

## Report on Supply Chain Compliance Volume 3, Number 14. July 23, 2020 German court rules Facebook illegally harvested data

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Germany's top court <u>reversed a decision<sup>[1]</sup></u> by an appeals court, stating that there is no doubt that Facebook enjoys a dominant position in the market and also no doubt that Facebook abuses that position. The ruling is decisive and will most likely lead to stricter regulations governing how data are collected and used. The ruling also means that Facebook is on the losing end of an antitrust investigation, which brings up important questions regarding competition and data sharing across multiple platforms. Facebook has vowed to keep fighting, which may include appealing to the European Court of Justice.

The European Union has been aggressively targeting big tech companies for a wide variety of alleged violations, including antitrust action against <u>Amazon and Google</u>, <sup>[2]</sup> data breaches and violations of data privacy—not to mention GDPR, the landmark data privacy regulation that went into effect in 2018. This latest ruling by the German courts demonstrates the European Union's willingness to take on Big Tech and rein in what it sees as excessive data collection at the expense of privacy and competition.

<u>1</u> Adam Satariano, "Facebook Loses Antitrust Decision in Germany Over Data Collection," *The New York Times*, June 23, 2020, <u>https://nyti.ms/390KNbb</u>.

<u>2</u> Elizabeth Schulze, "If you want to know what a US tech crackdown may look like, check out what Europe did," CNBC, June 7, 2019, <a href="https://cnb.cx/32rTgmy">https://cnb.cx/32rTgmy</a>.

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