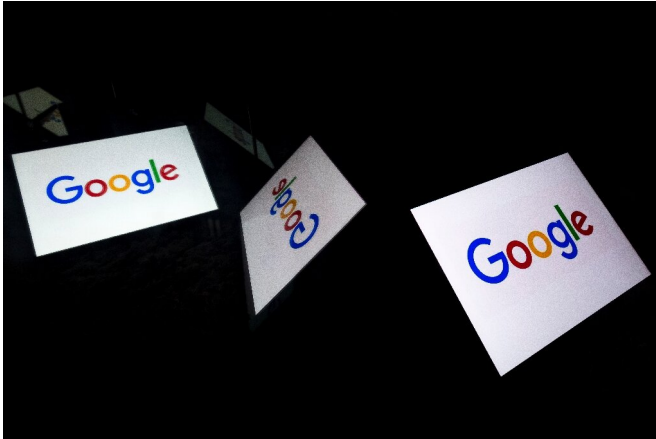


Google hit with third antitrust lawsuit, by new state coalition

17 December 2020, by Glenn Chapman



An antitrust suit against Google filed by 38 US states and territories is the third such complained filed against the internet giant in the past three months

Dozens of US states on Thursday hit Google with its third antitrust suit in as many months, accusing the internet giant of abusing its internet search dominance to eliminate competition.

The suit by antitrust enforcers from 38 US states and territories is in line with, but goes beyond a case filed by the US Justice Department against Google and its parent firm Alphabet earlier this year.

"Google's anticompetitive actions have protected its general search monopolies and excluded rivals, depriving consumers of the benefits of competitive choices, forestalling innovation, and undermining new entry or expansion," said Colorado attorney general Phil Weiser.

Nebraska attorney general Doug Peterson called the antitrust assault on Google "historic," saying the combined suits represented the biggest alliance since a case against Microsoft decades ago.

The suit came a day after a group of states led by Texas filed a separate antitrust suit, and asks to be consolidated with the federal case against Google.

The internet giant said the case would end up harming consumers if successful.

Google economic policy director Adam Cohen said in a post that the lawsuit "seeks to redesign search in ways that would deprive Americans of helpful information and hurt businesses' ability to connect directly with customers."

Changes sought by the lawsuit would make search results worse for people searching on Google and businesses wanting to be found, according to the internet giant.

Matt Schruers, president of the Computer and Communications Industry Association, a technology trade group, said the suit was a misguided effort to force Google to redesign its search engine without regard to consumer interests.

"Search design has been benefiting from constant redesign and updates, and regulators in the US and abroad have concluded this has improved consumers' experience," he said.

Cars and speakers

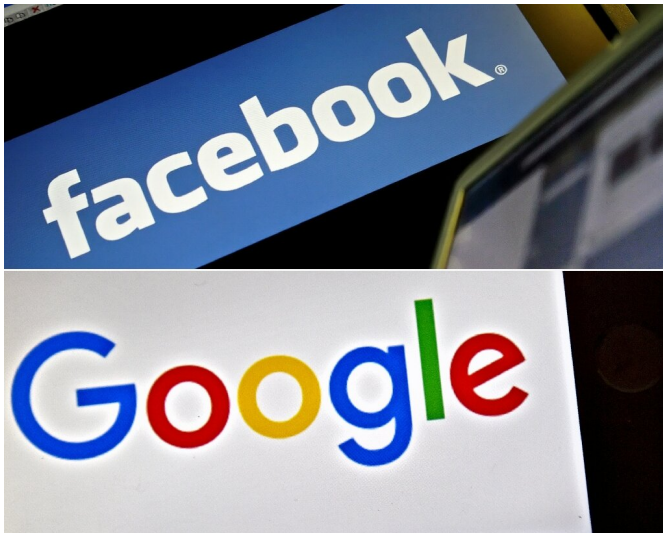
The new suit charges that Google made deals to shut out competitors and endeavored to lock out rivals while getting its search and advertising systems into smart speakers, cars, smartphones and more.

"We are in a new time, a new era, and it is very critical that we in the field of enforcement in competition remain very engaged in the tech industry going forward," Peterson said.

With Google's services made available free of charge and economic harm to users tricky to prove,

antitrust litigation might not be the most effective way to go at the internet giant, some attorneys general taking part in the new suit conceded in a video call.

"Policymakers, Congress in particular, should be thinking of some regulation beyond antitrust," Iowa Attorney General Tom Miller said on the call.



Google and Facebook are both facing antitrust actions which could lead to the breakup of the Silicon Valley giants

Converging cases

Several US states led by Texas filed a suit against Google on Wednesday alleging anticompetitive practices, and branding it an "internet Goliath" that had eliminated competition in online advertising and was harming consumers.

Texas Attorney General Ken Paxton contended that Google rigged advertising auctions, taking advantage of its position serving up ads as well as online search results.

Amazon, Tripadvisor, Yelp and other internet firms involved in recommending products or services have long complained that Google favors its own offerings in general search results.

Three antitrust suits engage Google on different fronts, according to Weiser.

The new lawsuit highlights efforts to suppress next generation platforms for search such as virtual assistants, and whether Google used illegal tactics against rival search services such as review engines or Microsoft's Bing engine..

All three suits could end up being consolidated in a single federal court case, with ensuing litigation likely to take years to play out.

While Google ad revenue has continued to grow, its share of the booming US online ad market is ebbing under pressure from competitors such as Facebook, Amazon and others, according to eMarketer.

The market tracker expected Google this year to command just shy of 30 percent of the US ad market set to total about \$42.4 billion.

Google software not only crawls the internet and indexes what it finds, it determines which results to provide for queries and what ads are displayed.

The California-based internet giant also handles auctions for ads competing to be displayed.

Google's long-running business model coupling a free search engine and free services like email and YouTube with paid advertising is being put to the test in a landmark antitrust lawsuit filed by the US Justice Department.

The US government filed its blockbuster lawsuit in October accusing Google of maintaining an "illegal monopoly" in online search and advertising.

The country's biggest antitrust case in decades, it opens the door to a potential breakup of the Silicon Valley titan.

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