

# Google sued for \$2.3bn by European media groups over digital ad losses

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Author: Unknown

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Alphabet's Google was hit with a €2.1bn (\$2.3bn) lawsuit by 32 media groups including Axel Springer and Schibsted on Wednesday, alleging that they had suffered losses due to the company's practices in digital advertising. The move by the groups – which include publishers in Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Finland, Hungary, Luxembourg, the Netherlands, Norway, Poland, Spain and Sweden – comes as antitrust regulators also crack down on Google's ad-tech business. "The media companies involved have incurred losses due to a less competitive market, which is a direct result of Google's misconduct," a statement issued by their lawyers, Geradin Partners and Stek, said. "Without Google's abuse of its dominant position, the media companies would have received significantly higher revenues from advertising and paid lower fees for ad tech services. Crucially, these funds could have been reinvested into strengthening the European media landscape," the lawyers said. They cited the French competition authority's €220m fine against Google on its ad-tech business in 2021, as well as the European Commission's charges last year to buttress their group claim. "If there is follow through to the regulatory scrutiny, Google may need to curtail its practices and provide more consistent, predictable pricing to its advertising customers," DA Davidson & Co analyst Gil Luria said. The lawsuit comes at a time when Google's core advertising business is facing an existential threat from the shift to generative AI chat, Luria added. In a statement, a spokesperson for Google said the company opposes the lawsuit, adding that it is "speculative and opportunistic". "Google works constructively with publishers across Europe. [Our advertising tools] adapt and evolve in partnership with those same publishers." Google last year said it disagreed with EU antitrust charges against its ad tech business where it is involved in both the buy-side as well as the sell-side of the supply chain. Publishers around the world have in recent years lamented Big Tech's increasing dominance in advertising as their share of revenues fall. Google is the most dominant digital advertising platform in the world, according to analysts. The group said they filed the lawsuit in a Dutch court because of the country's reputation as a key jurisdiction for antitrust damages claims in Europe, and to avoid multiple claims in different European countries. Others in the group include Austria's Krone, Belgian groups DPG Media and Mediahuis, Denmark's TV2 Danmark A/S, Finland's Sanoma, Poland's Agora, Spain's Prensa Iberica and Switzerland's Ringier.