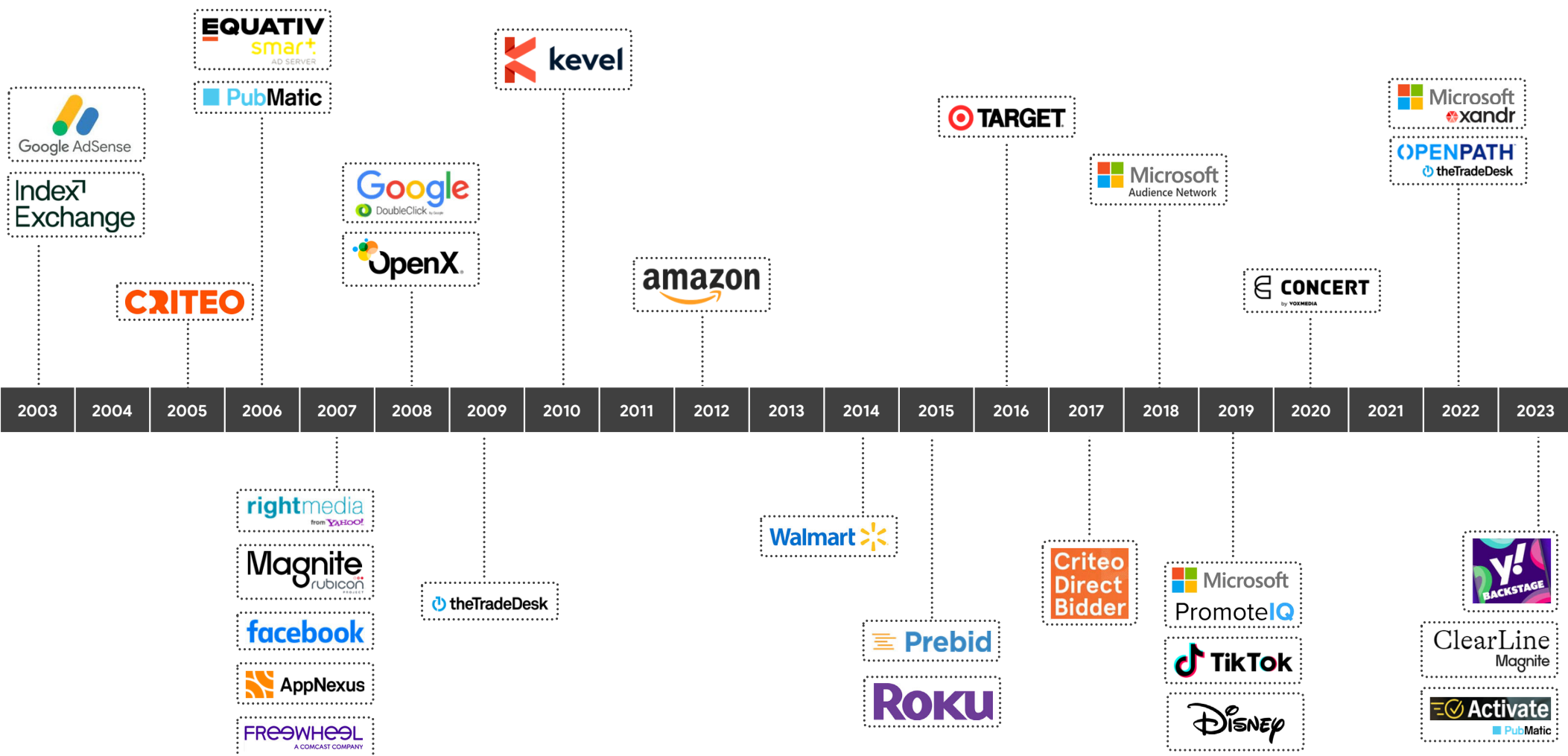
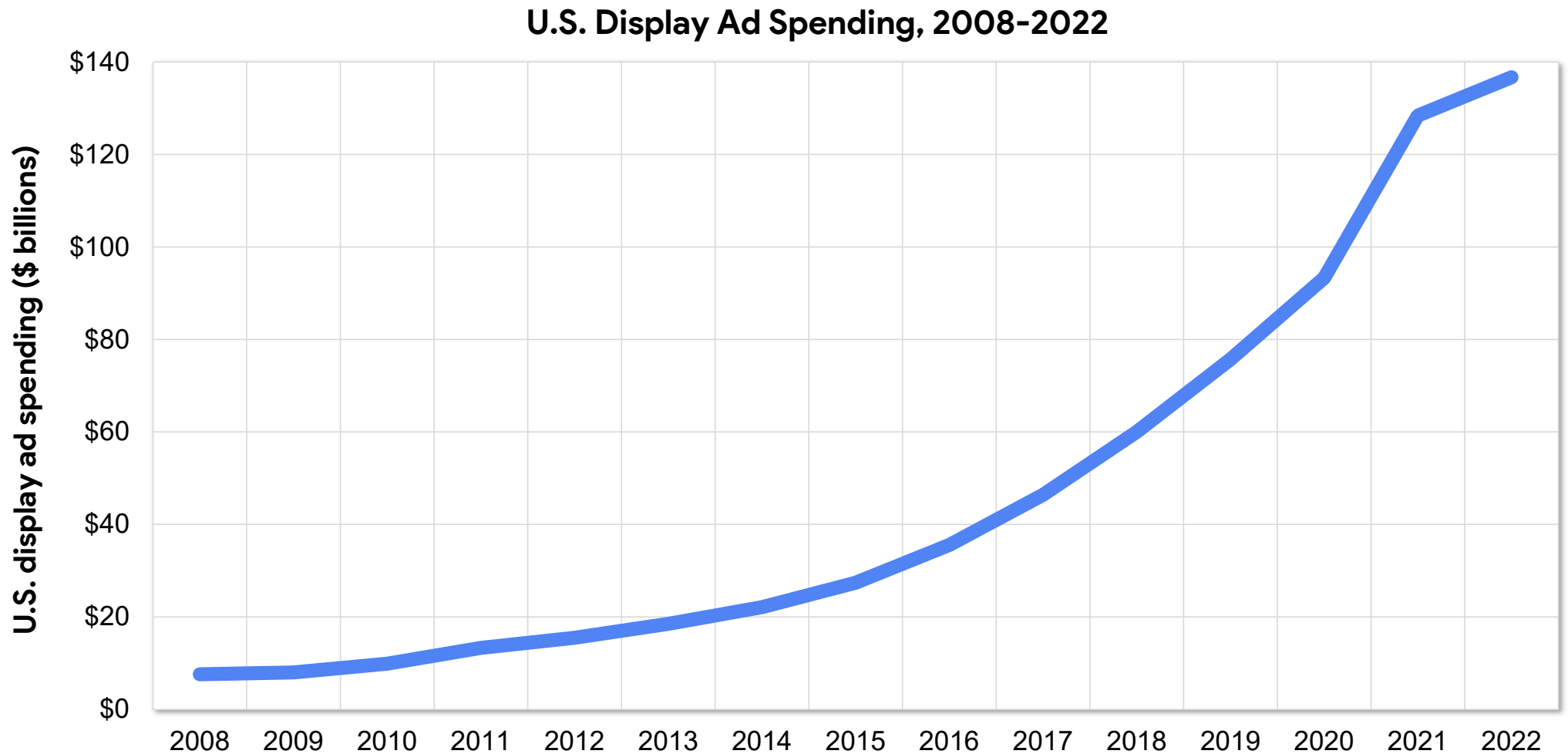


Google's Opening Statement

The Advertising Technology Industry Is Intensely Competitive With New Entrants All The Time



Ad Tech Innovations Have Spurred 18x Economic Growth





Plaintiffs Cannot Prove Their Alleged Relevant Markets

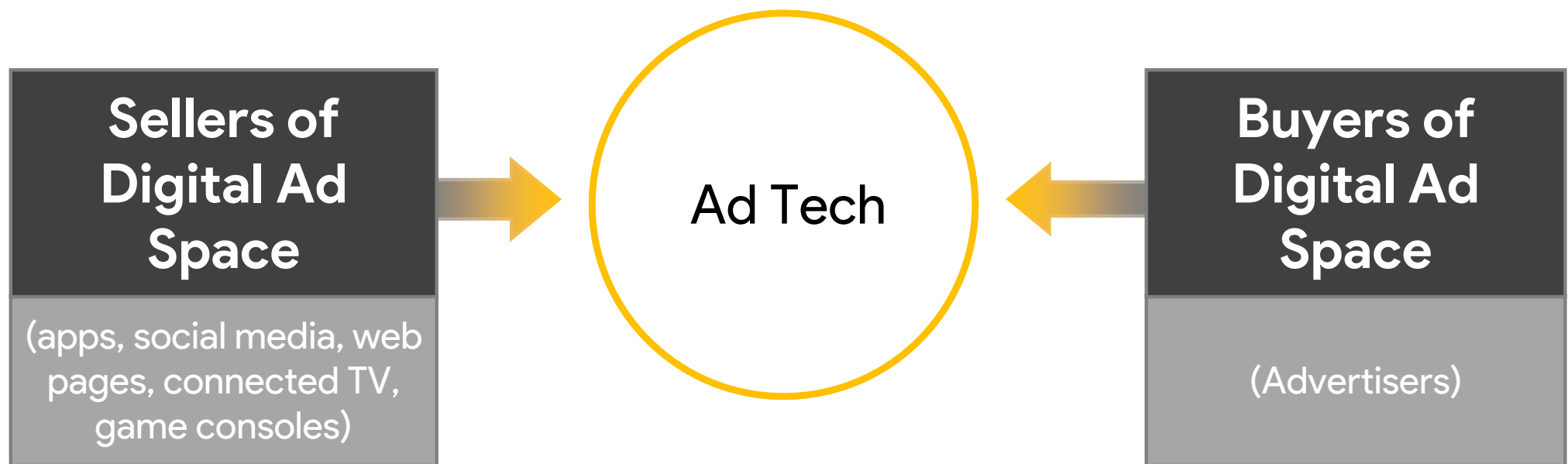
Refusing To Provide Comparable Access Is Per Se Legal And Competitive

Courts “should combine different products or services into a single market when that combination reflects **commercial realities**.”

Two-sided transaction platforms “facilitate a **single, simultaneous transaction** between participants” and are thus “best understood as supplying only one product—**transactions**—which is jointly consumed.”

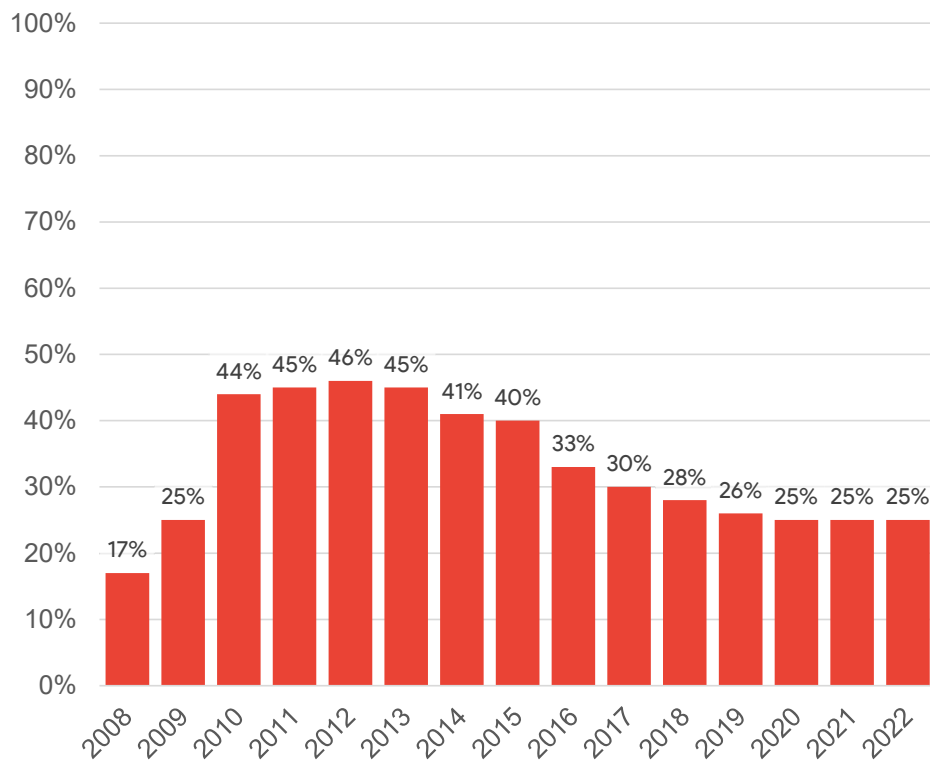
Ohio v. Am. Express Co., 585 U.S. 529, 544, 545 & n.8 (2018)

Ad Tech Is A Two-Sided Transaction Platform Connecting Buyers And Sellers

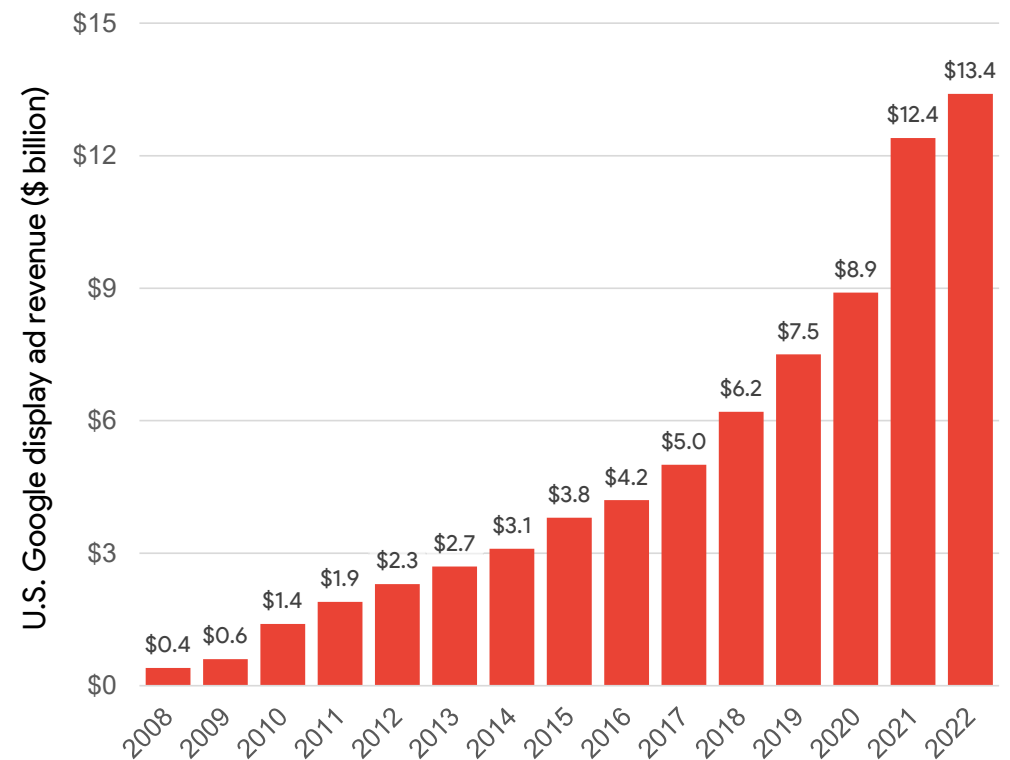


Google's Share In A Two-Sided Market Has Decreased Even As Its Revenue Has Increased

Google's Approximate Share in a Single Two-Sided Market for U.S. Display Advertising, 2008-2022



U.S. Google Display Ad Revenue, 2008-2022



Plaintiffs' Complaint Alleged Three Markets For Tools For "Open Web Display Advertising"

1. Publisher Ad Servers

282. **Publisher ad servers for open web display advertising** is a relevant antitrust product market. For simplicity, this Complaint refers to these products as "publisher ad servers" or "ad servers." Google offers DoubleClick for Publishers, now part of the Google Ad Manager suite, as a product in this relevant market.

2. Ad Exchanges

290. **The market for ad exchanges for indirect open web display advertising** is a relevant antitrust product market. For simplicity, this Complaint refers to these products as "ad exchanges." Google offers AdX, now part of the Google Ad Manager suite, as a product in this relevant market.

3. Advertiser Ad Networks

297. **Advertiser ad networks for open web display advertising** is a relevant antitrust market. An advertiser ad network provides easy-to-use, self-service bidding tools that facilitate ad placement on open web display ad inventory.

Plaintiffs' Markets Are Gerrymandered To Carve Out Relevant Substitutes

“Indirect”

Carves Out Ad Tech When Used for Direct Deals

“Open”

Carves Out In-House Ad Tech Like Amazon.com, Facebook.com, and Instagram.com

“Web”

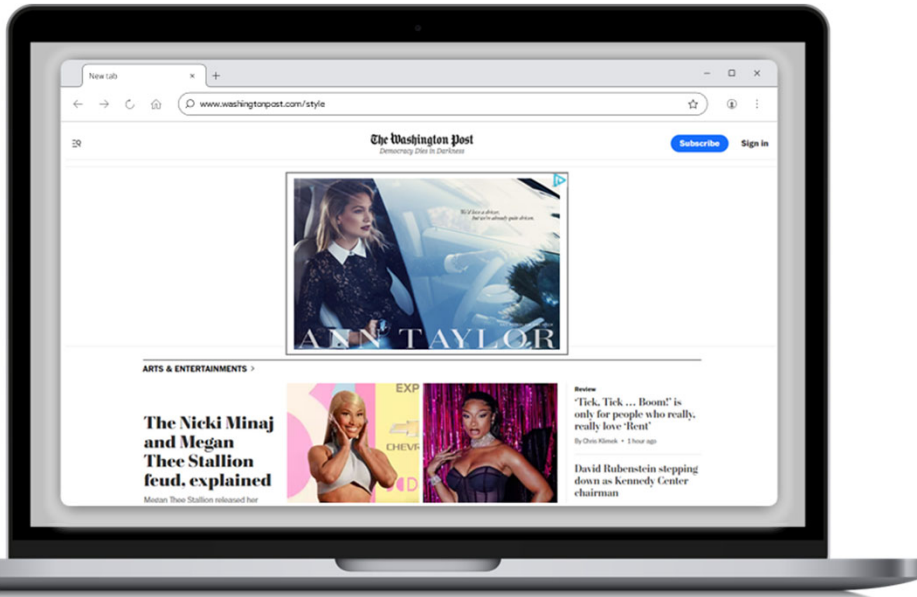
Carves Out Ad Tech When Used to Place Ads on Apps and Connected TV

“Display”

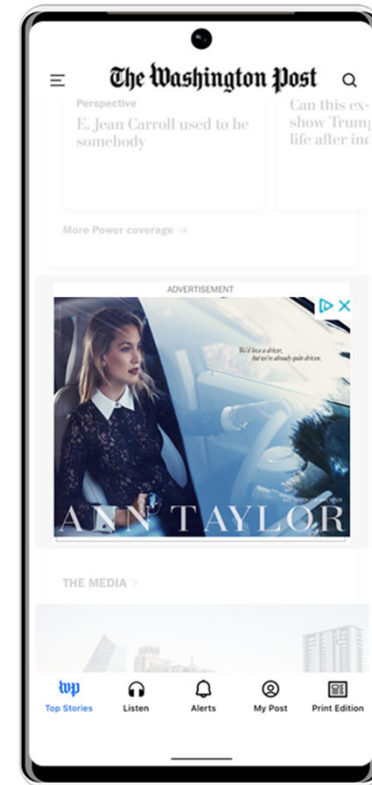
Carves Out Ad Tech When Used to Place Native Ads or In-Stream Video Ads Like on YouTube

Plaintiffs' Markets Carve Out The Same Ad From The Same Advertiser Placed On The Same Article By The Same Tool Viewed By The Same User

IN



OUT

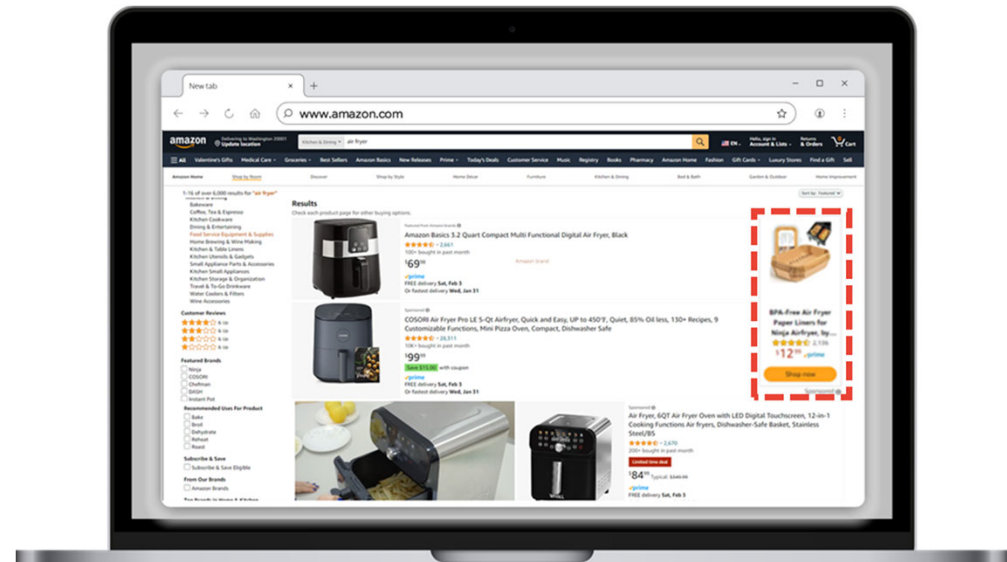
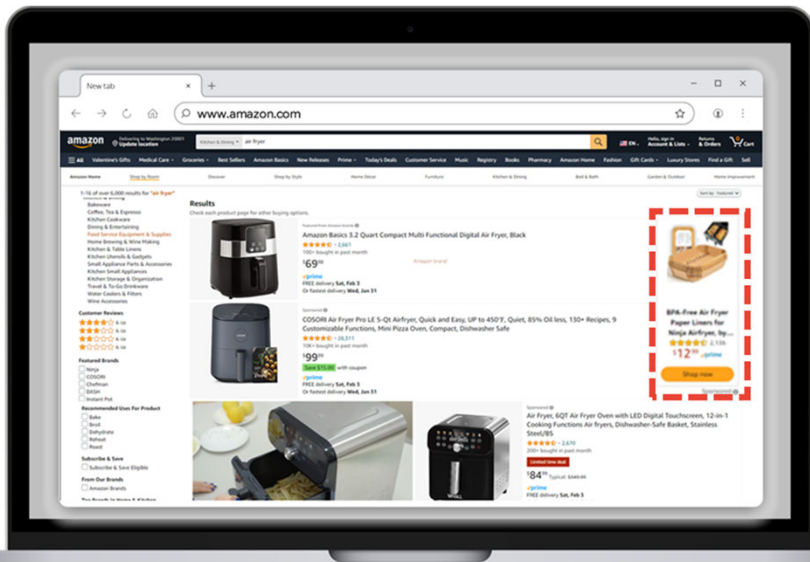


Plaintiffs' Markets Included Ads On Amazon.com Until October 2015, When Amazon Started Using Its Own In-House Ad Server

IN

MID-OCTOBER 2015

OUT



Plaintiffs' Expert Says The Markets Are Ad Tech Tools But Never Analyzed Competition For The Tools And Artificially Limited Market Share Calculations

Says Market Defined by Tools, Not Ads

“When I get to market definition, I’ll be **focusing on the tools** used to transact those digital advertisements” but “**the relevant product markets do not include the underlying display advertisements.**”

Dep. 56:4-58:7; 66:14-67:8

Then Counts Only “Open-Web Display” Ads

“For the purposes of computing market shares . . . , I **restrict attention to open-web display transactions.**”

Rebuttal Rept. ¶ 140

Admits No Tools Serve Only “Open-Web Display” Ads

Q. Do you know if there’s any ad exchange that facilitates advertising only for open-web display advertising?

A. Sitting here today, I **can’t name a specific one that I know definitively does not transact other forms of digital advertising than open-web display.**

Dep. at 105:1-7

Never Analyzed What Motivates Choice of Tools

“**It’s difficult for me to tell you definitively what a publisher does or does not take into account.** I’m not a publisher.”

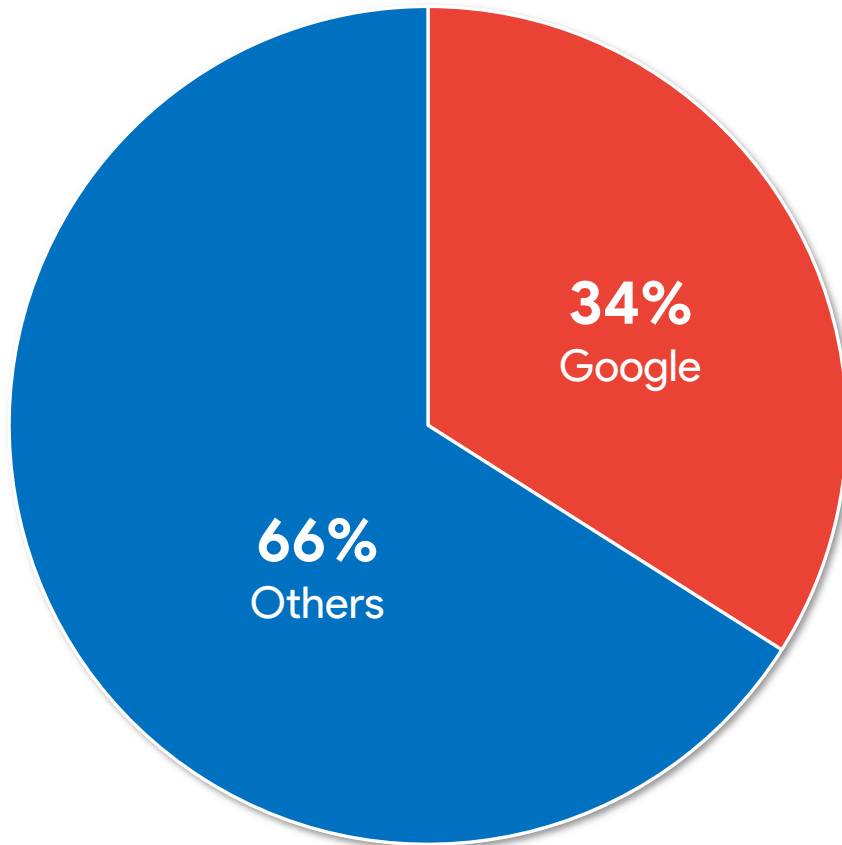
Dep. at 122:8-18

“**I cannot definitively state what an advertiser does or does not consider at all when making their decisions.**”

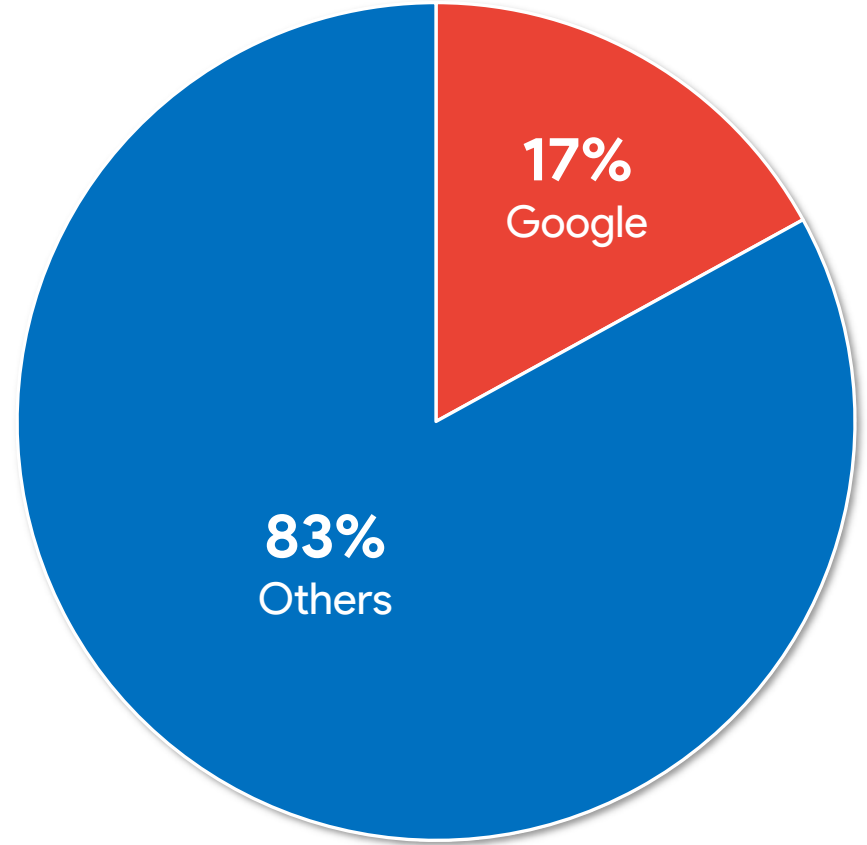
Dep. at 122:20-123:21

Plaintiffs Want Google To Divest Even Where There Is No Monopoly Power

Plaintiffs' Alleged Market Share
for Ad Exchanges in the US (Based on Spend)



Actual Market Share
for Ad Exchanges in the US (Based on Spend)



A decorative horizontal bar spanning the width of the slide. It consists of a light gray rectangular area in the center, bordered by thin lines of Google's brand colors: blue, red, yellow, and green.

Google's Conduct Is Per Se Legal

Refusing To Provide Comparable Access Is Per Se Legal And Competitive

“Firms may acquire monopoly power by establishing an infrastructure that renders them uniquely suited to serve their customers.

Compelling such firms to share the source of their advantage is in some tension with the underlying purpose of antitrust law, since it may lessen the incentive for the monopolist, the rival, or both to invest in those economically beneficial facilities. Enforced sharing also requires antitrust courts to act as central planners, identifying the proper price, quantity, and other terms of dealing—a role for which they are ill suited.”

Verizon Commc'ns Inc. v. Law Offices of Curtis V. Trinko, LLP,
540 U.S. 398, 407-08 (2004)

Refusing To Provide Comparable Access Is Per Se Legal And Procompetitive

“A firm with no duty to deal in the wholesale market has no obligation to deal under terms and conditions favorable to its competitors.”

Pac. Bell Tel. Co. v. linkLine Commc'ns, Inc., 555 U.S. 438, 450-51 (2009)

“Forcing firms to help one another would also risk reducing the incentive both sides have to innovate, invest, and expand—again results inconsistent with the goals of antitrust.” “If forced sharing were the order of the day” courts would have to “become ‘central planners,’ a role for which we judges lack many comparative advantages and a role in which we haven't always excelled in the past.”

Novell, Inc. v. Microsoft Corp., 731 F.3d 1064, 1073 (10th Cir. 2013)

Plaintiffs' Complaint Is That Google Didn't Give Its Rivals "Comparable" Access



Robin Lee

Plaintiffs' Expert
Report ¶ 12(3)

3. Google has used its market power within and across the relevant markets to exclude competitors from participating in these markets, and to impede their ability to compete for customers. Google has done so by:
- (1) Providing unrestricted access to Google Ads' advertiser demand exclusively to its AdX ad exchange, and denying comparable access to rival ad exchanges;
 - (2) Providing access to and use of real-time bids from AdX exclusively to its DFP publisher ad server, and denying comparable access to rival publisher ad servers;
 - (3) Providing access to a feature known as "Dynamic Allocation" exclusively to AdX within DFP, granting AdX valuable "first-look" and "last-look" advantages over rival ad exchanges;
 - (4) Eliminating publishers' ability to use variable pricing floors within DFP, impairing their ability to work with rival ad exchanges and exert competitive pressures on AdX;
 - (5) Acquiring an emergent competitor, AdMeld, and eliminating it as a competitive threat to Google's AdX and DFP products.

The Search Court Rejected Claims That Mirror Plaintiffs' Claims Here

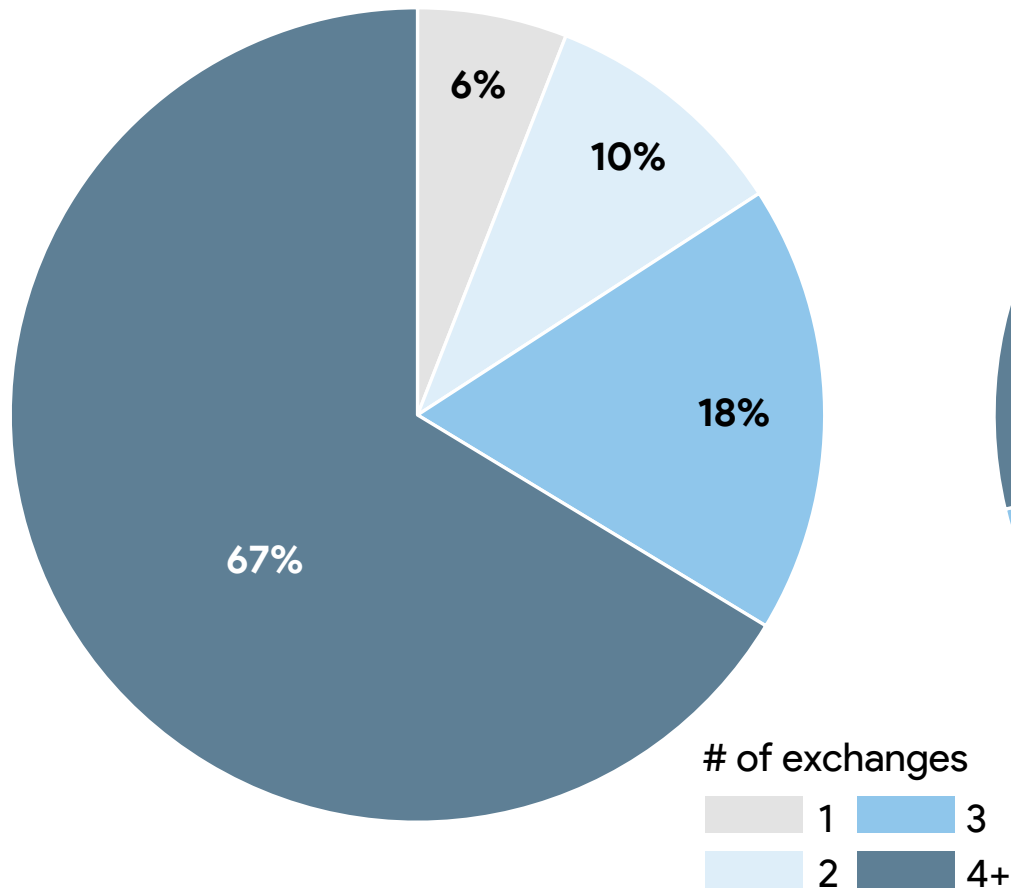
Plaintiffs claim “Google ignored Microsoft’s repeated pleas to integrate auction time bidding (ATB), a feature that permits advertisers to change their bid strategies in real time during auctions.”

“The court is unpersuaded that Google’s SA360 conduct falls outside the ‘no-duty-to-deal’ framework.” “The concerns that animate the no-duty-to-deal principle are equally applicable here. Primarily, adjudicating Plaintiff States’ claim would require the court to act as a ‘central planner’ that endeavors to identify the proper ‘terms of dealing.’ *Trinko*, 540 U.S. at 408. Their claim requires grappling with a host of questions that the court is ill-equipped to handle.” “And those thorny questions foreshadow the challenges the court would face in administering a remedy. Any relief presumably would require Google to ensure feature parity on SA360 now and into the future. A favorable outcome for Plaintiff States thus would mire the court in Google’s day-to-day operations.”

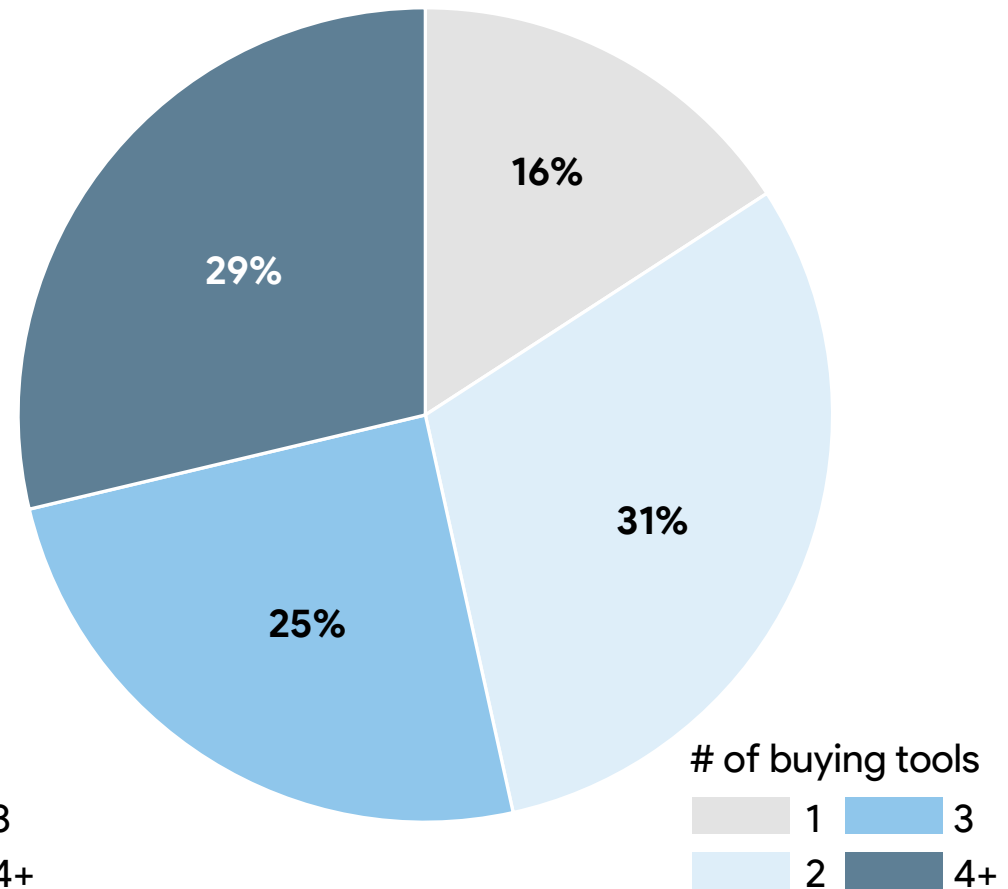
United States v. Google, 2024 WL 3647498, at *129, *131 (D.D.C. Aug. 5, 2024)

Sellers And Buyers Are Free To Choose Multiple Ad Tech Tools And They Do

Sellers Use Multiple Exchanges, 2022



Buyers Use Multiple Buying Tools, 2022





*All of Google's Conduct Had a
Valid Business Purpose*

Plaintiffs Must Prove Google Had No Valid Business Purpose

The two elements of a Section 2 monopolization claim are:
“(1) the possession of monopoly power in the relevant market and (2) the willful acquisition or maintenance of that power as distinguished from growth or development as a consequence of a superior product, business acumen, or historic accident.”

United States v. Grinnell Corp., 384 U.S. 563, 570-71 (1966)

“To satisfy this burden,” a Plaintiff “must show that a jury could find no valid business reason or concern for efficiency in the” Defendant’s “choice.”

Oksanen v. Page Mem’l Hosp., 945 F.2d 696, 710 (4th Cir. 1991) (en banc)

Google Sought To Create Value For Advertisers, Publishers, And Users

April 23, 2008

Strategic Goals



Provide customers with the functionality they need to transact at the highest value

- Provide **liquidity** so there is sufficient inventory and transactions for both buyers and sellers
- Enable the **highest ROI** possible for advertisers
- Enable the **highest CPM** possible for sellers
- Best of breed targeting capabilities and creative controls to **protect user relevance / experience**

DTX 29 at 7

Google Did Make Its Products Interoperable With Rivals

GAM (Ad Server) ↔ 100+ Exchanges (Including Header Bidding)


GAM (Ad Exchange) ↔ 100+ Buying Tools

DV360 + Google Ads (AwBid) ↔ 100+ Exchanges

AdX Direct Tags ↔ Any Non-Google Publisher Ad Server

Valid Business Purposes Included Increasing Publisher Revenue

February 23, 2011

 White Paper | DoubleClick Ad Exchange

In mid-2010, we published the results of a research study quantifying the impact of DoubleClick Ad Exchange on publishers' effective CPMs (eCPM) for their unsold (or "pre-emptible") ad space. Our analysis determined that the combined effects of auction pressure and Google's proprietary Dynamic Allocation technology resulted in CPM lift of 136% compared with fixed, upfront, pre-negotiated sales of non-guaranteed inventory.






DTX 80 at 2

Government Witnesses Contradict Plaintiffs' Case



U.S. Department
of Veterans Affairs

In 2024, This Is The Commercial Reality

	 Microsoft	 amazon	 Meta	 TikTok	 Google
Integrated Technology	✓	✓	✓	✓	✓
Streaming	✓	✓			✓
Gaming	✓	✓			
Retail Media	✓	✓			✓
Social	✓		✓	✓	✓
A.I.	✓	✓	✓	✓	✓