

Google faces £7 bn claim on behalf of UK consumers

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A claim has been filed in the UK accusing Google of breaching competition law.

Google is facing a new lawsuit in Britain, which accuses the US tech giant of stifling competition in the search engine market and causing prices to rise across the UK economy, a statement said Thursday.

The claim, filed with the UK Competition Appeal Tribunal, is seeking around £7 billion (\$8.7 billion) in damages on behalf of effectively every consumer in the country.

It accuses Google of breaching competition law by shutting out mobile [search](#) competition and using its market dominance to increase the prices paid by advertisers for their prominence on the Google search page.

These costs are then passed on to consumers, who are charged more for the goods and services they buy, according to the claim.

The lawsuit argues that Google abused its [dominant position](#) by tying its Search with other apps and services such as requiring smartphone manufacturers to pre-install Google Search and Google Chrome browser apps to obtain a licence to use the Google Play app store.

It also says Google paid Apple to ensure Google was the default search engine for the Safari browser on Apple devices such as iPhones.

Nikki Stopford, a consumer rights campaigner and the class representative in the action, said, "It's a clear breach of competition law, for which consumers are paying the price.

"Google has been warned about its behavior by [competition](#) regulators repeatedly but has taken no meaningful action to stop the abuse.

"This action aims to make the company accountable for its repeated lawbreaking and get consumers back the money they're owed."

According to consumer rights group Consumer Voice, the claim is made on behalf of 65 million UK consumers, who may be owed around £100 in compensation each if the lawsuit is successful.

A Google spokesperson called the case "speculative and opportunistic" and said the company "will argue against it vigorously".

"People use Google because it is helpful. We only make money if ads are useful and relevant, as indicated by clicks -- at a price that is set by a real-time auction," Google said.

"Advertising plays a crucial role in helping people discover [new businesses](#), new causes and new products," Google added.

Lawsuits have previously been filed against Google claiming billions in compensation for publishers in lost revenue from advertising

Google and other US tech giants have also faced investigations from US, British and EU regulators in recent years as authorities crack down on their business practices.

Britain's Competition and Markets Authority (CMA) regulator is investigating suspected anti-competitive conduct by Google through its ad tech practices.

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