

China regulator fines 12 firms over anti-monopoly law

March 12 2021, by Zen Soo



In this Nov. 1, 2018, file photo, an attendee walks past a display at the 2018 Baidu World conference in Beijing. China's market regulator said Friday, March 12, 2021, that it fined 12 companies, including games company Tencent Holdings and Chinese search engine firm Baidu Inc., for not disclosing past deals as authorities step up scrutiny over anti-monopoly behavior in the internet sector. (AP Photo/Mark Schiefelbein, File)

China's market regulator said Friday that it fined a dozen companies, including games company Tencent Holdings and Chinese search engine firm Baidu Inc., for not disclosing past deals as authorities step up anti-monopoly scrutiny in the internet sector.

The companies, which included other firms such as ride-hailing [company](#) Didi Mobility and Softbank, were fined 500,000 yuan (\$77,000) each for not disclosing previous investments, acquisitions or joint ventures, according to a statement by China's State Administration for Market Regulation.

China in February released anti-monopoly guidelines aimed at clamping down on anti-competitive practices in the internet industry, such as signing exclusive agreements with merchants and the use of subsidies to squeeze out competitors.

Tencent Holdings was fined over its investment in online education app Yuanfudao in 2018, while Baidu was fined for taking over consumer electronics firm Ainemo Inc. last year.

The regulator said that neither had sought prior approval for the deals, thereby violating the anti-monopoly laws even though the deals did not restrict competition.

Tencent said in an emailed statement that it would "continue to adapt to changes in the regulatory environment, and will seek to ensure full compliance."

Similarly, Didi Mobility, a unit of Didi Chuxing, and Softbank were censured over not seeking approval before setting up a joint venture.



In this Sept. 5, 2020, file photo, a visitor wearing a face mask walks past a logo for Chinese technology firm Tencent at their display at the China International Fair for Trade in Services (CIFTIS) in Beijing. China's market regulator said Friday, March 12, 2021, that it fined 12 companies, including games company Tencent Holdings and Chinese search engine firm Baidu Inc., for not disclosing past deals as authorities step up scrutiny over anti-monopoly behavior in the internet sector.(AP Photo/Mark Schiefelbein, File)

Baidu, Didi Mobility and Softbank did not immediately comment.

Internet companies in the United States face similar scrutiny. Legislators and regulators are looking at whether Facebook, Google and other companies improperly hamper competition in advertising and other areas.

China's market [regulator](#) last December fined Tencent-backed online publisher China Literature, Alibaba and other companies for not seeking approval over several deals.

© 2021 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: China regulator fines 12 firms over anti-monopoly law (2021, March 12) retrieved 25 April 2024 from <https://techxplore.com/news/2021-03-china-fines-firms-anti-monopoly-law.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.