



## **Statement by Commissioner Vestager on antitrust decisions concerning Google**

Brussels, 15 April 2015

\*\*\* Check against delivery \*\*\*

The Commission has today sent a Statement of Objections to Google. It outlines our preliminary view that Google's favourable treatment of its comparison shopping service, currently called "Google Shopping", is an abuse of Google's dominant position in general internet search. Google now has 10 weeks to respond. I will carefully consider its response before deciding how to proceed.

In parallel, on the basis of an initial investigation, the Commission has also today launched a formal in-depth investigation of Google's conduct as regards the mobile operating system Android, apps and services.

My goal is to ensure that consumers and innovative companies can benefit from a competitive environment in Europe. Where concerns are expressed about Google's conduct that can be addressed by EU competition law, I will approach the issues in a fair and objective way, on the basis of the evidence and in accordance with our rules.

### **Today's Statement of Objections**

Since I took office last November, I have given high priority to the Google antitrust investigations. Given that we are dealing with fast moving markets, I have first updated the information in our files to make sure they reflect latest market developments. I have also met a broad range of players active in many markets, including Google. I am fully aware of the importance of these investigations and their relevance to consumers and market players. Let me say right away that one out of four individual companies that complained in this case is a US company. Companies from the US also play a major role in complaining business associations.

Google has had market shares of more than 90% in general internet search in most EU Member States for many years.

Dominance is, as such, not a problem under EU competition law. However, dominant companies have a responsibility not to abuse their powerful market position by restricting competition, either in the market where they are dominant or in neighbouring markets.

Today's Statement of Objections focuses on the preferential treatment by Google in its general search results of one of Google's own products: Its comparison shopping service, which allows consumers to search for products on online shopping websites and compare prices between different vendors.

Our preliminary view in the Statement of Objections is that in its general internet search results, Google artificially favours its own comparison shopping service and that this constitutes an abuse. Our investigation so far has shown that, when a consumer enters a shopping-related query in Google's search engine, Google's comparison shopping product is systematically displayed prominently at the top of the search results. This display is irrespective of whether it is the most relevant response to the query. Thus, Google's commercial product is not subject to the same algorithms as other comparison shopping services. Google has engaged in this conduct in a broad number of Member States since 2008, and continues to do so.

The commercial importance of appearing prominently in Google's general search results is obvious. I am concerned that Google has artificially boosted its presence in the comparison shopping market, with the result that consumers may not necessarily see the most relevant results in response to their queries, and Google's competitors may not get the commercial opportunities that their innovations deserve.

Therefore, our preliminary findings indicate that in the present case, dominance in one market is used to create an advantage in a related market. The advantage in the related market does not appear to reflect the merits of Google's comparison shopping service, but rather results from Google using its considerable power on the market in which it is dominant.

Our preliminary view is that to remedy this conduct, Google should treat its own comparison shopping service the same way in its general search results as its rivals. To be clear, we would not want to

interfere with Google's design choices or how its algorithms work. Rather, the purpose of such a potential remedy would be to ensure that consumers see the best comparison shopping results. They should not just be shown Google's own shopping results, if they are not the most relevant response to a particular query.

Today's Statement of Objections focuses on comparison shopping because that is the area where Google has been favouring its products in its search results for the longest period. However, we continue to look at the ways in which Google may also favour its other specialised search services. If an infringement is proven, a case focusing on comparison shopping could potentially establish a broader precedent for enforcing EU competition rules in other instances of Google favouring its own services over competing services.

The Commission has previously also expressed three other concerns as regards Google's conduct, namely its copying of rivals' web content (known as 'scraping'), exclusivity in its agreements with advertising partners and undue restrictions of advertisers' ability to use competing advertising platforms. We will continue our investigations into these concerns.

### **The Android investigation**

As I mentioned, we are also launching a separate in-depth investigation regarding Android.

In recent years, smartphones and tablets have changed the way that consumers access the internet and the way that many companies do business. Mobile internet usage is growing rapidly and there is no reason to think that this will change in the coming years. I want consumers to benefit from the broadest range of mobile services and innovation in the sector.

The Commission has received complaints and also carried out an initial investigation on its own initiative. Today's launch of an in-depth investigation will give us the opportunity to examine in detail the allegations raised, in particular as regards three concerns:

1. We will look into Google allegedly requiring or incentivising smartphone and tablet manufacturers to exclusively pre-install Google's own applications or services, in particular Google's search engine;
2. We will look at the alleged bundling together of certain Google products with other apps and services;
3. We will investigate if Google is hindering the ability of manufacturers of smartphones or tablets, who want to use the Android operating system, from being able to use and develop other open-source versions of Android (so-called "Android forks").

These are issues distinct from the Google comparison shopping case, and their investigation will be separate.

### **Conclusion**

Of course, there is great public interest in the Google antitrust cases because it affects so many people and companies. It is a great responsibility to be in charge of these investigations, and I can assure you that I am taking this very seriously. Needless to say, competition investigations are independent from politics and commercial interests. We will be exclusively guided by the facts, the evidence and by the EU's antitrust rules.

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