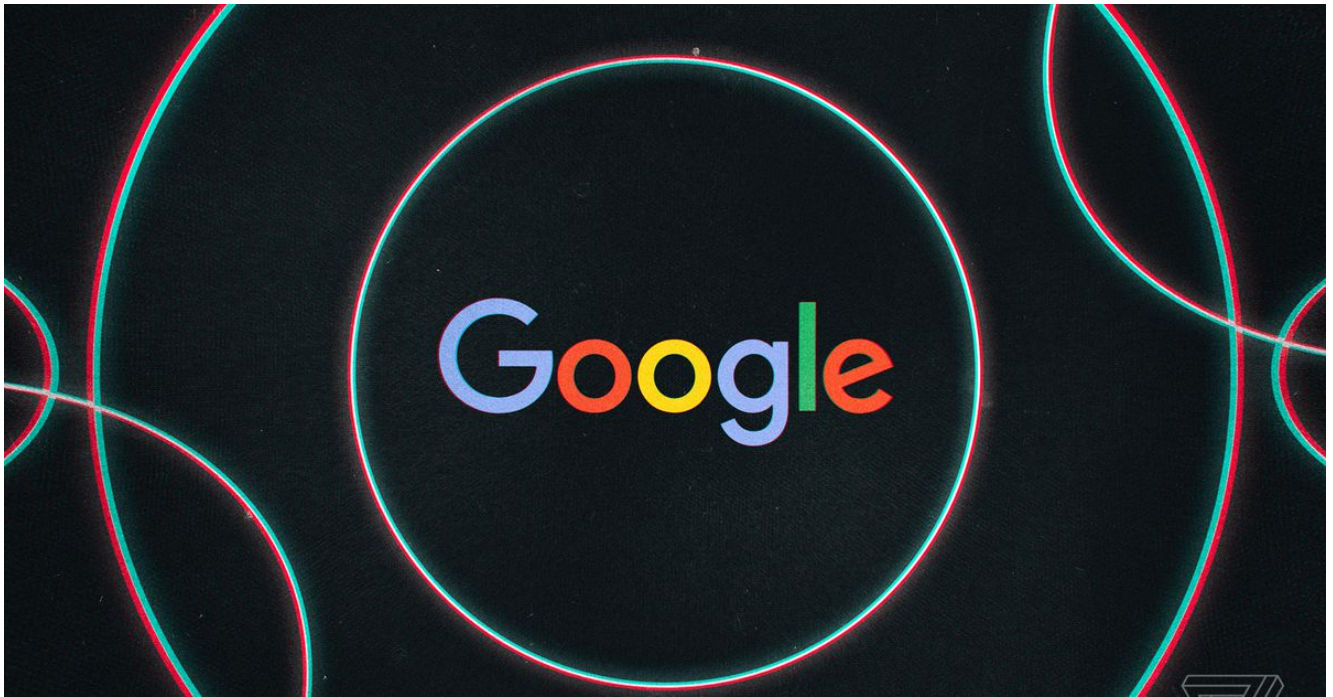


Google reportedly offers to shuffle ads business to avoid Justice Department lawsuit



Google has reportedly offered to spin off its ad auctions business, which lets companies buy advertising space on the web and in search results, into a slightly more separate company if it'll help avoid antitrust actions, according to a report by *The Wall Street Journal*. The offer is reportedly part of multiple concessions Google has offered the US Department of Justice, as it looks to avoid further lawsuits alleging anti-competitive practices.

According to the *WSJ*, the move would be a corporate shuffle. Rather than spinning off parts of its ad business into a completely separate company or selling them altogether, the proposal would make them a separate Alphabet company. Alphabet is the holding company for Google's properties, such as Google itself, Waymo, and DeepMind. (Things like YouTube, Pixel, and, of course, AdSense are considered to be subsidiaries of the Google entity.) So while the ad auctions might not be run by

Google anymore, the buck would still eventually be stopping at the same people. According to the *WSJ*, the change could move “tens of billions of dollars” in business.

The revenue would still end up on the same quarterly report Google’s dominance and scale in the app and web advertising industry have drawn regulators’ attention before. In 2020, the US government filed antitrust charges against the company, saying that it was “unlawfully maintaining monopolies in the markets for general search services, search advertising, and general search text advertising.” The UK’s Competition and Markets Authority recently launched an investigation into Google’s ad practices as well, saying that it intended to look at the company’s ad exchanges and markets.

Google likely wants to avoid any further lawsuits and enforcement actions, which could wind up forcing it to make changes far bigger than the ones it’s offering. *The Wall Street Journal* reports that a new lawsuit from the Department of Justice could be coming within the next few months if it doesn’t come to some sort of agreement with the company.

Reached for comment, Google spokesperson Peter Schottenfels sent *The Verge* the same statement provided to the *Wall Street Journal*:

We have been engaging constructively with regulators to address their concerns. As we’ve said before, we have no plans to sell or exit this business, and we’re deeply committed to providing value to a wide array of publisher and advertiser partners in a highly competitive sector. Rigorous competition in ad technology has made online ads more relevant, reduced fees, and expanded options for publishers and advertisers.

<https://www.theverge.com/2022/7/8/23200387/google-ad-auctions-spin-off-alphabet-antitrust-regulations>