

Big tech stumbles in Google's Epic defeat

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When other developers settled with Google, Epic's CEO Tim Sweeney stuck to his guns, repeating his demand that Google open up Android smartphones to other modes of payment, and without charging a hefty commission.

Google' stinging defeat against Fortnite-maker Epic Games in a California courtroom could be an important blow against big tech's decades of supremacy on antitrust matters in the United States.

With Washington lawmaking gridlocked and pro-business judges dominant in [federal courts](#), US tech giants have survived unscathed for years against accusations of wielding illegal monopoly power.

While Europe, Britain, India and others enforce regulations that at least try to keep big tech in check, Google, Apple, Meta and Amazon have yet to suffer a significant setback on their home turf.

But a jury of nine on Monday possibly changed that equation, setting an important precedent that could send tremors in other cases pending against the tech giants.

"Big tech is not above the law. This loss isn't just the first antitrust failure for Google, it's the first antitrust loss for any big tech firm," said Matt Stoller, director of research at the American Economic Liberties Project and a critic of [big tech](#) business practices.

The [federal jury](#) in San Francisco took just three hours on Monday to decide that Epic Games was slighted by Google's refusal to let outside apps take payments on Android phones, other than through the search giant's app store.

'Greedy behemoth'

After a three year battle, Epic Games was finally vindicated after seeming to be on the backfoot when a different judge largely decided against the video game maker in a case involving Apple.

But Epic's CEO Tim Sweeney refused to back down and when other developers settled with Google, he stuck to his guns, repeating his demand that Google open up Android smartphones to other modes of payment, and without charging a hefty commission.

John Lopatka, from Penn State University' law school, said it was predictable that juries side with plaintiffs in monopoly cases "where the defendant will be painted as a greedy behemoth."

Apple's case, decided by a judge, avoided that fate—but not so for Google.

Now two questions remain: what will happen on Google's appeal, and how will the judge order Google to fulfill the jury's decision?

This litigation "has some distance to go before we know the final resolution," warned Lopatka.

The [appeals court](#) that will likely hear the Google case is the same one that largely dismissed Epic's appeal against Apple.

However, "appellate courts do not set aside jury verdicts and remedial orders lightly," said Lopatka.

The remedy could very likely have a huge impact, with Apple's behavior regarding its own app store potentially affected.

Epic very clearly wants the judge "to mandate alternative app stores and alternate billing systems on Android," said Adam Kovacevich, CEO of the Chamber of Progress, a tech industry group.

"That would be a pretty sweeping remedy. It would certainly change Android as we know it," he added.

'Changing the world'

Big tech's longtime critics point to Google's other major case, where the US Department of Justice is suing Google over its online search.

That case will be decided by a judge and not a jury, but Stoller said the Epic decision changes the dynamic.

If the judge there "chooses to let Google off the hook, well, he'll look pretty bad," he said.

In both cases, Apple looms large—and many wonder whether the iPhone maker will be able to avoid being dragged back to court.

"Apple is next over the barrel," said Luther Lowe, head of public policy at Y Combinator, the startup hub.

Court documents showed in both cases that Google made huge payments to smartphone makers to ensure that its products kept a predominant place on devices, crushing rivals before they can emerge.

"Google and Apple both treat developers as adversaries," Epic CEO Sweeney told The Verge.

"We're going to do absolutely everything we can, as quickly as we can, to start changing the world," he added.

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