

Congress of the United States
Washington, DC 20515

April 30, 2010

The Honorable Henry A. Waxman
2204 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Waxman:

On March 26, 11 Members of the Energy and Commerce Committee sent a letter to Federal Trade Commission (FTC) Chairman Jon Leibowitz addressing claims that Google's "Google Buzz" social networking tool had breached online consumer privacy and trust (a copy of that letter is attached). In our letter we also expressed concerns that Google's proposed acquisition of the mobile advertising company AdMob would give Google control over a great deal of personal information, including the vast amount of consumer information collected through mobile advertising. We urged the Commission to examine how the deal would affect competition in mobile advertising, in addition to Google's incentives to offer robust consumer privacy protections.

We are aware of recent press reports stating the Commission appears to be considering actions to impose conditions on Google's acquisition of AdMob. We also take note of Senator Herb Kohl's April 6th letter to Chairman Leibowitz, in which he urges the Commission to review the transaction "carefully and with close scrutiny." The need for thorough review is particularly pressing given Google's dominant position in search advertising, including mobile search advertising, and its growing influence over other forms of online advertising.

In light of these concerns, we would be grateful if you, as Committee Chairman, would request the FTC to brief the Committee at the appropriate point on its investigation of the Google-AdMob deal. Consistent with Senator Kohl's letter of April 6, we are particularly interested in the Commission's views and findings on the following issues:

1. Are Google and AdMob today the two leading competitors in the supply of advertisements to mobile devices, and would the combined company control a substantially greater share of such advertising than its closest competitor?
2. Would this transaction allow Google to leverage its dominance in PC-based search advertising into the growing mobile advertising market, including with respect to advertising embedded in mobile applications?
3. Is there a risk that this transaction would create or entrench dominance in search advertising and/or mobile advertising, including in application-based advertising on mobile devices? Is there likewise a risk that the transaction could result in higher prices for mobile advertising or lower revenues for developers of mobile applications that are monetized through advertising?

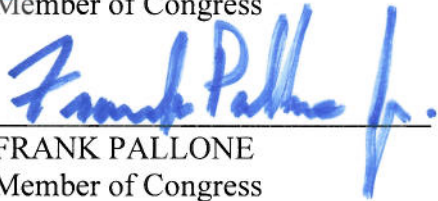
4. Given the vast amount of data on consumers' behavior and preferences that the combined company would control, has the Commission assured itself that the deal, if approved, would have sufficient safeguards to protect consumers' privacy?
5. In light of certain claims that mobile advertising is too "nascent" to justify antitrust regulation, does the Commission recognize a "nascent market" defense to violations of U.S. antitrust law? Has the Commission ever imposed conditions on an acquisition in a similarly emerging or growing market?

Given the huge economic potential of the mobile Internet and the critical role that mobile advertising will play in its growth, we believe these issues merit serious attention. Thank you for your consideration of this request, and we look forward to hearing the FTC's views on these important issues.

Sincerely,



JOHN BARROW
Member of Congress



FRANK PALLONE
Member of Congress



STEVE SCALISE
Member of Congress



MIKE ROGERS
Member of Congress



BRUCE BRALEY
Member of Congress