

## SIIA Expresses Concerns about Apple DOJ Lawsuit

Today, the Department of Justice filed another lawsuit against an iconic American company – Apple – claiming it has violated the Sherman Act by blocking rivals’ access to the hardware and software features that make the iPhone unique.

The Justice Department's lawsuit is highly concerning. Its action follows the lead of Europe in taking aim at a well-regarded technology company for its success in responding to what consumers want, not because it has caused harm to consumers or the broader economy. Apple’s success stems from its ability to innovate in response to consumer demand. The remedies sought would likely have the perverse effect of hurting consumer welfare by undermining the safety, security, features, and unique design choices that consumers have come to expect and rely on.

We fully expect Apple to prevail in this case. Even more troubling is that while Apple has a sizable share of the market for mobile devices, it falls well below the threshold that courts usually apply to find monopoly power. Add to this that there is no general obligation for a company to deal with their competitor. Nonetheless, we remain concerned that this ill-advised Justice Department action will chill innovation across the information industry.