

Google paid \$8 billion to make its apps default on Samsung phones



FILE – The Google app icon is seen on a smartphone, Tuesday, Feb. 28, 2023, in Marple Township, Pa. Google, on Thursday, Sept. 7, will soon require political advertising that incorporates artificial intelligence come with a prominent disclosure that the technology is being used to depict real or realistic-looking people or events. The use of AI has already begun to seep into that space and last month Federal Election Committee said that it may soon regulate AI-generated deepfakes in political ads ahead of the 2024 election. (AP Photo/Matt Slocum, File)

Google agreed to pay \$8 billion over four years to Samsung Electronics Co. to make its apps default on Samsung phones, according to information presented by Epic Games Inc. in court.

James Kolotouros, vice president for partnerships at Google, testified Monday in a San Francisco trial, saying that the company and Samsung were to share app store revenue to ensure Android mobile devices came with Google Play preinstalled.

Epic, the company that makes the popular video game “Fortnite,” sued Google in 2020, alleging the company’s app marketplace violates antitrust laws.

Epic is trying to show that Google executives have discouraged third-party app stores on Samsung devices so it wouldn’t cut into the profit of Google Play, [Bloomberg reported](#).

According to Kolotouros’s testimony, half or more of Google Play revenue comes from Samsung devices. The trial targets the app store that distributes apps for the company’s Android software, which powers virtually all the world’s smartphones that aren’t made by Apple.

Epic alleges Google has created an illegal monopoly on Android apps so it can boost its profits through commissions, ranging from 15 to 30 percent on purchases made within an app.

Google argues it was doing so to compete with Apple and its app store, an argument attacked by Epic attorney Lauren Moskowitz.

Earlier in the trial, Google's attorney said the company can't be a monopoly because it faces competition from companies such as Apple.

In September, however, Google and Apple were intertwined in an antitrust lawsuit. The case centers on payments that Google makes to Apple to ensure the Google search engine automatically fields queries made on iPhones.

Epic attorney Gary Bornstein previously accused Google of [bullying and bribing](#) to block competition.

Google offered to pay Samsung \$200 million over four years, so Samsung's Galaxy app store would become available within the Google Play Store rather than preinstalled on the device. The idea was later abandoned, and Google signed the current deal with Samsung that totals \$8 billion over four years.

[In his testimony](#), Kolotouros said if the Google-affiliated app store wasn't pre-downloaded on the phones, people would likely make the switch to Apple and its iPhone.

The trial is in the Northern District of California and is expected to last until just before the end of the year.