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Attorney General Bonta Files Lawsuit Against Google for Anticompetitive Practices Related to Google Play Store

Press Release / *Attorney General Bonta Files Lawsuit Against Google for Anti...*

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OAKLAND – California Attorney General Rob Bonta today announced a multistate lawsuit against Google for monopolizing the smartphone application market in violation of state and federal antitrust laws. Google, one of the world's largest companies, operates a web of exclusionary agreements with phone manufacturers and carriers to exert control over app distribution on Android phones through its Google Play Store. By leveraging those anticompetitive agreements, Google can demand a 30 percent cut from third-party app developers for using its Google Play Store and for in-app purchases, a captive market

practice that raises prices for consumers and limits options for anyone using an Android mobile operating system. The 30 percent commission is ten times higher than competitive prices through third-party payment systems.

“Google has violated the trust of Android phone customers by limiting consumer choice and raking in outrageous commissions on app developers. Android customers are effectively stuck using the Google Play Store for apps, where they pay a premium,” **said Attorney General Bonta.** “This anticompetitive behavior also stings consumers by limiting their options. A more competitive app marketplace could open innovation, leading to more choice, better payment processing, improved customer service, and enhanced data security.”

Google does not disguise its intent to dominate Android, which Google acquired more than a decade ago. The Google Play Store is displayed most prominently on the home screen of nearly every Android device in the nation and cannot be deleted. The tech giant has also cornered the market with app developers who wish to sell on Android platforms. For example, Google has required app developers to use the Google Play Store in exchange for the ability to automatically update their applications. Developers are also denied the opportunity to offer cheaper alternatives to consumers for in-app purchases. Google’s conduct eliminates competition for app stores and in-app payment systems on Android.

Consumers technically have the option of bypassing the Google Play Store and installing applications directly from developers or purchasing apps from competing marketplaces. However, Google deters this type of “sideloading” through a convoluted process that forces users to click through often-misleading security warnings and multiple permission screens. This burdensome series of red flags leaves consumers with the

impression that alternative app stores are inferior at best and high risk at worst. Over 90 percent of all Android app distribution in the United States is done through Google's Play Store. No competing app store has more than 5 percent of the market.

In the complaint, the multistate coalition alleges that Google has violated the federal Sherman Antitrust Act and California's Cartwright Act, among other statutes, by entering into agreements with smartphone manufacturers to ensure that Android phones offer Google Play as the primary — and often only — app store. The complaint further alleges that Google, in violation of state and federal law, required apps that are distributed through Google Play to use Google Play's billing system for in-app purchases, and refused to distribute apps through Google Play if they integrated a rival billing system.

In filing today's lawsuit, Attorney General Bonta joins the attorneys general of Utah, New York, North Carolina, Tennessee, Alaska, Arkansas, Arizona, Colorado, Connecticut, Delaware, Florida, Idaho, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Oklahoma, Oregon, Rhode Island, South Dakota, Vermont, Virginia, Washington, West Virginia, and the District of Columbia.

The California Department of Justice is currently litigating a separate antitrust lawsuit against Google for its exclusionary agreements with smartphone makers and carriers that block out competing search engines, among other violations.

A copy of the complaint is available [here](#).

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