



24.10.2024

NOTICE TO MEMBERS

Subject: Petition No 0579/2024 by C. G. (German) on the allegedly anti-competitive practices of large technology companies

1. Summary of petition

According to the petitioner, the requirement for Microsoft Word's Autosave feature to work exclusively with OneDrive and SharePoint can be perceived as anti-competitive. This requirement directs users towards Microsoft's cloud services, potentially limiting choices for consumers and competitors. Users seeking alternatives might view this as a strategy that restricts interoperability with other cloud providers, thereby reinforcing Microsoft's market position in cloud storage and collaboration tools. The petitioner argues that the Autosave feature in Word, being anti-competitive, might violate provisions of the EU competition law, particularly Article 101f of the TFEU. Furthermore, the petitioner suggests that this might be just one of many company policies used by market leaders to maintain their dominance. The petitioner notes that for large corporations, compliance often remains an opportunity calculation. Therefore, the petitioner calls on the European Parliament to discuss increasing payment obligations in case of violations to ensure better adherence to competition laws.

2. Admissibility

Declared admissible on 1 October 2024. Information requested from Commission under Rule 233(5).

3. Commission reply, received on 24 October 2024

The European Commission recognises the importance of competitive and innovative cloud and digital markets for the European economy and remains vigilant regarding possible cloud-related competition law infringements and stands ready to intervene in appropriate cases.

It is with a view to ensuring that all European consumers and businesses can reap the benefits

of the development of the digital economy that, following complaints by European cloud service providers, the Commission received complaints regarding Microsoft's practices related to the cloud storage sector that it investigated. The complainants alleged that Microsoft's practices aimed at favouring the use of its own cloud storage service, OneDrive, over other cloud storage services, including by reserving the AutoSave feature used in applications such as Microsoft Word, Excel, and PowerPoint to OneDrive customers.

With specific regard to the Autosave feature, Microsoft has introduced some changes since the Commission received and investigated the above-mentioned complaints. On 24 August 2022, Microsoft announced that, as of autumn 2022, it would enable third-party storage service providers fulfilling specific requirements to achieve a higher degree of integration with its software. More specifically, Microsoft invited all interested parties to reach out to determine whether they can join the Cloud Storage Partner Program Plus ("CSPP+"). Those admitted to the programme could then integrate deeper with Microsoft's software to enable their users to co-author in real time in Word, Excel, and PowerPoint, including by using the Autosave feature.

Conclusion

The Commission actively monitors the cloud sector, including Microsoft's practices linked to its cloud storage offerings, and will not hesitate to act if there is merit in a case. Furthermore, the Commission assessed the adequacy of its fines in the context of the evaluation of Regulation 1/2003 (https://competition-policy.ec.europa.eu/antitrust-and-cartels/legislation/regulation-12003_en).