

Google Bias EXPOSED, Faces EU Antitrust Authority

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Mega IT Search Engine Corporation, Google, faces an EU anti-trust investigation for calculated bias in search results. IT experts have been following Google's inept backgrounding algorithms for some time; this confrontation was inevitable and it couldn't have happen to a more deserving Corporation.



Google, in typical megallo-monopolistic mode, imagined it could control available information - including digitising all books from libraries. Google is well aware of the IT adage, 'he who controls information controls everything' -- including other Corporations and GOVERNMENTS. Google's outrageous and provable bias is finally exposed.

Report from the NYT follows:

Europe Opens Antitrust Inquiry Into Google

BRUSSELS -- Europe opened a formal antitrust investigation on Tuesday into accusations that Google had abused its dominance in online search, exposing the company's zealously guarded technology to unwelcome scrutiny.

The investigation by the European Commission follows complaints from smaller Web businesses, which claim that Google downgraded their sites in its search results to weaken potential competitors for advertising. The commission said it would also look into whether Google might have given its Web services "preferential placement" in search results.

"Rigorous competition of all players, including smaller and innovative ones, must be preserved for the future," Joaquín Almunia, the competition commissioner, told members of the European Parliament. He added, however, that the decision to upgrade the investigation from a preliminary inquiry that was started this year did not mean "that there is definitely a problem."

Google's dominance on the Internet has been a sore point in Europe, where it controls more than 80 percent of the online search market, compared with about 66 percent in the United States, according to comScore, a research firm.

Google already faces antitrust inquiries, as well as investigations of its privacy and copyright protection policies, in several European countries. In addition, other American companies have fought lengthy legal battles with European regulators in the past.

In a statement, Google said it had strived to “do the right thing by our users and our industry.”

“But there’s always going to be room for improvement,” the company said, “and so we’ll be working with the commission to address any concerns.”

A spokeswoman for Mr. Almunia, Amelia Torres, said the commission had notified the Justice Department in Washington about the investigation. Authorities in the United States have been examining Google’s acquisitions and actions for indications that its market power may be anticompetitive but have not brought any formal proceedings. Google had been eager to avoid a formal investigation in Brussels after watching other American technology companies, like Microsoft and Intel, battle the antitrust authorities there for years. The European Commission’s moves in antitrust matters are often followed up by American regulators at the state or federal level.

“I think we’ve all seen this movie before in the case of Microsoft,” Keith Hylton, a professor at the Boston University School of Law, said in an e-mail.

Google has become a powerhouse on the Internet by helping publishers offer Web advertising space, as well as by selling search-related ads, which appear as “sponsored links” alongside the so-called natural search results.

The commission investigation stems from complaints by three companies: Foundem, a British price comparison service; Ciao, a price comparison service in Germany owned by Microsoft; and eJustice, a French legal search tool. People with direct knowledge of the case, who were not authorized to comment publicly, said at least one additional complaint had been filed.

Foundem said that it suffered big financial losses when Google downgraded it in search results and that Google unfairly favored its other online services, which include mapping, translation and video .

The commission said it would also examine whether Google lowered the “quality score” of competing search services, making it more expensive for them to buy sponsored links.

In addition, the investigation will look into whether Google imposed exclusivity obligations on Internet companies that use Google’s advertising systems, preventing them from placing ads from Google rivals on their Web sites.

In response, Google said AdSense, its program for advertising partner sites, stopped using exclusive contracts two years ago. The company says that when it downgrades a company in its search rankings, it is often because such sites merely duplicate content from other sites, making them less useful to consumers.

“We built Google for users, not Web sites, and the nature of ranking is that some Web sites will be unhappy with where they rank,” Google said.

The company says its high share of searches does not equate to a position of dominance on the Internet because of the rise of companies like Facebook and Twitter, which, like search, also serve as a source of links to other Web sites.

Google has highlighted the role of its rival Microsoft in the antitrust complaints against it, noting its ownership of Ciao and the membership of Foundem in a Microsoft-

sponsored lobbying group in Brussels, called Icomp.

European officials did not regard the current crop of complaints as sufficient to take immediate action against Google, according to people with direct knowledge of the investigation, who spoke on condition of anonymity because they were not authorized to comment publicly.

The opening of the formal investigation allows officials to send detailed questionnaires to companies doing business with Google, as well as competitors, and to demand that they provide answers in similar detail. The commission wants companies to come forward with any information about possible competitive abuses by Google, while shielding them from fear of retaliation by Google, according to the people with knowledge of the inquiry.

Jacques Lafitte, who represents eJustice, said that responses by other companies to the questionnaires could enlarge the scope of the investigation.

He said that any company that currently has a large exposure to the Internet “has, one way or the other, a serious problem with Google.”

Ms. Torres said investigators could reach a preliminary conclusion about whether Google has violated European competition law over the course of next year, and possibly within “a few months,” Ms. Torres said.

If Google is found in violation of European competition law, the commission has the power to fine it up to 10 percent of its annual revenue, which totaled more than \$23 billion last year.

Before settling last year, Microsoft had paid fines of about \$2.4 billion over the past decade in a long-running antitrust case in Brussels that focused on the Windows operating system.

In another case, the commission fined Intel about \$1.45 billion for abusing its dominance in the computer chip market. Intel has appealed that decision to an European Union tribunal.

James Kanter reported from Brussels and Eric Pfanner from Paris.

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