

Google, EU bring battle to court

February 12 2020, by Catherine Kurzawa With Alex Pigman In Brussels



Google and the European Union are to meet in court again in the latest phase of a legal saga that began a decade ago

Google and the EU battled in court Wednesday as the search engine giant tried to persuade judges that it was unfairly accused of ill-treating rivals of its Shopping service.

The Silicon Valley juggernaut is appealing a 2.4 billion euro (\$2.6 billion) fine from 2017 that was the first in a series of major penalties imposed by the European Commission, the EU's powerful anti-trust regulator.

The court case launches a new phase in the decade-long duel and is a major test of the combative tactics taken by the EU commission against big tech.

The next months will see Google appeal all three decisions that saw Brussels slap a total \$9 billion in EU fines, with the giant's Android mobile operating system and ad service also caught out for illegal behaviour.

The tech giant has paid the fines and changed its behaviour, but the company on Wednesday strongly condemned the EU's verdict on shopping in the EU's General Court as ill-founded and unfair.

"If Google would have faced the commission's decision in 2008, Google would have had no other option but to abandon its innovative technologies and its improved designs," Thomas Graf, a lawyer for Google told the EU's General Court.

Supporting Google, a lawyer for the CCIA tech lobby in Brussels argued that the Commission's demands "would ultimately harm consumers and internet users".

'Colossus'

The Commission's lawyer, Nicholas Khan, deplored the power of the Mountain View, California giant. "Google's status as the colossus of the digital age is unquestioned and until recently unquestionable."

The commission was joined by other plaintiffs, who shot down Google for aggressive business practices.

"Google's behaviour constitutes a serious abuse of dominance which must stop or it will destroy competition in all the markets in which it decides to enter," said Thomas Höppner, a lawyer for three companies fighting the group.



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The EU and Google have been locked in battle since 2010 when the commission first looked into accusations that the search engine was

squeezing rivals from results in order to promote ads and Google Shopping, its price comparison service.

For several years Brussels and the US giant sought a negotiated settlement, but the EU abruptly reversed course in 2014 after the intervention of member states and the arrival of Margrethe Vestager who took over as EU competition chief.

Vestager, a former Danish finance minister, quickly became known for her relentless pursuit of US tech giants that drew attention worldwide.

Instead of negotiation, she repeatedly fined Google and slapped Apple with a 13 billion euro tax bill that boss Tim Cook dismissed as "political crap".

The appeal hearing is to last three days with a decision possible by June. The case can then go to the EU's highest court, the European Court of Justice.

The EU's case mirrors similar litigation against Microsoft, a legal labyrinth that ran throughout most of the 1990s and early 2000s and saw the Windows-maker fined about 1.4 billion euros.

Google was expected to plead that the commission had wrongly applied arguments used successfully against Microsoft and that the company has the right to give advantage to its own services.

The company would also underline that the EU case erroneously failed to account for the spectacular rise of Amazon and eBay in its assessment of Google Shopping.

Players in other sectors are following the case closely, and hoping that Vestager swoops in on other features such as maps, travel and job ads

where Google has yet to face push back from regulators.

More than 30 travel firms—including TripAdvisor and Expedia—wrote to Vestager on Monday complaining that Google was unfairly trying to enter the vacation rental ad business.

The EU has already said it was looking into Google's similar push into job ads.

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