

## **Consumer Watchdog Says FTC's Google-AdMob Decision Will Hurt Consumers**

WASHINGTON, /PRNewswire-USNewswire/ -- The Federal Trade Commission's decision allowing the \$750 million deal for Google to buy mobile advertising company AdMob is anticompetitive and bad for consumers, Consumer Watchdog said today.

"The FTC is allowing the two dominant companies in mobile advertising to combine in a monopolistic juggernaut against the third-place company, owned by Apple," said John M. Simpson. "How this possibly can be construed as promoting competition is incomprehensible. What it demonstrates is Google's clout in Washington. This week CEO Eric Schmidt said he would vigorously fight any opposition to the \$750 million deal and that obviously has translated into pulling his political strings in Washington."

Last week Google's former top global lobbyist, Andrew McLaughlin, now White House Deputy Chief Technology Officer, was reprimanded for inappropriate contact with Google executives. Google's lobbyist tactics were clearly to leverage political input from the White House on issues of concern. In one email produced in response to a Freedom of Information Act request from Consumer Watchdog, a Google lobbyist calls on a member of the National Economic Council "for the FTC to have administration input," although the issue related to privacy, not the AdMob merger.

"Clearly Google is willing to pull in political chits from the White House to influence FTC deliberations. Did the White House attempt to influence the AdMob decision? The public deserves to know," Simpson said. "Hopefully the FTC will take a much more critical look at the WiSpy scandal."

Consumer Watchdog said Google's dominance of online search with 70 percent or more of the search market is a monopoly that must be probed.

Earlier this month Simpson met with a five-person Justice Department team headed by James Tierney, chief of the DOJ's Networks and Technology Section in the Antitrust Division to voice Consumer Watchdog's concern about Google's monopolistic position in the search market. Tierney asked that the specifics of his team's questions and their reactions not be characterized. He agreed that it would be appropriate to describe the Justice Department as being "in a listening mode" concerning Google and its activities.

"For most Americans - indeed, for most people in the world - Google is the gateway to the Internet," said Simpson. "How it tweaks its search algorithms can ensure a business's success or doom it to failure. Google determines what consumers see and where they go and there is increasing evidence that Google is making decisions that unfairly benefit its own business."

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Consumer Watchdog said that much of the problem is caused by Google's secretiveness. "While advocating openness and transparency for everyone else, Google itself is a closed black box to outsiders," Simpson said.

In an effort to focus attention on Google's activities and make the company more transparent, Consumer Watchdog has launched a new Website, <http://insidegoogle.com/> as part of the organization's Google Privacy and Accountability Project. "We want to open up the black box," said Simpson.

Source: Consumer Watchdog

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