Competition Appeal Tribunal Case No. 1673/7/7/24

NOTICE OF A COLLECTIVE PROCEEDINGS ORDER

Third-Party App Developers, who are UK-domiciled and who, from 22 August 2018 onwards, paid commission in relation to the sales of apps via the Play Store, or digital content sales within such apps, could benefit from a collective claim against certain entities in the group of companies known as Google (the top holding company of which is Alphabet).

This notice

This is a legal notice published on the direction of the Competition Appeal Tribunal (the "Tribunal") which made a collective proceedings order on 23 May 2025 (the "Collective Proceedings Order") authorising Professor Barry Rodger (the "Class Representative") to pursue an opt-out collective action against the following companies: (1) Alphabet Inc.; (2) Google LLC; (3) Google Ireland Limited; (4) Google Asia Pacific Pte Limited; (5) Google Commerce Limited; (6) Google Payment Limited; and (7) Google UK Limited (collectively, the "Defendants"). The Defendants are all part of a single overall undertaking referred to in this Notice as "Google".

The Collective Proceedings Order can be viewed online at www.googleplaystoredeveloperclaim.com along with other information about the proceedings. This notice and the below questions & answers give important information about these collective proceedings. The Tribunal's website is www.catribunal.org.uk.

The proceedings

The Class Representative seeks to recover damages to compensate UK-domiciled Third-Party App Developers (as defined below) for Google's alleged breaches of European and UK competition law. The Competition Act 1998, as amended by the Consumer Rights Act 2015, allows for collective proceedings to be brought on behalf of a group of persons (known as a "class") who are alleged to have suffered losses as a result of anti-competitive conduct. The Tribunal has decided that the proceedings filed by the Class Representative against Google may be brought on a collective basis. Professor Barry Rodger has been approved to act as the Class Representative on behalf of individuals and businesses that he claims have suffered loss due to Google's alleged misconduct.

Professor Rodger alleges that Google has breached competition law by abusing its dominant position in the licensable smart mobile OS market and the Android app distribution market by (i) excluding actual and potential competitors from the latter market, and (ii) charging excessive and unfair prices in the latter market by charging commissions of up to 30% in relation to the sales of, and digital content transactions within, apps distributed via the Google Play Store. The Class Representative seeks damages for losses which he alleges have resulted from Google's abuses of

dominance, and will seek to combine the claims of all UK-domiciled app developers who, during the Relevant Period (as defined below), made one or more sales on which Google charged a commission (the "Class"). The Class Definition (which determines whether or not a person falls within the Class) is set out below.

No money is available now and there is no guarantee that money will be available in the future. The collective claim will need to be won or settled by Professor Rodger before any money can become available.

If you are a member of the Class, you have important legal rights related to these proceedings. Exercising these rights could affect your ability to get a payment in the future (if the case is won or a settlement is reached, and money becomes available). This notice explains the proceedings, who is covered by the proceedings, your rights in relation to the proceedings, how to exercise these rights and any related deadlines. <u>Please read this notice carefully as your decisions about these proceedings will have legal consequences.</u>

Your Rights and Options at this Stage

- These are "opt-out" proceedings, meaning that anyone who meets the definition of the Class and who is domiciled in the UK on 23 May 2025 will be included automatically and be bound by the result unless they expressly opt out of the Class so as to formally remove themselves from the proceedings. Therefore, if you are a member of the Class, you are not required to do anything for the time being, and you will be included in the collective proceedings unless you wish to opt out, in which case you should take the steps outlined below.
- If you wish to opt out (i.e., you wish <u>not</u> to be included in the proceedings), you will need to do so by **4pm** on **23 August 2025**. Details of how you can do this are set out below (see Q12). If you opt out, you will not be able to receive any money that Professor Rodger may recover on behalf of the Class (i.e., any money he receives in the form of a settlement payment or damages awarded by the Tribunal).

The Class Definition

The Class Definition is: "All UK-domiciled Third-Party App Developers who, during the Relevant Period, made one or more Relevant Sales".

For the purposes of this definition:

- (1) "Android" means the mobile operating system of that name.
- (2) "Android app" means a 'native' app programmed to be installed on an Android Device (and so does not refer to a 'web' app, which instead functions via an internet browser).
- (3) "Android Device" means any smartphone, tablet or other device that uses Android as its operating system.

- (4) "app" means a software application.
- (5) "Commission" means any commission charged by Google in connection with any sale made (i) via the Play Store and/or (ii) within an app.
- (6) "Play Store" means Google's proprietary app store.
- (7) "Relevant Period" means the period starting six years before the date of the collective proceedings claim form and ending on the date that the collective proceedings claim form is filed, being 22 August 2024. (The PCR seeks to combine claims that accrued during the Relevant Period; but each of those underlying claims will be in respect of all corresponding losses, whenever suffered, including after the end of the Relevant Period.)
- (8) "Relevant Sale" means:
 - (a) any sale of a Third-Party App via the Play Store; and
 - (b) any sale to an Android Device user within a Third-Party App

on which the Commission is charged, and includes:

- (i) any sale of a Third-Party App via the Play Store in connection with which an Android Device user pays a fee for the app and/or to download the app (a "Relevant App Sale");
- (ii) any one-time sale to an Android Device user within a Third-Party App for which the Android Device user pays a fee (a "Relevant In-App Sale"); and
- (iii) any recurring sale to an Android Device user within or for a Third-Party App for which the Android Device user pays a fee (a "Relevant Subscription Sale").
- (9) "Third-Party App" means an Android app developed by a Third-Party App Developer, but does not include any Android app that is or functions as an Android app store, Android app marketplace, or Android app distribution service.
- (10) "**Third-Party App Developer**" means a third-party developer (i.e., not Google) of an Android app or Android apps, but does not include:
 - (a) developers of any Android app that is or functions as an Android app store, Android app marketplace, or Android app distribution service; or
 - (b) developers that, as at the Domicile Date:
 - (i) in the case of natural persons, are deceased; or
 - (ii) in the case of legal persons, have been dissolved and/or struck off the register and/or otherwise ceased to exist.

Any natural or legal person that is otherwise within the Class Definition, but is covered by the exclusions at paragraph (10) above, is <u>not</u> included in the claims.

The Issues

The proceedings will determine certain issues that are common to the Class, including:

- (1) The definition of any relevant markets;
- (2) Whether Google held, and continues to hold, a dominant position on those markets;
- (3) Whether Google abused, and continues to abuse a dominant position, including by:
 - (a) The alleged exclusionary conduct; and/or
 - (b) The alleged unfair and excessive pricing;
- (4) Whether any such abuse of dominance caused the Class to suffer loss and damage;
- (5) The quantification of any aggregate award of damages; and/or
- (6) The basis, rate and duration of interest to which members of the Class may be entitled.

Any judgment on the common issues will be binding on all members of the Class. If any judgment is given on issues which only concern a sub-class, any judgment on those common issues will be binding on the members of the sub-class.

Anyone who opts out of the proceedings will not be bound by any subsequent judgment in the proceedings.

Questions & Answers

Q1: Why has this notice been issued?

The Tribunal has directed that this notice be issued following the successful application by the Class Representative for the Collective Proceedings Order, which was made by the Tribunal on 23 May 2025.

By making the Collective Proceedings Order, the Tribunal authorised the Class Representative to act on behalf of the Class in bringing these proceedings. A summary of Professor Barry Rodger's case against Google is on the claims website: www.googleplaystoredeveloperclaim.com.

This notice has been issued to inform you of the making, and details, of the Collective Proceedings Order, and your right to opt out of the proceedings. It informs you of important legal rights you have in relation to the proceedings. Exercising these rights could affect your ability to get a payment in the future (if compensation becomes available). This Notice explains: (i) the proceedings being brought by the Class Representative; (ii) your rights in relation to the proceedings; (iii) how to exercise those rights; and (iv) any related deadlines.

Q2: What is the Competition Appeal Tribunal?

The Tribunal is a specialist judicial body that covers the whole of the UK and hears certain

competition law and regulatory disputes. It has cross-disciplinary expertise in law, economics, business and accountancy. The Tribunal publishes its rules and guidance, together with information about what it does, on its website www.catribunal.org.uk.

Q3: What are collective proceedings?

Collective proceedings are sometimes described as a class action, a class claim, a group claim or a group action. Simply put, it is a single court action that seeks compensation for lots of similar claims in one go, rather than requiring everyone who may have been wronged by the same legal infringement to bring a separate claim individually. In this type of collective proceedings, a specified person or body (the Class Representative) conducts the proceedings on behalf of multiple claimants (the Class). The proceedings are the subject of a CPO, or 'collective proceedings order', which identifies the Class whose claims are being pursued, and the Class Representative representing them. It also identifies the issues being tried, and whether the proceedings are on an "opt-in" and/or "opt-out" basis. Collective proceedings can be on an "opt-in" or "opt-out" basis. (See Q8 below for an explanation of "opt in" and "opt out" proceedings and what this means for these proceedings.) In this case, Professor Barry Rodger is the authorised Class Representative, bringing the action on behalf of the Class on an opt-out basis.

Q4: Who are the proceedings against?

These collective proceedings are against Google. Google is a multinational technology group. It is the owner of Android, which is a- mobile operating system, and of the Google Play Store, which is an app distribution platform. The Defendants are all members of the Google corporate group: Alphabet Inc.; Google LLC; Google Ireland Limited; Google Asia Pacific Pte Limited; Google Commerce Limited; Google Payment Limited; and Google UK Limited.

Q5: What did the Defendants allegedly do wrong?

These collective proceedings are against various companies that form part of the Google group of companies. Those companies play various roles in respect of the operation of the Google Play Store. For instance, it is the owner of Android and of the Google Play Store, and it sets the commission rate for app sales and digital in-app purchases made via the Google Play Store.

The Class Representative brings these proceedings because he considers that Google has breached competition law by intentionally hindering other ways for developers to distribute their apps, and by charging up to 30% commission for app sales and digital in-app purchases. The Class Representative's case is that, as a result of these breaches, Google has been able to profit at the expense of app developers.

The Tribunal is also hearing other proceedings which allege that Google limits how developers can distribute their apps, and charges an excessive and unfair commission. In *Epic Games, Inc v Alphabet, Inc. and others*, CAT case 1378/5/7/20, the developer Epic Games alleges that Google has unfairly restricted competition from alternative channels for distributing apps and digital in-app content, and used its market position to charge unfair prices for such distribution. In *Coll v Alphabet, Inc. and others*, CAT case 1408/7/7/21, Elizabeth Coll brings – as a class representative – a collective action on behalf of UK consumers alleging that Google has breached competition law by restricting Android

app developers' ability to distribute Android apps, and by charging an excessive and unfair commission. An important difference between the *Coll* proceedings and these proceedings is that Ms Coll is claiming on behalf of UK consumers, whereas in this case Professor Rodger is claiming on behalf of UK app developers.

Q6: What is the role of the Class Representative?

The Tribunal has authorised Professor Barry Rodger to act as the Class Representative in these proceedings. As the Class Representative, Professor Rodger will conduct the proceedings against Google on behalf of the Class as defined above, except for anyone who chooses to opt out of the Class.

During the case, the Class Representative is responsible for, amongst other things, communicating with the Class and issuing formal notices to its members (such as this one). The Class Representative will make decisions on the conduct of the proceedings, including instructing the lawyers and experts; and will evaluate any offer of settlement that Google may make and decide whether to present it for the Tribunal's approval.

Updates about the proceedings will be available on the website: www.googleplaystoredeveloperclaim.com and via various other media.

Q7: Who is the Class Representative?

Professor Barry Rodger is the Class Representative. He has a long history working as an academic, teaching and researching in relation to various aspects of EU and UK competition law. He has been a Professor at Strathclyde University Law School since 2001. He leads the competition law research centre, SCALES, at Strathclyde University Law School, and is Chair and Treasurer of the Competition Law Scholars Forum and co-editor of the Competition Law Review. Professor Rodger is bringing his case on behalf of UK app developers who he says should have earned more from the sales of their apps and in-app content.

Q8: Who is in the Class?

The Class Definition is given above. Anyone who falls within the Class Definition and is domiciled in the UK on 23 May 2025 is a member of the Class. Broadly, the class is made up of all UK-domiciled app developers who paid Google's commission on sales of or within apps between 22 August 2018 and 22 August 2024.

The Tribunal has authorised the proceedings to proceed on an "opt-out" basis on behalf of all members of the Class. This means that, if you fall within the Class Definition set out above and were domiciled in the UK on 23 May 2025, you are automatically included in the Class unless you take positive steps to opt out. Details as to how you can opt-out are set out under Q12 below.

Q9: Who is excluded from the Class?

As described in the definition of the Class at the top of this notice, if you fall into one of the following categories, you will be excluded from the Class:

- (1) natural persons who were deceased on 23 May 2025; or
- (2) legal persons (companies, LLPs, etc) that had ceased to exist on 23 May 2025.

Q10: Do I need to do anything in order to be part of the proceedings?

If you fall within the Class Definition and are domiciled in the UK on 23 May 2025, you do not have to take any action at this stage in order to be included in the proceedings: you will be included in the proceedings automatically and be bound by the result, unless you opt out (see the response to Q12 below).

All members of the Class who do not opt out will be bound by any judgment on the common issues (which are set out above, under the heading "**The Issues**"). As a member of the Class, you will not be able to bring an individual claim against Google raising the same issues that are included in these proceedings.

Q11: How much money do these collective proceedings ask for?

The Class Representative seeks compensation for the Class who have been affected by Google's allegedly anti-competitive behaviour. It is too early to quantify the total value of Professor Rodger's action, as it is anticipated that this will only be possible following disclosure of additional data from Google. However, at this stage, the experts retained by the Class Representative estimate that the value is likely to be up to £1.036 billion. The precise value will become known once the experts are able to analyse data which Google will be obliged to provide at a later stage.

If the Class Representative is successful (i.e., the proceedings result in Google paying a settlement sum or compensation), all Class Members who have not opted out will be able to seek their share. However, it is important to note that recovery of any money from these proceedings is not guaranteed. The Class Representative will need to prove the case at trial, or secure a collective settlement with Google, in due course.

Q12: Who can opt-out of the proceedings, and how?

Any member of the Class may opt out. By opting out, you will not be able to receive a payment from the proceedings if money becomes available in due course. However, you may be able to bring your own separate claim against the Defendants for the same issues.

You can opt out by sending a letter to the Class Representative indicating that you wish to opt out of the proceedings. That letter can be sent by email to optout@googleplaystoreclaim.co.uk or by post to the following address:

PO Box 5551

First Avenue

Westfield Industrial Estate

Radstock

BA3 9DL

Your letter must expressly state that you wish to opt out of the proceedings against Google and you must provide your full name, postal address, country of domicile, email address and telephone number. A template letter is available on www.googleplaystoredeveloperclaim.com containing suggested wording for confirming your decision to opt out, which you can access here: https://www.googleplaystoredeveloperclaim.com/opt-out/

Letters sent by post must be postmarked no later than 23 August 2025. Likewise, any letters sent by email should be sent by the same date. You will be sent an acknowledgment by email to the email address that you have provided, or by post if you have not provided an email address.

If a member of the Class wishes to opt out after 23 August 2025, that member should write directly to the Tribunal to seek approval using the contact details listed below. Under the Tribunal's rules, any request to opt out received after 23 August 2025 will have to be considered by the Tribunal, which will decide whether or not to grant permission for the class member to opt out.

The Registrar Competition Appeal Tribunal Salisbury Square House 8 Salisbury Square London EC4Y 8AP

Telephone: 020 7979 7979

When writing to the Tribunal you must include the reference 'Case 1673/7/7/24 Professor Barry Rodger v Alphabet Inc and others'

Q13: Who is funding the proceedings?

Whilst the Class Representative is authorised to run the proceedings on behalf of the Class, he would not be able to fund proceedings of this size without third-party funding.

The Class Representative has therefore obtained funding for the proceedings from a third-party litigation funder, Bench Walk Advisors ("Bench Walk"). Bench Walk is an international, multi award-winning firm in the litigation financing and law firm lending market.

Bench Walk has committed up to £16.5 million to fund all elements of the proceedings, with such

amounts to be paid in tranches. In addition, the Class Representative has obtained an indemnity against being ordered to pay the Defendants' costs in the event that the proceedings are ultimately unsuccessful.

Q15: Will I have to pay the legal costs in order to benefit from the proceedings?

No. The funding arrangements in place, described at Q14 above, mean that the Class will not need to pay anything to be part of the proceedings. These funding arrangements also mean that the Class will not be liable for any financial risk should the Class Representative be unsuccessful.

Q16: How can I stay updated on the progress of the proceedings?

You can visit www.googleplaystoredeveloperclaim.com and register to receive updates and any future notices via email as the proceedings progress. If, and when, money becomes available, you will be contacted with information on how to claim your share.

This notice summarises the Collective Proceedings Order. To read the full Order and see other information about the proceedings, please visit www.googleplaystoredeveloperclaim.com.