

Google faces record EU anti-trust fine: sources

BRUSSELS, Belgium: The EU's powerful anti-trust regulator will decide a historic case against Google in the coming weeks that could see the internet giant hit with a record fine, sources said on Friday, 16 June 2017.



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"We are heading towards a decision this summer," one source close to the matter told *AFP* on condition of anonymity.

Led by hard-charging European Commission competition chief Margrethe Vestager, Google faces a massive penalty that could reach as much \$9 billion, or 10% of Google's total revenue last year.

Brussels accuses Google of giving its own online shopping services top priority in search results to the detriment of other price comparison services.

The case is one of three against Google and of several against blockbuster US companies including Starbucks, Apple, Amazon and McDonalds.

The previous record for illegal monopoly practices is held by US firm Intel, which was fined 1.06 billion euros in 2009, about 3% of the company's turnover.

"The commission's radio silence in the past months means that it is approaching the decision," another source close to the matter told *AFP*, who expected a hefty fine.

In August, Vestager shocked the world with a demand that Apple repay Ireland 13 billion euros in back taxes.

In the other cases, the EU is examining Google's AdSense advertising service and its Android mobile phone software.

The potentially painful verdict against Google came after a long period in which the two sides tried unsuccessfully to settle the case amicably.

Instead, the cases have raised tensions between Brussels and Washington, which has accused the EU of unfairly targeting US giants.

The European Commission, which polices EU competition policy, launched an initial investigation into Google in 2010 following complaints from rivals such as Microsoft and Trip Advisor that it favoured its own shopping services when customers ran searches.

Claims that practices by Google Shopping harm competition "are wrong as a matter of fact, law, and economics," Google's general counsel Kent Walker wrote in his response to the EU last year.

Vestager's predecessor, Joaquin Almunia, made three attempts to resolve the dispute but in each case intense pressure by national governments, rivals and privacy advocates scuppered the effort.

Source: AFP

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