Press Release

Yelp v. Google: An AICOA Case Study

PAULINA ENCK | SEPTEMBER 11, 2024

After the Department of Justice successfully proved in court that Google had monopoly power in online search, review website Yelp sued Google, arguing that it had illegally preferenced its own local search products at the expense of rivals. In a new insight, Director of Technology and Innovation Policy Jeffrey Westling uses Yelp's lawsuit to examine the potential impact of the American Innovation and Choice Online Act (AICOA), a bill that would outlaw self-preferencing by large technology platforms.

Westling concludes:

> Self-preferencing claims under the Sherman Act are currently difficult to prove in court, largely because of the complex market analysis and the procompetitive justifications for allowing firms to design their products as they see fit. Under AICOA, much of this analysis would be foregone, increasing the likelihood that conduct such as vertically integrating a local search product into a general search engine could lead to liability. As a result, a firm may choose not to implement features that would make them more competitive and benefit consumers out of a fear of liability. Congress should not design competition law to ignore an analysis of competition.

Read the analysis