

France takes Apple to court over 'abusive' practices

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A Paris court will hear in September a lawsuit supported by the French government against Apple that alleges the US tech giant uses abusive commercial practices against startups, a source said Thursday.



The <u>lawsuit</u>, filed in 2018 by France's competition and anti-fraud agency in the name of Finance Minister Bruno Le Maire, seeks a halt to the practices and a fine of 2.0 million euros (\$2.4 million), the source said, confirming a report by the French business daily Les Echos.

The lawsuit follows three years of investigation by the competition and anti-fraud agency and a recent complaint by France Digitale, an association of French tech startups.

The Paris business court has set a trial date for September 17, the source said.

The competition and anti-fraud agency, which contacted by AFP, would only confirm that <u>legal proceedings</u> are under way.

Le Maire complained in 2018 that French startups selling their apps to Apple and Google were having prices dictated to them by tech giants and were unilaterally modifying contracts.

"Three months ahead of the French presidency of the EU, the result of this lawsuit will be historic," said Nicolas Brien, president of the European Startup Network, which groups national federations from 24 European countries.

"Either Apple is convicted of having violated existing law, or Apple slips through the cracks and we've got proof that existing laws don't allow us to regulate systemic platforms," Brien told AFP.

Such a ruling would provide a major boost to efforts to put teeth in the Digital Markets Act.

The EU is currently rewriting the rules of the game for tech giants with the Digital Markets Act and a companion law, the Digital Services Act.



The goal is to set up special rules for systemic platforms, or "gatekeepers", in order to protect consumers, companies and potential rivals from their overwhelming market power.

Brien said the contractual conditions that Apple imposes on app developers to reach customers through the AppStore are tilted in Apple's favour.

He said he hoped the court would force Apple to rewrite the contractual terms for app publishers.

"It's time to cut open the straitjacket," Brien said.

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