

EU investigates Microsoft over concerns bundling Teams with Office eliminates competition

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The Microsoft company logo is displayed at their offices in Sydney, Australia, on Feb. 3, 2021. The European Union announced Thursday, July 27, 2023 that it opened a formal antitrust investigation targeting Microsoft into the software company's Teams messaging and videoconferencing app over concerns that its bundling with its Office productivity software suites gives it an unfair edge over competitors. Credit: AP Photo/Rick Rycroft, File

The European Union said Thursday that it has opened an antitrust investigation into Microsoft over concerns that bundling its Teams messaging and videoconferencing app with its Office productivity software gives it an unfair edge over competitors.

The European Commission, the 27-nation bloc's top competition enforcer, said it would carry out its in-depth investigation "as a matter of priority."

The investigation stems from a [complaint](#) filed in 2020 by Slack Technologies, which makes popular workplace messaging software.

Slack, owned by business software maker Salesforce, alleged that Microsoft was abusing its [market dominance](#) to eliminate competition—in violation of EU laws—by illegally combining Teams with its Office suite, which includes Word, Excel and Outlook.

"Remote communication and collaboration tools like Teams have become indispensable for many businesses in Europe. We must therefore ensure that the markets for these products remain competitive," said Margrethe Vestager, the EU's antitrust commissioner.

"This is why we are investigating whether Microsoft's tying of its productivity suites with Teams may be in breach of EU competition rules," she added.

Microsoft said in a statement that it respected "the European Commission's work on this case." It added that it would "continue to cooperate with the commission and remain committed to finding solutions that will address its concerns."

Only last week, the German alfaview video conferencing company added its own complaint over Microsoft Teams, arguing that bundling

gives the U.S. tech giant an unmatched competitive advantage "that is not justified by performance and that competitors like alfaview cannot match."

The commission says opening the investigation in no way determines the outcome.

Europe has led the way in [ratcheting up scrutiny of Big Tech](#) companies over worries that they have become too dominant. When Brussels has looked into Microsoft's recent deals, however, the company has prevailed.

The [EU approved Microsoft's plan](#) to buy video game maker Activision Blizzard for \$69 billion, after the company offered to automatically license popular Activision titles like "Call of Duty" for cloud gaming platforms.

Microsoft also has won EU clearance to buy video game company Zenimax and speech recognition [company](#) Nuance.

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