2.3 Company visit GOOGLE – meeting with Mr. [redacted], General Counsel & Senior VP for Policy and Legal

Format/objectives of the meeting:

- Presentation of Google Launchpad Accelerator, followed by Q&A and discussion (20')

- Presentation of Google Earth and Earth observation initiatives (Geo for Good), followed by Q&A and discussion (20')

- Presentation of a self-driving car and GoogleX initiatives, with focus on driverless cars (30')

- Meeting and wrap-up with Mr. [redacted].

Scene Setter:

Google and start-up ecosystem

Google Launchpad Accelerator helps tech start-ups build successful companies, to scale the tech start-ups by leveraging Google's global reach and resources. It currently operates in four countries: Brazil, India, Indonesia and Mexico.

Google for Entrepreneurs provides support to start-ups across the world. It creates "Campuses": hubs where entrepreneurs can learn and work. There are 3 campuses in Europe in Madrid, London and Warsaw.

GV, formerly Google Ventures, is the venture capital investment arm of Alphabet Inc. which in 2014 launched a $125 million fund dedicated to investment in European tech start-ups. Now it is part of a single global investment vehicle. Only a small number of investments (less than 10) is reported to have been made in the EU and limited to UK-based companies only.[3]

In addition to GV, there is Google Capital, a $2 billion dollar growth equity fund with a focus on investments in long-term tech trends. Google Capital focuses more on later stage growth

[3] For comparison since its establishment in 2009, Google Ventures invested in more than 300 companies.

investments, in companies that have a solid business model. The areas of investment range from big data and financial technology to security and e-learning.

Space

Google is in a good position to exploit space data generated by the Copernicus programme since it has built spatial data processing capacities along cloud computing infrastructure. It has also now entered into the collection of Earth observation data with the launch of its own satellite constellation (Terra Bella).

Google services can boost the value from European data and information sources. Google's models of investing and supporting science are excellent. At the same time, some European players are wary of engaging with the company due to its dominant position: they are concerned that they would not be able to freely develop their own initiatives if they rely on Google services and fear that they would not be able to draw a fair return from their IPR due to the dependency of their business on Google.

Self-driving cars

Google started by adding components to existing cars like Lexus SUVs, then began designing a new prototype from the ground to better explore what should go into a fully self-driving vehicle. Google removed the steering wheel and pedals, and instead designed a prototype that lets the software and sensors handle the driving. Google plans to make these cars available to the public in 2020 (if permitted by the State/federal legislation in force concerning the automated cars).

Commission (DG COMP) investigations against Google

DG COMP is in charge and we were asked to avoid entering into a detailed discussion about specific aspects of the ongoing investigations. More detailed information on cases is included in the specific background document.

3 cases are opened against Google:

- on the Android operating system and smart mobile apps - proceedings opened in April 2015 – the Commission awaits Google's response to the Statement of Objections and will assess carefully Google's arguments;

- Google Search investigation – opened on 30 November 2010, supplementary statement of objection issued on 14 July 2016 - the Commission awaits Google's response to the Statement of Objections and will assess carefully Google's arguments;

- (complementary) Google Search (AdSense) investigation - on 14 July 2016 the Commission adopted a Statement of Objections - the Commission awaits Google's response to the Statement of Objections and will assess carefully Google's arguments;

MAIN KEY messages

1. EU is looking how to boost start-ups and scale-ups ecosystem – Google experience with Goggle Campuses and Ventures is highly valuable here.

2. We plan to further improve access to Copernicus data. We want to make sure that all interested actors can benefit from it.

3. We are going to tackle the (Big) Data phenomenon and we are looking into the role of public authorities.

4. We intend to address challenges and opportunities offered by the driverless and connected cars.

Key messages

Start-up ecosystem

- The EU is looking how to boost start-ups and scale-ups ecosystem. This is why our meeting is important to understand how big companies like google are supporting the Start-up ecosystem.

- More initiatives like Google campuses in Europe (acting as hubs where investors, founders, prospective entrepreneurs and business meet) need to be created.

- Since Google is very active in Europe, what is your vision about Europe and Start-ups? What should we change in Europe?

Questions to the interlocutor:

Could you tell us more about the modus operandi of Google campuses in Europe?

Could you tell us more about Google Venture's investment strategy in Europe (sectors, size of company, and geography of investments)? Are you aware of any particular challenges to investing in European tech start-ups?

Earth observation and Copernicus

- Copernicus is operational with 4 satellites launched between April 2014 and April 2016. Data from the Sentinel satellites are available in a free, full and open manner.

- The Commission plans, over the next two years, significantly improve the access to Copernicus data and information, both in terms of the capability to download the data/information and the ability to access and process data and information on cloud systems in Europe.

- This will lay the foundation for the extraction of added value and creation of societal and economic benefit in Europe and worldwide. The involvement of European actors in delivering this added value is particularly close to the heart of the Commission.

- Now it does not and will not exclude Google of course. We are aware that you have access to large volumes of Copernicus data. Do you plan to make this data available to the general public?

- Does Google intend to address the reluctance of some potential business users and alleviate the fear of dominance and of losing their IPR?

Big data

- New technologies allow firms to produce, store and analyse an enormous amount of data. We believe that the role of public authorities is to create the preconditions for firms to lead innovation in this field.

- We need to make sure that access to data is non-discriminatory, so that SMEs and start-ups can fully profit from the opportunities offered by data-driven innovation.

- We aim to address fundamental issues such as localisation, liability, data ownership or usage rights in the incoming Free Flow of Data initiative. But we have to be very careful not to put a straightjacket on firms operating in a fast moving and globalised business area.

Driverless and connected cars

- Driverless and connected cars attract a lot of interest in the EU, from road infrastructures operators, vehicles manufacturers and enabling technologies providers.

- The European Commission aims to provide a robust and co-ordinated response to the challenges ahead - such as standardisation/certification, road safety/liability, data access - and to promote a global approach and, in Europe, to avoid the fragmentation of the market.

- Galileo satellite navigation & positioning technology can be an important enabler in parallel with GPS, together with other non-satellite technologies (e.g. cameras, laser, radar). Galileo offers unique services and features such as the authentication of the position (i.e. to certify a vehicle was at a precise location) combined with very high accuracy (i.e. centimetre).

Questions to the interlocutor:

Is your main interest to further develop driverless cars just focused on USA market? How do you see it developing further?

Are Google driverless cars model being developed do plan to use Galileo signal beyond GPS?

What are the regulatory obstacles for development of driverless cars in the US that would require the government intervention?

Question: Could Google become a global partner of the Commission in distributing Copernicus information and data?

Answer: The Commission is currently looking at setting up an access service for Copernicus data and information in Europe in close coordination with relevant user communities. The Commission is keen to involve European expertise in this domain, both in the ICT and the Earth Observation domain. Whatever the eventual implementation scenario may be, the Commission will be very vigilant to ensure that Europe and European users will get a fair deal.

Question: Through our Terra Bella company we will increasingly become a provider of high quality optical data that would very effectively complement the Copernicus Sentinel 2 data. We are aware that the Commission buys commercial data and makes it available to some Copernicus users. ***Are you interested in high definition, timely optical data from Terra Bella?***

Answer: Indeed, the data licence acquisition scheme (data warehouse) is largely in place at this stage. The scheme responds to user requirements and has to respect budgetary constraints. Within those we shall be looking at both excellence and a fair deal for European actors. So in the end it will boil down to what our user needs are and what data is available at what commercial conditions; we cannot at this stage anticipate this and must evaluate this on a case-by-case basis.

Question : Google's services carry a huge amount of non-space data that, if exploited alongside the Copernicus data and information, would give true sense to the term 'Big Data' and open the path for a host of new opportunities. Would the Commission be interested in pursuing such opportunities?

Answer: We are aware that there are a number of industrial actors that are offering similar opportunities both in Europe and overseas. It is not straightforward to assess the different offerings due to their heterogeneity. Again this is a matter of carefully considering the conditions available before taking decisions.