojan horse to deceive partners, monopolize the mobile marketplace and control consumer data," said Thomas Vinje, the group's Brussels-based lawyer.

Google does allow smartphone and tablet makers to sculpt Android to serve their own needs. In some instances, that has led to Android modifications that exclude Google's services. For instance, Amazon.com Inc. has largely locked out Google from its popular line of Kindle Fire tablets. There also have been periodic instances of Android smartphones with either Microsoft's Bing or Yahoo rather than Google as the built-in search engine.

Android operating systems are installed on about 70 percent of new smartphones, according to analyst estimates, handing Google the largest market share worldwide. Makers of Android devices include Samsung Electronics Co. and HTC Corp. Android is followed by Apple's iOS system, which powers the iPhone and the iPad. Research In Motion Ltd.'s BlackBerry, Microsoft's Windows and others trail far behind.

"Google's predatory distribution of Android at below-cost makes it difficult for other providers of operating systems to recoup investments in competing with Google's dominant mobile platform," FairSearch said in a statement.

The European Commission, the 27-nation bloc's executive arm and antitrust authority, must decide at some point whether to take up the case or drop it. A spokesman confirmed the complaint had been received.

Google Inc., which is based in Mountain View, California, did not address the complaint's charges in detail. "We continue to work cooperatively with the European Commission," Google spokesman Al Verney said.

The U.S. company is already under investigation by Brussels for practices related to its dominance of the online search and advertising markets.

That complaint, launched in 2010, alleges that Google unfairly favors its own services in its Internet search results, which enjoy a near-monopoly in Europe. Google has proposed a list of remedies to address the Commission's concerns to achieve a settlement. The Commission is currently examining the proposed changes.

"We have received some proposals by Google and we will soon launch a market test" of the proposed remedies, said Antoine Colombani, a spokesman for EU Competition Commissioner Joaquin Almunia. He declined to speculate on when the investigation would be concluded.

The EU Commission has often taken a harder line with U.S. tech companies than its American counterparts, the Federal Trade Commission and the Justice Department.

Google settled a similar antitrust complaint on its search business with the FTC in January without making any major concessions on how it runs its search engine, the world's most influential gateway to digital information and commerce.

Microsoft, which has been a leading player in the complaints against Google, has had its own protracted run-ins with the EU Commission. The Redmond, Washington, company has paid 2.2 billion euros in various fines since investigations began in 1998.

The FairSearch complaint was announced on the same day that Microsoft launched the latest phase of its U.S. ad campaign. That campaign depicts Google as a duplicitous company more interested in increasing profits and power than protecting people's privacy and providing unbiased search results.

Google's new privacy rules, meanwhile, are also attracting the scrutiny of European authorities. Several data privacy regulators have launched an investigation, alleging the company is creating a data goldmine at the expense of unwitting users.

Last year, the company merged 60 separate privacy policies from around the world into one universal document. The European authorities complain that the new policy doesn't allow users to figure out which information is kept, how it is combined by Google services or how long the company retains it.

The policy allows Google to combine data collected as one person uses multiple Google's services, from Gmail to YouTube, giving the company a powerful tool for targeting users with advertising based on their interests and search history. Advertising is the main way the company makes its money.

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