France to sanction Google over privacy rules
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France said Friday it will fine Google up to 300,000 euros ($402,180) for breaking rules on data privacy.

The French agency that regulates information technology says Google Inc. hadn't satisfactorily responded to its June decision giving the company three months to be more upfront about the data it collects from users.

Regulators also want Google to let users opt out of having their data centralized—for example, when data from online searches, Gmail and YouTube are crunched into a single location.

In a statement Friday, France's National Commission on Computing and Freedom, known as CNIL, said Google hasn't made requested changes, including specifying to users what it uses personal data for, and how long it's held. CNIL said it will now launch formal sanction proceedings, a process that could take months.

Google spokesman Al Verney said: "Our privacy policy respects European law and allows us to create simpler, more effective services. We have engaged fully with CNIL throughout this process and will continue to do so going forward."

Now it's up to Google to decide whether the relatively small fines are enough of an incentive to rethink its privacy rules. Europe's a big market and one where Google has no serious competition.

However the company does have a reputation problem when it comes to protecting user privacy. Friday's action puts new pressure on Google, which is smarting from criticism over providing customer data to the U.S. government as part of its fight against foreign terrorists.

The National Commission on Computing and Freedom said five other European countries are taking similar steps in a staggered offensive.