

Gannett sues Google, Alphabet claiming they have a monopoly on digital advertising

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In this July 14, 2010 file photo, the sign for Gannett headquarters is displayed in McLean, Va. Gannett has filed a civil lawsuit against Google and its parent company Alphabet, Tuesday, June 20, 2023, claiming that they unlawfully hold monopolies in the advertising technology tools that publishers and advertisers use to buy and sell online ad space. Credit: AP Photo/Jacquelyn Martin, file

Gannett has filed a civil lawsuit against Google and its parent company Alphabet, claiming that they unlawfully hold monopolies in the advertising technology tools that publishers and advertisers use to buy and sell online ad space.

The largest U.S. newspaper publisher by total daily circulation alleges in the suit that Google controls how publishers sell their ad slots and forces them to sell an increasing amount of ad space to Google at lower prices. This in turn results in less revenue for publishers and Google's ad-tech rivals and more money for Google.

In January the [Justice Department](#) and eight states filed an [antitrust lawsuit](#) against Google, seeking to shatter its alleged monopoly on the entire ecosystem of online advertising as a hurtful burden to advertisers, consumers and even the U.S. government. The suit accused the company of unlawfully monopolizing the way ads are served online by excluding competitors.

The European Union launched an antitrust investigation into Google's digital ad dominance in 2021. And last week EU regulators hit Google with fresh [antitrust charges](#), saying the only way to satisfy competition concerns about its lucrative digital ad business is by selling off parts of [the tech giant's main moneymaker](#).

The unprecedented decision to push for such a breakup marks a significant escalation by Brussels in its crackdown on Silicon Valley digital giants, and [follows a similar move by U.S. authorities](#) seeking to bust Google's alleged monopoly on the online ad ecosystem.

Gannett CEO Mike Reed, in an opinion piece published Tuesday by Gannett-owned U.S. Today, said that the company is looking to "restore fair competition in a digital advertising marketplace that Google has demolished."

Reed claims that local news outlets are hurting because of unlawful bid-rigging practices used by Google.

"The core of the case and our position is that Google abuses its control over the ad server monopoly to make it increasingly difficult for rival exchanges to run competitive auctions," Reed wrote.

"These claims are simply wrong. Publishers have many options to choose from when it comes to using [advertising technology](#) to monetize—in fact, Gannett uses dozens of competing ad services, including Google Ad Manager," Dan Taylor, vice president of Google Ads said in a written statement. "And when publishers choose to use Google tools, they keep the vast majority of revenue. We'll show the court how our advertising products benefit [publishers](#) and help them fund their content online."

Gannett's lawsuit, filed in the U.S. District Court for the Southern District of New York, seeks an unspecified amount of damages and injunctive relief. The Virginia company is seeking a trial by jury.

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