

Google's EU antitrust woes extended (Update)

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The European Union's competition authority has rejected yet another offer from Google to settle a case that claims the company abuses its dominant position in Internet searches, once again extending the four-year-old anti-trust battle.

The EU body said Tuesday it is "now in contact with Google to see if they are ready to offer solutions" to improve their proposed settlement.

The plaintiffs in the case—Google's competitor Microsoft and other tech and Internet companies—have provided new arguments and data on how the latest proposed settlement would be problematic, said EU competition spokesman Antoine Colombani.

"We consider that some of them should be taken in consideration," he said. Colombani declined to elaborate on what changes the EU's executive Commission is now seeking.

Competitors in Europe, where Google has an Internet search market share of about 90 percent, have complained about the way the company gives preference to its own Google-branded services at the top of search results pages, especially when consumers are likely to be searching for something to buy.

Google Inc. and the EU reached a third tentative settlement in February, which was then announced by EU Competition Commissioner Joaquin Almunia as a breakthrough in the investigation that was launched in

2010. Google had offered to display search results from competitors more prominently, but in an interview with Bloomberg TV Monday, Almunia said he is now "trying to extract" better terms.

Google didn't elaborate on the European Commission's apparent volte-face, but said it will continue to work with the commission to resolve the concerns.

The Google case has become one of the most politically charged competition cases yet. A German EU Commissioner, energy chief Guenther Oettinger, has even called for Google to be broken up to prevent monopolistic market abuse.

Almunia has come under fire for being too soft on Google, but he has insisted a settlement would be preferable for the fast-moving technology sector. The alternative, the more confrontational approach, could result in lengthy court battles and see the EU imposing a fine of up to 10 percent of the company's annual revenue, or about \$5 billion, if Google were to be found violating EU competition law.

A separate antitrust investigation on Google's Android operating system is still ongoing.

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