

Apple touts App Store economy as its clout challenged

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Apple CEO Tim Cook speaks on-stage during a product launch event at Apple's headquarters in Cupertino, California, on September 10, 2019.

Apple said Wednesday its App Store "ecosystem" surged in 2020, fueled by pandemic-hit consumers seeking to stay connected for work, school and play.

Apple spotlighted an independent study by Analysis Group indicating billings and sales of digital and physical goods as well as advertising "facilitated" by the App Store worldwide last year was up 24 percent from 2019 to \$643 billion.

"The apps we've relied on through the pandemic have been life-changing in so many ways - from groceries delivered to our homes, to teaching tools for parents and educators, to an imaginative and ever-expanding universe of games and entertainment," Apple chief executive Tim Cook said in a release.

"The result isn't just incredible apps for users: it's jobs, it's opportunity, and it's untold innovation that will power global economies for many years to come."

The Global Perspective on the Apple App Store Ecosystem study focused on small developers with fewer than a million downloads and less than \$1 million in earnings last year.

About 90 percent of total billings and sales facilitated by the App Store ecosystem in 2020 occurred outside of the App Store, meaning that Apple collected no commission on those sales, according to the study.

Release of the study comes as US District Court Judge Yvonne Gonzalez Rogers mulls evidence presented during a trial in which Epic Games is trying to break Apple's tight grip on its App Store, and potentially disrupt the entire mobile ecosystem.

Epic, maker of the popular Fortnite video game, is seeking to force Apple to open up the App Store to third parties seeking to circumvent Apple's procedures payment systems and its commission as high as 30 percent in the process.

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