

News Release

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Contact:

Michael S. Garrity, Director of Communications
michael.s.garrity@doj.nh.gov | (603) 931-9375

Alexandra C. Sosnowski, Assistant Attorney General Consumer Protection & Antitrust Bureau
Alexandra.C.Sosnowski@doj.nh.gov | (603) 271-2678

Attorney General Formella Sues Apple for Monopolizing Smartphone Markets

Concord, NH – Attorney General John M. Formella announces that today he, along with a bipartisan coalition of 15 of his fellow Attorneys General, and the U.S. Department of Justice, filed a civil antitrust lawsuit against Apple for monopolization or attempted monopolization of smartphone markets in violation of Section 2 of the Sherman Act.

“Apple has used its monopoly power in smartphone markets to stifle competition through various forms of anticompetitive conduct. This has resulted in reduced quality, innovation, and competition to the detriment of New Hampshire consumers who rely on smartphones every day,” said Attorney General Formella. “As our complaint makes clear, Apple’s exclusionary conduct makes it challenging for Granite Staters to do things like switch smartphones, and it ultimately imposes significant costs on businesses and New Hampshire consumers alike. We are seeking injunctive relief in order to restrain Apple from continuing its exclusionary practices and to allow increased competition in the future.”

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.

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 its customers have to keep buying iPhones.
- **Diminishing the Functionality of Non-Apple Smartwatches.** Apple has limited the functionality of third-party smartwatches so that users who purchase the Apple Watch face substantial out-of-pocket costs if they do not keep buying iPhones.
- **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.

Apple Inc. is a publicly traded company incorporated in California and headquartered in Cupertino, California. In fiscal year 2023, Apple generated annual net revenues of \$383 billion and net income of \$97 billion. Apple's net income exceeds any other company in the Fortune 500 and the gross domestic products of more than 100 countries.

New Hampshire joined the U.S. Department of Justice, along with the Attorneys General of New Jersey, Arizona, California, Connecticut, Maine, Michigan, Minnesota, New York, North Dakota, Oklahoma, Oregon, Tennessee, Vermont, Wisconsin, and the District of Columbia in filing this complaint.

[For the full complaint, click here.](#)

New Hampshire Department of Justice
1 Granite Place South | Concord, NH | 03301
Telephone: 603-271-3658