

# The Office of the Attorney General<sup>(/AG)</sup> William Tong

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## Press Releases



## OFFICE OF THE ATTORNEY GENERAL CONNECTICUT

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### Connecticut Joins Justice Department Suing Apple for Monopolizing Smartphone Markets

**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**

(Hartford, CT) – Attorney General William Tong today announced that Connecticut has joined the U.S. Department of Justice and 15 other attorneys general [filing a civil antitrust 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.

“Apple is abusing its monopoly power and manipulating the smartphone market to unfairly disadvantage competing phones. Messaging between iPhones and other smartphones is deliberately degraded and made less secure by Apple. Want to quickly ‘tap-to-pay’ using a digital wallet other than Apple Wallet? No can do. Non-Apple smartwatches won’t fully sync with the iPhone, and the Apple Watch won’t sync with other smartphones. These are unfair and anticompetitive restrictions, among others, imposed by Apple to keep rivals out and prices up. Connecticut has joined the U.S. Department of Justice and 15 other attorneys general in filing this sweeping antitrust complaint to restore free and fair competition to the smartphone market and our increasingly digital economy,” **said Attorney General Tong.**

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.

For over a century, the Department has enforced the antitrust laws against illegal monopolies, deploying the Sherman Act to unfetter markets and restore competition. As alleged in the complaint, the Department is seeking equitable relief on behalf of the American public to redress Apple’s long-running, pervasive anticompetitive conduct.

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.

In addition to Connecticut, Arizona, California, the District of Columbia, Maine, Michigan, Minnesota, New Hampshire, New Jersey, New York, North Dakota, Oklahoma, Oregon, Tennessee, Vermont and Wisconsin joined the complaint.

Assistant Attorney General Rahul Darwar and Deputy Associate Attorney General Nicole Demers, Chief of the Antitrust Section, are assisting the Attorney General in this matter.

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