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Attorney General Ashley Moody News Release

AG Moody Sues Google for Antitrust Violations

TALLAHASSEE, Fla.—Florida Attorney General Ashley Moody, along with the U.S. Department of Justice and 10 other state attorneys general, filed a civil antitrust lawsuit in the U.S. District Court for the District of Columbia to prevent Google from unlawfully maintaining monopolies through anticompetitive and exclusionary practices in the search and search advertising markets.

Attorney General Ashley Moody said, "Google is one of the largest and most powerful companies in the world. Regardless of its size, all companies have an obligation to compete fairly in the marketplace. Our investigation into Google revealed that the global tech behemoth allegedly used its size and scale to build a moat around its core markets—general search services and search advertising.

"We believe Google's conduct violates state and federal antitrust laws and that a successful outcome in this case will bring many benefits to all Americans including Florida consumers, the overwhelming majority of whom use Google products every day."

As one of the wealthiest companies on the planet with a market value of \$1 trillion, Google is the monopoly gatekeeper to the internet for billions of users and countless advertisers worldwide—including millions in Florida. For years, Google has accounted for almost 90% of all search queries in the U.S. and has used anticompetitive tactics to maintain and extend its monopolies in search and search advertising.

As alleged in the complaint, Google has entered into a series of exclusionary agreements to lock up the primary avenues through which users access search engines, and thus the internet, by requiring that Google be set as the default or exclusive search engine on billions of mobile devices and computers worldwide. In particular, the complaint alleges that Google has unlawfully maintained monopolies in search and search advertising by:

- Entering into exclusivity agreements that forbid preinstallation of any competing search service;
- Entering into tying and other arrangements that force preinstallation of its search applications in prime locations on mobile devices and make them undeletable, regardless of consumer preference;
- Entering into long-term agreements with Apple that require Google to be the default—and de facto exclusive—general search engine on Apple's popular Safari browser and other Apple search tools; and
- Generally using monopoly profits to buy preferential treatment for its search engine on devices, web browsers and other search access points, creating a continuous and self-reinforcing cycle of monopolization.

These and other anticompetitive practices harm competition and consumers, reducing the ability of innovative new companies to develop, compete and discipline Google's behavior.

The antitrust laws protect the free market economy and forbid monopolists from engaging in anticompetitive practices. They also empower Attorney General Moody, as *parens patriae* on behalf of Floridians, to bring cases like this one to remedy violations and restore competition.

Decades ago, DOJ's and a state attorney general coalition's case against Microsoft recognized that the antitrust laws forbid anticompetitive agreements by high-technology monopolists to require preinstalled default status, to shut off distribution channels to rivals and to make software undeletable. The complaint alleges that Google is using similar agreements itself to maintain and extend its own dominance.

The complaint alleges that Google's anticompetitive practices have had harmful effects on competition and consumers. Google has foreclosed any meaningful search competitor from gaining vital distribution and scale, eliminating competition for a majority of search queries in the U.S. Through restricting competition in search, Google's conduct has harmed consumers by reducing the quality of search—including on dimensions such as privacy, data protection and use of consumer data, lessening choice in search and impeding innovation.

Suppressing competition in advertising allows Google the power to charge advertisers more than it could in a competitive market and to reduce the quality of the services it provides them. With this lawsuit, Attorney General Moody seeks to stop Google's anticompetitive conduct and restore competition for American consumers, advertisers and all companies now reliant on the internet economy.

To read the filed complaint, click <u>here</u>.

Google is a limited liability company organized and existing under the laws of the state of Delaware, and is headquartered in Mountain View, California. Google is owned by Alphabet Inc., a publicly traded company incorporated and existing under the laws of the state of Delaware and headquartered in Mountain View, California.

Florida and the DOJ are joined in today's action by attorneys general from: Arkansas, Georgia, Kentucky, Indiana, Louisiana, Mississippi, Missouri, Montana, South Carolina and Texas.