50 states and territories launch massive joint probe into Google



Enlarge / District of Columbia Attorney General Karl Racine (L) and Texas Attorney General Ken Paxton speak during the launch of an antitrust investigation into large tech companies, outside of the US Supreme Court in Washington, DC, on September 9, 2019.

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A coalition of attorneys general representing 50 US states and territories today announced a long-awaited joint probe into antitrust complaints against one of the biggest tech companies

in the world, Google.

The office of Texas Attorney General Ken Paxton is spearheading the bipartisan investigation, which is beginning with the search and digital advertising markets. Google "dominates all aspects of advertising on the Internet and searching on the Internet," Paxton told reporters during a press conference.

The group includes attorneys general from 48 states, Puerto Rico, and the District of Columbia. (Alabama and California are the two states not participating.) The states' action is independent of several different federal actions, participating attorneys general stressed.

"I'm very confident that this bipartisan group is going to be led by the facts and not be swayed by any conclusion that may fall short, if you will, if it's inconsistent with our facts, on the federal side," DC Attorney General Karl Racine said. "So we're going to do what we think is right based on our investigation."

Utah Attorney General Sean Reyes added, "there's nothing wrong with being a dominant player when it's done fairly," but the "pervasiveness" of complaints about Google indicates the company may not be behaving fairly.

Florida Attorney General Ashley Moody echoed the sentiment. "When there is no longer a free market or competition, this increases prices, even when something is marketed as free, and harms consumers," Moody said. "Is something really free if we are increasingly giving over our privacy information?"

Here we go again

Google's attorneys are extremely familiar with handling antitrust probes by now.

The Justice Department publicly confirmed in July its

antitrust division was digging into widespread “concerns that consumers, businesses, and entrepreneurs have expressed” about “market-leading online platforms.” The agency, which rarely comments publicly on pending probes, didn’t name names, but several media reports have suggested that the DOJ and Federal Trade Commission agreed to split the big antitrust work this year, with the DOJ taking on Apple and Google while the FTC looks at Amazon and Facebook.

“We have answered many questions on these issues over many years, in the United States as well as overseas, across many aspects of our business, so this is not new for us,” Google exec Kent Walker wrote last week in a blog post confirming that the company is the target of a DOJ probe.

The FTC has been contemplating antitrust action against Google for the better part of a decade. In 2012, a memo circulated to all five commissioners strongly recommended launching an antitrust suit against Google for abusing its dominance. In 2013, the commission voted against bringing charges, leading to several years of criticism.

The European Commission’s competition bureau, which handles antitrust matters for the European Union, has fined Google billions of dollars across three years for antitrust violations. First came a then-record-breaking €2.42 billion fine in 2017 for steering shoppers toward Google’s platform in search results. That record was then broken in 2018 with a €4.34 billion fine for unfairly pushing its own apps ahead of competitors’, and those two fines were joined by another €1.5 billion this year for abusing its dominant position in the ad sales market.

Misery loves company?

Google is accustomed to antitrust probes, after the several past and present investigations and actions against it. But the Internet giant is far from the only major business facing

serious complaints this year.

Facebook also confirmed in July that it is under antitrust investigation by the FTC, and last week a coalition of attorneys general representing eight states and the District of Columbia also launched a probe, led by Attorney General Letitia James of New York.

Amazon, too, is at the heart of a boatload of investigations. Retailers have all but begged for US regulators to take strong action, joining Germany, Austria, Italy, and the European Union, which all have their own antitrust probes going on right now.

Congress in June launched a bipartisan investigation looking at “competition in digital markets.” The investigation—which has probed Facebook, Google, and Amazon so far—went quiet during the traditional August recess, but several hearings on the topic are slated for later this month.

Apple is also reportedly the target of investigations. Music-streaming service Spotify lodged a complaint with the EU about Apple’s app-store behavior. The Congressional probe also started asking about Apple’s position on consumers’ right to repair their own devices as part of its work.

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