

JFTC Issues a Cease and Desist Order to Google LLC

April 15, 2025

Japan Fair Trade Commission

The Japan Fair Trade Commission (hereinafter referred to as the “JFTC”) today issued a cease and desist order against Google LLC pursuant to the provisions of the Antimonopoly Act (hereinafter referred to as the “Act”).

In this case, Google LLC has been committing an act that violates the provision of the Article 19 (falling under paragraph (12) [Trading on Restrictive Terms] of Unfair Trade Practices) of the Act.

The JFTC published the commencement of the investigation on October 23rd, 2023. In addition, in the process of this investigation, the JFTC exchanged information with overseas competition authorities that investigated Google LLC's act similar to this case.

1. Violating Company

Corporate No.	3700150072195	
Corporate Name	Google LLC	
Address	251 Little Falls Drive, Wilmington, Delaware, United States of America	
Representatives	Representative Member	XXVI Holdings Inc.
	Person of Performance of Duty	Kathryn W. Hall
	Representative in Japan	Google Technology Japan, Co., Ltd.
	President	Kenneth H. Yi
	Chief Executive Officer	Sundar Pichai
Outline of Business	Business related to products and services in connection with General Search Services ^(Note 1) , etc.	

(Note 1) “General Search Services” mean services that display information sought by a user through search without limiting the information to a specific field, or to a specific format such as images or videos, by using a search engine.

2. Factual background on transaction of Android Smartphones

(1) Android OEMs ^(Note 2) distribute Android Smartphones to MNOs ^(Note 3) and also distribute them to users by themselves or through distributors, etc. In addition, MNOs distribute Android Smartphones they purchased to users by themselves or through distributors, etc.

(Note 2) “Android Smartphone” means a smartphone equipped with Android as an Operating System,

and running applications developed in accordance with specifications designated by Google LLC, which is sold in Japan (excluding smartphones sold by Google LLC). “Android OEM” means an enterprise manufacturing and distributing Android Smartphones.

(Note 3) “MNO” means an enterprise that provides mobile communications services as telecommunications services in Japan, having established (including having inherited a position of a licensed person, etc. relating to established radio stations) or operating radio stations by itself for the mobile communications services.

(2) Applications to be preinstalled ^(Note 4) on Android Smartphones and the placement of the applications’ icons or widgets on a screen are determined through negotiation between Android OEMs and MNOs, etc.

(Note 4) “Preinstall” means that smartphone manufacturers install applications on smartphones before distributing them.

(3) It is necessary for Android OEMs to preinstall Google Play on Android Smartphones they distribute. In order to perform such preinstallation, they are required to enter into MADAs ^(Note 5) with Google LLC or its subsidiaries.

(Note 5) MADAs mean agreements entitled “Mobile Application Distribution Agreement,” which provide Android OEMs with a license to preinstall applications developed by Google LLC (e.g. Google Play) on Android Smartphones, and also require Android OEMs to place a search widget and icons of specified applications developed by Google LLC on designated place like a home screen, among other requirements.

(4)(A) Methods for implementing ^(Note 6) Search Functionality ^(Note 7) on Android Smartphones include, among others, placing a search widget or a search application’s icon on the home screen or other places, and selecting Search Functionality provided by a specific General Search Service provider for Browser Search Setting ^(Note 8).

(B) In many cases, General Search Services through Android Smartphones are used by a search widget or icons placed on the home screen, and a browser address bar and a search box on web pages of General Search Service providers displayed in a browser.

(C) For General Search Service providers, it is important that Android Smartphones are sold with their own Search Functionality implemented. Also, for Android OEMs and MNOs, it is important to distribute Android Smartphones with Search Functionality implemented.

(D) In principle, Android OEMs and MNOs do not preinstall multiple search applications or browsers on a single Android Smartphone, and also avoid to place multiple icons of search applications or widgets of them, or icons of browsers, on a Default Home Screen ^(Note 9), etc. They recognize that such actions may lead to reduced convenience of Android Smartphone users.

(Note 6) “Implement” means to make certain functionality (including functionality which facilitates the use of certain functionality) available on smartphones.

(Note 7) “Search Functionality” means functionality that allows users to use General Search Services on their smartphones.

(Note 8) “Browser Search Setting” means setting to designate an enterprise providing General Search Services in response to a search conducted using a browser address bar as a search box, a page that is opened when the browser is launched, a page that is opened when a home button of the browser is tapped, or a page that is opened when a new tab is opened in the browser, collectively.

(Note 9) “Default Home Screen” means a screen set as a home screen by Android OEMs before distributing Android Smartphones.

(5) Google LLC allows Android OEMs by MADAs to install a browser named Google Chrome (hereinafter referred to as “Google Chrome”) on Android Smartphones. Google LLC sets Search Functionality of Google LLC as the default for Google Chrome.

(6)(A) As of December 2024, MADAs are in effect with at least six Specified Android OEMs ^(Note 10) .

(B) RSAs ^(Note 11) provide that the Specified Android OEMs or MNOs shall receive a portion of revenue generated by Search Advertisements ^(Note 12) for Google LLC’s General Search Services. The amount of revenue share under an RSA shall be calculated based on, among others, the amount of revenue from Search Advertisements earned by Google LLC through a search conducted by users using the General Search Services provided by Google LLC on the Specified Android Smartphones sold by the Specified Android OEMs or the Specified MNO ^(Note 13) , which have entered into an RSA.

As of July 2024, RSAs are in effect with at least four Specified Android OEMs and a Specified MNO.

(Note 10) “Specified Android Smartphones” mean the Android Smartphones which are subject to MADAs. “Specified Android OEMs” mean enterprises manufacturing and distributing the Specified Android Smartphones.

(Note 11) “RSAs” mean agreements entitled “Google Mobile Revenue Share Agreement,” “Google Mobile Incentive Agreement,” etc.

(Note 12) “Search Advertisement” means an advertisement being shown with the search result when using General Search Services.

(Note 13) “Specified MNO” means an MNO which has entered into an RSA.

3. Conduct found to be in Violation of the Act

Since July 2020 at the latest, Google LLC has been preventing Search Functionality of other General Search Service providers from being implemented on Specified Android Smartphones, by imposing (1) and (2) below on Specified Android OEMs and the Specified MNO.

(1) Requirements for license under MADAs

Google LLC has been requiring the followings of Specified Android OEMs in conjunction with a license to preinstall Google Play to the Specified Android Smartphones under MADAs.

- (A)** To preinstall Google Search and place its widget and icon (including a folder storing the icon) on the Default Home Screen
- (B)** To preinstall Google Chrome, place its icon (including a folder storing the icon) on the Default Home Screen, and not to change the setting of Google Chrome in which Google LLC's Search Functionality is selected

(2) Requirements for sharing the revenue under RSAs

Google LLC has been requiring all or some of the following (A) to (E) (including a part of each item) of some of the Specified Android OEMs and the Specified MNO, with respect to the Specified Android Smartphones, as conditions on sharing of a portion of revenue generated by Search Advertisements for Google LLC's General Search Services under RSAs.

- (A)** Not to do by themselves and not to allow any third parties (excluding users) to do any of the followings
 - (a) To implement Search Functionality of other General Search Service providers
 - (b) To implement functionality that has the primary purpose of providing access to Search Functionality of other General Search Service providers
 - (c) To introduce, promote or suggest Search Functionality of other General Search Service providers to users
- (B)** To utilize Google LLC's General Search Services for all Search Functionality
- (C)** To place a search widget of Google LLC on the Default Home Screen
- (D)** To set Google Chrome as the Default Browser ^(Note 14), place the icon of Google Chrome in the dock and not to do by themselves and not to allow any third parties (excluding users) to do any of the followings
 - (a) To change the setting of Google Chrome in which Google LLC's Search Functionality is selected
 - (b) To promote or suggest change of the setting in (a) above to users
- (E)** In the Browser Search Setting for an installed browser, to select Google LLC's

General Search Services or to designate the home page of an MNO

(Note 14) “Default Browser” means a browser automatically selected when users open the link in applications without web page browsing functionality.

4. Summary of the Cease and Desist Order

(1) Google LLC shall cease the following (A) and (B).

(A) To require 3(1)(A) and (B) above of the Specified Android OEMs in conjunction with providing them with the license to preinstall Google Play to the Specified Android Smartphones under MADAs

(B) To require all or some of 3(2)(A) to (E) above (including a part of each item) of some of the Specified Android OEMs and the Specified MNO with respect to the Specified Android Smartphones under RSAs

(2) Google LLC shall decide the followings at its business execution organization.

(A) Google LLC ceases the conduct described in 3(1) and (2) above.

(B) Google LLC will not, from now on, do (4)(A) or (B) below for transaction related to the implementation of Search Functionality to Android OEMs or distributors.

(3) Google LLC shall notify the Specified Android OEMs and the Specified MNO of the measures taken in accordance with (1) and (2) above, and shall have such measures thoroughly disseminated to its board members and to its employees, etc. engaged with business relevant to MADAs or RSAs.

(4) Google LLC shall not, from now on, do the following (A) or (B) for transaction related to implementation of Search Functionality to Android OEMs or distributors.

(A) To require to do any conduct same as the all or some of 3(1)(A), (B), 3(2)(A), (B), (C), (D) and (E) above in conjunction with the license to preinstall Google Play

(B) To require the following (a) or (b) as conditions on providing money or other economic benefits

(a) To do any conduct same as 3(2)(A) or (B) above

(b) To do a combination of multiple forms of conduct same as 3(1)(B), 3(2)(C), (D) above, the following (i), (ii) or (iii)

(i) To preinstall Google Search and place its icon (including a folder storing the icon) on the Default Home Screen

(ii) In the Browser Search Setting for Google Chrome, to select Google LLC’s General Search Services or to designate the home page of an MNO

(iii) In the Browser Search Setting for browsers except for Google Chrome, to select Google LLC’s General Search Services or to designate the home page of an MNO

- (5)** Google LLC shall take necessary measures to perform the followings.
- (A)** Compiling action guidelines for compliance with the Act in connection with the transaction between Google LLC and Android OEMs or distributors and their dissemination to all of its board members and to its employees, etc. engaged with business relevant to MADAs or RSAs
 - (B)** Regular training for all of its board members and for its employees, etc. engaged with business relevant to MADAs or RSAs as well as regular audits, regarding compliance with the Act in connection with transactions with the Android OEMs and distributors
- (6)** Google LLC shall promptly appoint an independent third party and have the third party monitor the implementation of the measures ordered in (1) to (5) above for five years after taking the measures in (1) above.
- (7)(A)** Google LLC shall have the third party referred to in (6) above report promptly to the JFTC on the status of the implementation of the measures based on (1), (2), (3), and (5)(A) above.
- (B)** Google LLC shall have the third party referred to in (6) above report annually to the JFTC on the status of the implementation of the measures based on (4) and (5)(B) above for five years after taking the measures in (1) above.

* This document is a provisional translation of the Japanese original.