

AI has Transformed the Tech Industry

In the months since the Court's decision in the DOJ's search distribution case – which was filed back in 2020 – AI continues to transform the tech and search landscape in extraordinary ways, fueled by innovations from incumbents and upstarts. A large number have attained significant scale – all without any of the radical market interventions that the DoJ is proposing.

Amazingly, all of this has happened in **less than 9 months**:

- In January 2025, 60% of U.S. consumers used a generative AI-powered chatbot to conduct research or decide on a purchase ([a16z](#)), an increase of 50% from August 2024. ([St. Louis Fed](#)).
- Between August 2024 and early 2025, 17 new companies broke into the top 50 AI-first web products by usage ([a16z](#)). And venture ([Reuters](#)) and capital investments ([CNBC](#)) are soaring.
- **OpenAI's ChatGPT**, one of the fastest-growing apps in history, surpassed 500 million weekly active users in early 2025, more than doubling from 200 million six months earlier. It received over four billion visits in March alone. ([Business Insider](#)) And just recently, OpenAI CEO Sam Altman has said "10% of the world" uses ChatGPT – putting the number of users at approximately 800 million. ([Fortune](#))
- OpenAI launched a web search engine (**ChatGPT Search**) in October 2024 to paid subscribers, and expanded access to all ChatGPT users in February 2025. ([Engadget](#))
- In December 2024, **Apple Intelligence** rolled out integrated access to OpenAI's ChatGPT on the iPhone ([Apple](#))
- **Meta** reported that its Meta AI chatbot had 700 million monthly active users in the fourth quarter of 2024 ([Investopedia](#)). And as of October 2024, Meta was reportedly building a **Llama-powered AI-based search engine for Meta AI**, which is integrated across Facebook, Instagram, and WhatsApp. ([The Information](#))
- In February 2025, **Amazon** announced Alexa+, which is powered by generative AI including Anthropic's Claude AI model, and is available on 600 million Alexa-enabled devices. ([Reuters](#))
- **Microsoft's AI-powered Copilot** is embedded across Microsoft's products: Windows devices, its Edge browser, Bing, Microsoft 365, and Teams ([CNET](#)). Microsoft is also the major backer of OpenAI.
- **xAI's Grok-3** was announced in February 2025. Grok is deeply integrated into the X platform, which has 550 million monthly users ([X](#)). Daily active users of the Grok U.S. app increased by 260% since the launch of Grok 3. ([TechCrunch](#))
- **Anthropic's Claude** added web search capabilities in March 2025. ([Fast Company](#)), adding to a raft of new AI-first rivals in the space.
- **Chinese AI company DeepSeek** launched its V3 model in December 2024 and almost immediately garnered enough traffic to rank #2 among AI web apps. DeepSeek also includes a built-in web search feature that allows it to access and retrieve information from the internet. ([TechCrunch](#))
- Beyond DeepSeek, other Chinese companies have "have flooded the market with a rapid succession of low-cost AI services." **Baidu**, **Alibaba** and others have released AI agents, chatbots and models; while **Tencent**, **Ant Group**, **Meituan** and others are also investing ([Bloomberg](#)). And the Chinese Government has set up a venture fund to invest in new AI businesses ([CNN](#))