

Attorney General Ellison sues Apple for monopolizing smartphone markets, joining DOJ and 15 state AGs

Complaint alleges Apple's broad-based, exclusionary conduct makes it harder for Americans to switch smartphones, undermines innovation for apps, products, and services, and imposes extraordinary costs on developers, businesses, and consumers

March 21, 2024 (SAINT PAUL) — Attorney General Keith Ellison joined the Department of Justice and 15 other State Attorneys General in filing a [lawsuit](#) against Apple for monopolization or attempted monopolization of smartphone markets in violation of Section 2 of the Sherman Act.

The [complaint](#), filed in the United States District Court for the District of New Jersey, alleges that Apple illegally maintains a monopoly over smartphones by selectively imposing contractual restrictions on, and withholding critical access points from, developers. Apple undermines apps, products, and services that would otherwise make users less reliant on the iPhone, promote interoperability, and lower costs for consumers and developers. Apple exercises its monopoly power to extract more money from consumers, developers, content creators, artists, publishers, small businesses, and merchants, among others. Through this monopolization lawsuit, the Justice Department and state Attorneys General are seeking relief to restore competition to these vital markets on behalf of the American public.

“Smartphones are essential devices in this day and age, but they don’t need to be as expensive or restrictive as they currently are,” **said Attorney General Ellison**. “Apple’s exclusionary conduct makes it hard or impossible for people to switch to lower-cost iPhone alternatives, and harder for app developers to innovate and compete. This behavior hurts consumers by making the smartphones we rely on more expensive, less useful, and less flexible. I am committed to helping Minnesotans afford their lives by taking on monopolies like the one Apple maintains. I’m proud to join with the Department of Justice and a bipartisan group of State Attorneys General in bringing this lawsuit to ensure more open competition in the smartphone market.”

As alleged in the [complaint](#), Apple has monopoly power in the smartphone and performance smartphones markets, and it uses its control over the iPhone to engage in a broad, sustained, and illegal course of conduct. This anticompetitive behavior is designed to maintain Apple’s monopoly power while extracting as much revenue as possible. The complaint alleges that Apple’s anticompetitive course of conduct has taken several forms, many of which continue to evolve today, including:

- **Blocking Innovative Super Apps.** Apple has disrupted the growth of apps with broad functionality that would make it easier for consumers to switch between competing smartphone platforms.
- **Suppressing Mobile Cloud Streaming Services.** Apple has blocked the development of cloud-streaming apps and services that would allow consumers to enjoy high-quality video games and other cloud-based applications without having to pay for expensive smartphone hardware.

- **Excluding Cross-Platform Messaging Apps.** Apple has made the quality of cross-platform messaging worse, less innovative, and less secure for users so that customers are pressured into buying iPhones to use Apple Messages.
- **Diminishing the Functionality of Non-Apple Smartwatches.** Apple has limited the functionality of third-party smartwatches to push users to buy Apple Watches, and then locked Apple Watches to only work with iPhones, making an Apple Watch an anchor that keeps users from switching to non-iPhone devices.
- **Limiting Third Party Digital Wallets.** Apple has prevented third-party apps from offering tap-to-pay functionality, inhibiting the creation of cross-platform third-party digital wallets.

The complaint also alleges that Apple's conduct extends beyond these examples, affecting web browsers, video communication, news subscriptions, entertainment, automotive services, advertising, location services, and more. Apple has every incentive to extend and expand its course of conduct to acquire and maintain power over next-frontier devices and technologies.

The lawsuit seeks equitable relief to redress Apple's long-running, pervasive anticompetitive conduct. Joining the Department of Justice and Attorney General Ellison are the Attorney Generals of Arizona, California, Connecticut, District of Columbia, Maine, Michigan, New Hampshire, New Jersey, New York, North Dakota, Oklahoma, Oregon, Tennessee, Vermont, and Wisconsin.

Attorney General Ellison also has active antitrust litigation alleging monopolization in certain markets against Google (regarding Google's [internet search monopoly](#) and Google's monopoly in [digital advertising](#)) and [Amazon](#). Attorney General Ellison also recently announced a [settlement](#) with Google, resolving his lawsuit over abusive practices in Google's Play Store.

Attorney General Ellison encourages Minnesota consumers and businesses who wish to report concerns about antitrust issues to submit a report online via the [Antitrust Report Form](#). Consumers can also call the Attorney General's Office at (651) 296-3353 (Metro area), (800) 657-3787 (Greater Minnesota), or (800) 627-3529 (Minnesota Relay).