

# Big Tech chafes at European privacy and antitrust initiatives

Article

**The news:** Big Tech companies are struggling to contain a wave of antitrust and regulatory activity as government authorities and would-be competitors go on the attack.

- **Meta is threatening to remove Facebook and Instagram from Europe** should the EU block the transfer of user data to the US, Bloomberg [reports](#).

- **Google** is being sued by Swedish company **PriceRunner** for **€2.1 billion (\$2.5 billion)** over potentially anticompetitive practices relating to its shopping service, **per Reuters**.

**A contentious battle:** Meta and Google have consistently found themselves the targets of European regulators' ire on both the antitrust and privacy fronts.

- Meta was recently **slapped** with a **£1.5 million (\$2.1 million)** fine over its acquisition of Giphy (along with an order to divest itself of the property) by the UK's Competition and Markets Authority.
- In November, Google **lost an appeal** of a **€2.42 billion (\$2.84 billion)** fine levied against the company after it had been found to privilege its price comparison service over those of European competitors.
- In 2021, the EU fined companies a total of **\$1.25 billion** for breaches of the General Data Protection Regulation (GDPR), **according to** law firm DLA Piper—nearly seven times the amount fined in 2020. Meta received almost 20% of those penalties, thanks to a **€225 million (\$266 million)** fine from Ireland's data protection authority.

**Companies fight back:** In light of the aggressive actions by regulatory authorities, European companies are taking a bolder approach as they attempt to lessen Big Tech's stranglehold on their industries.

- A consortium of German publishers recently **filed a complaint** with the EU's Commissioner for Competition in an attempt to stop Google from phasing out third-party cookies. The group alleged that Google's planned cookie replacement would stifle competition and further entrench its dominant position.
- **Mikael Lindahl**, PriceRunner's CEO, didn't mince words in an interview with Reuters, saying that Google is "still abusing the market to a very high extent" and that his company is prepared for a long, expensive legal battle.

**Some cards left to play:** However, Meta's decision to issue an ultimatum to European authorities shows that it will take more than a few large fines to humble Big Tech.

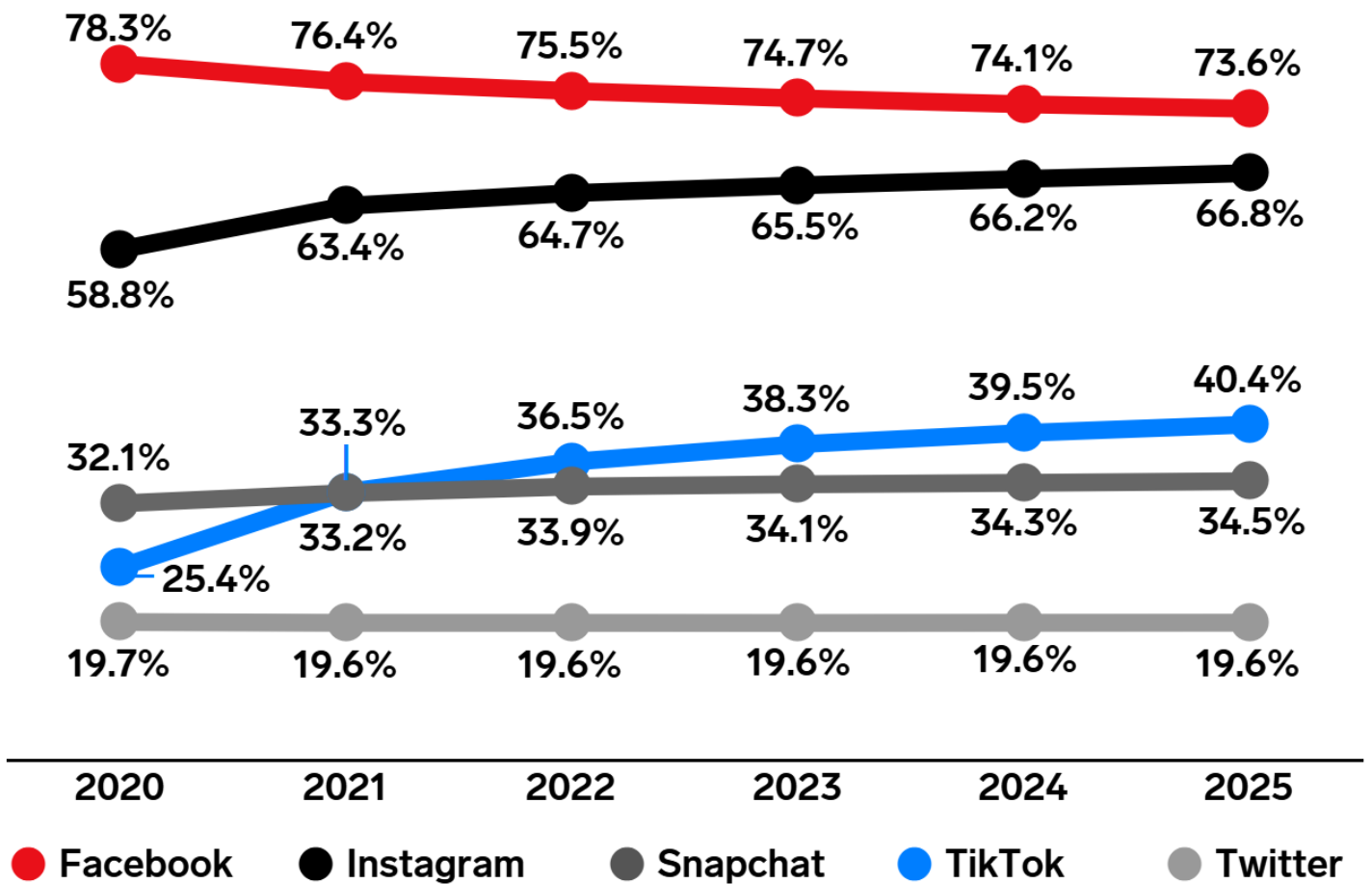
- While there is little to no chance of Meta actually pulling its apps out of Europe, its **second-largest market**, the company does have some leverage. In late 2021, Meta **announced** it would **create 10,000 jobs within the EU** to support its metaverse ambitions. If Meta decides to

reduce its European presence, these jobs—and the company’s continued investment in its European operations—will be at risk.

- Google, too, appears confident in its ability to see off PriceRunner’s suit, saying **in a statement** that it “look[s] forward” to defending its case in court.

## Top 5 Social Networks in Western Europe, 2020-2025

% of social network users



Note: internet users of any age who use a social network via any device at least once per month

Source: eMarketer, November 2021

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**The takeaway:** As European authorities wield their regulatory power with increased assurance, Big Tech companies are having to take a more aggressive tack to fend off challenges to their way of doing business.

- Thus far, regulatory bodies have relied on fines as their primary method of punishment. But Meta's order to divest Giphy suggests that much tougher consequences could be on the horizon.