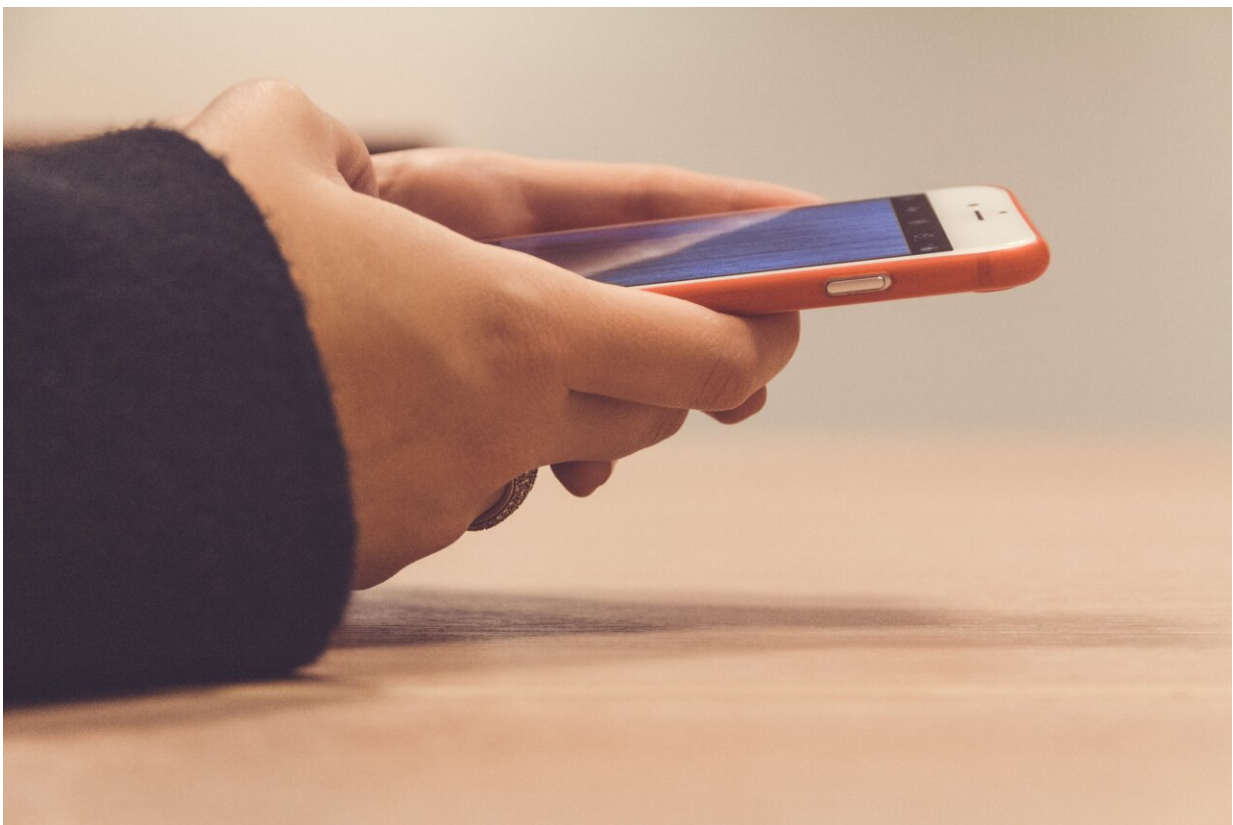


Justice Department to sue Apple for antitrust violations

March 21 2024, by Anna Edgerton, Kartikay Mehrotra, Leah Nysten,
Bloomberg News



Credit: Unsplash/CC0 Public Domain

The Justice Department is poised to sue Apple Inc. as soon as Thursday, accusing the world's second most valuable tech company of violating

antitrust laws by blocking rivals from accessing hardware and software features of its iPhone.

The suit, which is expected to be filed in [federal court](#), according to people familiar with the matter, escalates the Biden administration's antitrust fights against most of the biggest U.S. technology giants. The Justice Department is already suing Alphabet Inc.'s Google for monopolization, while the Federal Trade Commission is pursuing antitrust cases against Meta Platforms Inc. and Amazon.com Inc.

Apple and the Justice Department didn't immediately respond to requests for comment. The people familiar asked not to be named discussing a confidential matter.

Apple shares fell as much as 1.4% to \$176.10 in late trading on the news. They had been down 7.2% this year through Wednesday's close.

The coming case will mark the third time that the Justice Department has sued Apple for antitrust violations in the past 14 years, but it is the first case accusing the iPhone maker of illegally maintaining its dominant position.

The [lawsuit](#) comes as Apple also is coming under increasing scrutiny in Europe over alleged anticompetitive behavior. The company was hit with a €1.8 billion fine this month for shutting out music streaming [rivals](#) from offering cheaper deals. Apple's appealing the penalty and has said that regulators failed to uncover any "credible evidence of consumer harm."

Meanwhile, the company may face a full-blown investigation under the E.U.'s new rules for Big Tech—the Digital Markets Act—which went into force earlier this month. Rivals have dinged new App Store rules that came into force in Europe, complaining that changes are likely to

result in higher prices for developers. Penalties for failing to comply with the E.U.'s new rules can be severe—as much as 10% of a company's annual worldwide revenue or up to 20% for repeat offenders.

The Justice Department opened the latest case in 2019 under former President Donald Trump. The [antitrust division](#), though, chose to prioritize twin cases against Google, taking a back seat as Fortnite maker Epic Games Inc. sued Apple for monopolization in 2020 and that case worked its way through the federal courts.

2024 Bloomberg News. Distributed by Tribune Content Agency, LLC.

Citation: Justice Department to sue Apple for antitrust violations (2024, March 21) retrieved 27 April 2024 from

<https://techxplore.com/news/2024-03-justice-department-sue-apple-antitrust.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.