


Moment of truth for Google as record EU antitrust fine looms for Google's monopolistic abuse of politics and society

 By Foo Yun Chee

[Reuters](#)

 FILE PHOTO: Silhouettes of laptops and mobile devices are seen next to a screen projection of Google's logo in this picture illustration taken March 28, 2018. REUTERS/Dado Ruvic/Illustration/File Photo

[More](#)

By Foo Yun Chee

BRUSSELS (Reuters) - Google is set to face a record-busting EU antitrust fine this week over its Android mobile operating system but rivals hoping that an order to halt unfair business practices will help them may be disappointed.

The European Commission's decision, delayed by a week by U.S. President Donald Trump's visit to a NATO summit in Brussels last week, is expected on Wednesday.

It comes just over a year after the Commission slapped a landmark 2.4-billion-euro (\$2.8 billion) penalty on Google, a unit of Alphabet Inc, for favouring its shopping service over those of competitors.

The EU penalty is likely to exceed the 2017 fine because of the broader scope of the Android case, sources familiar with the matter have told Reuters.

The EU sanction comes in the midst of a trade conflict between the United States and the EU, which has hit back against U.S. tariffs on European steel and aluminium by targeting \$3.2 billion in American exports with higher duties.

European Commission President Jean-Claude Juncker will meet Trump in Washington D.C. on the trade issue next week.

The Android decision is the most important of a trio of antitrust cases against Google. With the company able to make its ads show up in more smartphone apps than any other tech rival, Google's app network has quietly become a huge growth engine.

The company's high payouts to app developers, coupled with its entrenched relationship with millions of advertisers, has turned Google into the main revenue source for many apps. Its Play Store accounts for more than 90 percent of apps downloaded on Android devices in Europe.

Its popularity in turn could mean an uphill battle for EU antitrust regulators seeking to level the playing field for Google's rivals by ensuring that users can download from competing app stores and that smartphone makers are free to choose pre-installed apps.

Regulators say Google has tilted the field in its favour by forcing smartphone makers to pre-install Google Search together with its Play Store and Chrome browser, sign agreements not to sell devices on rival Android systems and also pay smartphone makers to only pre-install Google Search on devices.

Google has denied the charges, saying that bundling search with its Google Play allows it to offer the entire package for free, and that smartphone makers and users have a wide choice.

Regulatory action is probably too late because of Google's entrenched position, said analyst Richard Windsor at research company Radio Free Mobile.

"Users in the EU are now completely accustomed to using Google services and have come to prefer them," he said.

"Hence, I think separating Google Play from the rest of Google's Digital Life services would have very little impact as users would simply download and install them from the store," Windsor said.

The Android case was triggered by a 2013 complaint by lobbying group FairSearch whose members at the time included competitors such as Oracle, Nokia and Microsoft.

(\$1 = 0.8538 euros)

(Reporting by Foo Yun Chee; Editing by Adrian Croft)