

UK regulator urges new rules to rein in Google, Facebook

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In this March 25, 2015 file photo CEO Mark Zuckerberg gives the keynote address during the Facebook F8 Developer Conference in San Francisco. Britain's competition watchdog The Competition and Markets Authority took aim at the U.S. tech giants in a report Wednesday July 1, 2020, wanting new rules to foster competition in digital advertising markets and rein in the industry's dominant players, Google and Facebook. (AP Photo/Eric Risberg, FILE)

British regulators want new rules to foster competition in digital advertising markets and rein in the industry's dominant players, Google and Facebook.

The Competition and Markets Authority took aim at the U.S. tech giants in a [report](#) Wednesday that recommends the British government take a new regulatory approach to governing big digital platforms making money from online ads.

The authority said it was concerned that the two companies have developed "such unassailable [market](#) positions" that rivals can't compete on equal terms, resulting in higher prices for hotels, flights, electronics, insurance and other goods and services that are heavily advertised online.

Google and Facebook accounted for about 80% of the 14 billions pounds (\$17 billion) earned by the U.K.'s digital ad industry last year, the authority said.

After a yearlong review, regulators found that existing laws aren't up to the job of effectively regulating the country's digital ad markets. They're proposing a new "digital markets unit" with powers that would include ordering Google to share its data with rival search engines so they can improve their algorithms and limiting the search giant's ability to secure the default search engine position on mobile phones and browsers.

Under the new rules, Facebook could also be ordered to increase its ability to operate with other [social media platforms](#) and to let consumers choose whether to receive personalised ads.

Google supports "regulation that benefits people, businesses and society," said the company's vice president for UK & Ireland, Ronan Harris. "We'll continue to work constructively with regulatory authorities and Government on these important areas so that everyone can make the most of the web."

Facebook noted it faced "significant competition" from Google, Apple, Snap, Twitter, Amazon, and newer players like TikTok, and looked forward to "engaging with U.K. government bodies on rules that protect consumers."

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