

CMA response to the Lords Communications and Digital Select Committee's '[Future of News: impartiality, trust and technology](#)' inquiry report and recommendations.

Recommendation

The Competition and Markets Authority should investigate and address tech firms leveraging dominance in one domain, notably internet search, to secure anti-competitive advantages in obtaining data for generative AI training. We suggest this should be an immediate priority given the pace of market developments and impacts on news media business models

1. We agree with the Committee's prioritisation of the importance of internet search for investigation. We also agree that there are potential concerns around the anti-competitive leveraging of market power from internet search into other areas, including the training of generative AI, and the importance of this for the news sector. On 14 January the CMA launched its [first strategic market status \(SMS\) designation investigation](#) which will assess Google's position in search and search advertising services and how this impacts consumers and businesses including news publishers, advertisers, and rival search engines.
2. In parallel to considering whether to designate Google, we will investigate whether to impose rules – Conduct Requirements – on Google to address existing issues we find or protect against it exploiting its strong position in the future.
3. One of the broad sets of issues we are investigating is whether Google can leverage market power from general search into other areas in a way which limits competition from rivals and leads to worse outcomes for consumers and businesses. This will include considering whether Google is able to exploit its position in search to avoid giving publishers – including news media businesses – control over how their content is used in its AI services.
4. Google's services have generated significant benefits in the UK. Its search services are a gateway through which millions of people and businesses access and navigate the internet. In the UK, Google accounts for more than 90% of all general search queries, and more than 200,000 UK advertisers use Google's search advertising. Search is vital for economic growth. It facilitates businesses connecting with each other, with investors, and with their customers. And it generates a wealth of data that can be used to develop new AI products and services to foster innovation.
5. Given the importance of search as a key digital service for people, businesses and the economy, it is critical that competition works well. Effective competition ensures people benefit from greater choice, and new and innovative services, and have control over their data. Search services are also important as a route to access the news. Effective competition could help ensure that people can access a wide range of content and that publishers are treated fairly for the use of their content.
6. The CMA has been concerned since our 2020 'Online Platforms and Digital Advertising Market Study' that news publishers may face an imbalance of bargaining power with large tech platforms, namely Google and Facebook, which have become an increasingly important

gateway through which consumers access content online. As part of this work, news publishers told us that they face a range of issues in their interactions with tech platforms including a lack of transparency, control and fair payment for content.

7. Our 2022 [Joint Advice to Government with Ofcom](#) set out how the government's proposed 'pro-competition regime for digital markets' might allow the CMA to address some of these issues by setting rules on the conduct of tech platforms towards news publishers.
8. In preparation for the commencement on 1 January 2025 of the digital markets competition regime, we continued to engage with UK news publishers to understand how the issues they face have evolved with the introduction of new technologies such as generative AI.
9. We are only at the start of our SMS investigation into Google's general search services and are not pre-judging any outcomes. We recognise the live debate in industry on these issues and will be engaging widely throughout the course of our investigation with both Google and third parties including news media. We also note that, as the scope of the digital markets competition regime is defined to only focus on the largest tech platforms, it is less suitable for addressing cross-market concerns about the scraping of content from news websites by AI companies.
10. We are open to hearing more about the concerns highlighted by the Committee, and are asking for responses to our [Invitation to Comment](#) by 3 February 2025.

Recommendation to DRCF

11. As part of its Report, the Committee recommended that the DRCF "establish a dedicated workstream examining areas of regulatory crossover, conflict and collaboration that will affect the news sector – focusing in particular on privacy, advertising and competition". The CMA notes that Ofcom has provided a response to the Committee on this recommendation on behalf of the DRCF regulators.