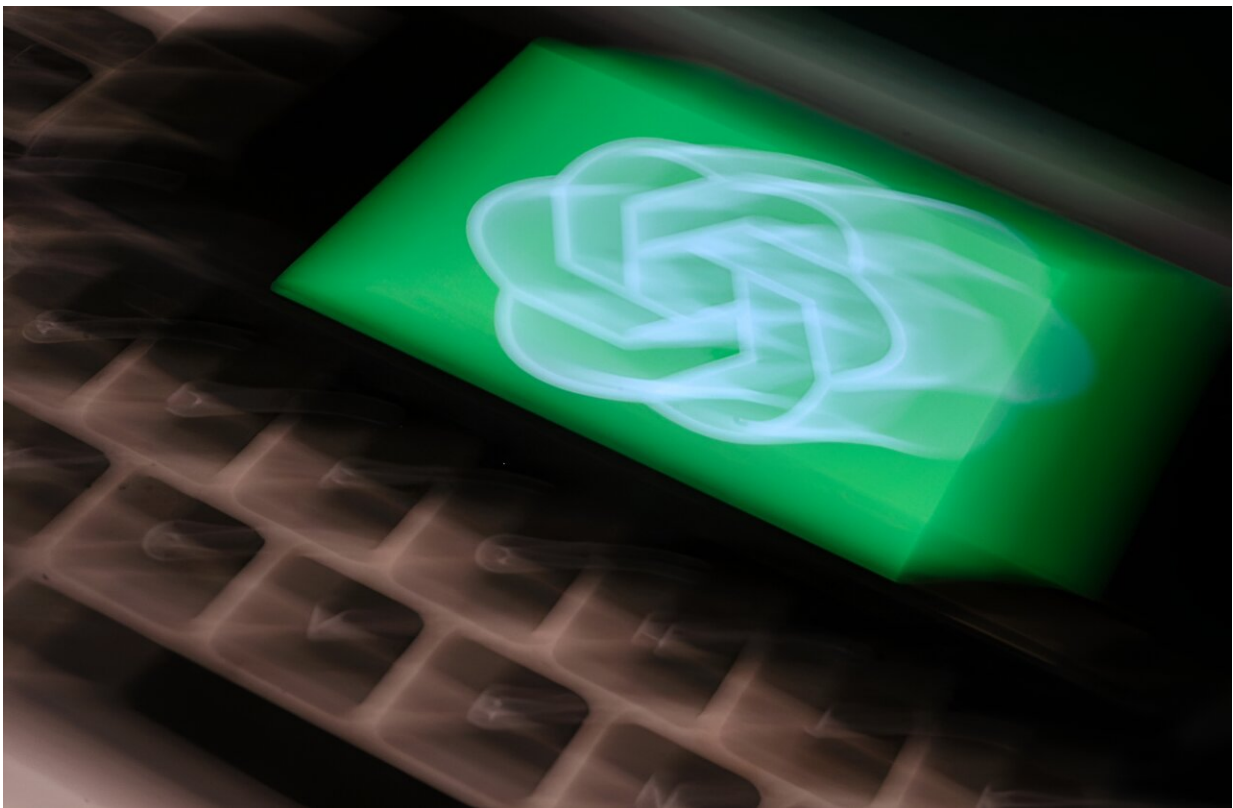


EU further scrutinizes Microsoft, OpenAI tie-up

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The EU concluded Microsoft's tie-up with OpenAI does not mean the US tech giant has control of the ChatGPT maker.

The EU will examine the impact of Microsoft's multi-billion-dollar partnership with ChatGPT developer OpenAI on competition in the fast-growing AI market, the bloc's antitrust chief said Friday.

But the European Commission concluded after a preliminary examination that the \$13 billion tie-up did not mean the US tech giant had taken control of OpenAI.

"The key question was whether Microsoft had acquired control on a long-lasting basis over OpenAI. After a thorough review... we concluded that as such, it was not the case," said EU competition commissioner, Margrethe Vestager.

"So we are closing this chapter. But the thing is that the story is not over," she said during a speech in Brussels.

Instead, the EU has now demanded more information from Microsoft about the agreement between the two companies, Vestager said, "to understand whether certain exclusivity clauses could have a negative effect on competition".

She also said the EU has sought more information about Google's arrangement with Samsung to pre-install its small version of the AI system, Gemini, on some devices made by the South Korean giant.

And Brussels wanted to understand the impact of so-called "acqui-hires", Vestager added, which is when a company acquires another firm mainly to grab the key talent.

Microsoft earlier this year announced a deal to hire senior figures from OpenAI rival Inflection, including its boss, to head up a newly created consumer AI unit. But unlike a merger, Inflection still operates as an independent company.

This means it does not face a traditional merger probe, which would have given regulators the right to block an acquisition.

The EU's study of Microsoft and OpenAI came after an abortive boardroom coup last year against the ChatGPT maker's CEO Sam Altman, whom Microsoft supported and even briefly hired.

American and British regulators are also looking at the partnership.

Microsoft welcomed the conclusion of the EU's examination.

"We appreciate the European Commission's thorough review and its conclusion that Microsoft's investment and partnership with OpenAI does not give Microsoft control over the [company](#)," a Microsoft spokesperson said.

"We stand ready to respond to any additional questions the European Commission may have."

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