

Attorney General Becerra Moves to Join Federal Lawsuit Against Google for Anticompetitive Actions

Press Release / Attorney General Becerra Moves to Join Federal Lawsuit Again...

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SACRAMENTO – Attorney General Xavier Becerra today announced that the California Department of Justice intends to join the U.S. Department of Justice in a landmark lawsuit alleging that Google violated federal antitrust laws by entering into exclusionary business agreements that shut out competitors and suppressed innovation. Google's anticompetitive behavior has unlawfully maintained the company's monopoly on internet search and search-based advertising at the expense of consumers. Nearly 90 percent of all internet searches in the U.S. are on Google, leaving consumers with little other choice than to accept its less popular privacy practices and data collection policies. "Google's market dominance leaves consumers and small businesses with little choice when it comes to internet search engines. By using exclusionary agreements to dominate the market, Google has stifled competition and rigged the advertising market. We look forward to litigating this case to restore competition and innovation for California consumers," **said Attorney General Becerra**. "This lawsuit paves the way for search engine innovation with greater regard for privacy and data protection."

The lawsuit alleges that in violation of the Sherman Antitrust Act, Google pays billions of dollars each year to device makers like Apple and Samsung, and to carriers like AT&T, Verizon, and T-Mobile to make Google their default internet search engine. Some of those contracts prohibit similar agreements with competing search engines. Google is the preinstalled default search provider on all Apple devices and on virtually all devices running the Android operating system, among others. On mobile devices, Google's exclusionary agreements cover more than 80 percent of all U.S. search queries. Even for search queries not covered by Google's exclusionary contracts, almost half occur on Google-owned search access points, such as Chrome, its browser, or Pixel, its smartphone.

Google strengthens its monopoly by capitalizing on its immense scale. The Mountain View-based company improves its algorithms through billions of daily internet searches and through tracking smartphone location data, which feeds back into its search and search advertising business. Google then directs its vast profits toward securing even more exclusivity agreements on mobile devices, web browsers, and emerging 'smart' technologies like voice assistants. This anticompetitive behavior prevents new market entrants from developing viable alternatives that could improve the options and quality of online searching. Rival search engines, if enabled to gain market share, could also serve as a market check on Google's practices.

Attorney General Becerra is dedicated to preserving a fair and competitive economy in California and across the country. On December 9, Attorney General Becerra sued Facebook for allegedly violating federal antitrust laws by purchasing emerging competitors to maintain a monopoly. In March, Attorney General Becerra announced a settlement resolving a lawsuit he filed last year to block the proposed merger of telecommunication companies T-Mobile and Sprint over concerns it would result in fewer choices and higher service costs for consumers. And in 2019, Attorney General Becerra announced a landmark \$575 million settlement against Sutter Health, the largest hospital system in Northern California. Once approved, the settlement will resolve allegations that Sutter's anticompetitive practices led to higher healthcare costs for patients in Northern California compared to other places in the state.

California's motion to join the lawsuit is available here.

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