

Hausfeld Clients Succeed with Complaints against Alphabet's Google before EC: € 2.4 BN Fine

Related Lawyers: **Michael D. Hausfeld, Anthony Maton, Prof. Dr. Thomas Höppner, Nicola Boyle, Anna Morfey, Laurent Geelhand, Stella Gartagani, Lesley Hannah**

Related Practice Areas: **Competition Litigation**

3 July 2017: The European Commission has imposed on Google a record-breaking fine of € 2.42 billion (\$ 2.75 billion) for abuse of dominance as a search engine by granting preferential treatment to its comparison-shopping service, Google Shopping. Hausfeld has been representing four formal complainants in the investigation, which has taken 7 years to conclude.

The EU competition authority launched the investigation in 2010, following a complaint from Foundem, a UK-based vertical search service. Two German press publishers' associations, BDZV and VDZ, were also early complainants in the investigation. In 2013 and 2014, under the previous Competition Commissioner, Joaquín Almunia, the Commission was close to concluding a commitments decision with Google. Based on the evidence provided by the complainants, however, the Commission ultimately rejected all three sets of commitments offered by Google, paving the way for a formal prohibition decision under the new Commissioner, Margrethe Vestager.

In addition to imposing the highest fine ever in a competition case, the Commission ordered that Google stop any illegal preferential treatment of Google Shopping within 90 days. In particular, Google must respect the "simple principle of equal treatment in its search results" (EU, MEMO/17/1785). The landmark decision is precedential, and it will set the framework for all of Google's present and future activities in Europe.

"Market abuse in the technology area is fast becoming the greatest concerns for competition authorities across the globe. The European Commission decision involving Google's search practices is a milestone in the efforts to regulatory authorities to restore and maintain integrity in the digital economy. We are committed to assuring that competition enforcement is addressed and secured in all aspects public and private so that such misconduct is deterred and its victims restituted for market manipulations. This is just the beginning of a necessary vigilant oversight in this significant economic setting." said Chairman Michael D. Hausfeld.

Anthony Maton, Nicola Boyle and Anna Morfey represent the lead complainant Foundem in its related civil claim for damages against Google before the London High Court, which will now move forward relying on findings in the Commission decision.

Dr. Thomas Höppner, partner in Hausfeld's Berlin office, has represented the two early complainants, BDZV and VDZ, since 2009. In 2012, he also submitted a complaint in the same case on behalf of comparison-shopping service Visual Meta, a subsidiary of Axel Springer. In 2015, Dr. Höppner submitted a third complaint on behalf of the Open Internet Project (OIP), an association of over 400 European companies, making him one of the most active lawyers in the investigation. In addition, Hausfeld is representing the Centre of the Picture Industry (CEPIC), European press publishers, and the OIP in further investigations against Google that are still pending. Following the decision of 26 June, Hausfeld's Berlin office is also preparing further follow-on damage claims on behalf of price-comparison services throughout Europe.

About Hausfeld

Hausfeld is a leading global law firm with offices in Berlin, Boston, Brussels, Dusseldorf, London, New York, Philadelphia, San Francisco, and Washington, DC. The firm has a broad range of complex litigation expertise, particularly in antitrust/competition, financial services, sports and entertainment, environmental, mass torts, consumer protection, and human rights matters, often with an international dimension. Hausfeld aims to achieve the best possible results for clients through its practical and commercial approach, avoiding litigation where feasible, yet litigating robustly when necessary. Hausfeld's extensive experience with alternative and innovative fee models offers clients a diverse menu of engagement options and maximum flexibility in terms of managing their cost exposure. Hausfeld is the only claimant firm to be ranked by the Legal 500 and Chambers & Partners as a top tier firm in private enforcement of antitrust/competition law in both the United States and the United Kingdom.

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