

EU coalition urges EU to push back against gate keeping by Microsoft, files official complaint

November 29, Brussels - A coalition of EU software and cloud businesses joined Nextcloud GmbH in respect of their formal complaint to the European Commission about Microsoft's anti-competitive behavior in respect of its *OneDrive* (cloud) offering. In a repeat from earlier monopolistic actions, Microsoft is bundling its *OneDrive*, *Teams* and other services with *Windows* and aggressively pushing consumers to sign up and hand over their data to Microsoft. This limits consumer choice and creates a barrier for other companies offering competing services.

Over the last few years have grown their market share to 66% of the EU market, while local providers lost out from 26 to 16%. By heavily favoring their own products and services (so-called "self-preferencing") or outright blocking other vendors they leverage their position as gate keepers to extend their reach in more and more neighbouring markets and push users deeper into their ecosystems. Local, more specialised vendors are unable to compete "on the merits" as the key to success is not a good product but the ability to distort competition and block market access.

This is quite similar to what Microsoft did when it killed competition in the browser market, stopping nearly all browser innovation for over a decade. Copy an innovators' product, bundle it with your own dominant product and kill their business, then stop innovating. This kind of behavior is bad for the consumer, for the market and, of course, for local businesses in the EU. Together with the other members of the coalition, we are asking the antitrust authorities in Europe to enforce a level playing field, giving customers a free choice and to give competition a fair chance.

-- Frank Karlitschek, CEO and founder of Nextcloud GmbH

The European Commission's Directorate-General for Competition exists precisely for the purpose of preventing this kind of abusive behavior and keeping the market competitive and fair for all players. Nextcloud GmbH has filed an official complaint with the European Commission's Directorate-General for Competition about the abusive practices of Microsoft related to *OneDrive*. Nextcloud GmbH has also filed a request with the German anti-trust authorities (the

“Bundeskartellamt”) for an investigation against Microsoft and is discussing a complaint in France with its coalition members.

Dozens of European SMEs organisations support these efforts to push back against Big Tech and create a level playing field, supporting innovation and local (European) businesses.

A full list of these companies as well as non-profits and industry consortia can be found on <https://antitrust.nextcloud.com>

About Nextcloud GmbH

Nextcloud Hub is the industry-leading, fully open-source, on-premises team productivity platform and Germany’s number one collaboration solution. It combines the easy user interface of consumer-grade cloud solutions with the security and compliance measures enterprises need. Nextcloud Hub brings together universal access to data through mobile, desktop and web interfaces with next-generation, on-premise secure communication and collaboration features like real-time document editing, chat and video calls, putting them under the direct control of IT and integrated with existing infrastructure.

Nextcloud’s easy and quick deployment, open, modular architecture and emphasis on security and advanced federation capabilities enable modern enterprises to leverage their existing file storage assets within and across the borders of their organization. For more information, visit nextcloud.com or follow [@Nextclouders](https://twitter.com/Nextclouders) on Twitter.