DOJ proposes breakup and other big changes to end Google search monopoly

“Hampering Google’s AI tools risks holding back American innovation at a critical moment,” Mulholland warned, claiming that AI is still new and “competition globally is fierce.”

“There are enormous risks to the government putting its thumb on the scale of this vital industry—skewing investment, distorting incentives, hobbling emerging business models—all at precisely the moment that we need to encourage investment, new business models, and American technological leadership,” Mulholland wrote.

Hepner told Ars that he thinks that the DOJ’s proposed remedies framework actually “meets the moment and matches the imperative to deprive Google of its monopoly hold on the search market, on search advertising, and potentially on future related markets.”

To ensure compliance with any remedies pursued, the DOJ also recommended “protections against circumvention and retaliation, including through novel paths to preserving dominance in the monopolized markets.”

That means Google might be required to “finance and report to a Court-appointed technical committee” charged with monitoring any Google missteps. The company may also have to agree to retain more records for longer—including chat messages that the company has been heavily criticized for deleting. And through this compliance monitoring, Google may also be prohibited from owning a large stake in any rivals.

If Google were ever found willfully non-compliant, the DOJ is considering a “range of provisions,” including risking more extreme structural or behavioral remedies or enduring extensions of compliance periods.

As the remedies stage continues through the spring, followed by Google’s prompt appeal, Hepner suggested that the DOJ could fight to start imposing remedies before the appeal concludes. Likely Google would just as strongly fight for any remedies to be delayed.

While the trial drags on, Hepner noted that Google already appears to be trying to strike another default deal with Apple that appears pretty similar to the controversial distribution deals at the heart of the search monopoly trial. In March, Apple started mulling using Google’s Gemini to exclusively power new AI features for the iPhone.

“This is basically the exact same anticompetitive behavior that they were found liable for,” Hepner told Ars, suggesting this could “weaken” Apple’s defense both against the DOJ’s broad framework of proposed remedies and during the appeal.

“If Google is actually engaging in the same anti-competitive conduct and artificial intelligence markets that they were found liable for in the search market, the court’s not going to look kindly on that relative to an appeal,” Hepner said.

https://arstechnica.com/tech-policy/2024/10/googles-ai-deals-could-hurt-its-search-monopoly-appeal-expert-says/