Aussie Court Clears Google in Deceptive Ad Case

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SYDNEY (AP) — Australia's highest court on Wednesday threw out a ruling against Google Inc. that had found the Internet giant guilty of breaching trade law by hosting deceptive advertisements.

The High Court's decision overturned a federal court ruling from April that Google had engaged in misleading or deceptive conduct with four ads that appeared on its Google Australia website. The advertisers used the names of competitors as keywords to trigger their own ads appearing.

The federal court ruled this was likely to mislead people searching for information about those competitors, and therefore violated Australia's Trade Practices Act, which bars corporations from engaging in deceptive conduct. Google argued that it was not responsible for the content of the ads, and therefore couldn't be found to have violated the act.

The High Court sided with Google, stating in its ruling that the search engine is not unlike newspapers or broadcasters that publish the ads of others.

"Google did not author the sponsored links; it merely published or displayed, without adoption or endorsement, misleading representations made by advertisers," the court wrote in its judgment. It said that ordinary Internet users would have understood that the links were made by advertisers and that Google hadn't endorsed them.

Google said in a statement that it welcomed the decision. The Australian Competition and Consumer Commission, which led the case against Google, said advertisers should still ensure they don't mislead consumers.

"The ACCC took these proceedings to clarify the law relating to advertising practices in the internet age," ACCC Chairman Rod Sims said in a statement. "Specifically, we considered that providers of online content should be accountable for misleading or deceptive conduct when they have significant control over what is delivered."

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