



EUROPEAN COMMISSION

PRESS RELEASE

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Antitrust: Commission seeks feedback on commitments offered by Google to address competition concerns

The European Commission invites comments from interested parties on commitments offered by Google in relation to online search and search advertising. The Commission has concerns that Google may be abusing its dominant position in the markets for web search, online search advertising and online search advertising intermediation in the European Economic Area (EEA). Google has made proposals to try to address the Commission's four competition concerns. Interested parties can now submit their comments within one month. The Commission will take them into account in its analysis of Google's commitment proposals. If the Commission concludes that they address its four competition concerns, it may decide to make them legally binding on Google.

The Commission's concerns

(see also [MEMO/13/383](#))

In March 2013, the Commission formally informed Google of its preliminary conclusion that the following four types of business practices by Google may violate EU antitrust rules prohibiting the abuse of a dominant position (Article 102 of the Treaty on the Functioning of the European Union – TFEU):

- (i) The favourable treatment, within Google's web search results, of links to Google's own specialised web search services as compared to links to competing specialised web search services (i.e. services allowing users to search for specific categories of information such as restaurants, hotels or products);
- (ii) The use by Google without consent of original content from third party web sites in its own specialised web search services;
- (iii) Agreements that oblige third party web sites ("publishers") to obtain all or most of their online search advertisements from Google; and
- (iv) Contractual restrictions on the transferability of online search advertising campaigns to rival search advertising platforms and the management of such campaigns across Google's Adwords and rival search advertising platforms.

The Commission considers at this stage that these practices could harm consumers by reducing choice and stifling innovation in the fields of specialised search services and online search advertising.

Google's proposals

To address these concerns, Google offers for a period of 5 years to:

- (i) - label promoted links to its own specialised search services so that users can distinguish them from natural web search results,
 - clearly separate these promoted links from other web search results by clear graphical features (such as a frame), and
 - display links to three rival specialised search services close to its own services, in a place that is clearly visible to users,
- (ii) - offer all websites the option to opt-out from the use of all their content in Google's specialised search services, while ensuring that any opt-out does not unduly affect the ranking of those web sites in Google's general web search results,
 - offer all specialised search web sites that focus on product search or local search the option to mark certain categories of information in such a way that such information is not indexed or used by Google,
 - provide newspaper publishers with a mechanism allowing them to control on a web page per web page basis the display of their content in Google News,
- (iii) no longer include in its agreements with publishers any written or unwritten obligations that would require them to source online search advertisements exclusively from Google, and
- (iv) no longer impose obligations that would prevent advertisers from managing search advertising campaigns across competing advertising platforms.

These commitments would cover the European Economic Area (EEA).

The proposals also foresee that an independent Monitoring Trustee will advise the Commission in overseeing the proper implementation of the commitments.

Additional detail on the proposed commitments can be found in the accompanying memo ([MEMO/13/383](#)). A summary will be published in the EU's Official Journal. The full version of the commitments is available on DG Competition's website at:

http://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=1_39740

Background on online search and advertising

For its general web search service (so-called "horizontal" search), Google has a market share of over 90% in the European Economic Area (EEA).

Google also operates specialised search services (so-called "vertical" search) alongside rival services. These are search engines which focus on specific areas, products or services. Examples include Google Shopping, which specialises in the search for products, Google Places, which specialises in the search for local businesses, Google News, which specialises in search for news or Google Flights which specialises in search for air travel directions.

Google also has a very strong position in the market for online search advertising. Website publishers can display on their own websites advertisements provided by Google ("AdSense for Search") or by rival search engines. Search engines earn money every time a user clicks on these search advertisements. Due to its profitability, search advertising is an important part of every search engine's business.

Online search advertising campaigns are highly complex in terms of the number of different parameters that need to be managed. Advertisers who want to use Google search ads use Google's AdWords platform. A number of tools have been developed in order to allow advertisers using AdWords to easily manage and transfer their search advertising campaigns to other search advertising platforms.

Procedural background

Article 102 TFEU prohibits any abuse by one or more undertakings of a dominant position within the internal market or a substantial part of it in so far as it may affect trade between Member States. Article 54 of the EEA Agreement contains the same prohibition for the territory of the EEA Contracting Parties (Iceland, Liechtenstein and Norway).

If following the market test, the commitments proposed by Google provide a satisfactory solution to the Commission's competition concerns, the Commission may adopt a decision to make them legally binding on Google (under Article 9 of the EU's antitrust Regulation 1/2003). Such an Article 9 decision does not conclude that there is an infringement of EU antitrust rules, but legally binds Google to respect the commitments offered. If a company breaks such commitments, the Commission can impose a fine of up to 10% of its annual worldwide turnover without having to find an infringement of the EU antitrust rules.

The Commission opened an investigation in November 2010 (see [IP/10/1624](#)). In the context of this investigation, the Commission is looking at 17 formal complaints against Google's business practices.

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