

Belgium to probe iPad newspaper subscriptions

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A customer poses with his new purchase, an iPad from the apple store in Carugate, a suburb of Milan, Italy 2010. Belgium said Monday it would probe Apple's policy of requiring newspapers and magazines to go through the iTunes store to sell subscriptions for the iPad tablet.

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Economy Minister Vincent Van Quickenborne asked the country's competition watchdog to review whether Apple abused its dominant position after several Belgian and Dutch editors were notified about the US company's policy.

A recent document from Apple "indicates that from now on, iPad

subscriptions will only be sold via iTunes," the minister's office said in a statement.

Apple takes 30 percent of the revenue from sales of newspaper and magazine subscriptions through iTunes, the ministry said.

"Belgium is the first country to undertake a probe," a ministry spokesman said.

"But we don't think it will be the last."

A ministry statement said Apple's strategy "is not without consequences for publishers."

Barring newspapers and magazines from selling their subscriptions for iPad users through their own channels would appear to be "an abuse of a dominant position," it said.

The policy could have a "considerable impact on the sector's profitability" since iPad subscriptions are often offered for free through paper subscriptions, the ministry said.

Belgium could launch a formal investigation if the review spots any problems with the policy, the ministry said, warning it could also transfer the case to the European Union's competition watchdog.

"A new information medium such as the iPad can represent a serious boost to publishers," Quickenborne said.

"However, we must ensure that this success does not lead to abuses. This is why I have asked competition authorities to quickly examine this issue."

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