# Google is defiant after losing antitrust lawsuit and being called a 'monopolist'

### Warm-up question:

Have you ever heard about companies being broken up or controlled by the government due to their size or influence? What do you think about the government's role in regulating large companies?

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#### MICHEL MARTIN, HOST:

The Justice Department won an historic victory against Google in an **antitrust** lawsuit. A federal judge ruled that Google acted illegally to ensure the company dominated the search engine market.

### A MARTÍNEZ, HOST:

NPR's tech correspondent Dara Kerr is here to talk about how **monumental** this decision is and what it could mean for the future of Google. Dara, it sounds like a big loss for Google. Tell us more about the judge's ruling.

DARA KERR, BYLINE: Yeah, it was a big blow. So this is the first major antitrust lawsuit against a tech company to go to trial in decades. If you remember, the last one was against Microsoft in the 1990s, and the government won that case. So for this Google case, the Justice Department used Microsoft as a **template**, and it worked. In his nearly 300-page ruling, Judge Amit Mehta straight out called Google a monopolist, and he said it acted illegally to make sure it stayed a monopoly. He noted in his ruling how Google was once a **scrappy** startup, founded by two Stanford students in a rented garage, and now has become one of the world's most valuable companies. And he suggested that dominance wasn't by accident. When I called up former chair of the Federal Trade Commission Bill Kovacic, he could not overstate how important this ruling was.

BILL KOVACIC: It's a very significant outcome for the Department of Justice - not just for U.S. policy but for global efforts to control Big Tech.

KERR: So the ripple effects could be very huge here.

MARTÍNEZ: Yeah. And the judge you mentioned called Google a monopolist. So what does that mean for the company going forward?

KERR: Yeah, Google was quick to say it's appealing the ruling. The company's president of global affairs said in a statement that Google is the best search engine, and the judge recognized that. But the judge also said that Google had a major advantage over its rivals. That advantage is exclusive agreements with device-makers like Apple and Samsung. Google has paid those companies billions of dollars to be the default search engine on their phones and computers.

During the trial, we learned that in one year alone, Google paid more than \$26 billion for that privilege. So now, going forward, it's hard to know what's going to happen to Google, and that's because, in his decision, the judge didn't address **remedies** for the company. Instead, there's going to be a whole separate other trial where he will decide those. I spoke to one of the top antitrust experts in the country, George Hay, about what the judge might **mandate**. Hay is a former chief economist for the Justice Department's Antitrust Division.

GEORGE HAY: The remedy here is pretty obvious. He's going to say those contracts with Apple and Samsung have to go away.

KERR: No contracts means Google likely won't be the default search engine, but Hay says we're a long way from that because of the whole appeals process.

MARTÍNEZ: OK. Now, beyond Google, though, Dara, I mean, what does Monday's ruling mean for other lawsuits the government has brought against Big Tech?

KERR: Yeah, well, there are a lot of lawsuits. The Justice Department and the Federal Trade Commission have sued Facebook parent company Meta. And there's Amazon, and they've sued Apple and some other small tech companies, too. And it's clear the Justice Department is **emboldened** by this ruling and celebrating their win against Google. In a statement, Attorney General Merrick Garland said, quote, "no company, no matter how large or influential, is above the law." And the experts I spoke to agree. They say this ruling could **pave the way for** similar rulings on those other lawsuits, so this push to break up the power of Big Tech seems like something that's just going to continue.

MARTÍNEZ: All right. That's NPR tech correspondent Dara Kerr. Thanks, Dara.

#### **Vocabulary and Phrases:**

- 1. **Antitrust:** Laws and regulations that prevent monopolies and promote competition in the marketplace.
- 2. **Monumental:** Very important, significant, or large in scale.
- 3. **Template:** A model or standard used as a guide for others to follow.
- 4. **Scrappy:** Determined, tough, and willing to fight or compete.
- 5. **Ripple effect:** A situation in which one event causes a series of other events to happen.
- 6. **Remedies:** Solutions or actions taken to correct a problem or situation.
- 7. **Mandate:** An official order or command to do something.
- 8. **Emboldened:** Made more confident or courageous.
- 9. **Pave the way for:** To create the conditions or opportunities for something to happen.

## **Comprehension Questions:**

- 1. What was the key ruling in the antitrust lawsuit against Google?
- 2. How did the Justice Department use a previous case as a template for the Google lawsuit?
- 3. What advantage did Google have over its rivals, according to the judge's ruling?
- 4. What potential remedies might the judge mandate in the next trial?
- 5. How could this ruling against Google impact other tech companies?

#### **Discussion Questions:**

- 1. Why do you think some companies, like Google, become so powerful that the government feels the need to step in?
- 2. How do you think this ruling against Google might change the way we use search engines in the future?
- 3. Imagine you're a small company trying to compete with a giant like Google. What challenges do you think you would face?
- 4. How do you feel about the idea that no company, no matter how big, should be above the law? Can you think of any examples where this might be important?
- 5. If the government breaks up big companies like Google, what do you think might happen to the technology and services we use every day?