

South Korea launches antitrust probe into Google

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South Korea has launched an antitrust probe into Google over its plan to enforce its 30-percent Play Store commission by disallowing any apps circumventing its payment system, a top official said Thursday.



Google has always required apps offered on the Play Store's virtual shelves to use its <u>payment system</u>, which takes an industry-standard 30 percent cut—the same as Apple does.

The company has been lax about enforcing the rule, however, unlike Apple—which is currently involved in a legal battle with the owners of the Fortnite game series after banning the app when developers allowed users to circumvent the payment system.

The internet giant said last month the new policy—set to take effect next year—applies to fewer than three percent of developers with apps in the Play Store.

But the announcement prompted a backlash from South Korean app developers, who say the new plan will allow Google to collect too high a fee.

Joh Sung-wook, chairperson of the Korea Fair Trade Commission (KFTC), on Thursday said Google's plan was being investigated for possible "anti-competitive practises".

"Competition isn't working properly in the industry," she told lawmakers during a parliamentary audit.

"We are searching for anti-competitive practices in order to restore competition."

Joh's remarks came about a month after some South Korean tech companies, including its biggest internet portal Naver, filed a request asking for a government probe into Google's policy change.

Google's Play Store held a 63.4 percent share of total <u>app store</u> sales in South Korea last year, followed by Apple's App Store at 24.4 percent,



according to Korea Mobile Internet Business Association.

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