Firefox could be doomed without Google search deal, says executive

Firefox could be put out of business should a court implement all the Justice Department's proposals to restrict Google's search monopoly, an executive for the browser owner Mozilla testified Friday. "It's very frightening," Mozilla CFO Eric Muhlheim said.

The DOJ wants to bar Google from paying to be the default search engine in third-party browsers including Firefox, among a long list of other proposals including a forced sale of Google's own Chrome browser and requiring it to syndicate search results to rivals. The court has already ruled that Google has an illegal monopoly in search, partly thanks to exclusionary deals that make it the default engine on browsers and phones, depriving rivals of places to distribute their search engines and scale up. But while Firefox — whose CFO is testifying as Google presents its defense — competes directly with Chrome, it warns that losing the lucrative default payments from Google could threaten its existence.

Firefox makes up about 90 percent of Mozilla's revenue, according to Muhlheim, the finance chief for the organization's for-profit arm — which in turn helps fund the nonprofit Mozilla Foundation. About 85 percent of that revenue comes from its deal with Google, he added.

Losing that revenue all at once would mean Mozilla would have to make "significant cuts across the company," Muhlheim testified, and warned of a "downward spiral" that could happen if the company had to scale back product engineering

investments in Firefox, making it less attractive to users. That kind of spiral, he said, could “put Firefox out of business.” That could also mean less money for nonprofit efforts like open source web tools and an assessment of how AI can help fight climate change.

Mozilla would have to make “significant cuts across the company”

Ironically, Muhlheim seemed to suggest that could cement the very market dominance the court seeks to remedy. Firefox’s underlying Gecko browser engine is “the only browser engine that is held not by Big Tech but by a nonprofit,” he said. The other two are Google’s open source Chromium and Apple’s WebKit. Mozilla developed Gecko to stave off a fear that Microsoft would control all the protocols on the internet, Muhlheim testified, and creating Gecko helped ensure different browsers would be interoperable, so access to the web wouldn’t be controlled by one company. (Unlike numerous other companies featured in the Google trial, Firefox hasn’t expressed an interest in buying Chrome.)

Replacing the revenue from Google is not as easy as making a deal with another search engine provider or a non-exclusive deal with Google, Muhlheim says. Mozilla has talked with Microsoft about the possibility of Bing taking over the default spot, but Muhlheim warns that without Google being able to bid on the contract, the revenue share Mozilla would be able to negotiate would likely fall. On top of that, Mozilla has found that Bing doesn’t monetize traffic as efficiently as Google does today.

In a December 2024 presentation to Mozilla’s board that was shown in court, the company warned that losing Google’s payments posed a □□“significant threat to viability for Mozilla with limited ability to mitigate.” From 2021 to 2022, the company ran a study to see what would happen if it quietly switched Firefox users’ default search engines from Google to

Bing, and found that users who switched to Bing generated less revenue for Mozilla — a finding Muhlheim said demonstrates what might happen if all of its users were switched over to Bing.

Mozilla has also previously tried to switch all users' default search engines, and it didn't go well. Between 2014 and 2017, the company made Yahoo the default on its browser, and found that people disliked the experience so much that they switched to another browser altogether.

"We would be really struggling to stay alive"

If the DOJ's other proposals work as it hopes, they would theoretically create many more quality search engines that could compete for Firefox's default positioning, and take over the revenue share Google currently pays it. But Muhlheim says that would likely take such a long time that Mozilla would have to make significant cost cuts and strategy changes all while "waiting on a hypothetical future in which that happened." In the meantime, he said, "we would be really struggling to stay alive."

On cross-examination by the DOJ, Muhlheim conceded that it would be preferable not to rely on one customer for the vast majority of its revenue, regardless of the court's ruling in this case. And, he agreed, another browser company, Opera, has already managed to make more money from browser ads than it does from search deals. But while that may be a potential pathway to diversifying Firefox's revenue, he added, scaling up such a business at Firefox may look different, in part because of the privacy-preserving approach it takes to products.

Mozilla has supported choice screens for browsers on phones and desktops, the DOJ noted, something it would directly benefit from. But it does not support a choice screen for users to select a default search engine in a browser. Muhlheim

said Firefox regularly reminds users they have multiple search options — “there are a thousand different search points” in the browser, he testified. “Choice is a core value for us, but context matters,” he added on cross-examination. “The best way to get to choice is not always a choice screen.”

Judge Amit Mehta asked Muhlheim if he’d agree that it would benefit Mozilla if at least one other company that matched Google’s quality and ability to monetize searches existed. “If we were suddenly in that world,” Muhlheim said, “that would be a world that would be better for Mozilla.”

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