

EU fines chipmaker Qualcomm 1 bn euros for Apple deal

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EU Competition Commissioner Margrethe Vestager announced the antitrust fine of 997 million euros (\$1.2 billion) against US chipmaking giant Qualcomm for paying Apple to use its chips exclusively in iPhones and iPads.

The EU on Wednesday hit US chipmaking giant Qualcomm with an

antitrust fine of 997 million euros (\$1.2 billion) for paying Apple to use its chips exclusively in iPhones and iPads.

EU Competition Commissioner Margrethe Vestager said that by striking the agreement with Apple in 2011 that Qualcomm had "[abused its market dominance](#)" to unfairly shut out rival chipmakers such as Intel, denying choice to consumers.

The fine is the latest blow struck by the EU against US tech giants and also a fresh hit for Qualcomm, the leading global supplier of smartphone chips, following another antitrust fine of \$800 million imposed by authorities in Taiwan last year.

"Qualcomm cemented its position by illegally shutting out rivals from the market for over five years," Vestager told a press conference.

"Between 2011 and 2016 Qualcomm paid billions of US dollars to a key customer, Apple, and the payment was to prevent Apple to buy from rivals," Vestager said.

"This meant that no rival could effectively challenge Qualcomm in this market, no matter how good their products were."

The deal involved so-called chipsets that enable smartphones to send and receive voice calls and data over cell networks, for use in video calls and internet use.

The Danish commissioner said that Qualcomm had "denied consumers and other companies more choice and innovation".

Vestager said the EU's two-and-a-half year probe uncovered internal Apple documents showing it was "seriously thinking about switching" to Qualcomm's rival Intel on several occasions.

"This would have made a big difference to Intel. Apple is one of the largest makers of smartphones and tablets in the world. In the end Apple decided not to make the change," Vestager said.

Qualcomm and Apple are currently entangled in a bitter legal dispute over patents and royalties.

The iPhone manufacturer filed a US lawsuit in January 2017 accusing Qualcomm of abusing its [market](#) power for certain mobile chipsets to demand unfair royalties.

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