

US takes on Google's ad tech empire in antitrust trial

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A large Google logo is seen at Google's Bay View campus in Mountain View, California.

Google faces its second major antitrust trial in less than a year on Monday, with the US government accusing the tech giant of dominating online advertising and stifling competition.

The trial in a [federal court](#) in northern Virginia follows a separate case where a judge last month found Google's search business to be an illegal monopoly.

This new battle, also brought by the US Department of Justice, focuses on ad technology—the complex system determining which online ads people see and their cost.

The US government specifically alleges that Google controls the market for publishing banner ads on websites, including those of many creators and news providers.

"Google has used anticompetitive, exclusionary, and unlawful means to eliminate or severely diminish any threat to its dominance over digital advertising technologies," the complaint states.

Government lawyers will claim Google has used its financial power to acquire potential rivals and corner the ad tech market, leaving advertisers and publishers with no choice but to use its technology.

They seek to have Google divest parts of its ad tech business.

'Lifeblood' to information

Google dismisses the allegations as "fundamentally misguided" and says they violate "principles of antitrust law that help drive [economic growth](#) and innovation."

"The case is also wrong on the facts, which Google looks forward to demonstrating," the company said in a court filing.

The company argues that the case is based on an outdated version of the internet, ignoring ads placed in [search results](#), apps, and social media

platforms.

Evelyn Mitchell-Wolf, Senior Analyst at Emarketer, said that while the market in question is small compared to the entire advertising ecosystem, it's "the lifeblood to a lot of important information sources for the public."

"I'm not sure that I have a lot of sympathy...for the argument that publishers" should be satisfied with fewer options to do business, she added.

The trial is expected to last at least six weeks and call on dozens of witnesses, with Judge Leonie Brinkema presiding.

Her decision on whether Google has broken antitrust law will come months after the trial. If found at fault, a separate trial would decide how Google should comply with the judge's conclusion.

Analysts at Wedbush Securities said that the economic impact of the trial will be limited for Google no matter the outcome.

The business that the government is asking Google to sell accounted for less than 1 percent of operating income this year, they estimated.

Similar investigations into Google's dominance of the ad tech business are ongoing in the European Union and Britain.

Meanwhile, the earlier search case has entered the remedy phase, with the US government expected to propose an overhaul of Google's search engine business in the coming weeks.

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