



FILE A COMPLAINT

Colorado joins DOJ lawsuit against Google's online advertising monopoly

Jan. 24, 2023 (DENVER)—Colorado joined a U.S. Department of Justice lawsuit challenging Google's dominant grip on the online advertising industry which allows the company to dictate how digital ads are sold and the terms under which its rivals can compete, Attorney General Phil Weiser announced today.

The online advertising industry is made up of a complex web of technological tools that website publishers and advertisers use to promote products or services online. The industry is a key driver of the expansion and success of the internet, generating more than \$36 billion in revenue annually.

According to the lawsuit filed in federal court in the Eastern District of Virginia, Google has thwarted competition in this business sector over the past 15 years. It has done so, as explained in the complaint, by systematically acquiring control over key ad-tech industry tools, including the largest advertising exchange where digital ads are bought and sold, and imposing restrictions that have unfairly undermined rivals' ability to compete. Having inserted itself into virtually every aspect of the digital advertising marketplace, Google then leverages its market power to direct more business to its own ad-tech products and undermine the ability of rivals

to compete, thereby enabling it to collect higher fees for itself at the expense of both the advertisers and publishers it serves as well as consumers.

Through its anticompetitive conduct, Weiser said that Google has prevented meaningful competition, quashed innovation in the digital advertising industry, raised costs, and harmed consumers.

“Google has taken control of both sides of the ad-tech market, establishing a dominant position with respect to both buyers and sellers of digital advertising,” Weiser said. “Because Google controls many of the tools in digital advertising and takes higher fees on transactions than would be rivals, website publishers make less on advertising revenue, advertisers are forced to pay more for ad placement, and overall consumers are harmed by higher prices and less innovation. We are taking action by filing this lawsuit to unwind Google’s monopoly and restore competition to the digital advertising business.”

Today’s ad tech lawsuit is the latest antitrust action against Google’s monopoly power in the tech industry. Weiser is leading a bipartisan coalition of 38 attorneys general in a lawsuit pending in federal court in Washington, DC alleging that Google illegally exercises monopoly power in online search and search advertising markets. The alleged harm to competition and consumers comes from a broad range of conduct, including limiting the ability of users to access competing general search engines, harming the ability of advertisers to work with Google’s competitors, and artificially constraining online companies that focus on specific commercial sectors, such as travel and local services.

Colorado is also a part of a multi-state challenge to Google’s monopolization of payments for app purchases on the Android mobile device operating system. That case, pending in federal court in San Francisco, seeks relief for consumers because Google’s monopoly-imposed fee structure for in-app purchases inflates costs for consumers and unfairly hurts app developers.

The search engine antitrust lawsuit is scheduled for trial later this year in September. The app payments lawsuit is scheduled for trial in November.

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