

## **Competition Proceeding against Google is closed with Commitment Decision**

**The Hungarian Competition Authority (Gazdasági Versenyhivatal – GVH) investigated the communications practices of Google LLC (Google) in relation to its ‘Internet and applications’ services ‘personalisation of advertisements’, and its data processing of ‘Allo’ chat clients and encryption among chat clients termination points.**

The GVH investigated whether consumers had received the information necessary to be able to make well-established decisions about the data processing activity of Google, which is an essential aspect of Google’s products. The GVH did not assess the communication practice of Google’s products from a data protection point of view, but instead analysed whether the data processing practice was carried out in compliance with the applicable rules and regulations. Namely, the rights of consumers to make undistorted business decisions may be violated even if data protection rights are properly observed, if consumers are not supplied with information which would be necessary to make well-established decisions (or not supplied timely with correct information, or supplied timely with misleading information, or the information is not clear enough).

As regards to its communications practice concerning the data processing of applications – relating to one of the behaviours of Allo chatclients – the GVH obliged Google to fulfil the voluntary commitments it had undertaken. While the GVH did not consider it well founded to terminate the proceeding and to state a lack of infringement, it reached the conclusion that – concerning the communications in the context of the data processing of Allo – a potential violation may be efficiently remedied by the commitment package submitted by Google, thereby enabling the protection of the public interest to be guaranteed.

The GVH objected to the fact that Google had not provided direct information about other Google products and about the processing of consumers’ data in the advertisement, installation and application of Allo chatclients (which may be used irrespective of other Google accounts), which may be necessary to enable consumers to make well-established decisions. By not providing this information, consumers are not fully informed about the characteristics and nature of the product and about the price of the application.

The commitments undertaken by Google require it to set up a page on the data processing of Allo under the ‘Allo Help’ website, which will be accessible both from the installation process description of Allo and from the description available in AlloGooglePlay and iOSAppStore. Google undertook to draft this page in plain language and in a balanced manner, i.e. not exaggerating or diminishing the decision-

making options, rights and potential obligations of consumers. Furthermore, it has also undertaken that in the descriptions of the webstores this information will be easily accessible, without long scrolling, in the first paragraph of the texts, immediately following the introductory paragraph.

In accordance with the commitments, Google is obliged to send the hyperlink of the data management's sub-page within the application of Allo to the users of the product in Hungary. In addition, in the fourth quarter of 2018 it must publish a one-day graphical educational banner on its YouTube channel highlighting that Google collects and handles consumers' personal data and recommending that consumers review the privacy policies and settings.

Google has also undertaken to verify that it has implemented the above-stated measures, and also that the information will not be communicated in a less noticeable way and that it will not reduce the awareness level of consumers in the future.

The GVH considered the commitments submitted by the undertaking in accordance with Article 75 of the Hungarian Competition Act and Notice No. 6/2014 of the President of the GVH and the Chairman of the Competition Council on commitments made in procedures initiated in connection with an alleged infringement of the prohibition of unfair business-to-consumer commercial practices.

The GVH found that the other conduct of the undertaking – the statement concerning encryption between termination points – which was investigated in connection with Allo chat client, did not amount to an infringement of competition law. The GVH has also terminated its competition supervision proceeding regarding the commercial practice related to the data management of new Google features.

According to the GVH, the commercial practice that has been modified as a result of the submitted commitments extends beyond this immediate case, as it not only affects the information provided in Hungarian: the data management subpage will be translated in 44 languages at the same time, furthermore the undertaking can reach a larger Hungarian group of consumers with the general, data protection themed educational banner, than the users of Allo chat client.

Case number: **Vj/88/2016**

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Hungarian Competition Authority

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