

REUTERS

Google-DoubleClick deal likely to win EU go-ahead

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-By David Lawsky - Analysis

BRUSSELS (Reuters) - European regulators are likely to approve Google's \$3.1 billion takeover of ad firm DoubleClick, despite rivals' worries the deal could squeeze them and make Web advertising more expensive.

The European Commission, tasked with preserving competition in the 27-country European Union, is about to decide whether it will express serious doubts about the deal, which would combine Google's dominance in pay-per-click Internet advertising with DoubleClick's market-leading position in display ads.

But Commission-watchers on both sides say after the deal won U.S. approval in December, Brussels is likely to follow suit: for 6 years it has given the green light to every all-U.S. merger that passed muster in Washington.

A lawyer acting for a client concerned about the deal said it was "disappointing but true" that the Commission had not sent Google a "statement of objections" -- a formal outline of its problems with the deal.

"If they had serious doubts, we're at the point where ... if you don't send (such a statement), you don't have time to complete the case," the lawyer said.

Given the EU watchdog's track record, critics can at best hope for some conditions to safeguard competition. The Commission will make its final decision by April 2.

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But rivals say DoubleClick knows where they sell ads and for how much and that if Google owned DoubleClick, it would have that sensitive proprietary information.

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