

Thank you for the opportunity to respond to the ACCC Discussion Paper on Updating Competition and Consumer Law for Digital Platform Services. As the ACCC explains in the Discussion Paper, digital platforms, like Google and Meta, have continued to grow significantly in size and market share since the ACCC's initial Digital Platform Inquiry and show no signs of slowing down. Platforms of this size and scope act as gatekeepers to digital markets. Oracle welcomes the ACCC's efforts to reexamine regulations of such platforms to protect consumers and enable competition on the internet.

New legislation can help rein in the unfair practices that have allowed some of the dominant tech platforms to hurt competition across the digital economy. In particular, Oracle favors specific provisions in the Digital Markets Act (DMA) introduced in the European Union:

- **Banning self-preferencing:** Oracle supports prohibitions on self-preferencing conduct by gatekeepers. The DMA, like S. 2992 in the U.S. Senate, which Oracle supports, as does the Justice Department<sup>1</sup>, would allow businesses that need to operate on a dominant platform to reach customers and users from being discriminated against by the platform. The ability of these firms to discriminate against smaller competitors is anticompetitive, with nascent competitors snuffed out by platforms that can take their data, copy their products, and steer consumers away from choice.
- **Ensures data commitments:** Gatekeepers who operate across many different markets and have a multitude of consumer-facing products have the ability to take data derived from one service and use it, without a consumer's knowledge or approval, for another service. When Google acquired DoubleClick, the Federal Trade Commission (FTC) understood this problem and extracted a promise from Google that Google would not use DoubleClick data from the transaction in the rest of their services. Eight years later Google abrogated that promise without consequence and combined DoubleClick data with data from their other services, creating a privacy-sapping ad-serving behemoth. The DMA would correct this practice and help to restore the data balance between Google and privacy-protecting firms.
- **Protects against tying and bundling:** Currently gatekeepers force companies using their services to buy products they do not need in order to gain access to other products vital to their business. Amazon does this to third party sellers, forcing many to use payment and shipping services that add costs but do nothing for the seller or the consumer. Oracle also sees this with Google's ad tech business; to be on Google's highly dominant digital advertising platforms, many of our clients must pay for lower quality Google services rather than use Oracle's first-in-class marketing and analytics.
- **Greater transparency for advertisers:** The online advertising world is not only opaque, it is rife with fraud and opportunities for fraud and conflict of interests. It is also a large market, more than \$250 billion as of 2020. The DMA would give advertisers the ability to find out the actual cost to run an ad, what data was used, how many impressions the ad made, the amount the publisher of the ad received, as well as allow neutral third

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<sup>1</sup> <https://www.axios.com/doj-big-tech-antitrust-e620d1e8-dfd9-4365-89d9-63e64767d319.html>

parties to analyze the ad's effectiveness. Oracle offers similar solutions in the online ad market, but practices of the gatekeepers make it difficult for Oracle, or our clients, to provide or use independent services. The DMA would correct that problem.

- **Restricts use of proprietary data:** Finally, the DMA would prohibit gatekeepers from using proprietary data of competitors using their platform against those same competitors. For instance, Amazon often takes pricing and other data it can see about third party sellers and uses it to undercut the seller. On Google's ad tech platforms, firms that would like to advertise have to provide their own data to Google's pool of data. In its Discussion Paper, the ACCC explores the impacts of such acts on both the Australian consumer and the digital marketplace.

Oracle welcomes the ACCC's efforts to protect consumers and correct the anticompetitive behavior of dominant digital platforms.

**Oracle Corporation**

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