## Statement of

## The Honorable Patrick Leahy

United States Senator United States Senate September 21, 2011

Today, the Antitrust Subcommittee examines the state of competition in online search. This hearing focuses primarily on one company - Google - which has become an emblem for success in the new economy. I look forward to hearing from all of the witnesses today, as they assess Google's business practices, and the state of competition in the Internet search and advertising markets more generally.

Whether it is Gmail, Google Books, YouTube, or Google Travel, few companies have invested as much money and creative energy in online ventures - both successes and failures - to improve the online experience, as Google. Today's hearing, however, is focused on the business with which the very name "Google" has become synonymous - Internet search.

The Internet provides access to an astonishing collection of free and easily accessible content and information. The ability of search engines to direct users quickly to the most relevant content has spurred creativity and the rapid growth of diverse businesses. Google is the operator of the most successful search engine.

The antitrust laws do not exist to punish success. What we try to do through these laws is ensure that business on the Internet remains dynamic, and that new entrants with new business models that will create jobs and improve our economy are not stifled. Although the Internet economy is complex and evolving, the antitrust laws are as necessary online as in any other area of our economy.

Any antitrust investigation into this industry should start with a threshold question: Does Google have a level of market power in online search or search advertising that brings with it certain obligations under the competition laws? This involves an analysis not only of market share, but of the structure of the search market, including whether barriers to entry exist that might prevent new competitors. If Google does indeed have market power, the subsequent question is whether Google leverages this market power to harm competitors in its other lines of business. This inquiry will ultimately be the responsibility of the antitrust authorities at the Federal Trade Commission and the Department of Justice. I have confidence in their commitment to conduct a fair investigation.

Internet search and advertising has the ability, when working at its most efficient, not only to connect us globally but also locally. Internet users across the world can quickly search for and connect to Green Mountain Coffee in Vermont. But just as importantly, Vermonters in Essex Junction looking for a local florist can use a similar Internet search to quickly find Maplehurst Florist, and not just national chains. Competition, which is the bedrock of the antitrust laws,

ensures that consumers will continue to have this choice.

I thank the witnesses for appearing and look forward to their testimony.

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