

It has been confirmed by the Court of Justice of the European Union that Google has abused its dominant position

12 November 2021, Budapest – The Court of Justice of the European Union upheld the EUR 2.42 billion competition supervision fine imposed on Google by the European Commission and at the same confirmed that the undertaking had abused its dominant position. This decision may have a reinforcing effect on similar competition authority investigations in Hungary as well.

The European Commission imposed a fine of EUR 2.42 billion on Google in the summer of 2017 due to the US-based undertaking favouring its own price-comparison service over those of its competitors, which infringed the law. This is due to the fact that the investigation revealed that the results of the product searches appeared in a more eye-catching manner on the website if they originated from Google's own service. Thus the undertaking, abusing its dominant position on the market of search engines, hindered competition for consumers among price comparison shopping services. The infringement identified affected 13 countries in the European Economic Area, which did not include Hungary.

Google submitted an appeal against the Commission's decision; this is the case in which the EU court proceeding has just been concluded. The Court of Justice of the European Union mostly dismissed the action brought by Google (and its parent undertaking) in its decision dated 10 November 2021, meaning that it confirmed the fact that the practice in question infringed the law and upheld the fine imposed. The judicial forum was of the opinion that the Commission was correct in establishing the negative effects of Google's behaviour on competition. This is because a significant portion of the traffic to price comparison services generates through Google's search engine and users generally concentrate on the first few results; therefore, relegating competitors down on the list may have weakened competition on the relevant market.

The Hungarian Competition Authority (GVH) is currently conducting a similar investigation in order to establish whether the California-based undertaking is favouring its own services in a manner that infringes the law by using the so-called lyrics cards that appear when song lyrics are entered into Google's search engine. This is due to the fact that when searching for songs and lyrics, the undertaking displays its own lyrics viewing service above the organic search results and thus the links to relevant websites when users search for songs and lyrics with the help of its search engine.

Similarly the European Commission, the GVH also pays special attention to investigating the behaviour of technology giants, which are able to influence the interests and situation of a significant number of consumers and undertakings. The Authority has already specified obligations for Google in the past, and it is currently investigating the behaviour of Viber, which belongs to the Rakuten Group, in connection with the Allo chat client, as well as TikTok, a service operated by ByteDance.

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