By AOIFE WHITE, AP Business Writer
2 hours, 28 minutes ago

BRUSSELS, Belgium - Europe's major consumer group BEUC said Wednesday that it feared Internet search engine Google Inc.'s takeover of online ad tracker DoubleClick Inc. would damage European Union privacy rights and limit consumers' choice of Web content.

Their plea to EU regulators comes after U.S. consumer privacy advocacy groups asked the U.S. Federal Trade Commission to look at how the two companies, when combined, would have access to an unprecedented amount of data on consumers' Web usage and Internet search habits.

Cornelia Kutterer, BEUC's senior legal adviser, said the association had asked the European Commission and other European authorities to look into privacy concerns — even though the two companies have not yet requested EU approval for the US$3.1 billion (euro2.29 billion) deal.

"They have so far complementary databases with private data. If they merge them, this could lead to unmatched databases of profiles," Kutterer told the AP. "If they can combine them, this could lead to a violation of user privacy rights."

In a letter to data privacy and consumer rights regulators, BEUC said the new company would have and could exploit enormous amounts of personal information about users as they click on Web pages and applications.

"Never before has one single company had the market and technological power to collect and exploit so much information about what a user does on the Internet," it said. "The unprecedented and unmatched databases of user profiles ... appear also to be in clear violation of users' privacy rights."

The world's largest Internet search engine relies on its cookies and user logs to compile information of the search terms entered into specific Web browsers as well as other
potentially sensitive online information. The company says the data help its search
engine better understand its users so it can deliver more relevant results and
advertisements.

Google’s privacy policies are already being looked at by an EU panel of national data
protection officers to see if it stores search information for too long. Trying to soothe EU
concerns, the company has offered to cut the time it retains data on user searches from
the current 24 months to 18 months, saying this was going further than most other
search engines.

Google had no immediate response to BEUC’s concerns but the company has said
previously that the takeover “poses no risk to competition and should be approved.”

Addressing the U.S. antitrust review, it said in May that protecting user privacy and
making people aware of its privacy policies was a key part of building trust with users,
advertisers and publishers and developing its business.

New York-based DoubleClick helps its customers place and track online advertising,
including search ads, which Google — more than its nearest search competitors Yahoo
Inc. and Microsoft Corp. — has turned into an extremely lucrative business.

BEUC said that people who agreed to give their details to DoubleClick could not have
imagined this would be transferred to Google — and this would be worse for the many
consumers who are unaware that the companies build up profiles about users.

It also raised fears that Google and DoubleClick could monopolize online advertising,
drawing a comparison with the EU’s antitrust case against Microsoft.

"We fear that Google will vertically leverage its keyword search dominance with
DoubleClick’s leadership in online banner/video display advertising, and with its Google-
YouTube dominance in video search," it said. "Consumers would have no real ability to
choose services other than those served by Google or to simply opt out of sharing
personal data with Google."

Google already has a 90 percent share of the German search market, with the same in
Spain and slightly less in France and Britain, it said.

"This market power could have a negative impact on the diversity of content available
on online," the letter said, claiming a Web site would have to be part of the Google
network to be commercially viable.

DoubleClick had been the target of a bidding war between Microsoft and Google.
Though Google commands the bulk of the online advertising search market, the addition
of DoubleClick’s technology and client network would further its efforts to branch out
beyond its core ad offerings.

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Associated Press Writer Caitlin Roman contributed to this report.
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