Google is staring down the barrel of another massive fine for abusing the world. It could rip the company apart



Google CEO Sundar Pichai. Greg Sandoval/Sundar Pichai

GOOG Alphab Non Vtg-C

1,136.88 -2.78 (-0.20 %)

Disclaimer

Get real-time GOOG charts here »

- Google is reportedly going to be hit with a second major penalty from European competition regulators over antitrust.
- Google is accused of forcing smartphone makers to preinstall services such as Google search with its Android operating system.
- The timing couldn't be worse for Google given the growing global appetite to break up big tech and it might be forced to unbundle Android from its search business.
- This could be Google's Microsoft monopoly moment.

Google is staring down the barrel of its own Microsoft moment.

The search giant may be hit with another massive fine from the EU in an antitrust case that involves its popular Android operating system.

According to reports in The Financial Times and Politico, European competition commissioner Margrethe Vestager will announce her decision on the case in July. The Financial Times reported that the finding would be negative, meaning Google faces paying a substantial fine.

Politico reported that the fine could be larger than the €2.4 billion (\$2.8 billion/£2.1 billion) Google had to cough up to the EU this time last year in a separate antitrust case.

European Competition Commissioner Margrethe Vestager. REUTERS/Francois Lenoir
But the case could have bigger implications beyond just a fine,
thanks to the echoes of Microsoft's antitrust troubles in the
1990s.
ADVERTISEMENT

In Google's case, European competition officials have been investigating Google for allegedly using Android to skew the market against competitors. Tactics included requiring smartphone manufacturers to pre-install Google Search and Google Chrome browser in order to also access the Google Play app store.

These demands gave Google an advantage and hamper user choice, according to the European Commission. Android is also the dominant mobile software globally.

The Android mascot. Mark Blinch/Reuters It has echoes of Microsoft's situation some 30 years ago. In 1998, Microsoft had the most popular operating system in the world with Windows. It was also bundling the Internet Explorer browser and its Media Player with the operating system.