Find where to get vaccinated at <u>vaccine.ky.gov (https://vaccine.ky.gov)</u>. Enter for a Shot at a Million – the state's vaccine incentive sweepstakes – at <u>shotatamillion.ky.gov (https://shotatamillion.ky.gov)</u>.

Attorney General Cameron Sues Google for Antitrust Violations Over App Store

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FRANKFORT, Ky. (July 7, 2021) – Attorney General Daniel Cameron today joined a coalition of 37 states and the District of Columbia to file a lawsuit against Google. The suit alleges exclusionary conduct relating to the Google Play Store for Android mobile devices and Google Billing. The coalition alleges Google unfairly restricted competition with the Google Play Store, harming consumers by limiting choice and driving up app prices. This antitrust lawsuit is the newest legal action against the tech giant, claiming illegal, anticompetitive, and unfair business practices.

"Our lawsuit alleges that Google's anticompetitive business practices violated state and federal antitrust laws, causing direct harm to Kentucky consumers," said Attorney General Cameron. "Illegal and anticompetitive practices by a dominant company, such as Google, hurt Kentucky consumers and Kentucky businesses operating in the marketplace. Our bipartisan coalition of attorneys general from across the country has joined together to stop these practices from continuing."

According to the lawsuit, the heart of the case centers on Google's alleged exclusionary conduct, which substantially shuts out competing app distribution channels. That conduct, which is aimed at enhancing and protecting Google's monopoly position over Android app distribution, includes the following:

- Google imposes technical barriers that strongly discourage or effectively prevent third-party app developers from distributing apps outside the Google Play Store. Google builds into Android a series of security warnings (regardless of actual security risk) and other barriers that discourage users from downloading apps from any source outside Google's Play Store, effectively foreclosing app developers and app stores from direct distribution to consumers.
- Google forces original equipment manufacturers (OEMs) that wish to sell devices that run Android to
 enter into agreements whereby OEMs must promise not to create or implement any variants or versions
 of Android that deviate from the Google-certified version of Android.
- Google's required contracts foreclose competition by forcing Google's proprietary apps to be "preloaded" on essentially all devices designed to run on the Android operating system and requires that Google's apps be given the most prominent placement on device home screens.
- Google "buys off" its potential competition in the market for app distribution. Google has successfully
 persuaded OEMs and mobile network operators (MNOs) not to compete with Google's Play Store by
 entering into arrangements that reward OEMs and MNOs with a share of an entering into arrangements that reward OEMs and MNOs with a share of a model.

Google also forces app developers and app users alike to use Google's payment processing service, Google Play Billing, to process payments for in-app purchases of content consumed within the app. This arrangement, which unlawfully ties a payment processing system to an app distribution channel, forces app consumers to pay Google's commission—up to 30%—on in-app purchases of digital content made by consumers through apps that are distributed via the Google Play Store. This commission is much higher than payment processing fees charged in competitive markets.

The complaint can be viewed here

(https://ag.ky.gov/Press%20Release%20Attachments/Utah%20v%20Google.1.Complaint%20(Redacted).pdf).

The lawsuit is led by Utah, New York, North Carolina, and Tennessee. Attorney General Cameron joined the lawsuit alongside Alaska, Arkansas, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Idaho, Indiana, Iowa, 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, and West Virginia.

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