



# Google-YouTube's Internet Video Distribution Dominance

*Why Internet video distribution competition is substantially lessened;  
How Google-YouTube anti-competitively gained Internet video distribution dominance; &  
Why a Google acquisition of Dish, DirecTV, or a major media company would likely be blocked.*  
Part XII of Googleopoly Research Series

**By Scott Cleland\***

President, Precursor LLC\*\* [scleland@precursor.com](mailto:scleland@precursor.com)  
Publisher, [www.GoogleMonitor.com](http://www.GoogleMonitor.com) & [www.Googleopoly.net](http://www.Googleopoly.net)  
Author, *Search & Destroy: Why You Can't Trust Google Inc.*  
[www.SearchAndDestroyBook.com](http://www.SearchAndDestroyBook.com)

**July 23, 2013**

\* The views expressed in this presentation are the author's; see Scott Cleland's full biography at: [www.ScottCleland.com](http://www.ScottCleland.com)

\*\*Precursor LLC serves Fortune 500 clients, some of which are Google competitors.

# Outline

## **I. Summary**

## **II. Google's Internet Video Distribution Dominance**

- A. Overview of Scale, Scope & Growth
- B. By the Numbers: Absolutely, Relatively & Growth
- C. In Their Own Words
- D. In Pictures
  - By: Unique Viewers; Videos Viewed; Total Viewing Minutes; Streams; Mobile Downstream Share; Mobile Ad Revenues; Net Digital Ad Revenues; Growth Rate; Countries (53); & Languages (71)

## **III. Internet Video Distribution Competition Evaluated**

- A. Why Internet Video Distribution is a Separate Market
- B. Evaluation of leading competitors
- C. Substantial Barriers to Effective Competition
- D. Unmatched/Unprecedented Internet Network Effects

## **IV. How Google-Tube Anti-competitively Became Dominant**

- A. Via acquisition of YouTube, DoubleClick, & AdMob in violation of Clayton Act
- B. Via a predatory copyright infringement strategy & willful blindness to undisputed mass YouTube piracy
- C. Via cross-leveraging and full-line forcing to create an Internet video distribution utility
- D. Via anti-competitive exclusions

## **V. Implications for Google M&A Plans in Video Distribution/Content**

## **VI. Why DOJ Not FTC Should Investigate Google-YouTube**

Appendix: Bio, Research, Book

# Summary

1. The evidence is overwhelming that Google dominates Internet video distribution, by all relevant measures: scale, scope, growth, audience, consumption, distribution, advertisers, revenue, countries, and languages.
2. The competitive facts indicate:
  - Internet video distribution is a separate market from offline video distribution.
  - None of the most likely Internet video distribution competitors -- Facebook, Microsoft, Yahoo, Hulu, Netflix, Amazon or Apple -- present a significant competitive threat to Google-YouTube's dominance;
  - There are substantial barriers to effective competition to Google-YouTube's video distribution utility; and
  - There are unprecedented and unmatched viral Internet network effects at play.
3. There is sufficient evidence for DOJ to investigate alleged Google violations of the Clayton and Sherman acts by extending its search advertising dominance into Internet video distribution:
  - Via acquisition of YouTube, DoubleClick, & AdMob in violation of Clayton Act;
  - Via a predatory copyright infringement strategy & willful blindness to undisputed mass YouTube piracy;
  - Via extending its search advertising dominance into video and video-utility services; and
  - Via anti-competitive exclusions.
4. At worst the evidence suggests a purposeful Google conspiracy of predatory copyright infringement, at best willful blindness by Google to profit from mass piracy.
  - Given the substantial volumes of Google search traffic and advertising for pirated videos over a period of seven years, Google's straight infringement liability could be many billions of dollars -- before treble damages.
5. The most relevant ramification of Google-YouTube's dominance and mass piracy liabilities is that securing antitrust and FCC approval for a potential Google acquisition of Dish, DirecTV or one of the major movie studios/TV networks, would be difficult, contentious and protracted, and more likely than not would be blocked by the government.
6. The DOJ, not the FTC, should investigate Google-YouTube given that:
  - DOJ reviewed the YouTube acquisition under the Clayton Act in 2006;
  - DOJ/FTC have a formal agreement that DOJ handles video media and entertainment due to superior subject expertise;
  - As the Government's lawyer and prosecutor, only the DOJ has the full range of legal authority to address these allegations; &
  - DOJ's antitrust enforcement record vis-à-vis Google is demonstrably superior to the FTC's.



# **GOOGLE-YOUTUBE'S INTERNET VIDEO DISTRIBUTION DOMINANCE**

# Overview of Google-YouTube's Dominant Scale, Scope & Growth

- **SCALE:** Relative to their nearest Internet video distribution competitor in the U.S. Google has:
  - 2.5 times more unique viewers;
  - 7 times more digital ad revenues;
  - 17 times more viewing minutes;
  - 21 times more videos viewed; and
  - 25 times more video streams.
- **SCOPE:** Google-YouTube is the most-vertically-integrated, video-distributor in the world.
  - #1 Internet *video distributor*: commanding a billion monthly viewers, localized in 53 countries; 71 languages;
  - #1 Internet *search* provider with ~80% global search share outside of China.
  - #1 *online advertising* provider controlling roughly half of all global online advertising share. YouTube also serves *200 times* more advertisers than the average U.S. broadcaster.
  - #1 *mobile online* provider with: 900m Android users; 400m mobile video viewers; 57% U.S. mobile advertising.
  - #1 Internet *cloud* distribution architecture with largest, most efficient, fastest, most-synchronized data centers.
  - #1 in technological & business breadth. It offers online products & services in most segments of technology, entertainment, media, communications, ecommerce, and financial services.
  - #2 social media platform with 600+m users in less than 2 years.
- **GROWTH:** Google's dominance is spreading at an *accelerating* rate.
  - Google reached a billion search users in 13 years; video in 7 years. Mobile likely in 5 years, social in 3 years.
  - Google-YouTube's reach of U.S monthly unique viewers grew from 7% in 2006 to 85% today.
  - Google-YouTube's global monthly viewership grew 5,100% in 7 years, from 19m in 2006 to 1b today.
  - Last year Google-YouTube increased its viewing hours 50%.

# Google's Internet Video Distribution Dominance by the Numbers

## **Absolutely Google-YouTube:**

- Has over one billion monthly viewers. (Google 2013)
- Serves all of the AdAge Top 100 brand advertisers. (Google 2013)
- Serves 200x more advertisers than average U.S. broadcaster; (Google 2012)
- Is viewed by half of the world's Internet users. (Google 2013)
- Is localized in 53 countries across 71 languages. (Google 2013)
- Is available on 400m mobile devices. (Google 2013)
- Has #1 (Google) and #3 (YouTube) Internet sites in the world. (Alexa 2013)
- Has more than one million creators from 30 countries earning money from their YouTube videos. (Google 2013)
- Is the preferred music discovery tool for teens. (Nielsen 2013)

## **Relatively Google-YouTube:**

- Has 25x more total Internet video streams than nearest competitor. (Nielsen 2012)
- Has 21x more U.S. videos viewed than nearest competitor. (comScore 2013)
- Has 17.5x more U.S. unique video viewers than nearest competitor. (comScore 2013)
- Has 17x more total U.S. online video minutes viewed than nearest competitor; (comScore 2012)
- Has 7.5x more net digital ad revenues than nearest competitor (eMarketer 2013)
- Has 5x more total U.S. mobile down-streams than nearest competitor. (Sandvine 2012)
- Has 5 of top ten mobile apps (#2, #3, #4, #5, #6) all competitors have only one. (comScore 2013)

## **Market-share-wise Google commands:**

- 93% share of U.S. mobile search ad revenues. (eMarketer 2012)
- 57% share of all U.S. mobile advertising. (eMarketer 2012)
- 87% of global search ad revenues. (Covario 2012)
- 48.5% of all global online advertising revenues. (ZenithOptimedia 2012)
- 72% of global mobile operating system users. (Gartner 2012)
- 84% reach of total U.S. Internet video streaming audience. (comScore 2013)
- 65% share of all U.S. online video streams. (Nielsen 2012)

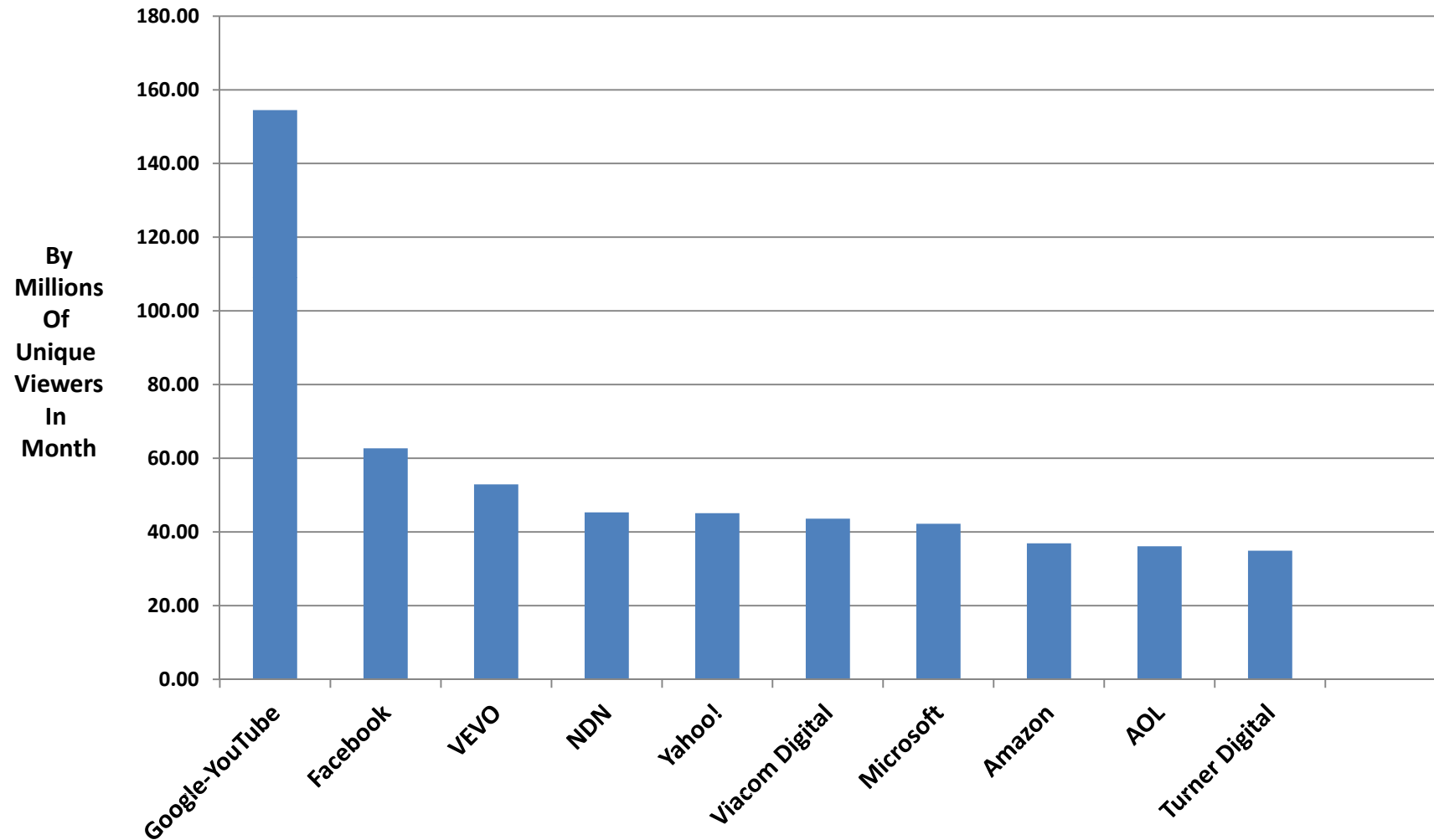
# Google-YouTube's Dominance in its Own Words

- ***"The Internet is the future of television... TV is going global."***
  - Google CEO Eric Schmidt at Edinburgh International TV Festival, per [TVTechnology](#) 8-30-11
- ***"Just flip a switch and get worldwide distribution, almost without doing any work... That's how we see the future. YouTube is going to be available everywhere."***
  - Google CEO Larry Page, per Google Earnings Call [transcript](#), 10-18-12
- ***"There is a real desire for YouTube to be a global classroom and a global town square, not just a global living room,"***
  - Google executive Hunter Walk, per [Bloomberg](#), 10-17-12
- ***"Video is now baked into all of our products... Video is a key language that brands speak."***
  - Google Chief Business Officer, Nikesh Arora, Google's 4Q12 earnings call, [Gigaom](#), 1-23-13
- ***"The big tipping point we're waiting for is Internet connected televisions," "We're waiting for things going from 'nice-to-have' to 'must-have.'"***
  - Google Chief Business Officer, Nikesh Arora, per [ATD](#), 2-13-13
- ***"Almost nothing short of a biological virus , can scale as quickly, efficiently or aggressively as these technology platforms and this makes the people who build, control and use them powerful too."***
  - Google Chairman Eric Schmidt, per [WebProNews](#), 12-3-12

# Google-YouTube Dominates by Unique Viewers

## *Top U.S. Online Video Properties by Unique Viewers*

Source: ComScore May 2013

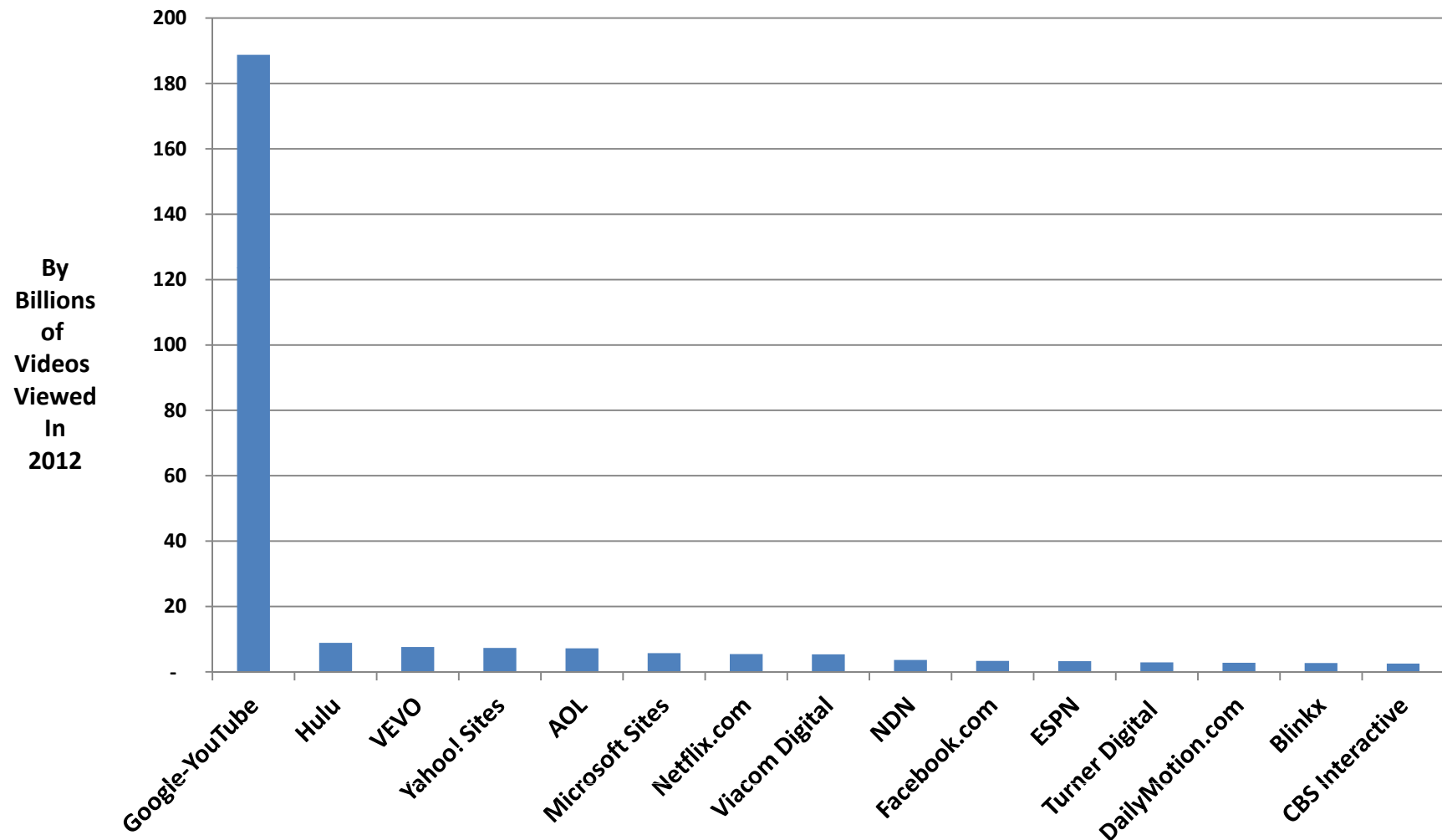




# Google-YouTube Dominates by Videos Viewed

## Top Online Video Content Properties by Videos Viewed in U.S. in 2013

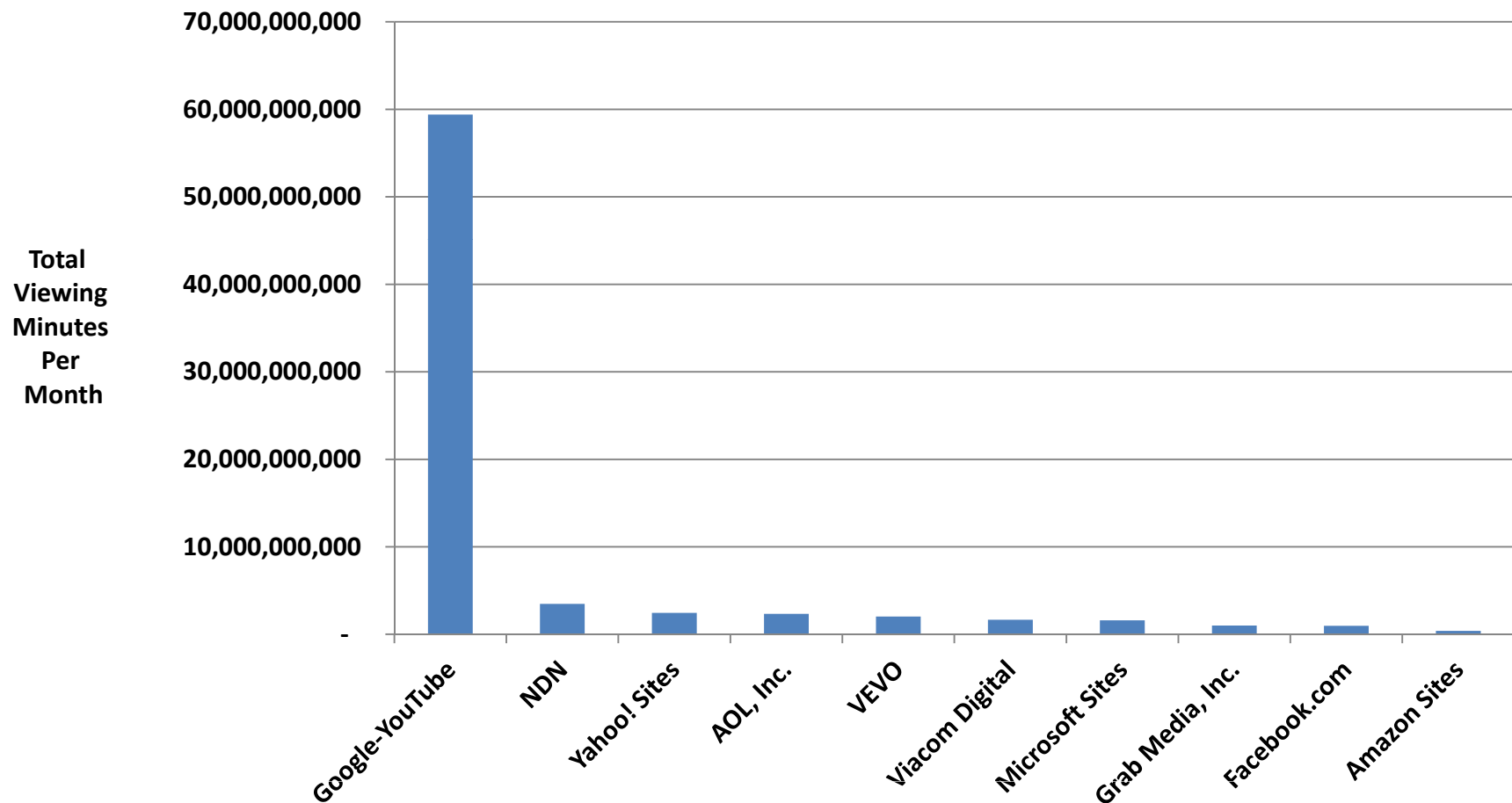
Source: comScore May 2013



# Google-YouTube Dominates by Total Viewing Minutes

## *Top U.S. Online Video Sites by Total Viewing Minutes December 2012*

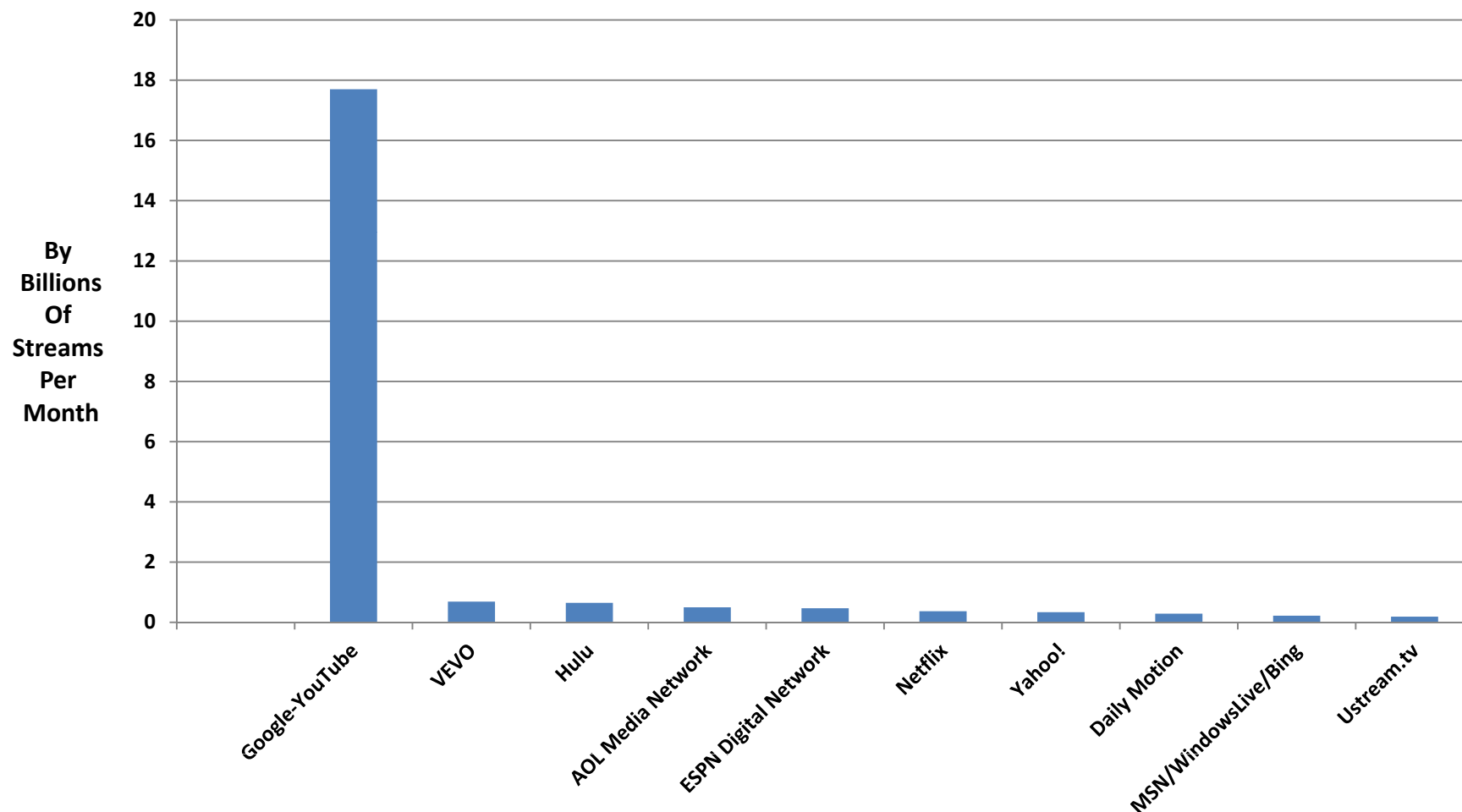
*Source: comScore December 2012*



# Google-YouTube Dominates by Streams

## *Top U.S. Online Video Streaming Sites by Streams in August 2012*

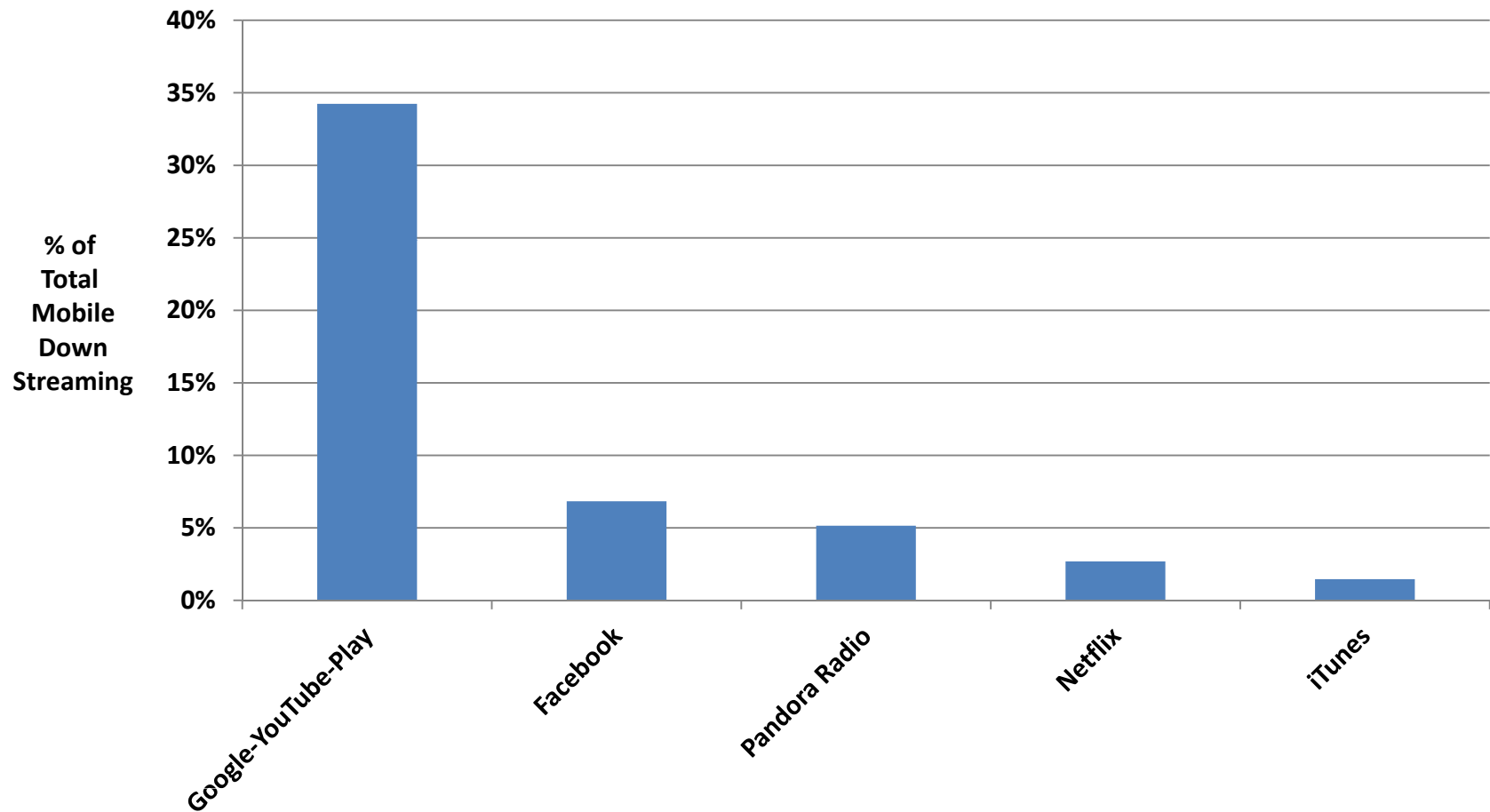
*Source: nielsenwire August 2012*



# Google-YouTube Dominates by Mobile Downstream Share

## *Top U.S. Online Mobile Video Streamers November 2012*

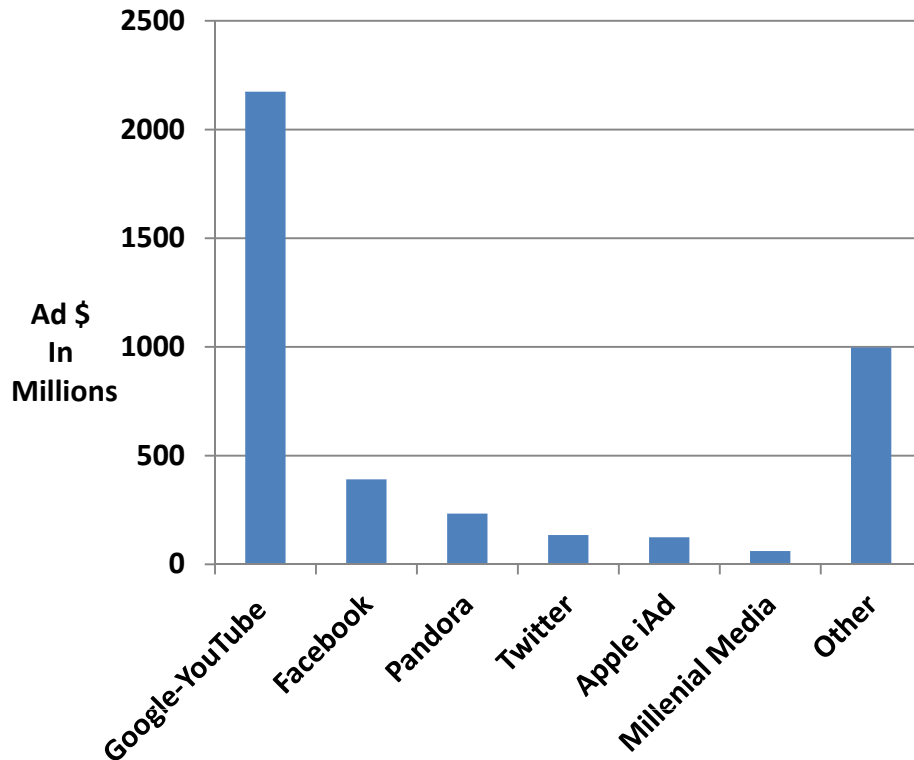
*Source: Sandvine November 2012*



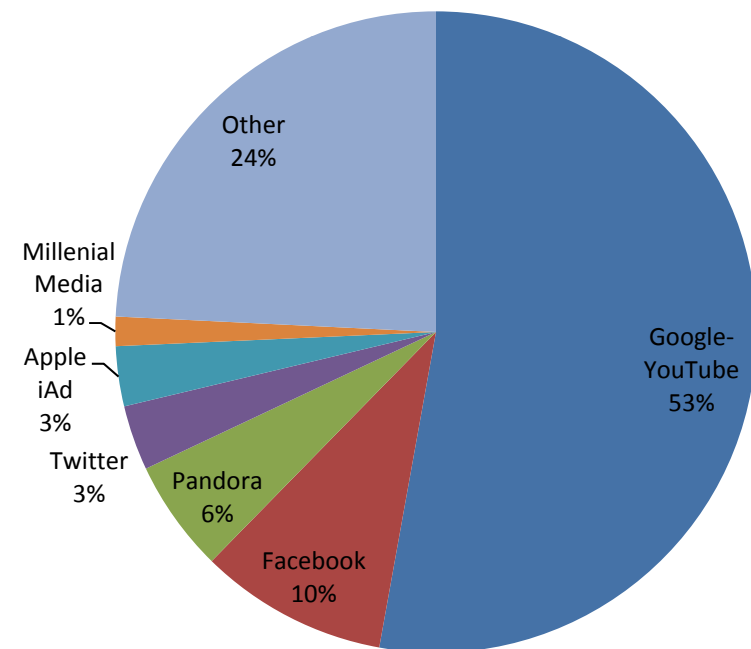
# U.S. Mobile Online Ad Revenues 2012

## *Per eMarketer 2013*

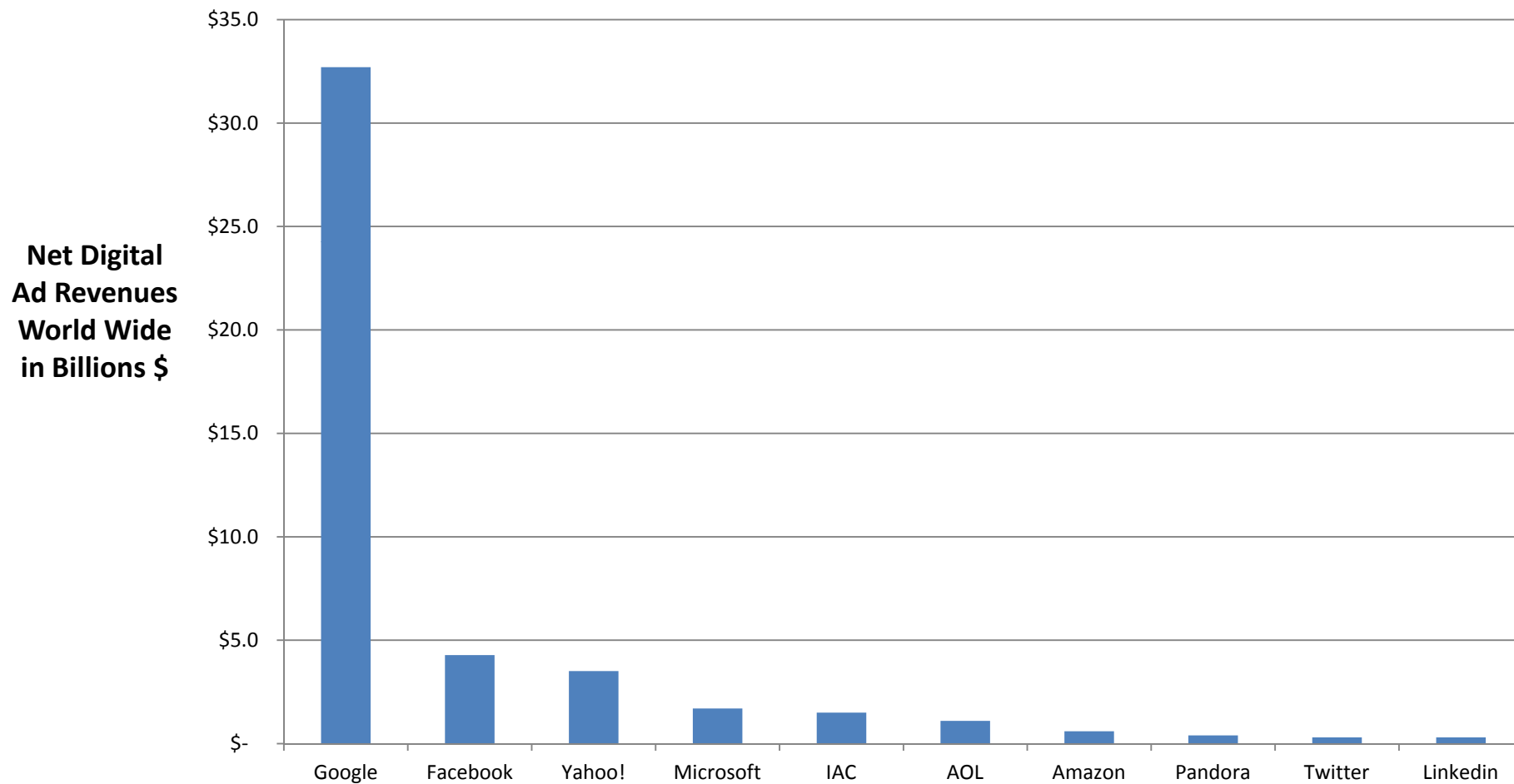
U.S. Mobile Ad Revenues by \$



U.S. Mobile Ad Revenues by Share



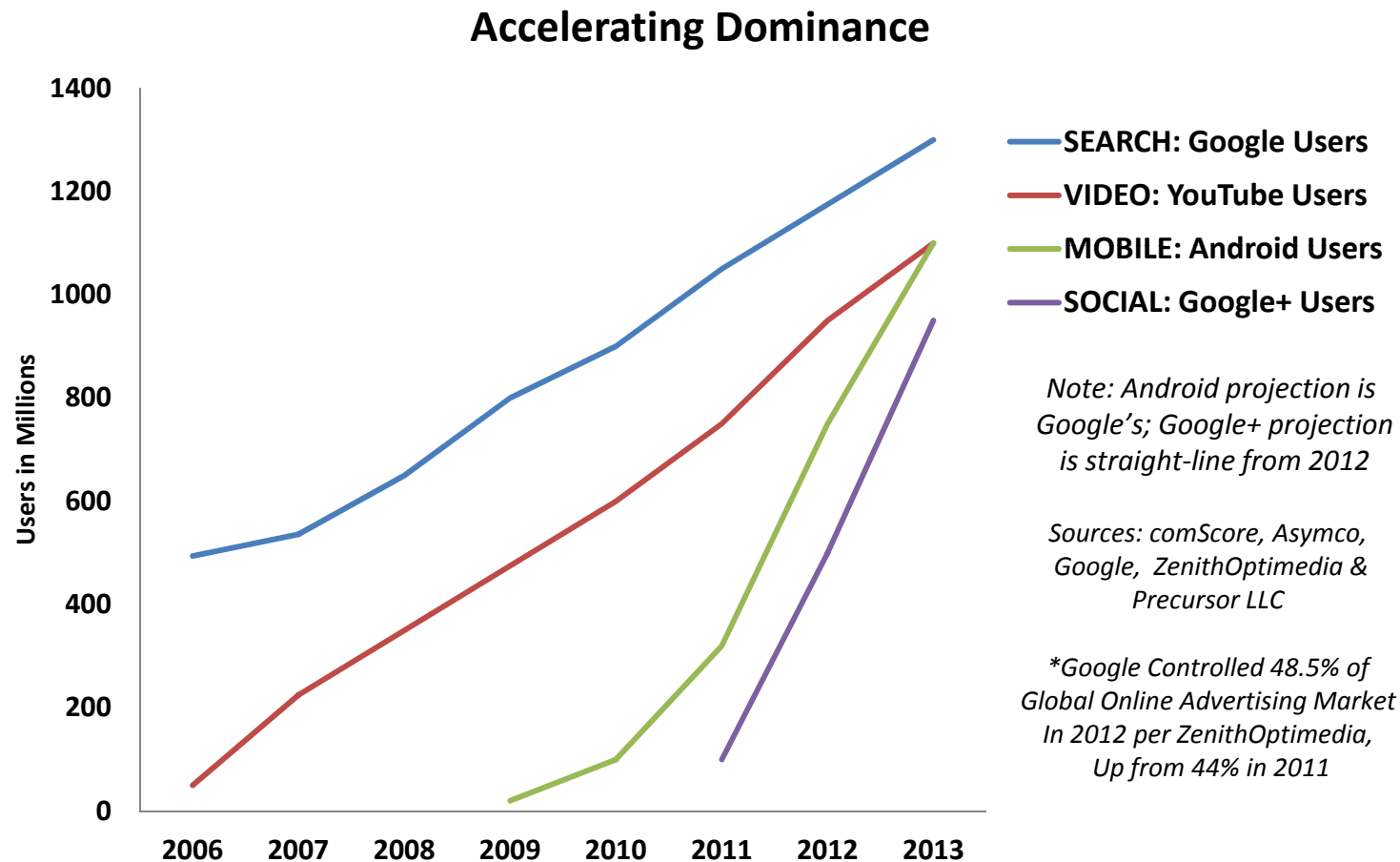
# Google-YouTube Dominates Net Digital Ad Revenues Worldwide 2012 Per eMarketer June 2013



# Google is Extending its Search Dominance at an Accelerating Rate

Google reached a billion search users in ~13 yrs, a **billion video users in ~7 yrs**; and is on pace to have a billion: mobile users in ~5 yrs; and social users in ~3 yrs.

***“Google+ is the fastest-growing network thingy ever.”*** Google SR. VP Vic Gudotra, 12-12



# Google-YouTube Leads in Being in Localized in 56\* Countries

[Algeria](#)

[Argentina](#)

[Australia](#)

[Austria](#)

[Belgium](#)

[Brazil](#)

[Canada](#)

[Chile](#)

[Colombia](#)

[Czech Republic](#)

[Denmark](#)

[Egypt](#)

[Finland](#)

[France](#)

[Germany](#)

[Ghana](#)

[Greece](#)

[Hong Kong](#)

[Hungary](#)

[India](#)

[Indonesia](#)

[Ireland](#)

[Israel](#)

[Italy](#)

[Japan](#)

[Jordan](#)

[Kenya](#)

[Malaysia](#)

[Mexico](#)

[Morocco](#)

[Netherlands](#)

[New Zealand](#)

[Nigeria](#)

[Norway](#)

[Peru](#)

[Philippines](#)

[Poland](#)

[Russia](#)

[Saudi Arabia](#)

[Senegal](#)

[Singapore](#)

[South Africa](#)

[South Korea](#)

[Spain](#)

[Sweden](#)

[Switzerland](#)

[Taiwan](#)

[Tunisia](#)

[Turkey](#)

[Uganda](#)

[Ukraine](#)

[United Arab Emirates](#)

[United Kingdom](#)

[Yemen](#)

*\*Source: YouTube Statistics 2013*



# Google-YouTube Leads in Being Distributed in 61\* Languages

Afrikaans	Español	valoda	Български	മലയാളം
Bahasa	(Latinoam	Lietuvių	РусскийСр	ഉം
Indonesia	érica)	Magyar	пски	ภาษาไทย
Bahasa	Euskara	Nederland	Українськ	አማርኛ 中
Malaysia	Filipino	Norsk	a Ελληνικά	文 (简体)
Català	Français	Polski	עברית اردو	中文 (繁
Čeština	Français	Português	العربية	體) 中文
Dansk	(Canada)	Português	فارسی	(香港) 日
Deutsch	Galego	(Brasil)	मराठी	本語
Eesti	Hrvatski	Română	हिन्दी	한국어
English	IsiZulu	Slovenčina	বাংলা	
(UK)	Íslenska	Slovenščin	ગુજરાતી	
<b>English</b>	Italiano	a Suomi	தமிழ்	
<b>(US)</b>	Kiswahili	Svenska	తెలుగు	
Español	Latviešu	Tiếng Việt	ಕನ್ನಡ	
(España)		Türkçe		

Note: Google Translate is unique; it provides a billion translations for 200m users daily -- CNET

\*Source: YouTube Statistics 2013



# **INTERNET VIDEO DISTRIBUTION COMPETITION EVALUATED**

# Why Internet Video Distribution is a Separate Market\*

## Internet Video Distribution

Online  
Un-regulated  
Global scale  
Public Access Network  
Open: no permission required  
Advertising-based model primarily  
Marginal cost economics-driven  
Poor content-creator economics  
Content-curation not required  
Insecure copyright ecosystem  
Rampant content piracy  
Attracts lower-value content  
More a-la-carte content  
No media ownership limits  
No privacy regulation  
Low network security

## Offline Video Distribution

Offline  
Regulated  
Regional/national scale  
Private Access Networks  
Closed: permission required  
Subscription-based model primarily  
Total cost economics-driven  
Strong content-creator economics  
Content-curation required  
Secure copyright ecosystems  
Content piracy limited  
Attracts higher-value content  
Content bundled/packaged  
Media ownership limits  
Privacy regulated  
High network security

*\*Note: Both the DOJ and FTC have already determined in previous Google antitrust reviews that online and offline advertising are separate markets: DOJ in its review of the [Google-Yahoo Ad Agreement](#) and FTC in [GoogleDoubleClick](#).*

# Google-YouTube Compared to Facebook, Microsoft & Yahoo

- **Facebook:** In 2012-13, Google-YouTube had 63x more U.S. online videos viewed; 62x more total U.S. online video minutes viewed than Facebook; 51x more total U.S. video streams; 7.6x more ad revenues; 2.5x more U.S. online video unique visitors; 5 times more North American mobile video down-streams; and has 5 of top ten downloaded U.S. mobile apps to Facebook's one. Facebook has 1+b users and 650m mobile users. Facebook-Instagram enjoys 26% of users' time spent on mobile apps which is 8x more user time spent relative to Google mobile apps. Google's last quarter incremental revenue *growth* alone was a third larger than Facebook's *total* revenues that quarter. Has search relationship with Microsoft.
- **Microsoft:** In 2012-13, Google-YouTube had 37x more total U.S. online video minutes viewed; 31x more total U.S. videos viewed; 19x more ad revenues; and 3.7x more total unique U.S. monthly visitors. Microsoft does have ~90% of PC software market and is a video gaming leader with 76m Xbox users. With Yahoo partnership, Microsoft is third largest generator of searches, but has never made money in search advertising losing ~\$2b a year. Has strategic search partnership with Yahoo.
- **Yahoo!:** In 2012-13, Google-YouTube had ; 63x more videos viewed; 51x more total U.S. video streams than Yahoo; 9x more ad revenues; 3.4x more unique visitors; 24x more total U.S. online minutes viewed; and Yahoo is not in the top ten of U.S. mobile videos streamed. Depending on how it is measured Google's revenue growth rate is 10-20x faster than Yahoo's. With Microsoft partnership, Yahoo is fourth largest search generator after Google, YouTube & Microsoft, but exited search because of insufficient scale and scope. Now search partners with Microsoft.

# Google-YouTube Compared to Netflix, Hulu, Amazon & Apple

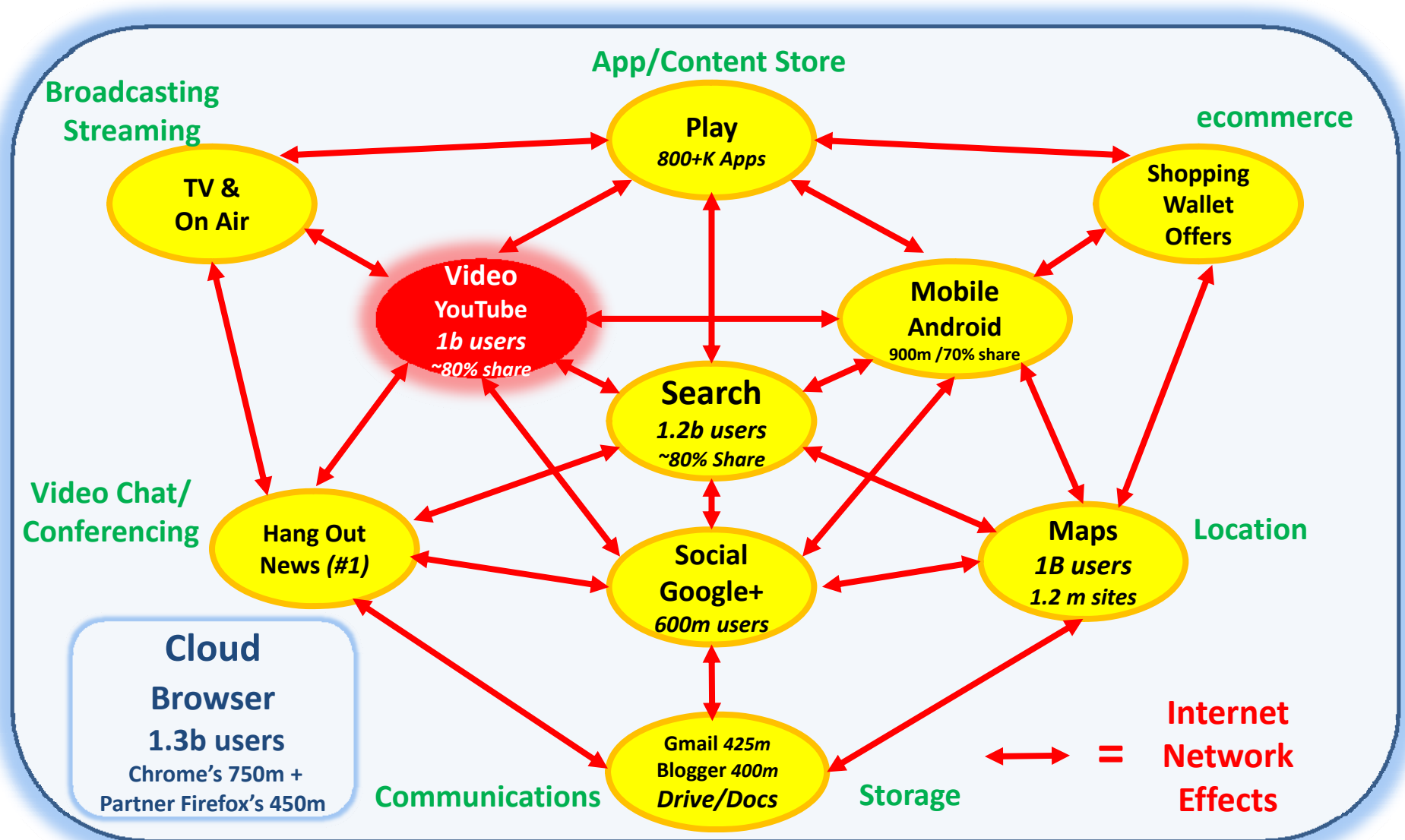
- **Netflix:** In 2012-13, Google-YouTube had 48x more total U.S. online video streams than Netflix; 30x more monthly unique visitors than Netflix' 33m streaming subscribers; 13x more total U.S. mobile down-streaming; and Netflix is not among the top 10 in total U.S. online video minutes viewed. Netflix has a leading 33m streaming subscribers worldwide and is establishing service in 40 countries to Google-YouTube's localized service in 56 countries in 61 languages. Google-YouTube's last *quarterly* revenue *growth* is larger than Netflix' *annual* revenues.
- **Hulu:** In 2012-13, Google-YouTube has 27x more total U.S. video streams than Hulu; 21x more total U.S. online video views; 11x more U.S. unique visitors; and 6% less time per U.S. viewer. Hulu is not in the top ten of total U.S. online video minutes viewed nor is it in the top 10 U.S. mobile down-streamers. Google-YouTube's last *quarterly* revenue *growth* is 5x larger than Hulu's *annual* revenues.
- **Amazon:** In 2012-13, Google-YouTube had 151 times more total U.S. video minutes viewed; 53x more ad revenues; 4.2x more unique U.S. video monthly visitors; and Amazon does not show up in the top ten U.S. video sites by: total U.S. streams, time per viewer, or mobile down-streaming. Amazon is the leading ecommerce player and has made its subscription streaming part of its prime service. Amazon is also is beginning to produce its own content.
- **Apple:** In 2012-13, Apple does not show up in the top ten of U.S. total online: videos viewed, video minutes, streams, unique visitors, or time per viewer. Google-YouTube had 23x more mobile down-streams than Apple's iTunes, and 17x more mobile advertising than iAd. Apple's iTunes has ~400m user accounts and ~315m mobile devices, and ~\$5b in annual revenues which are comparable to Google-YouTube's annual revenues.

# Substantial Barriers to Effective Competition to Google YouTube

*Some Competitors Have Some Competitive Parts, Products or Services  
But None Have a Competitive Internet Video Distribution Platform/Utility*

- **Adoption:** Only Google serves most of the world's (sans China) Internet users, advertisers, publishers, & mobile developers.
- **Video Distribution:** YouTube, Hangout, On Air, TV, & Videos make Google the world's leading integrated Internet video distribution, hosting, streaming, broadcasting, conferencing, and webinar provider.
- **Search Provision:** Google has the most advanced and versatile video remote control service by video, image, photo, poster, title, quotes, songs, etc. – in the most languages with the most integrated auto-translation services; and owns the only near comprehensive video library on planet used from most desktops and mobile devices.
- **Advertising Provision:** World's leading Internet integrated video, search, display & mobile advertiser; world's leading ad-server, ad network, ad-campaign manager and ad analytics provider; Google is the only advertising network with relationships with most all the world's advertisers, publishers, users and mobile developers.
- **Mobile Provision:** – World's most broadly used mobile video distribution service to 400m mobile devices and number one mobile operating system with 900m users.
- **Social Media Provision:** Google+ centralized 18 different ways Google shared into one integrated service. Google+ is also the fastest growing network service ever with ~600m users in <2 years. Unlike Facebook, Google+ was fully-integrated with all services by design from the beginning. Google+ is built around seamless integration of all products/services, single-sign-in authentication, a unified sharing-friendly privacy policy, and enhanced campaign advertising.
- **Distribution Infrastructure:** Google has the largest, most efficient, fastest, most synchronized data centers and databases in the world, connected to one of the world's largest global fiber networks.
- **Communications Provision:** in addition to Internet video distribution, Google offers one of the most comprehensively integrated communications services called "Hangout" integrating Voice, Talk, gMail, Chrome, Fiber, etc.
- **Financial-Ecommerce Provision:** Google has a panoply of financial and ecommerce services: Wallet, Checkout, Shopping, Play, Offers, Travel, Finance, etc. providing Google a perspective and data on all these financial/ecommerce functions.
- **Technological/Business Breadth:** Google is the most vertically-integrated company in the world by far, with product and service offerings in most every segment of technology, software, cloud services, media, e-device manufacturing, mapping, communications, content, ecommerce and financial services.

# Google-YouTube Enjoys Unmatched/Unprecedented Internet Network Effects To Maintain Google's Search Advertising Dominance & Extend it to YouTube etc.



# **HOW GOOGLE-YOUTUBE ANTI-COMPETITIVELY BECAME DOMINANT**



# How Google-YouTube Became Dominant Internet Video Distributor

## *A. Via acquisition of YouTube, DoubleClick, & AdMob in violation of Clayton Act*

- In repeated contravention of the [Clayton Act](#) -- which prohibits acquisitions where “*the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly*” -- the evidence shows Google’s acquisitions have substantially lessened competition and tended to create a monopoly.
- **YouTube 2006** – video distribution:
  - Just prior to buying YouTube in 2006, 7% of Internet video users used Google, with 7.5m of 106m U.S. online video viewers in 7<sup>th</sup> position behind Yahoo, MySpace, YouTube, Time Warner, Microsoft, & Viacom – per comScore Video Matrix 9-06.
  - Combined today, 85% of Internet video users use Google-YouTube, with 154.5m of 181.9m U.S. online viewers, in the #1 position 2.5x more than next competitor Facebook – per comScore 5-13.
  - YouTube is also the second largest originator of searches after Google and is the #3 website after Google.com & Facebook.com per Alexis.
- **DoubleClick 2007** -- display ad serving & analytics:
  - YouTube monetizes traffic via display advertising and DoubleClick [was](#) the world’s dominant display ad-serving business in 2007 with 800m ad viewers, the top 1500 online advertisers, and 17 of top 20 websites, most all of the Internet users, advertisers and website relationships Google did not yet have.
  - The combination of YouTube and DoubleClick has enabled Google to grow from a non-existent display ad business in 2006, to the U.S. display advertising leader [per](#) eMarketer and dominating net digital ad revenues worldwide with 70% share of the digital ad revenues produced by the top 10 providers worldwide – [per](#) eMarketer 4-13.
- **AdMob** – 2010 – mobile display advertising
  - Despite “serious concerns” the FTC approved the acquisition of AdMob, the #1 mobile display ad provider by the #2 competitor, Google, asserting at the last minute that Apple iAd appeared to be a sufficient competitive force to prevent extension of Google’s desktop advertising dominance to mobile.
  - Today, Google commands 93% of all U.S. mobile search ad dollars and also a dominant 53% share of all U.S. net mobile ad revenues [per](#) eMarketer, while Apple iAd garners an inconsequential 3% of U.S. mobile ad market.

# Flaws in DOJ/FTC Clayton Reviews of YouTube, DoubleClick, & AdMob

*With the Benefit of Market Evidence, Hindsight & Lessons Learned*

*Prior government approvals of acquisitions do not preclude later Clayton prosecutions*

1. Google's unique dominant position in search/search advertising provided Google with uniquely comprehensive data and predictive insights into the viral-ity and growth trajectory of certain functions and services (and their leverage-ability with other functions and services), which enabled Google to:
  - Identify and acquire companies with less risk much earlier than competitors without Google's market data dominance; and
  - Acquire companies much earlier than the Hart Scott Rodino process ever envisioned necessary; and
  - Importantly, Google has acquired 127 companies to date per Wikipedia; and all of Google's non-search services that have reached ~1b users were built upon acquisitions: Maps: Keyhole 2004; Mobile: Android 2005; Video: YouTube 2006; and Display Ad Serving: DoubleClick 2007.
2. Antitrust authorities had no experience with the unprecedented viral speed and nature of Internet network effects, so they vastly underestimated the anti-competitive effects of these acquisitions. Antitrust authorities apparently have not appreciated that the same exponential-growth-based technology that is disrupting markets also can disrupt traditional antitrust analysis, trigger thresholds for review, leverage, network effects, process, precedent etc.
  - *"Almost nothing short of a biological virus , can scale as quickly, efficiently or aggressively as these technology platforms and this makes the people who build, control and use them powerful too."* Google Chairman Eric Schmidt, per [WebProNews](#), 12-3-12
  - *"We don't have better algorithms than everyone else; we just have more data."* Google's Chief Scientist Peter Norvig, 3-21-10, ECPM Blog, <http://bit.ly/Mo9Jgc>
  - *"Scale is the key. We just have so much scale in terms of the data we can bring to bear."* Google CEO Eric Schmidt, 10-2-09, Bloomberg-BusinessWeek, <http://buswk.co/1arA6c>
3. Google likely misrepresented the transactions' impact to antitrust authorities to downplay Google's knowledge/data of the likelihood of Google leveraging its dominance in search/search advertising into other markets.

# How Google-YouTube Became Dominant Internet Video Distributor

## *B. Via predatory copyright infringement & willful blindness to rampant piracy*

- [The Statement of Undisputed Facts](#) filed in the *Viacom vs. Google-YouTube* copyright trial establishes a legal fact predicate for Google-YouTube's anti-competitive behavior that shows:
  - Prior to buying YouTube, senior Google executives were actively considering an anti-competitive strategy of extortion – i.e. threatening illegal mass-copyright-infringement of copyright law to extract better terms to access valuable content;
  - Meanwhile, YouTube on its own was knowingly and aggressively facilitating rampant video piracy of valuable content in order to grow its value and sell the company at the highest price;
  - Google then knowingly bought YouTube fully aware that it was buying an Internet video distribution site dependent on piracy for its traffic, growth, and value; and
  - Just a few months *after* buying YouTube, Google formalized a program of effective predatory copyright infringement and willful blindness to piracy to try and sign content on more favorable terms. (See follow-on slides for the relevant undisputed facts.)
- Since then, Google has continued and perfected YouTube's copyright arbitrage practice -- of openly welcoming and benefiting from copyright infringement for the period from upload to Section 230 takedown – for hundreds of millions of pirated videos over the last seven years.
  - (Google's [report](#) says they received 14m copyright removal requests in the last month alone.)

## Google enjoys no ‘safe harbor’ for predatory mass copyright infringement or willful blindness to profiting from mass piracy

- Willful blindness to the constant wide availability of pirated videos on Google-YouTube is likely an anti-competitive copyright/piracy arbitrage scheme and a Sherman Act violation.
  - That’s because the [Section 230 provision](#) -- that creates the “safe harbor” upon which Google-YouTube depends for protection from *individual* acts of copyright infringement liability -- has “*No Effect on [federal] Criminal Law,*” and “*No Effect on Intellectual Property Law.*”
  - Thus this could mean that while Google enjoys a safe harbor for multiple *individual* Section 230 take-down requests that Google has no control over, Google enjoys no safe harbor if their *business strategy and practice, which they clearly have some control over, is actually in part a conspiracy to intentionally* profit from the constant wide availability of mass infringement/piracy -- by arbitraging Section 230.
  - There are many undisputed facts in the *Viacom v. Google-YouTube* case (provided in the next slides) that indicate there was indeed intentionality and corporate purposefulness on the part of Google executives in arbitraging the Section 230 takedown process as a business strategy/standard practice.
  - Google repeatedly discussed making their cooperation in the copyright enforcement process dependent upon extracting better content terms for Google.

# What is Google-YouTube's general business motive for mass copyright infringement & willful blindness to mass piracy?

- The *general* business motive for willful blindness to piracy on Google-YouTube is that Google's primary structural advantage in search and search advertising is that Google has a more comprehensive search database than anyone else by far.
  - *"We don't have better algorithms than everyone else; we just have more data."* Google's Chief Scientist Peter Norvig, 3-21-10, ECPM Blog, <http://bit.ly/Mo9Jgc>
- Thus Google has a business motive to not become known to the tens of millions of global searchers for pirated videos every month as a search engine where one cannot easily find pirated videos.
  - The amount of infringing traffic on Google-YouTube as the dominant global video distributor, is likely to be very substantial and material given that a well-known 2011 study by envisional estimated that ~23% of Internet traffic was copyright infringement.
  - Google's own transparency [report](#) also shows massive amounts of alleged pirated videos on Google.
  - Google comprises 25% of all N. American Internet traffic [per Deepfield](#), most of which comes from YouTube.
- So if Google were to more successfully enforce copyright infringement on YouTube, Google could legitimately fear that a substantial portion of its global traffic would then bypass Google and go directly to other sites more friendly to providing convenient accessibility to free pirated videos.
  - Any substantial loss of users, traffic, and clicks from being less piracy tolerant could result in a substantial loss in advertising revenue for Google, potentially in the billions of dollars annually.
  - And if the revenue loss was indeed substantial, it could slow Google's real and projected future revenue growth rate, which could have a disproportionately negative effect on Google's stock price and market capitalization -- Google's critical currency for making acquisitions and recruiting top employees.
- **Simply, Google has a substantial financial motive to engage in willful blindness to mass piracy.**
- In this context, Google's "whac-a-mole" Section 230 takedown game and its strong lobbying efforts against copyright enforcement as "censorship of free speech" can be seen as a public 'wink and nod' to the pirate community that Google is with them, but has to play the Section 230 takedown game.
  - The pirate community obliges with its own 'wink and nod' in ensuring that as soon as pirated videos are taken down from YouTube they will go right back up on YouTube.

# What is Google-YouTube's specific business motive for mass copyright infringement & willful blindness to mass piracy?

*"Our position is that somebody's making money on this pirated content and it should be possible to identify those people and bring them to justice."* Google Chairman Eric Schmidt, [per Variety](#), 7-11-13

- The *specific* business motive for Google's willful blindness to piracy is that Google can automatically advertise against the pirated content for the period that it is uploaded until it is taken down, and then again for the period after it is near immediately uploaded elsewhere on YouTube until it is taken down again... and this 'whac-a-mole' arbitrage cycle can go on and on and on... and it does.
  - The practical result of this Section 230 arbitrage scheme is popular movies can be made available for Google users and routinely advertised against, almost seamlessly despite the temporary takedown interruptions.
  - The best analogy for how Google algorithmically accomplishes this arbitrage, is software-defined-radio algorithms, which can keep a near constant stream of information transmitting to a user by rapidly shifting frequencies when interference is encountered on one channel to a channel where there is no interference.
  - Analogously Google can provide a near constant transmission of popular pirated movies to the large public that seeks pirated movies, by using their search/advertising algorithms, to allow users to shift from a site experiencing the "interference" of a takedown notice to another site that is not experiencing a take down notice for that particular movie.
  - In other words, rather than operating a frequency-hopping algorithm, Google effectively operates pirate-site-hopping algorithms to allow its users to maintain steady access to pirated movies, while publicly representing Google to be compliant with the law by dutifully processing takedown notices.
- Thus Google-YouTube's liability for its arbitrage strategy of predatory infringement and willful blindness to mass piracy could total many billions of dollars, given the high volume of searches for YouTube, the high search interest in pirated movies, and the millions of takedown requests over the last seven years. Antitrust law enforcement can lead to treble damages.

## Why predatory copyright infringement & willful blindness to mass piracy is exceptionally anti-competitive & profitable

- Predatory copyright infringement & willful blindness to mass piracy is exceptionally anti-competitive and profitable because it:
  - Generates an unbeatable *cost* advantage by avoiding the market cost of propertied goods for which law-abiding competitors must pay;
  - Creates an unfair, jump-the-gun, *time-to-market* advantage, by ignoring the rule of law standard of securing permission from property owners *before* use in the marketplace, a business practice that law-abiding competitors must respect;
  - Spawns and maintains a matchless online index/*inventory* advantage that no law-abiding competitor could hope to assemble;
  - Kneecaps property-based, subscription-monetization models which compete with Google's piracy-friendly, free advertising model; and
  - Is the ultimate predatory practice in that it unlawfully destroys the value of any copyrighted innovation and creative advantage a competitor may have.

**Prior to buying YouTube, senior Google executives were actively considering an anti-competitive strategy of threatening mass copyright infringement to extort better terms to access others' valuable content**

- Before buying YouTube...
  - *“On June 8, 2006, Google senior vice president Jonathan Rosenberg, Google Senior VP Product Management, emailed Google CEO Eric Schmidt and Google co-founders Larry Page and Sergey Brin a Google Video presentation that stated the following: "Pressure premium content providers to change their model towards free; Adopt 'or else' stance re prosecution of copyright infringement elsewhere; Set up 'play first, deal later' around 'hot content.' " The presentation also stated that "[w]e may be able to coax or force access to viral premium content," noting that Google Video could "Threaten a change in copyright policy" and "use threat to get deal sign-up.”"*
    - *Viacom v. YouTube* Statement of Undisputed Facts # [161](#)



## Meanwhile, YouTube knowingly aided and abetted video piracy to grow its traffic and be sold at the highest price

- *“Steal it!...”we have to keep in mind that we need to attract traffic. How much traffic will we get from personal videos?”* [SUF #44](#)
- *“If you remove the potential copyright infringements... site traffic and virality will drop to maybe 20% of what it is.”* [SUF #55](#)
- *“But we should just keep that stuff on the site. I don’t really see what will happen. What? Someone from CNN sees it? He happens to be someone with power? He happens to want to take it down right away? He get in touch with cnn legal. 2 weeks later, we get a cease & desist letter. We take the video down.”* YouTube co-founder Chen [SUF #47](#)
- *“We’re going to have a tough time defending we are not liable... when one of the co-founders is blatantly stealing content from other sites and trying to get everyone to see it.”* [SUF #40](#)
- *“Save your meal money for some lawsuits!”* YouTube co-founder Hurley [SUF #38](#)
- *“...concentrate all our efforts in building up our numbers as aggressively as we can through whatever tactics, however evil.”* YouTube co-founder Chen [SUF #85](#)

**Then Google knowingly bought YouTube aware it was buying a piracy-driven /dependent Internet video distribution site**

- *“It crosses the threshold of Don’t be Evil to facilitate distribution of other people’s intellectual property...” “It’s a cop out to resort to dist-rob-ution.”* Google Video Manager Ethan Anderson [SUF #164](#)
- *“...is changing policy [to] increase traffic beforehand that we’ll profit from illegal downloads how we want to conduct business? Is this Googley?”* Google Co-founder Sergey Brin quoted [SUF #162](#)
- *“I think we should beat YouTube... but not at all costs. [They are] a video Grokster.”* Google’s Eun to CEO Eric Schmidt before the deal was done [SUF #158, #162](#)

## After buying YouTube, Google knowingly operated a piracy-tolerant Google-YouTube for anti-competitive advantage

- After purchasing YouTube, Google sought to leverage YouTube piracy to force media companies into revenue deals with Google.
  - *“Audio fingerprinting system whereby the content partner can send ‘reference’ fingerprints’ to Audible Magic’s database “are now live as well and are only offered to partners who enter into a revenue deal with us.””* Google Manager David Eun 2-15-07 [SUF #216](#) [underline added for emphasis]
- After owning YouTube for several months Google was aware of growing mass copyright infringement by Google-YouTube:
  - *“a trend we see is that people upload copyrighted videos to their private videos... and then invite large numbers of people to view the video which bypasses our copyright restrictions”* Google-YouTube employee Julie Havens in a 7-18-07 internal Google email [SUF #199](#)

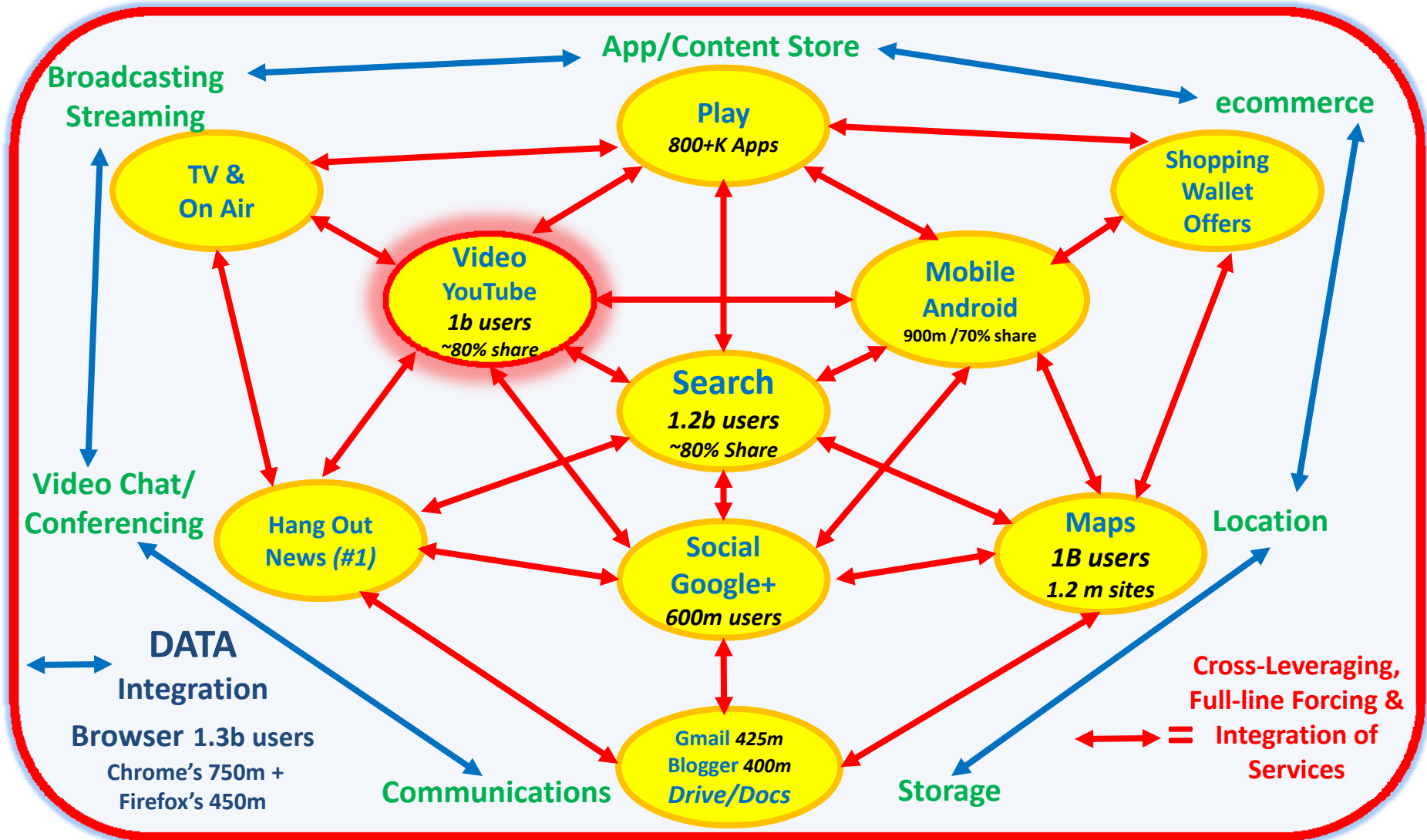
# How Google-YouTube Became Dominant Internet Video Distributor

## C. Via Cross-Leveraging & Full-line Forcing to Create an Internet Video Distribution Utility

2011 the Google+ “social layer/spine” full-line forced integration of YouTube fully with other Google products/services

2012 Google’s integrated privacy policy with no user opt-out full-line forced integration of most all user private data

2013 Enhanced Campaigns for advertisers full-line forced integrated ad campaigns with no choice to target search + display



# How Google-YouTube Became Dominant Internet Video Distributor

## *D. Via Anti-competitive Exclusion*

- Google excludes competitors from crawling and indexing its public YouTube video content database.
  - YouTube's database of videos is by far the largest corpus of video content in the world.
  - As the #3 website in the world by traffic [per](#) Alexa, YouTube is responsible for generating ~15-20% of all Google's searches.
  - When Google takes down copyrighted videos it retains a copies for its overall database for research, analysis & translation.
- Importantly, in another recent DOJ case -- also involving anti-competitive behavior spanning both antitrust and copyright law -- the DOJ has already indicated that it believes this type of exclusion from a core database can be anti-competitive.
- In the DOJ's formal [letter](#) of opposition to the proposed Google Book Settlement, DOJ argued:
  - *"The seller of an incomplete database – i.e., one that does not include the millions of orphan works – cannot compete effectively with the seller of a comprehensive product. Foreclosure of newcomers is precisely the kind of competitive effect the Sherman Act is designed to address."*
- Federal Judge Chin [rejected](#) the Google Book settlement in part for being anti-competitive and mass copyright infringement without permission:
  - [The Google Book Settlement] *"would give Google a significant advantage over competitors, rewarding it for engaging in wholesale copying of copyrighted works without permission..."*
- Google's core dominance in search and search advertising originates from its dominant index of the world's information.
  - *"We don't have better algorithms than everyone else; we just have more data."* Google's Chief Scientist Peter Norvig, 3-21-10, ECPM Blog, <http://bit.ly/Mo9Jqc>
  - *"Scale is the key. We just have so much scale in terms of the data we can bring to bear."* Google CEO Eric Schmidt, 10-2-09, Bloomberg-BusinessWeek, <http://buswk.co/1arA6c>

# **IMPLICATIONS FOR GOOGLE M&A PLANS IN VIDEO DISTRIBUTION/CONTENT**

# Implications for Google M&A Plans in Video Distribution/Content

- Google is learning that TV distribution without quality programming -- is like one hand clapping at a sales meeting.
- Google has mastered Internet video distribution, but has largely failed to gain broad access to the quality TV content that currently generates ~\$240b in TV advertising worldwide [per IDC](#). It is not for want of trying.
  - The WSJ [reports](#) “Google has recently approached media companies about licensing their content for an Internet TV service that would stream traditional TV programming.” A similar Google TV attempt in 2011 did not succeed.
  - To make do in the interim, Google has [funded](#) its own studio programming spaces in LA, London and Tokyo and also has [funded](#) its own subscription channels. Both efforts have shown little success to date and represent a long slog.
- However, if Google is impatient (it is) and ambitious (it is), and if Google’s [127 acquisitions](#) indicate a predilection for acquisitions (they do), Google’s considering acquiring the content/copyright licensing they need to fully leverage YouTube.
- Much like Google bought its way into the e-device manufacturing business in one surprising fell swoop by acquiring Motorola and its large valuable patent portfolio, Google could effectively buy its way into the movie/TV business by acquiring either:
  - A major American movie studio and/or TV network along with an extensive copyright portfolio, or
  - Dish or DirecTV, with its comprehensive, long-term, national-distribution, copyright licenses.
- An acquisition of Dish or DTV would appear more likely, given content companies’ wariness of Google’s copyright history, and given that a broad copyright licensing portfolio could scale more broadly/quickly than owning some high-value video content.
  - Ultimately Dish appears to be the most likely potential Google acquisition in this space.
  - It’s cheaper; has a broadband spectrum portfolio of value to Google, and interestingly has adopted a user-before advertiser approach with its “Hopper” device that enables skipping commercials – just like Google likes to do.
- Thus the most relevant ramification of Google-YouTube’s Internet distribution dominance and mass piracy liabilities is that securing antitrust and FCC approval for a potential Google acquisition of Dish, DirecTV or one of the major movie studios/TV networks, would be difficult, contentious and protracted, and more likely than not would be blocked as anti-competitive.
  - Google’s exceptional vertical integration and unique acquisition history in successfully leveraging its dominance in search/search advertising to *substantially lessen competition* into other vertical segments, i.e. video distribution, ad-serving, ad analytics, mobile OS, display advertising, video advertising, mobile advertising, etc. has become self-evident.
  - Moreover, the Clayton standard (*substantially lessen competition*) is much lower than a Sherman *monopoly* standard.



# **WHY DOJ NOT FTC SHOULD INVESTIGATE GOOGLE-YOUTUBE**



# Why the DOJ Not the FTC Should Investigate This Alleged Anti-competitive Behavior

- The DOJ, not the FTC, should investigate Google-YouTube's alleged anti-competitive behavior:
  - Via acquisition of YouTube, DoubleClick, & AdMob in violation of the Clayton Act;
  - Via a predatory copyright infringement strategy & willful blindness to undisputed mass YouTube piracy;
  - Via cross-leveraging and full-line forcing to create an Internet video distribution utility; and
  - Via anti-competitive exclusions.
- DOJ did the initial antitrust review of the YouTube acquisition under the Clayton Act in 2006.
- DOJ is formally recognized to have more subject expertise in “media and entertainment” than the FTC -- as a formal 2002 [agreement](#) between the DOJ and the FTC determines:
  - *“the agreement allocates media and entertainment, an area in which both the FTC and the DOJ have experience, to the DOJ. Muris noted, “The agreement allocates primary responsibility for antitrust enforcement in the media and entertainment industry to the DOJ, because its expertise in this area far outweighs that of the FTC. A comparison of the relative expertise of the agencies within specific sectors of this industry further demonstrates that the DOJ is better situated to conduct these investigations. For example, the FTC’s expertise in multi-channel video distribution programming - including cable and satellite - is more limited than the DOJ’s.”*
- Since the allegations center on predatory copyright infringement and willful blindness to mass video piracy *trans-nationally*, only the DOJ, as the federal government’s lawyer and prosecutor, has the full range of legal national *and international* legal authority and jurisdiction to fully investigate and prosecute these alleged *transnational* patterns of illegal behaviors.
  - Moreover, DOJ also serves as the lawyer and prosecutor for the U.S. Register of Copyrights, as reflected recently in the disposition of the Google Book Settlement.

# The DOJ's Antitrust Enforcement Record vis-à-vis Google is Demonstrably Superior to the FTC's

- The evidence shows a tough DOJ antitrust enforcement record with Google.
  - In 2008, DOJ threatened a Sherman anti-monopolization antitrust case against Google to block the proposed Google-Yahoo Ad Agreement.
  - In 2009, and again in 2010, the DOJ opposed the Google Book Settlement as anti-competitive, providing the evidence and analysis for Federal Judge Chin to block it.
  - In 2010, DOJ sanctioned Google and five other companies for broadly colluding to limit their employees' compensation.
  - In 2011, DOJ required a consent decree to mitigate the anti-competitive effects of Google's acquisition of ITA.
  - In 2012, in coordination with the EU, the DOJ sternly warned Google to not anti-competitively abuse standards essential patents as part of its approval of Google-Motorola.
- In stark contrast, the evidence shows that the FTC has had an exceptionally lax antitrust enforcement record with Google.
  - In 2007, the FTC approved Google-DoubleClick (4-1) with no conditions, effectively tipping Google to dominance by allowing Google to buy most all of the advertiser, publisher, and user relationships that it did not have. Contrary to the FTC's approval assumptions, Google now commands about half of the global online advertising market, and gaining, per ZenithOptimedia.
  - In 2010, the FTC approved Google's acquisition of Admob without conditions despite "serious antitrust issues," by assuming Apple iAd would provide sufficient competition to mitigate any anti-competitive harm.
    - Fast forward three years and Apple iAd has 3% and Google 57% share of U.S. online advertising, and Google commands 93% of U.S. mobile search advertising revenue – all per eMarketer.
  - In 2013, in dropping its search bias investigation of Google without any finding of antitrust violation, the FTC effectively adopted the opposite of the antitrust analysis of the DOJ.
    - To find that consumers on balance were helped more than hurt by Google's search bias, the FTC had to assume that the consumer was the customer of search, not the advertisers who actually pay for it.
    - The FTC's apparent contorted market analysis effectively presumes search is somehow a charity for consumers, not a business, and if consumers sufficiently like the charitable benefit, Google can't be anti-competitive to publishers or advertisers.



# APPENDIX

# Appendix Bio: Scott Cleland, President, Precursor<sup>®</sup> LLC

- **Bio:** Scott Cleland was the first analyst to foresee that Google would become a global monopoly with unprecedented market power and minimal accountability that would lead to severe competition, privacy, property, and security problems. He has written more Google antitrust, privacy, property, security, and accountability research than anyone in the world.
- Cleland is a precursor: a research analyst with a track record of industry firsts and a history of spotlighting harmful industry behavior and misrepresentation. He is President of Precursor<sup>®</sup> LLC, a Fortune 500 research consultancy focused on the future of Internet competition, privacy, security, and property rights. Scott Cleland is author of the book: *Search & Destroy: Why You Can't Trust Google Inc.* Cleland also authors the widely-read [www.PrecursorBlog.com](http://www.PrecursorBlog.com); and publishes [www.GoogleMonitor.com](http://www.GoogleMonitor.com).
- He served as Deputy United States Coordinator for International Communications and Information Policy in the George H. W. Bush Administration. Eight Congressional subcommittees have sought Cleland's expert testimony and *Institutional Investor* twice ranked him the #1 independent telecom analyst. Scott Cleland has been profiled in *Fortune*, *National Journal*, *Barrons*, *WSJ's Smart Money*, and *Investors Business Daily*. Cleland's Full Biography can be found at: [www.ScottCleland.com](http://www.ScottCleland.com)
- **Scott Cleland's Three Congressional Testimonies on Google:**
  1. Before the Senate Judiciary Subcommittee on Antitrust on the Google-DoubleClick Merger, September 27, 2007. [http://googleopoly.net/cleland\\_testimony\\_092707.pdf](http://googleopoly.net/cleland_testimony_092707.pdf)
  2. Before the House Energy and Commerce Subcommittee on the Internet on Google Privacy issues, July 17, 2008. [http://www.netcompetition.org/Written\\_Testimony\\_House\\_Privacy\\_071707.pdf](http://www.netcompetition.org/Written_Testimony_House_Privacy_071707.pdf)
  3. Before House Judiciary Antitrust Subcommittee, on Evolving Digital Marketplace, September 16, 2010. [http://www.googleopoly.net/Written\\_Testimony\\_House\\_Judiciary\\_Competition\\_Subcommittee\\_9-16-10.pdf](http://www.googleopoly.net/Written_Testimony_House_Judiciary_Competition_Subcommittee_9-16-10.pdf)

# Appendix Research: [www.Googleopoly.net](http://www.Googleopoly.net) Series

- Googleopoly I: The Google-DoubleClick Anti-competitive Case -- 2007
  - <http://googleopoly.net/merger.html>
- Googleopoly II: Google's Predatory Playbook to Thwart Competition -- 2008
  - [http://googleopoly.net/googleopoly\\_2.pdf](http://googleopoly.net/googleopoly_2.pdf)
- Googleopoly III: Dependency: The Crux of the Google-Yahoo Ad Agreement Problem -- 2008
  - [http://googleopoly.net/googleopoly\\_3\\_dependency.pdf](http://googleopoly.net/googleopoly_3_dependency.pdf)
- Googleopoly IV: How Google Extends its Search Monopoly to Monopsony Control over Digital Info-- 2009
  - [http://googleopoly.net/Googleopoly\\_IV\\_The\\_Googleopsony\\_Case.pdf](http://googleopoly.net/Googleopoly_IV_The_Googleopsony_Case.pdf)
- Googleopoly V: Why the FTC Should Block Google-AdMob -- 2009
  - [http://www.googleopoly.net/Why\\_The\\_FTC\\_Should\\_Block\\_Google.pdf](http://www.googleopoly.net/Why_The_FTC_Should_Block_Google.pdf)
  - Chart: Google-AdMob Monopoly Bottleneck Chart [http://googleopoly.net/merger\\_to\\_monopoly.pdf](http://googleopoly.net/merger_to_monopoly.pdf)
- Googleopoly VI: Seeing the Big Picture: How Google is Monopolizing Consumer Internet Media --2010
  - [http://googleopoly.net/Googleopoly\\_VI\\_Presentation.pdf](http://googleopoly.net/Googleopoly_VI_Presentation.pdf)
- Googleopoly VII: Monopolizing Location Services – Why Skyhook is Google's Netscape --2011
  - [http://www.googleopoly.net/Skyhook\\_Wireless\\_is\\_GooglesNetscape\\_Googleopoly\\_VII\\_Monopolizing\\_Location\\_Services.pdf](http://www.googleopoly.net/Skyhook_Wireless_is_GooglesNetscape_Googleopoly_VII_Monopolizing_Location_Services.pdf)
- Googleopoly VIII: Google's Deceptive and Predatory Search Practices -- 2011
  - <http://www.googleopoly.net/Googleopoly%20VIII%20Google%27s%20Deceptive%20&%20Predatory%20Search%20Practices.pdf>
- Googleopoly IX: Google-Motorola's Patents of Mass Destruction – 2012
  - <http://googleopoly.net/Googleopoly-IX-July-10-2012.pdf>
- Googleopoly X: Google's Dominance is Spreading at an Accelerating Rate -- 2013
  - <http://googleopoly.net/wp-content/uploads/2012/07/Googleopoly-X.pdf>
- Googleopoly XI: a Satire: Grading Google's Search Antitrust Remedies in EU Market Test -- 2013
  - <http://googleopoly.net/wp-content/uploads/2013/05/Google-EU-Search-Remedies-a-Satire.pdf>

# Appendix Book: Search & Destroy: Why You Can't Trust Google Inc.

## Search & Destroy Why You Can't Trust Google Inc.



Scott Cleland  
with Ira Brodsky

This is the other side of the Google story—the unauthorized book that Google does not want you to read. In *Search & Destroy*, Google expert Scott Cleland shows that the world's most powerful company is not who it pretends to be.

Google pretends to be a harmless lamb, but chose a full-size model of a Tyrannosaurus Rex as its mascot. Beware the T-Rex in sheep's clothing. Google has acquired far more information, both public and private, and has invented more ways to use it, than anyone in history. Information is power, and in Google's case, it's the power to influence and control virtually everything the Internet touches. Google's power is largely unchecked, unaccountable—and grossly underestimated. Google is the Internet's lone superpower—the new master of the digital information universe. And Google's power depends almost entirely on the blind trust it has gained through masterful duplicity. Google routinely says one thing and does another.

Cleland proves the world's #1 brand untrustworthy. He exposes the unethical company hiding behind a “don't be evil” slogan. He uncovers Google's hidden political agenda. And he reveals how Google's famed mission to organize the world's information is destructive and wrong. Cleland is the first to critically examine where Google is leading us, explain why we don't want to go there, and propose straightforward solutions.

Google's unprecedented centralization of power over the world's information is corrupting both Google and the Internet—a natural result of unchecked power. Google is evolving from an information servant to master—from working for users, to making users work for the Internet behemoth.

*Search & Destroy conclusively demonstrates that Google's goal is to change the world by influencing and controlling information access. Ultimately, Google's immense unchecked power is destructive precisely because Google is so shockingly-political, unethical and untrustworthy.*