

Google to face charges if it fails to improve settlement: EU

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Google will face formal charges if it fails to improve its proposals to the European Union to resolve anti-trust complaints over its search engine

US Internet giant Google will face formal charges if it fails to improve its proposals to the European Union to resolve anti-trust complaints over its search engine, EU Competition Commissioner Joaquin Almunia said Tuesday.

Google previously avoided potentially billions in fines when it struck a deal in February with the European Commission, the EU executive branch, over charges that the world's largest [search engine](#) was squeezing out competitors in Europe.

Google agreed at the time to give equal prominence to rival services in its search results after competitors—including Microsoft and TripAdvisor—argued the company has abused its dominant position in the European market, where it accounts for 90 percent of traffic.

But the deal collapsed when the commission received a flurry of new complaints.

Almunia told a European parliamentary committee that there had been around 20 formal complaints that gave the EU "fresh evidence and solid arguments against several aspects of the latest proposals put forward by Google."

"At the beginning of the month I have communicated this to the company asking them to improve these proposals. We now need to see if Google can address these issues and allay our concerns," Almunia said.

If Google's reply "goes in the right direction," the two sides will continue to work out a solution, he said. "Otherwise the logical next step is to issue a statement of objection," which would involve formal charges against the company.

Almunia frequently came under fire during the hearing in front of the economic and monetary affairs committee.

EU rules state that a company found at fault in an anti-trust probe can be fined up to 10 percent of its annual sales, in Google's case some \$55.5 billion in 2013.

The deal's collapse is the third time Google and Brussels have failed to reach a negotiated truce since the Commission launched proceedings in 2010.

Almunia, who steps down at the end of October, acknowledged that the matter could carry over to the next Commission, to be headed by Jean-Claude Juncker, and a new competition commissioner, Margrethe Vestager.

"We don't know when the investigation will come to an end," he said.

Almunia has been under intense pressure in several European capitals to not cede ground to Google on several fronts, including its search function but also content creation.

He defended himself during Tuesday's hearing, saying his decision to request improved proposals from Google was based on "facts" rather than what he saw in media or heard in parliament.

The EU commissioner's comments came a day after Google chairman Eric Schmidt urged the bloc to give innovators free rein to deliver the huge economic gains promised by the digital era.

Schmidt made the appeal in a piece written as part of a series at the EU's invitation by Internet leaders on how to create a new Europe.

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