

Developers File Suit Against Apple for App Store Practices Following Recent Decision by U.S. Supreme Court

Two app developers have filed suit against Apple, Inc. over its App Store practices, following the recent decision by the U.S. Supreme Court in favor of consumers allowing a class action suit on similar issues to proceed. The case was filed in the U.S. District Court for the Northern District of California (San Jose).

According to **Bloomberg**, the developers' suit is also a class action suit on behalf of developers nationwide whose products are sold through the App Store. **Bloomberg** reports that the developers claims are on antitrust grounds and also allege violations of California's Unfair Competition Law, and that they are represented by a law firm based in Seattle, Hagens Berman, which previously won a \$650 million settlement against Apple and other e-book publishing companies on similar claims in 2016.

The U.S. Supreme Court case which just ruled in favor of consumers, presented a legal question as to whether consumers had standing to sue Apple, since developers, rather than consumers, have the direct, contractual relationship with Apple. However, the U.S. Supreme Court decision did not decide on the merits of the case and only decided whether the class action suit could proceed. Clearly, the developers would be presumed to have standing to bring a class action suit and the same legal question would not be relevant.

The timing of these suits coincides with increasing calls in Washington for greater regulation at the federal level of

Apple as well as its fellow tech giants Amazon, Facebook, and Google, particularly with respect to federal antitrust law and the handling of consumer data. **The New York Times** is reporting that the four companies are in the process of assembling an “army of lobbyists” to defend them in Washington, spending a combined total of \$55 million in lobbying last year.

Needless to say, the tech industry is under fire for many of its business practices, and it seems likely that some changes are on the horizon, regardless of its best efforts to maintain the status quo.

Apple to Begin Enforcing Royalty on Direct Sales of Applications Sold on App Store

Apple has signaled its intention to step up its enforcement of its royalty on direct sales of apps being sold on the App Store, as the Silicon Valley Software Law Blog explained in its blog post linked below:

<http://www.siliconvalleysoftwarelaw.com/apple-signals-new-enforcement-strategy-to-companies-distributing-applications-at-the-app-store>

Apple Signals New Approach to Enforcing Royalty Policies on App Store

Amazon, Google, and the Wall Street Journal have all now modified their applications on the Apple App Store in response to signals by Apple that it will be stepping up enforcement of its royalty policies, as was discussed by the Silicon Valley IP Licensing Law Blog in its recent blog post:

<http://www.siliconvalleyiplicensinglaw.com/amazon-google-wall-street-journal-move-to-modify-applications-on-apple-app-store/>