

Google C.E.O. Says Tech Giant Has Improved the Web for All Consumers

Sundar Pichai, the chief executive of Google, appeared in court to defend his company against a landmark federal antitrust case.



By [Nico Grant](#) and [David McCabe](#)

Reporting from the E. Barrett Prettyman U.S. Courthouse in Washington

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As Google’s chief executive, [Sundar Pichai](#), tells it, his company has always been on the side of consumers. It has paid billions to other industry giants, like Apple and Samsung, he said, to make sure Google’s internet search engine worked as well as it should on those companies’ devices.

Testifying on Monday in Google’s landmark antitrust trial, Mr. Pichai directly contradicted the Justice Department’s claims that his company’s huge payments to companies like Apple to be the default internet search option on their popular devices represented its unchecked monopoly power. Mr. Pichai said he had been worried that Apple, in particular, would make it more difficult to use Google’s search on its devices, and he believed Google had to pay to make sure that wouldn’t happen.

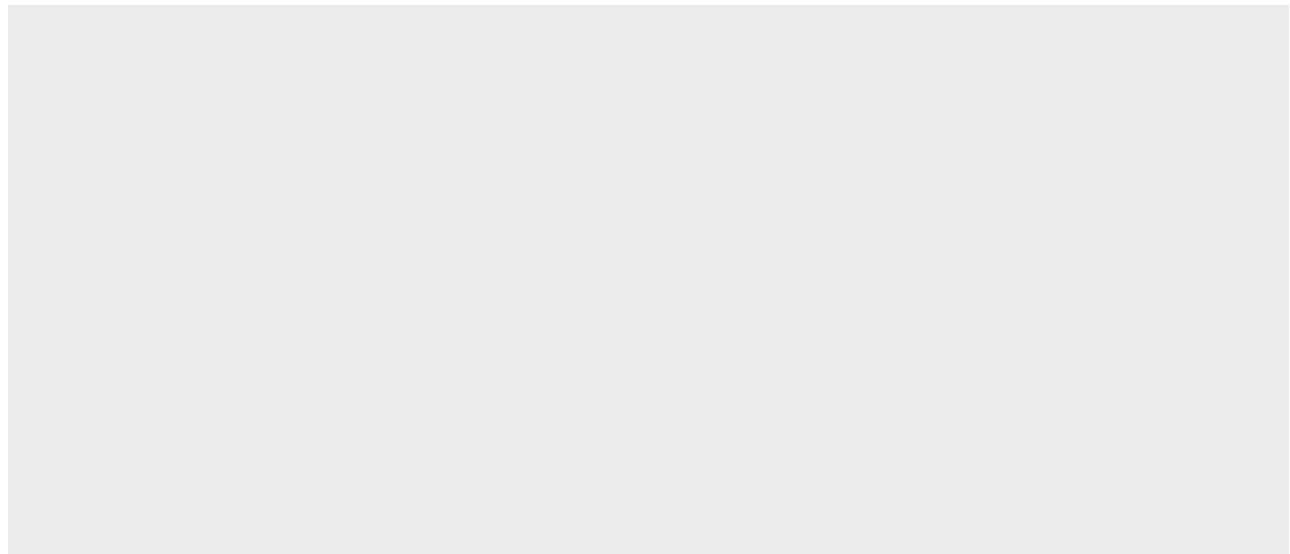
“Given that Apple designs the experience, it wasn’t clear how they would change the experience if the financial incentive wasn’t there,” Mr. Pichai said while testifying for more than three hours.

The Google chief was the highest profile witness to testify so far in the 10-week trial. The monopoly trial — the first involving a tech giant of the modern internet era — reflects increasing efforts in Washington to rein in the power of Big Tech.

The Federal Trade Commission has filed its own antitrust lawsuit against Meta,

arguing it stifled nascent competitors, and Amazon, saying it squeezes small merchants and favors its own services. On Monday, [President Biden will sign an executive order](#) laying out the government's first rules for the artificial intelligence systems that Silicon Valley companies have raced to build.

Mr. Pichai opted to stand at a lectern to deliver his testimony because of a sprained lower back, as he tried to undercut claims by the Justice Department and state attorneys general that Google stifled competition through default-distribution deals with companies like Apple and Samsung.



Lawyers for the Justice Department, including Kenneth Dintzer, front right, and Meagan Bellshaw, front left, arriving at E. Barrett Prettyman Federal Courthouse in Washington. Haiyun Jiang for The New York Times

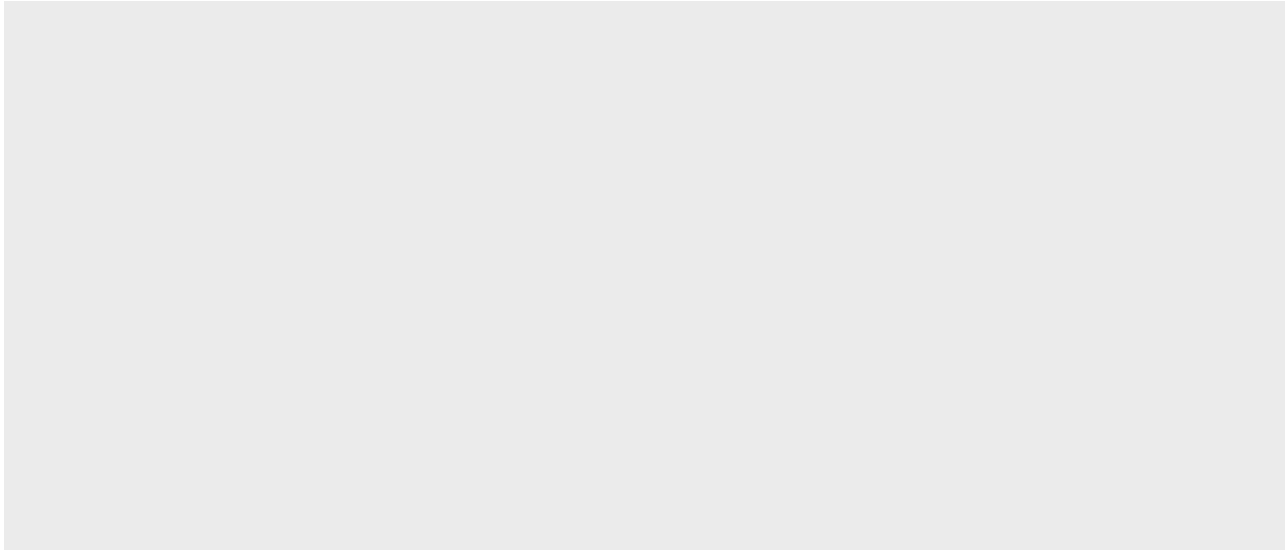
Google paid \$26.3 billion for its search engine to be the default selection on mobile and desktop browsers in 2021, according to Google's internal data presented during the trial. A majority of that, about \$18 billion, went to Apple, The New York Times has [reported](#).

Google's competitors testified earlier in the trial that the payments effectively made it impossible for them to compete. Satya Nadella, the chief executive of Microsoft, said the search giant's power was so significant that the internet was really the "Google web" and that its relationship with Apple was "oligopolistic."

Mr. Pichai, who is also chief executive of Google's parent company, Alphabet, told

a different story. He joined Google in 2004 and led the development of its Chrome web browser, which debuted in 2008. In 2014, he began leading product and engineering for many of the company's core products, including Search, Maps, Play and Android. The next year, he was named chief executive.

For 45 minutes, Google's lead litigator in the trial, John Schmiddlein, guided Mr. Pichai through questions about his almost two decades at the company, which has intersected with many of the products and deals at the heart of the case.



John E. Schmiddlein, Google's lead lawyer, arriving at E. Barrett Prettyman Federal Courthouse. Haiyun Jiang for The New York Times

Mr. Pichai said that during negotiations with Apple to be the default search engine on its devices, an Apple executive, Eddy Cue, told him that the deal was "very competitive." He said that Mr. Cue acknowledged there was "tension" in the relationship between the two companies because Apple's revenue share from the deal, which was proportional to the traffic it sends to Google, had fallen.

Mr. Pichai said he was worried that if Google did not improve the financial terms of the deal, Apple would degrade the experience of using its search engine.

"There was a lot of uncertainty about what would happen if the deal didn't exist," he said.

Mr. Pichai discussed how products that had Google as the default search engine,

including the popular Chrome browser and the Android smartphone operating system, had boosted competition across the industry.

When Chrome was released in 2008, Mr. Pichai said, it challenged the “stagnant” incumbent, Microsoft’s Internet Explorer, and provided users with a better experience on the web. Internet Explorer offered product updates annually or once every two years, he said, while Chrome released new versions every six weeks.

Mr. Pichai argued that Android’s direct competition with Apple had improved all smartphones, leading to better screens and interfaces as well as increased usage in applications and Google’s search engine.

His comments appeared to be aimed at addressing the legal standard both sides say applies to the case. If the government can prove that Google’s conduct has resulted in diminishing competition, Google must defend itself by showing its behavior was justified because of ways that it bolsters competition.

During a cross-examination, Meagan Bellshaw, a lawyer for the Justice Department, tried to get Mr. Pichai to explain how much Google’s default agreements had contributed to the search engine’s popularity.

Ms. Bellshaw pointed to notes from an internal Google meeting, which said that default agreements were responsible for 75 percent of the company’s search traffic. Mr. Pichai said he could not comment on the figure because did not have full context for it.

The Justice Department’s lawyer also homed in on a meeting in 2018 between Mr. Pichai and Tim Cook, Apple’s chief executive, to discuss Apple’s concerns about how the search default agreement was playing out. Mr. Cook was worried that Apple’s Safari revenue was growing more slowly than that of Google’s search engine.

Painting a picture of a cozy relationship between the two tech giants, Ms. Bellshaw read from an email recapping the meeting, in which a Google executive wrote that Mr. Pichai had said the companies’ “incentives are aligned.” Mr. Pichai said in court that the meeting had tense moments, focused primarily on the search deal and that the two companies fiercely competed in other arenas.

William Cavanaugh, a lawyer representing the state attorneys general, pressed Mr. Pichai on Google's rationale for sharing so much money with Apple, and whether he was paying the company to stay out of the search business.

Mr. Pichai repeatedly said he had renewed the deal because it was working well, leading to an increase in search usage and revenue, and had brought benefits to Apple, Google and its shareholders.

For a moment, the usually genteel Mr. Pichai appeared to have lost his patience during an exchange with Mr. Cavanaugh.

"I just gave all the reasons!" Mr. Pichai said, before repeating himself.

Nico Grant is a technology reporter covering Google from San Francisco. Previously, he spent five years at Bloomberg News, where he focused on Google and cloud computing. [More about Nico Grant](#)

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