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PRESS RELEASE FROM RESPUBLICA RELEASE TIME: Immediate

## Tech expert and ResPublica report author Tim Cowen, welcomes £3.8bn fine of Google by EU

Responding to the news that Google has been fined a record £3.8bn by the EU for illegal android strategy, Tim Cowen, a leading Tech expert and author of the ResPublica report "Technopoly" and what to do about it: Reform, Redress and Regulation, which set out a series of recommendations on improving competition in the sector commented:

"The Commission's decision shows that Google took a strategic decision to embed search and 'cement' it into Android mobile phones. It also shows that Google has been breaking the law for many years. How Google remedies the position is not specified. The seperating of Search and Chrome from Android looks to be mandatory and unrestricted access for third part apps to the Android platform to be needed to meet the Commission's charges. The record fine is a mark of the scale of the infringement. The law requires that Google put forward a remedy- the industry will now wait with baited breath to see what that remedy will be".

And commenting on the case for breaking Google up, he added: "Unbundling requires a policing mechanism and as with Google Shopping some degree of functional separation will be needed to police non-discriminatory access - the case for a greater functional separation of Google Search from other Google products is now stronger than ever."

**END** 

## Notes to editors

Following a 39-month <u>investigation</u>, the European Commission has finally announced its decision in the Android case, imposing a fine of €4.34 billion and requiring that Google bring an end to its infringing behaviour within 90 days or face penalty fines of up to 5% of the average daily worldwide turnover of their parent company, Alphabet.

The Commission's investigation and decision focused on three issues.

- First, Google required pre-installation of the Google Search and Browser (chrome) as a condition for licencing the Google app store (Play Store), which is an important marketplace for apps.
- Second, Google paid manufacturers to ensure that only the Google Search app was installed on devices.
- Third, Google obstructed the development of competing operating systems which
  could have provided a platform allowing for rival search engines to develop their
  offerings. Google prevented manufacturers wishing to pre-install Google apps
  from selling even a single smart mobile device running on alternative versions of
  Android that were not approved by Google (so-called "Android forks")

The Commissioner, Margrethe Vestager, stated that, through such conduct, Google had "used Android as a vehicle to cement the dominance of its search engine. These practices have denied rivals the chance to innovate and compete on the merits. They have denied European consumers the benefits of effective competition in the important mobile sphere. This is illegal under EU antitrust rules."

The Commission found Google to be dominant in three markets:

- the market for general internet search services (as was concluded in the <u>Google Shopping Decision</u>);
- the market for licensable smart mobile operating systems; and
- the market for app stores for the Android mobile operating system.

Google has announced it will <u>appeal</u> against the Decision. Read the Commission's press release <u>here</u>.

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The full report will be can viewed on the ResPublica website.

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