

Russia's Anti-Monopoly Watchdog Threatens to Fine Google

By [The Moscow Times](#)

September 14, 2015



Google's total 2014 revenue stood at \$66 billion.

Russia's anti-monopoly agency said Monday that Google Inc was abusing its market position in the country and would face penalties, in a case launched by local competitor Yandex.

The Federal Anti-Monopoly Service (FAS) said Google had violated the law by pre-installing certain applications on mobile devices and could face penalties totaling up to 15 percent of its 2014 revenue in this part of the Russian market.

FAS declined to specify the revenue in question, saying it was a trade secret, but said it would decide on the exact value of the fine after Sept. 28. It added Google must then pay and change its ways, or risk more fines if violations continue.

Google Russia said it would analyze the decision and declined further comment until then.

Shares in Yandex, which rivals Google as Russia's biggest Internet search engine, rose as

much as 9 percent before stabilizing around 7 percent higher.

Yandex, which filed a complaint against Google with FAS in February, welcomed the decision.

"We believe the FAS decision will serve to restore competition on the market," the company said.

It added the complaint included the practice of bundling applications from the Google Mobile Services with the Google Play store, requiring pre-installation of the Google search engine as the default one, and giving Google application icons preferential placement on the screen of mobile devices.

"In addition, the investigation confirmed the existence of agreements prohibiting the pre-installation of competitors' apps," Yandex said.

Yandex is ahead of Google in Russia but has seen competition stiffen in mobile phones as consumers have adopted Android-based handsets that come pre-loaded with Google products that compete directly with Yandex applications.

Google's total 2014 revenue stood at \$66 billion. The company's website does not provide a separate revenue figure for Russia, or the exact segment involved in the case.

Analysts at App Annie say Russia was Google's No. 4 market in the world in the second quarter of 2015 in terms of Google Play downloads.

The European Union is conducting its own antitrust case against Google.

Original url:

<https://www.themoscowtimes.com/2015/09/14/russias-anti-monopoly-watchdog-threatens-to-fine-google-a49547>