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Brad Smith
Microsoft

Microsoft Exorcising the Evil Out of the Google-Yahoo Alliance

If it is successful, it remains to be seen

Microsoft is fighting to exorcise the evil out of the Google-Yahoo alliance. After Yahoo eluded Microsoft's \$44.6 billion marriage proposal, it was quick to jump in bed with Google, and strike an online advertising and search partnership. The Redmond company failed to see any good in a combination of Google and Yahoo, and as a direct consequence, Brad Smith, Microsoft senior vice president and general counsel will appear before the Senate Judiciary Committee Subcommittee on Antitrust and the House Judiciary Committee Antitrust Task Force to testify against the "unholy" union. "If search is the gateway to the Internet, and most believe that it is, this deal will put Google in a position to own that gateway and the information that flows through it. Never before in the history of advertising has one company been in the position to control prices on up to 90 percent of advertising in a single medium. Not in television, not in radio, not in publishing. It should not happen on the Internet," Smith revealed. According to Microsoft, if the Google and Yahoo alliance goes through, advertisers, customers and end users will only be hit with higher prices for online advertising, a degradation in the current quality of innovation and a lack of actual choice. "When Yahoo! talks about this deal generating up to \$800 million in additional revenue, that's money out of the pockets of American businesses, big and small, who will pay higher prices for the very same ads they buy from Yahoo! today," Smith added. Smith warned that Google would end up controlling in excess of 90% of the Internet advertising for search market with the help of Yahoo. This level of control will translate into a monopoly with online advertisers having to turn to the Mountain View search giant because of the lack of alternatives. But most importantly, the deal will place Google in control of the vast majority of user data, with no telling what the company will do with that information. "If one company - Google - controls up to 90 percent of online search advertising it will have a complete picture of your online activities. If that happens, Congress won't need to enact a federal privacy policy, we will already have a national privacy policy - Google's privacy policy," Smith concluded.