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ATTORNEY GENERAL HERRING FILES LAWSUIT SEEKING TO END GOOGLE’S ILLEGAL MONOPOLY

~ Herring joins a bipartisan coalition of 38 attorneys general in filing a lawsuit alleging that Google illegally maintained a monopoly, created insurmountable barriers to entry for competitors ~

RICHMOND (December 17, 2020) – Attorney General Mark R. Herring today joined a bipartisan coalition of 38 attorneys general in suing Google LLC for anticompetitive conduct in violation of Section 2 of the Sherman Act. Attorney General Herring and his colleagues allege that Google illegally maintains its monopoly power over general search engines and related advertising markets through a series of anticompetitive exclusionary contracts and conduct. As a result, Google has deprived consumers of competition that could lead to greater choice, innovation, and better privacy protections. Furthermore, Google has exploited its market position to accumulate and leverage data to the detriment of consumers.

“Google has managed to infiltrate almost every aspect of Virginians’ daily lives – its name has even become synonymous with searching for something – and that kind of unprecedented influence cannot go unchecked,” **said Attorney General Herring.** “Because of the reach and impact that massive tech companies like Google have on our economy and our lives, it’s so important for them to comply with antitrust laws to make sure they do not have a monopoly in the market. Google is not above the law and I am committed to ensuring that they meet their obligations as one of the largest and most influential companies in the world and comply with the law.”

Last week, Attorney General Herring announced that he had joined a bipartisan coalition of attorneys general in filing a lawsuit against Facebook alleging that the company has illegally stifled competition and continues to do so in order to protect its monopoly power. As part of his efforts to prioritize antitrust enforcement, Attorney General Herring previously served on the Antitrust Committee of the National Association of Attorneys General (NAAG) and his Antitrust Unit Manager also serves as the Chair of the NAAG Antitrust Taskforce.

The states’ complaint is consistent with the lawsuit filed by the U.S. Department of Justice and 11 other states on October 20, which alleged that Google improperly maintains its monopoly power in general search and search advertising through the use of exclusionary agreements.

But the states’ filing asserts additional allegations and describes Google’s monopoly maintenance scheme as a

multi-part effort. Attorney General Herring and his colleagues allege in their lawsuit that Google:

- Uses exclusionary agreements and other practices to limit the ability of rival general search engines and potential rivals to reach consumers. This conduct cements Google as the go-to search engine on computers and mobile devices.
- Disadvantages users of its search-advertising management tool, SA360, by falsely promising that it would not favor Google search advertising over that of competing search engines such as Bing. Instead, Google continuously favors advertising on its own platform, inflating its profits to the detriment of advertisers and consumers.
- Discriminates against specialized search sites – such as those that provide travel, home repair, or entertainment services – by depriving them access to prime real estate because these competing sites threaten Google’s revenue and dominant position.

Attorney General Herring and his colleagues argue that more competition in the general search engine market would benefit consumers, for example, through improved privacy protections and more targeted results and opportunities for consumers. Competitive general search engines also could offer better quality advertising and lower prices to advertisers.

Attorney General Herring and his colleagues also expand on the U.S. DOJ’s allegation that Google’s anticompetitive conduct continues. As explained in the complaint, the company seeks to deploy the same exclusionary contracting tactics to monopolize the emerging ways consumers access general search engines, such as through their home smart speakers, televisions, or in their cars. In so doing, Google is depriving consumers of competitive choices and blocking innovation.

The states also go further than the U.S. DOJ in explaining how Google’s acquisition and command of vast amounts of data – obtained in increasing part because of consumers’ lack of choice – has fortified Google’s monopoly and created significant barriers for potential competitors and innovators.

Attorney General Herring and his colleagues ask the court to halt Google’s illegal conduct and restore a competitive marketplace. The states also seek to unwind any advantages that Google gained as a result of its anticompetitive conduct, including divestiture of assets as appropriate. Finally, the court is asked to provide any additional relief it determines appropriate, as well as reasonable fees and costs to the states.

The complaint was filed in the U.S. District Court for the District of Columbia, in conjunction with a Motion to Consolidate seeking to combine the states’ case with the pending U.S. DOJ case.

The states’ investigation was led by an executive committee made up of the attorneys general of Arizona, Colorado, Iowa, Nebraska, New York, North Carolina, Tennessee, and Utah.

Joining Attorney General Herring in filing today’s lawsuit are the attorneys general of Alaska, Arizona, Colorado, Connecticut, Delaware, Guam, Hawaii, Idaho, Illinois, Iowa, Kansas, Maine, Maryland, Massachusetts, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Washington, West Virginia, Wyoming and the District of Columbia.