

EU to charge Google over Android on Wednesday: sources

April 19 2016, by Alex Pigman



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The EU will unveil formal anti-trust charges against Google on Wednesday over how it markets its widely-used Android mobile phone operating system, two sources close to the matter told AFP.

Competition Commissioner Margrethe Vestager is set to announce the charges in what would be a massive blow to one of the US-based tech giant's most strategic businesses, altering the global smartphone sector.

The case against Android would follow a similar one involving shopping services on Google's search engine last year.

The commissioner will "make her announcement on Wednesday," one of the sources told AFP. The European Commission declined to comment on the matter.

The EU is looking at whether Google gives unfair prominence to its own apps such as maps or music streaming in deals with mobile manufacturers such as Samsung or Huawei.

The Android operating system captures about 80 percent of the world market for mobile phones, far ahead of its closest rival Apple.

Android is seen as crucial to Google's future as customers increasingly rely on smartphones and tablets for their computing needs instead of traditional PCs.

Global smartphone sales are estimated to reach 1.5 billion units in 2016 as the sales of PCs plummet, according to the Gartner IT research company.



European Commissioner for Competition Margrethe Vestager, pictured on January 11, 2016, all but confirmed that her team was ready to target Google over its dominance of the mobile phone industry

Google in an email to AFP denied that Android contracts with phone manufacturers crowded out rivals.

"Anyone can use Android, with or without Google applications," said Google spokesman Mark Jansen.

'Bait and switch'

In a speech in Amsterdam on Monday, Vestager all but confirmed that her team was ready to target Google over its dominance of the [mobile phone industry](#).

EU regulators "need to be sure that big companies don't try to protect

themselves by holding back innovation," she said.

"That's why we're looking closely at Google's contracts with phone makers and operators which use the Android [operating system](#)," she said.

The EU a year ago formally charged Google with abusing its dominance in Europe and a decision could come later this year.

In both cases, Google risks a fine of 10 percent of worldwide global sales for one year, which would amount to a \$7.4 billion fine on the basis of 2015 revenues.

In a historic case in 2013, the EU fined Microsoft 561 million euros (\$634 million) for failing to offer users a choice of web browser.

Fairsearch, an umbrella organisation for several plaintiffs in the case including Nokia and TripAdvisor, said that Google had tricked [mobile phone](#) companies into using its Android software, which comes at no or little cost.

"In order to ensure the broadest possible adoption of Android, Google implemented a 'bait and switch' strategy," Fairsearch said in a summary of its complaint to the EU Commission.

"While Google claims that its success relies on merits and posits itself as an innovation champion... it has built barriers to entry that are virtually impossible to overcome," Fairsearch added.

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