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15		ICT OF CALIFORNIA
	MATCH GROUP, LLC, a Delaware	Case No.
17	corporation; HUMOR RAINBOW, INC., a New York corporation;	COMPLAINT FOR (1) VIOLATIONS
18	PLENTYOFFISH MEDIA ULC, a Canadian corporation; and PEOPLE	OF THE SHERMAN ÁCT; (2) VIOLATIONS OF THE CADTWOIGUT ACT: (2) LINEA ID
19	MEDIA, INC., a Delaware corporation, Plaintiffs,	CARTWRIGHT ACT; (3) UNFAIR COMPETITION; (4) TORTIOUS INTERFERENCE WITH
20	v.	CONTRACT; AND (5) TORTIOUS INTERFERENCE WITH
21	GOOGLE LLC; GOOGLE IRELAND	PROSPECTIVE ECONOMIC ADVANTAGE
22	LIMITED; GOOGLE COMMERCE LIMITED; GOOGLE ASIA PACIFIC	
	PTE. LIMITED; and GOOGLE	DEMAND FOR JURY TRIAL
23	PAYMENT CORP	
23 24	PAYMENT CORP., Defendants.	
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24 25 26	PAYMENT CORP.,	
24 25 26 27	PAYMENT CORP.,	
24 25 26	PAYMENT CORP.,	

1		TABLE OF CONTENTS	
2			Page
3	INTRODUC	CTION	1
4	PARTIES		13
5	JURISDICT	TION AND VENUE	14
6	DIVISIONA	AL ASSIGNMENT	15
7	BACKGRO	UND	15
8	А.	Match Group Provides Popular Online Dating Services	15
9	В.	Google Has Monopolized the Marketplace for Mobile and Licensable Operating Systems	19
10 11	C.	Google Has Unlawfully Maintained a Monopoly in the Market for Distribution of Android Apps	
12	D.	Google Also Has Market Power in the Market for Dating App Distribution	25
13 14 15	E.	Google Devises and Uses Exclusionary Contracts, Illegal Tying, and Predatory Practices to Block Competitors and Ensure Google Play's Dominance	28
15 16		1. Google Uses Exclusionary Contracts with OEMs	29
10 17		2. Google Uses Exclusionary Contracts with App Developers	31
18 19		3. Google Uses Payment Incentives and Predatory Practices	32
20		4. Google Uses Technological Roadblocks, Contractual Restrictions, and False Information to Make Direct App Downloads Impractical	36
21		<ol> <li>Google's Anti-Competitive Conduct Destroys</li> </ol>	
22		Competition in the Android App Distribution Market or, Alternatively, the Dating App Distribution	
23		Market	39
24	F.	Google Unlawfully Seized and Maintains a Monopoly in the Market for Android App In-App Payment Processors	41
25 26		<ol> <li>Google Uses Illegal Ties and Exclusive Contracts to Mandate Use of Google Play Billing</li> </ol>	
27		<ol> <li>Google Abuses Its Monopoly Power by Imposing an</li> </ol>	
28		Arbitrary and Unconscionable Tax on Consumers and App Developers	46

#### TABLE OF CONTENTS (cont.) 1 2 Page 3 3. Google's Conduct Destroys Competition in the Android App IAP Market and Harms Consumers and 4 5 G. 6 Google Allows Match Group's Apps to Remain on Google H. Play, Recognizing That Match Group's Payment Options 7 8 Abusing its Monopoly Power, Google Abruptly Changed I. 9 10 J. Google's Anti-Competitive Conduct Has Irreparably 11 12 13 THIRD CAUSE OF ACTION......69 14 FOURTH CAUSE OF ACTION ......71 15 FIFTH CAUSE OF ACTION......73 16 SIXTH CAUSE OF ACTION ......75 17 18 19 NINTH CAUSE OF ACTION......79 20TENTH CAUSE OF ACTION......81 21 22 TWELFTH CAUSE OF ACTION ......84 23 24 25 26 27 28

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1

## **INTRODUCTION**<sup>1</sup>

2 1. This is a case about the strategic manipulation of markets, broken promises, and abuse of power that Google LLC<sup>2</sup> has employed to illegally foreclose 3 competition in the world's biggest mobile device ecosystem, Android, and become 4 5 one of the largest, most powerful companies in the world. Google convinced billions around the world to use the Android mobile operating system ("Android" or "Android 6 7 OS") on promises of an open ecosystem, flexibility, and a focus on the user. Through 8 those platitudes and promises and the anticompetitive tactics detailed in this 9 complaint, Google illegally monopolized the market for distributing apps on Android 10 devices with its Google Play Store ("Google Play")—making it today the only viable choice a mobile application ("app") developer has to reach Android users. Now, 11 12 Google seeks to eliminate user choice of payment services and raise prices on 13 consumers by extending its dominance to the separate market for in-app payment ("IAP") processors on Android. It is conditioning app availability on Google Play 14 15 with exclusive use of its own in-app payment processing product, Google Play Billing, where it can charge supra-competitive prices and monetize the personal data 16 of billions of digital app users. 17

18 2. Ten years ago, Match Group was Google's partner. We are now
19 its hostage. Google lured app developers to its platform with assurances that we could
20 offer users a choice over how to pay for the services they want. But once it
21 monopolized the market for Android app distribution with Google Play by riding the
22 coattails of the most popular app developers, Google sought to ban alternative in-app

23

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<sup>&</sup>lt;sup>1</sup> For the purposes of this complaint, the term "Match Group" includes only the operating entities named as Plaintiffs. Match Group LLC; Humor Rainbow, Inc.; PlentyofFish Media ULC; and People Media, Inc. are part of the Match Group family of companies with the ultimate parent company Match Group, Inc. ("MGI"), a nonoperating holding company. MGI's other subsidiaries are not included in the definition of "Match Group" in this complaint. Match Group asserts the allegations in this complaint upon personal knowledge as to itself and its own acts and experiences and, as to all other matters, upon information and belief, including an investigation conducted by its attorneys.

<sup>28 &</sup>lt;sup>2</sup> Unless noted otherwise, throughout this complaint, "Google" refers to Google LLC and all other Google entity defendants.

payment processing services so it could take a cut of nearly every in-app transaction
 on Android. This Complaint lays bare Google's misdeeds that made it possible.

3 3. Google monetizes Android, in part, by operating Google Play and a 4 separate in-app payment processing service called Google Play Billing. Over the last 5 decade, through bait and switch tactics that exploited the very app developers it so 6 ardently courted and claimed to support and by paying off potential competitors not 7 to compete, Google has grown Google Play into the only viable Android app 8 marketplace. If a developer wants users to find its app, that app must be on Google 9 Play.

10 4. But that was not enough for Google. It also wanted to control the much 11 more lucrative in-app payment processing market on Android. Every year, consumers 12 spend tens of billions of dollars on Android apps. And that number increases every year. When those transactions involve the purchase of "digital goods or services" 13 using Google Play Billing, Google keeps as much as 30% for itself. 14 Google 15 disingenuously calls this extortionate tax a "fee" even though it is nearly ten times the actual fees other payment processors charge in competitive marketplaces. 16

5. Further, what constitutes a "digital good or service" is ill-defined and
arbitrarily applied. Clothing and food delivery and ride sharing apps do not qualify.
But Match Group's dating apps do qualify, even though they enable users to meet in
the real world for a date, just like a ride sharing app enables a user to find a driver in
the real world for a ride.

6. Google's "fee" also bears no relation to the cost or value of services Google provides developers. Indeed, all developers with apps on Google Play benefit from the exact same services, and they all pay Google a \$25.00 registration fee. Yet only the small handful who sell "digital goods and services," again, as arbitrarily defined by Google, pay the Google tax, which results in pure non-competitive profit to Google. It also allows Google to collect massive volumes of user data that Google can then monetize.

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