

UK antitrust watchdog investigates Microsoft's Nuance deal

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The Microsoft company logo is displayed at their offices in Sydney, Australia, on Wednesday, Feb. 3, 2021. The Competition and Markets Authority said in a brief statement Monday, Dec. 13, 2021 that British antitrust regulators are opening an investigation into Microsoft's \$16 billion acquisition of speech recognition company Nuance in the latest sign they're tightening scrutiny of big technology deals. Credit: AP Photo/Rick Rycroft, File



British antitrust regulators are opening an investigation into Microsoft's \$16 billion acquisition of speech recognition company Nuance in the latest sign they're tightening scrutiny of big technology deals.

The Competition and Markets Authority said in a <u>brief statement</u> Monday that it's looking into the purchase because of concerns that it could result in a "substantial lessening of competition" in the U.K. market.

Redmond, Washington-based Microsoft Corp. declined to comment. The company said in April that it was buying Nuance Communications Inc., a pioneer in voice-based artificial intelligence technology. Nuance was instrumental in helping power Apple's digital assistant Siri but later shifted to focus on <u>health care</u> with widely used medical dictation and transcription tools.

The transaction, which was expected to close this year, would be Microsoft's second-largest deal, following the software giant's \$26 billion <u>purchase</u> of LinkedIn in 2016. Burlington, Massachusetts-based Nuance has about 7,100 employees, more than half of whom are outside the U.S.

British regulators have stepped up scrutiny of tech-related acquisitions. Last month, the competition authority <u>ordered Facebook to undo its</u> <u>purchase of Giphy</u> and sell off the GIF-sharing platform because it found the <u>deal</u> stifles <u>competition</u> for animated images and hurts social media users and advertisers.

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