

Developers sue Apple over app store fees

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A lawsuit against Apple by app developers claiming the tech giant abuses its monopoly in its online marketplace was filed a day after Apple opened its Worldwide Developers Conference

A lawsuit filed Tuesday by developers alleges Apple is abusing its monopoly position in its online marketplace to extract excessive fees from those creating iPhone applications.

The lawsuit, which was filed in [federal court](#) in California, claims Apple cornered the market with its iOS App Store, collecting a 30 percent commission on all app sales and in-app purchases.

The complaint comes as Apple holds its Worldwide Developers Conference in San Jose, California and just weeks after the US Supreme Court allowed a consumer lawsuit against Apple on similar grounds to proceed.

Attorneys for the plaintiffs, who are seeking class-action status for the suit, said Apple requires developers selling products through the App Store to pay an annual fee of \$99, which hurts small and new developers.

They also said that by keeping all iOS apps into one marketplace—some two million were available last year—consumers never see most apps.

"Between Apple's 30 percent cut of all App Store sales, the annual fee of \$99 and pricing mandates, Apple blatantly abuses its market power to the detriment of developers, who are forced to use the only platform available to them to sell their iOS app," said Steve Berman of the law firm Hagens Berman, which is representing the plaintiffs.

"In a competitive landscape, this simply would not happen."

The lawsuit seeks to force Apple to end its monopoly and allow competition in the distribution of iOS apps.

It also seeks to end Apple's pricing requirement including the minimum price mandate of 99 cents for paid apps.

Apple did not immediately respond to a query on the lawsuit.

In the past, Apple has defended its control of the App Store, saying it

enables the iPhone maker to protect against malicious software and maintain quality standards.

Last month, the Supreme Court ruled 5-4 that consumers could proceed with a separate lawsuit on app pricing, rejecting Apple's argument that consumers lacked standing because the tech giant was merely an intermediary with app developers.

The class-action [lawsuit](#) from 2011 maintains that Apple abuses its monopoly position, resulting in higher prices.

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