

# What Apple's \$1B victory means for consumers

August 27 2012, by Peter Svensson

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Banners advertising Samsung Electronics' Galaxy S III and Apple's iPhone 4S are displayed at a mobilephone shop in Seoul, South Korea, Monday, Aug. 27, 2012. After more than three weeks of trial in the U.S. and two days of deliberations, the nine-person jury said Friday that Samsung copied Apple's iPhone and iPad and ordered the South Korean firm to pay more than \$1 billion in damages. (AP Photo/Ahn Young-joon)

Apple's \$1 billion court victory over Samsung poses a lot of questions for consumers. Will Samsung phones still be available for sale? Will they

be more expensive? Will owners of existing phones need to worry?

A [federal jury](#) in San Jose, California, ruled late Friday that Samsung, the world's largest maker of phones, had copied features of the [iPhone](#) and the [iPad](#). That included the "bounce-back" behavior when a user scrolls to the end of a page and the ability to zoom in on an image by spreading two fingers.

The jury awarded [Apple](#) \$1.05 billion in damages. That was less than the \$2.5 billion sought, but still a victory for Apple. Meanwhile, the jury rejected Samsung's patent-infringement claims against Apple. An appeal is expected.

For now, here's what the verdict means for consumers:

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Q. Can I still buy a Samsung phone or [tablet computer](#) today?

A. Yes. The jury didn't prohibit sales of the devices. However, Apple will ask a judge to ban U.S. sales of several Samsung devices. A Sept. 20 hearing has been scheduled. If the judge agrees, that would affect many Samsung devices, but not the most recent ones, such as the Galaxy S III and Galaxy Note smartphones. Most of the two dozen devices covered by the lawsuit aren't sold in meaningful numbers in the U.S.

Q. Was Friday's verdict final?

A. No. Samsung is challenging it. First, Samsung will first ask the trial judge to toss the verdict. Then it will appeal to a court in Washington that specializes in patent appeals. Samsung has vowed to take the fight all the way to the U.S. Supreme Court, if necessary.

Q. If Apple still prevails, will this drive Samsung out of the [phone business](#)?

A. That's not likely. The verdict doesn't apply outside the U.S. and doesn't apply to the latest Samsung devices either. The \$1 billion in damages represents 1.5 percent of [Samsung Electronics Co.](#)'s annual revenue.

Q. Will this make Samsung phones more expensive?

A. Possibly. Samsung may have to pay Apple substantial royalties on each phone. Consumers will likely pay for that somehow, but it may not be noticeable in stores. Phone companies such as AT&T and Verizon Wireless already subsidize each smartphone by hundreds of dollars to get retail prices down to \$99 or \$199.



Samsung Electronics' Galaxy S III phones are displayed at a mobilephone shop in Seoul, South Korea, Monday, Aug. 27, 2012. After more than three weeks of

trial in the U.S. and two days of deliberations, the nine-person jury said Friday that Samsung copied Apple's iPhone and iPad and ordered the South Korean firm to pay more than \$1 billion in damages. (AP Photo/Ahn Young-joon)

**Q. What does this mean for the Samsung phone I already own?**

**A. This doesn't directly affect phones that have already been sold, even if they are the models that the judge decides to ban. In the long run, it could reduce enthusiasm around Android, the operating system from Google that Samsung uses in the devices in question. That might mean fewer applications for Android from outside parties. That will take years to play out, but could conceivably affect the resale value of your phone.**

**Q. Does this mean Samsung phones will look different in the future?**

**A. Possibly. The jury dinged Samsung's flagship Galaxy line for copying the overall look and feel of the iPhone and for using the stock icons with rounded corners that come with Android. Also at issue was the way Android can tell the difference between the touch of a single finger and several fingers. Samsung might delay some models to give it time to rework their look and feel.**

**Q. What does this mean for other Android phones, such as those from LG Electronics Inc., HTC Corp. and Google's Motorola Mobility?**

**A. Although the ruling applies only to Samsung, it will have an indirect effect on all makers of Android devices. Apple could go after them with arguments similar to the ones used against Samsung. But the ruling Friday is not precedential, meaning that other courts could reach completely different decisions.**

Most likely, makers of Android phones will take more care to make their phones distinguishable from the iPhone.

It's also a standard tactic in patent cases to countersue. In this case, Samsung's patent claims against Apple were thrown out by the court. But Google has been buying up patents and could help other phone makers mount more effective countersuits.

Q. What does this mean for Android devices around the world?

A. The ruling applies only to the U.S., though Apple and Samsung are waging similar battles in other countries. On the same day Samsung lost in the U.S., it partially won a fight in South Korea. A Seoul court imposed a partial ban on South Korean sales of products from both companies. That verdict didn't affect the latest models either.

Q. What does this mean for Apple?

A. Analysts say it could help Apple gain market share at the expense of Android phones, if these have to avoid some attractive and easy-to-use features introduced by Apple.

Despite being a driving force in phone development since the iPhone was launched in 2007, Apple has only 19 percent of the worldwide smartphone market, according to IDC. The high price of the iPhone keeps it out of the reach of many consumers. Meanwhile, [Android phones](#) have 64 percent of the market.

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