

THE GOOGLE PROBLEM

**IN ITS OWN WORDS, HOW GOOGLE
THREATENS COMPETITION AND CHOICE.**

GOOGLE DOMINATES SEARCH IN THE U.S.

In 2010, the Antitrust Division of the U.S. Department of Justice, in commenting on Google's infamous books settlement, stated that:

“Google already holds a relatively dominant market share in [online search].”

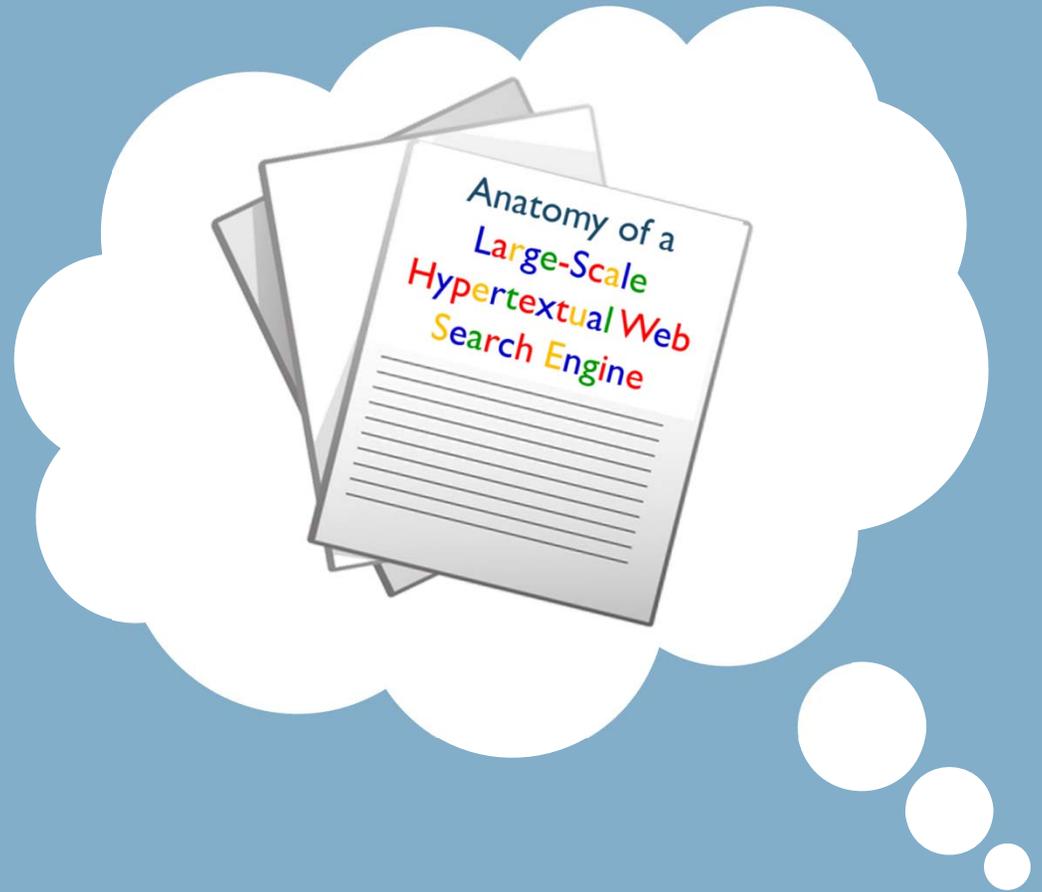
GOOGLE EXTENDS ITS DOMINANCE IN SEARCH

“Google has a plan to extend its dominance in search and online advertising into every part of the information economy. It’s no secret – it’s in the company’s mission statement.”

IN GOOGLE'S OWN WORDS: THE THREAT

While students at Stanford, Larry Page and Sergey Brin wrote an academic paper, “*Anatomy of a Large-Scale Hypertextual Web Search Engine*” outlining the prototype of a large-scale search engine:

GOOGLE.



The following series of quotations from Page and Brin’s paper demonstrates the **concerns they had about the future of search.**

GOOGLE: BIAS IS DIFFICULT TO DETECT

“[W]e expect that advertising funded search engines will be **inherently biased towards the advertisers and away from the needs of the consumers.**”

“Since it is very difficult even for experts to evaluate search engines, **search engine bias is particularly insidious.**”



BIAS CAN SIGNIFICANTLY AFFECT THE MARKET

“[A] search engine could add a small factor to search results from friendly companies, and subtract a factor from results from competitors. This type of bias is very **difficult to detect** but **could still have a significant effect on the market.**”



SO CAN ADVERTISING...

“[A]dvertising income often provides an incentive to provide poor quality search results.”



TAKE TRAVEL FOR EXAMPLE

“We noticed a major search engine would not return a large airline's homepage when the airline's name was given as a query. It so happened that the airline had placed an expensive ad, linked to the query that was its name.

A better search engine would not have required this ad, and possibly resulted in the loss of the revenue from the airline to the search engine.”



TODAY'S SEARCH REALITY

IN GOOGLE'S
OWN WORDS

GOOGLE: WE ARE QUITE SECRETIVE

“For something that is used so often by so many people, surprisingly little is known about ranking at Google. **This is entirely our fault, and it is by design.** We are, to be honest, **quite secretive** about what we do.”

GOOGLE THINKS IT KNOWS BEST

“We can suggest what you should do next, what you care about. Imagine: **We know where you are, we know what you like.**”

GOOGLE: THE ENGINE THAT CAN'T BE STOPPED

“So, more users more information, more information more users, more advertisers more users, it’s a beautiful thing, lather, rinse, repeat, that’s what I do for a living. So that’s what someone alluded to the engine that can’t be stopped.”