UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

THE STATE OF TEXAS By Attorney General Ken Paxton	§	
THE STATE OF ARKANSAS By Attorney General Leslie Rutledge	§	Civil Action No. 4:20cv957
THE STATE OF IDAHO By Attorney General Lawrence G. Wasden	§	**JURY TRIAL DEMANDED**
THE STATE OF INDIANA By Attorney General Curtis Hill	§	FILED: 12/16/20 U.S. DISTRICT COURT EASTERN DISTRICT COURT DAVID A. O'TOOLE, CLERK
COMMONWEALTH OF KENTUCKY By Attorney General Daniel Cameron	§	
THE STATE OF MISSISSIPPI By Attorney General Lynn Fitch	§	
STATE OF MISSOURI By Attorney General Eric Schmitt	§	
STATE OF NORTH DAKOTA By Attorney General Wayne Stenehjem	§	
STATE OF SOUTH DAKOTA By Attorney General Jason R. Ravnsborg	§	
and	§	
STATE OF UTAH By Attorney General Sean D. Reyes	§	
Plaintiffs,	§	
vs.	§	
GOOGLE LLC,	§	
Defendant.	§	

COMPLAINT

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1. The States of Texas, Arkansas, Idaho, Indiana, Mississippi, Missouri, North Dakota, South Dakota, Utah, and the Commonwealth of Kentucky, by and through their Attorneys General (collectively, the "Plaintiff States"), bring this action against Google LLC ("Google") under federal and state antitrust laws and deceptive trade practices laws and allege as follows:

I. NATURE OF THE CASE

2. The halcyon days of Google's youth are a distant memory. Over twenty years ago, two college students founded a company that forever changed the way that people search the internet. Since then, Google has expanded its business far beyond search and dropped its famous "don't be evil" motto. Its business practices reflect that change. As internal Google documents reveal, Google sought to kill competition and has done so through an array of exclusionary tactics, including an unlawful agreement with Facebook, its largest potential competitive threat, to manipulate advertising auctions. The Supreme Court has warned that there are such things as antitrust evils. This litigation will establish that Google is guilty of such antitrust evils, and it seeks to ensure that Google won't be evil anymore.

3. Google is an advertising company that makes billions of dollars a year by using individuals' personal information to engage in targeted digital advertising. Google has extended its reach from search advertising to dominate the online advertising landscape for image-based web display ads. In its complexity, the market for display ads resembles the most complicated financial markets: publishers and advertisers trade display inventory through brokers and on electronic exchanges at lightning speed. As of 2020, Google is a company standing at the apex of power in media and advertising, generating over $161 billion annually with staggering profit margins, almost all of it from advertising.

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4. Google's advertising apparatus extends to the new ad exchanges and brokers through which display ads trade. Indeed, nearly all of today's online publishers (be they large or small) depend on one company—Google—as their middleman to sell their online display ad space in "ad exchanges," i.e., the centralized electronic trading venues where display ads are bought and sold. Conversely, nearly every consumer goods company, e-commerce entity, and small business now depend on Google as their respective middleman for purchasing display ads from exchanges in order to market their goods and services to consumers. In addition to representing both the buyers and the sellers of online display advertising, Google also operates the largest exchange AdX. In this electronically traded market, Google is pitcher, batter, and umpire, all at the same time.

5. The scale of online display advertising markets in the United States is extraordinary. Google operates the largest electronic trading market in existence. Whereas financial exchanges such as the NYSE and NASDAQ match millions of trades to thousands of company symbols daily, Google's exchange processes about [redacted] online ad spaces each day. In Google's words, [redacted] At the same time, Google owns the largest buy-side and sell-side brokers. As one senior Google employee admitted, [redacted] Or more accurately, the analogy would be if [redacted] were a monopoly financial broker and owned the [redacted] which was a monopoly stock exchange.

6. Google, however, did not accrue its monopoly power through excellence in the marketplace or innovations in its services alone. Google's internal documents belie the public image of brainy Google engineers having fun at their sunny Mountain View campus while trying to make the world a better place. Rather, to cement its dominance across online display markets,

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