

Google loses appeal over record-breaking \$2.8 billion EU antitrust fine

Article



The news: The EU General Court ruled against **Google** in the company's appeal to overturn a \$2.8 billion antitrust fine. The fee was issued by the EU's competition regulator in 2017 over its comparison shopping ads, per Insider.

How we got here: The European Commission found Google abused its dominant position to place its own shopping services above competitors in its search results. "While relegating the





results from competing comparison services in those pages by means of ranking algorithms, Google departed from competition on the merits," the court said.

- The fine levied on Google by the EU was the first of three in four years, totaling **\$9.5 billion**—all involving anticompetitive behavior pertaining to search, shopping, and **Android**.
- This appeal is for the first fine of \$2.8 billion in 2017 for promoting its own shopping service in search results. Google was fined again for \$5 billion in 2018 for abusing Android's dominance, which it appealed, and once more for \$1.7 billion in 2019 for anticompetitive practices in its AdSense advertising service.

More on this: The EU's General Court confirmed in a <u>statement</u> Wednesday that Google had favored "its own comparison shopping service on its general results pages through more favorable display and positioning."

- A Google spokesperson told Insider: "Shopping ads have always helped people find the products they are looking for quickly and easily and helped merchants to reach potential customers." He added Google made changes in 2017 to comply with the EU's decision.
- Google still has the opportunity to appeal the latest decision with the EU Court of Justice and will likely do so to avoid taking a loss and paying the penalty.
- The court did say the Commission didn't prove Google's conduct had harmed the market for general search, which is a minor victory for Google.

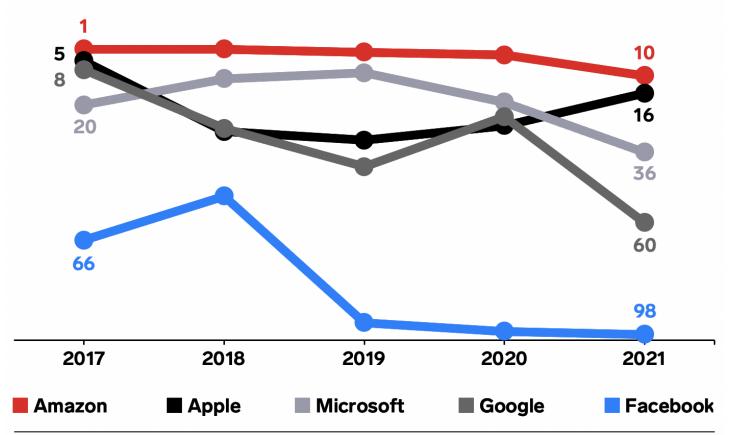
The bigger picture: Google's loss in the EU could fuel momentum from regulators in other regions to push for stricter antitrust regulation, specifically on Google's dominance on search, shopping, and Android. Google could be facing waves of litigation.

Google is already on alert—the company has reportedly been sending anti-regulation propaganda to small businesses using Google Maps. Google is telling small business owners that bills like the "Ending Platform Monopolies Act," would hurt their ability to find customers online and that they should contact their congressperson about the issue.

Some good news for Google: The UK Supreme Court blocked a \$4.3B class-action lawsuit claiming Google unlawfully tracked personal information of millions of iPhone users. Google said the claim was related to events from a decade ago, which it had already addressed.

Technology Company Reputation Rankings, April 2021

relative ranking by reputation from 1 to 100



Source: Axios/Harris, May 2021 Methodology: The Axios Harris Poll 100 is based on a survey of 42,935 US adults in a nationally representative sample conducted April 8—21, 2021. The Axios Harris poll first identifies the 100 most visible companies and then ranks them based on what respondents think of them.

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