

Google's vertical boxes in search results breach EU gatekeeper rules, rivals say

28 Nov 2023 | 15:46 GMT | **Insight** By <u>Tono Gil</u> and <u>Lewis Crofts</u>

Google should remove "all boxes" from its general search results to comply with EU gatekeeper rules that prohibit Big Tech firms from self-preferencing its own services, digital associations said in a joint paper today. Embedding services such as Google Shopping, Translate, Flights or Hotels into the search page is driving competitors out of the market, they said. Google has been testing compliance options and sharing them with third parties, but these don't include the removal of verticals from general search results, MLex understands.

Google should remove "all boxes" from its general search results to comply with EU gatekeeper rules that prohibit Big Tech firms from self-preferencing its own services, digital associations said in a joint paper today.

These boxes — known as verticals — include Google Shopping, Translate, Flights or Jobs, which specialize in a particular type of search or service.

According to the Internet Economy Foundation, France Digitale, the Italian Tech Alliance and the German Startups Association, Google is using its dominant general search service "to enter new markets by boosting its new products and services under the guise of helping consumers."

Through the introduction of these boxes, Google gains market share in relation to its competitors until they're driven out of the market, according to the paper (see <u>here</u>).

The EU's Digital Markets Act, which targets Google Search among other platforms, includes an obligation not to "treat more favorably, in ranking and related indexing and crawling, services and products offered by the gatekeeper itself than similar services or products of a third party."

Google outlined plans to comply with this rule in a workshop organized by the European Commission last year. It wasn't planning on removing these boxes from its search results, but rather on modifying them to make them equally available for their competitors (see <u>here</u>).

It is understood to have led further workshops with comparison sites and merchants, in an attempt to flesh out its compliance steps.

The organizations signing the paper said that to ensure DMA compliance, gatekeepers must "remove all boxes or widgets from their general search results page on both desktop and mobile that contain results or information specialized in a certain topic, and refrain from creating any equivalent groupings of specialized content in the future."

These include Google boxes for online intermediation services such as Shopping, Flights, Hotels and Google for Jobs, but also other services, such as Google Translate, which could be favored to the detriment of other translation services, they say.

The commission is also conducting a market investigation to decide whether Microsoft's search engine Bing should be subject to the DMA. If it were, Bing's shopping box should also be removed from the general results, according to the paper.

Google has been testing compliance options and sharing them with third parties, but these don't include the removal of verticals from general search results, MLex understands.

Earlier this month, a group of 30 price-comparison websites including Idealo and Kelkoo wrote to the commission, complaining that recent changes to the Google Search engine had made competition in the sector worse (see <u>here</u>).

Some merchants have sought to distance themselves from the demands of price-comparison sites, concerned that greater prominence for such sites will be detrimental to merchants and will lead to higher costs.

Downloaded on 04 Dec 2023 by gil@mlex.com

Redistribution authorized in accordance with User Terms in the MLex General Terms of Business. Copyright © 2023 MLex Limited



- National litigation -

Third parties can also resort to national courts to seek an effective implementation of the EU law.

Albrecht von Sonntag, chief executive of the German price comparison platform Idealo, said today in a press briefing that if the commission allowed Google's boxes to remain in the search page, the firm could consider bringing the matter to a national court.

Gatekeepers have until March 7, 2024 to comply with the list of dos and don'ts of the DMA, including its ban on self-preferencing.

Please email <u>editors@mlex.com</u> to contact the editorial staff regarding this story, or to submit the names of lawyers and advisers.

Related Portfolio(s):

Digital Markets Act - Alphabet - Gatekeeper status (EU) Digital Markets Act - Microsoft - Gatekeeper status (EU)

Areas of Interest: Antitrust

Industries: Communication Services, Information Technology, Interactive Media & Services, Media & Entertainment,

Software and Services

Geographies: Europe, European Union Member States

Topics:

Antitrust remedies e-Commerce