Let’s clear up a couple of things about Europe.....
For disclosure, I have advised multiple players in the digital space generally, including adverse to Google on Android and multiple other matters in Europe, and elsewhere, as well as work for Apple, Amazon, Microsoft, Uber, Netflix, Newscorp and multiple others. I am also advising regulators.
1. We *really* don’t care about the concentration/margins debate

Posture around “need to tighten up enforcement” has *nothing to do* with macro measures of increasing concentration (and margins)

We *know* there’s controversy over measurement but most importantly multiple factors drive this, rise of superstar firms etc) – *not just lax antitrust*

Debate is a *total straw man*

Two main factors at play:
- anxiety over large digital platforms
- direct evidence of multiple sectors going from 6 to 5 to 4 to 3 to 2 and no sign of efficiency or benefits (telco, cable, pharma, agrochem, chemicals etc.)
2. We **have** been ahead of the game...

**DC, March 27 2019**

**“The ABA Fringe”: Are the Europeans Creating Momentum in Digital Enforcement?**
...rather than in denial

The alleged seven deadly sins of tech

1. Competition
2. Innovation
3. Acquisitions
4. Entry
5. Switching cost
6. Entry barriers
7. Size

Seven deadly sins or seven heavenly virtues?

1. Competition: high
2. Innovation: high
3. Acquisitions: small
4. Entry: easy
5. Switching cost: low
6. Entry barriers: low
7. Size: appropriate
3. The cases are good (even though the remedies suck)

Google abuses dominance as search engine to give illegal advantage to “Google Shopping”

Google promotes Google Shopping by placing it at the top

Google shows rival comparison shopping services much lower in results, where consumers do not see them

Antitrust: Commission fines Google €4.34 billion for illegal practices regarding Android mobile devices to strengthen dominance of Google’s search engine

Brussels, 18 July 2019

Google’s mobile web dominance raises competition eyebrows

Media groups and software developers warn that the upcoming Android fine is already yesterday’s news.

By MARK SCOTT | 6/19, 9:00 AM CET | Updated 4/19/19, 2:11 AM CET

Google’s job-search dominance demands EU interim measures, rivals claim

By Michael Acton and Lewis Crofts on 13 Aug 19 | 09:31 GMT

Yelp files new EU complaint against Google over search dominance

Company urges Brussels to launch new charges against internet group
Focus on “self-preferencing”, data accumulation and use, concerns about use of third party sellers’ data to launch “copycat” products.

Ex-post case/fine re misinformation in WhatsApp notification.

Formal case opened on data use and privacy.

Concerns about “Apple Tax” and whether this undermines services (e.g. Spotify) which compete with Apple’s own apps/services.
**BUT NOTE:** what we are NOT saying

- We don’t have “tech envy” in Europe
- We don’t do this to protect competitors
- We absolutely understand the economics:
  two sidedness, network effects, economies of scale and scope, “free” paradigm on the user side which requires monetisation on the other side. **Got it.**
- We understand not all digital platforms are the same and don’t worry about all of them: we don’t “have a problem with tech”.
- We understand Google, FB, Amazon are where they are because the product is good, they innovate a lot, they integrate lots of complements and scout talent (startups) that may otherwise fail to execute
- We understand that rivals should go get their own data and there are multiple ways to generate “some” data
4. Regulation coming super fast down the pipes

Calls for various **specialist agencies/bodies to be created** - a “digital market unit”, or a “digital agency”, or a special tribunal – either standalone or as a subset of an existing agency

“**Codes of conduct**” to be agreed between multiple parties (digital companies and major constituencies of business users) and umpired/facilitated by digital agency or regulator

**ONLINE & DIGITAL MARKET STUDY INTERIM REPORT**

**Platform regulation at the EC level...**
5. Can it all go horribly wrong? Geopolitics and industrial policy

“Europe’s second chance at becoming a world leader on tech”…
All about IoT and French/German industry in post-Brexit reality…
“Digital sovereignty! Digital autonomy!”