
EU Slaps Google with Massive \$2.7 Billion Fine

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The record antitrust fine against Google — which tops the €1.06 billion against Intel in 2009 — marks Europe's crackdown on cyber content.

Google was, on Tuesday, slapped with a hefty fine by European antitrust officials.

The search engine giant was dealt a major blow for unfairly favoring its search services over those of its competitors.

The company is required to fork out a whopping 2.4 billion euros or \$2.7 billion, a record antitrust fine — which tops the €1.06 billion against Intel in 2009.

This decision marks Europe's aim to regulate cyber content.

Europe's antitrust chief, Margrethe Vestager has previously demanded that other major players in the tech industry pay their dues in the region. She has pushed for Apple to repay \$14.5 billion in back taxes in Ireland, launched an investigation into Amazon's tax practices and Facebook's alleged dominance over people's digital data.

"What Google has done is illegal under E.U. antitrust rules," said Vestager. "It denied other companies the chance to compete on the merits and to innovate. And most importantly, it denied European consumers a genuine choice of services and the full benefits of innovation."

The focus of Vestager's "cleanup" campaign has mainly been Silicon Valley firms, prompting accusations that Europe is unfairly targeting American companies.

Google's hefty fine marks the latest chapter in a lengthy standoff between Europe and Google, which also faces two separate charges related to its Android platform and advertising products.

The antitrust ruling targets Google's online shopping service practices, which the EU states have enjoyed preferential treatment.

Google has repeatedly denied breaching Europe's competition rules, saying that its digital services grew the region's cyber economy because they are used by millions in the region daily.

The company also added that there remains significant online competition in Europe, including Amazon and eBay.

Under European rules, the search giant must present proposals showing that its competitors are treated fairly.

The authorities can demand that Google makes further changes if they are not satisfied with the initial proposals.

Additionally, many of Google's competitors have called for an independent monitor to oversee the company's digital services in Europe.

"The changes could have ramifications beyond Google Shopping, and might even impact Google's operations in the United States," a number of American companies that have filed antitrust complaints against Google said in a public letter ahead of the ruling on Tuesday.

The signatories included Oracle, News Corporation and Yelp.
