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Phil Weiser

COLORADO ATTORNEY GENERAL



FILE A COMPLAINT

Colorado Attorney General Phil Weiser leads multistate lawsuit seeking to end Google's illegal monopoly in search market

Bipartisan coalition of 38 Attorneys General allege Google illegally maintained a monopoly, created insurmountable barriers to entry for competitors

Dec. 17, 2020 (DENVER, Colo.) – Colorado Attorney General Phil Weiser led a bipartisan coalition of 38 attorneys general in <u>filing a lawsuit</u> today against Google LLC for anticompetitive conduct in violation of Section 2 of the Sherman Act.

The states allege that Google illegally maintains its monopoly power over general search engines and related general search advertising markets through a series of anticompetitive contracts and conduct. As a result, Google is hurting both consumers and advertisers. Consumers are denied the benefits of competition, including the possibility of higher quality services and better privacy protections. Advertisers are harmed through lower quality and higher prices that are, in turn, passed along to consumers.

"Our economy is more concentrated than ever, and consumers are squeezed when they are

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protected its general search monopolies and excluded rivals, depriving consumers of the benefits of competitive choices, forestalling innovation, and undermining new entry or expansion," Weiser explained. "This lawsuit seeks to restore competition."

The states' complaint goes beyond the lawsuit filed by the U.S. Department of Justice and other states on October 20, which alleged that Google improperly maintains its monopoly power in general search and search advertising through the use of exclusionary agreements. The states' complaint describes Google as engaging in a multi-pronged effort to maintain its monopolies.

First, as alleged by the U.S. DOJ, Google has deprived consumers of choice by entering into a series of exclusionary contracts designed to deprive actual and potential competitors from distribution channels and the scale necessary to develop a competing general search engine. As alleged in the complaint, Google is employing the same exclusionary contracting tactics to extend its search-related monopolies into the emerging ways consumers access general search engines, such as through their home smart speakers, televisions, or their cars.

To further entrench its monopoly position, Google uses its Search Advertising 360 (SA360) advertising tool to deny interoperability with competing search engine advertising features, thus harming advertisers who are deprived of the best choices available to them.

Finally, Google hinders consumers' ability to access information provided by specialized vertical providers in certain lucrative commercial segments—such as travel, home improvement, and entertainment—by limiting those firms' ability to acquire customers. As a consequence, consumers lack choice and the benefits competition can bring, such as better quality and increased privacy.

The states also allege that Google's acquisition and command of vast amounts of data obtained because of consumers' lack of choice has fortified Google's monopolies and created new barriers to competition and consumer value.

The coalition of states ask the court to halt Google's illegal conduct and restore a competitive marketplace. The states also seek to unwind any advantages that Google gained as a result of its anticompetitive conduct, including divestiture of assets as appropriate. Finally, the court is asked to provide any additional relief it determines appropriate, such as the award of the states' reasonable fees and costs.

The complaint was filed in the U.S. District Court for the District of Columbia, in conjunction with a Motion to Consolidate seeking to combine the states' case with the pending U.S. DOJ

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Ine states investigation was led by an executive committee made up of the attorneys general of Arizona, Colorado, Iowa, Nebraska, New York, North Carolina, Tennessee, and Utah.

The executive committee is joined by the attorneys general of Alaska, Connecticut, Delaware, Hawaii, Idaho, Illinois, Kansas, Maine, Maryland, Massachusetts, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Vermont, Virginia, Washington, West Virginia, Wyoming, the District of Columbia, and the territories of Guam and Puerto Rico.

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Media Contact:
Lawrence Pacheco
Director of Communications
(720) 508-6553 office | (720) 245-4689 cell
Lawrence.pacheco@coag.gov

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