

Google to pay \$700m to US consumers, states in Play store settlement

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Online Desk: Alphabet's Google has agreed to pay \$700 million and to allow for greater competition in its Play app store, according to the terms of an antitrust settlement with U.S. states and consumers disclosed on Monday in a San Francisco federal court.

Google will pay \$630 million into a settlement fund for consumers and \$70 million into a fund that will be used by states, according to the settlement, which still requires a judge's final approval, as per Reuters reports.

The settlement said eligible consumers will receive at least \$2 and may get additional payments based on their spending on Google Play between August 16, 2016 and September 30, 2023.

All 50 states, the District of Columbia, Puerto Rico and the Virgin Islands, joined the settlement.

Google was accused of overcharging consumers through unlawful restrictions on the distribution of apps on Android devices and unnecessary fees for in-app transactions. It did not admit wrongdoing.

Lead plaintiff Utah and other states announced the settlement in September, but the terms were kept confidential ahead of Google's related trial with "Fortnite" maker Epic Games. A California federal jury last week agreed with Epic that parts of Google's app business were anticompetitive.

Wilson White, Google's vice president for government affairs and public policy, in a statement, said the settlement "builds on Android's choice and flexibility, maintains strong security protections, and retains Google's ability to compete with other (operating system) makers, and invest in the Android ecosystem for users and developers."

The company said it was expanding the ability of app and game developers to provide consumers with an alternative billing option for in-app purchases next to Play's billing system. Google said it had piloted "choice billing" in the U.S. for more than a year.

As part of the settlement, Google said it would simplify users' ability to download apps directly from developers.

Lawyers for the states in their court filing said the settlement terms "will offer significant, meaningful, long-lasting relief for consumers throughout the country."

The states' attorneys said "No other U.S. antitrust enforcer has yet been able to secure remedies of this magnitude from Google" or another major digital platform.

Epic sued for an injunction, but not monetary damages, and the company next year is expected to make its proposal to the judge hearing the cases, U.S. District Judge James Donato, about potential changes to Google's Play store.

An Epic spokesperson on Monday had no immediate comment on Google's settlement with states and consumers.

Google faces other lawsuits challenging its search and digital advertising practices. It has denied any wrongdoing in those cases.

