

TIMELINE:

How have Apple and Google dodged the DMA?

The European Union's Digital Markets Act (DMA) came into force last year. It means that Apple and Google, which have been designated as mobile app "gatekeepers," have to change the way they operate. They need to implement a series of concrete measures to stop unfairly dominating digital markets. This would give businesses a fair chance to compete and would give consumers more choices.

Consumers don't have a choice where they download apps, because gatekeepers ban or significantly impede third-party app stores and direct downloads. Gatekeepers also force consumers to use their in-app purchasing systems, charging an excessive tax on each payment – as high as 30%. App developers have no way to avoid the anticompetitive fees because developers are also prohibited from communicating freely inside apps with customers about offers or discounts they can get elsewhere. And if a consumer or app developer does not like these terms, they have no alternative.

The Digital Markets Act should bring change – but the minimal changes made so far do not address the core issues. The gatekeepers are not willing to give up their power and are finding ever more creative ways to circumvent the law.

It's easy to lose track in this game of whack-a-mole. However, rest assured, we have it fully covered in the timeline below:

• 6 September 2023:

The European Commission <u>designates</u> Apple and Google as "gatekeepers" under the Digital Markets Act. This means that the new rules apply to both app stores and they have six months to comply.



• 8 January 2024:

In an effort to evade its gatekeeper designation, Apple claimed that it operated five different app stores to avoid the obligations.

• 25 January 2024:

Apple <u>presents</u> their sham compliance plans. Developers are given two options: either endure the current flawed system created by Apple or opt into a new set of terms with new fees on downloads and new Apple taxes on payments they don't process. The plan falls short in several ways and does not comply with the DMA.

In other words: the plans are illegal.

• 4 March 2024:

The European Commission <u>fines</u> Apple over €1.8 billion for abusing its dominant position on the market for the distribution of music streaming apps to iPhone and iPad users ('iOS users') through its App Store and requires Apple to make changes to its rules for music streaming services.

• 5 March 2024:

Google <u>publishes</u> a vague 1,000-word blog post claiming the Google Play Store is already largely in compliance with the law. This last-minute post shows Google isn't serious about complying with the law and will keep undermining app distribution outside the Play Store.

In other words: still illegal.

• February - March 2024:

Apple turns off the ability to use web apps on the iPhone's homescreen in the EU and blames the DMA. In response to high pressure from the European Commission, Apple reverses course and continues to support web apps.



• 6 March 2024:

The requirements for gatekeepers under the DMA go live. As of this day, Apple, Google and other designated gatekeepers were legally bound to comply with the obligations set out in the law.

Spoiler alert: they didn't.

• 25 March 2024:

The European Commission <u>launched</u> five investigations into Apple, Google, Meta, and Amazon for failing to comply with the DMA. Specifically, the Commission stated their intention to examine Google's and Apple's policies barring app developers from sharing truthful information about prices.

• 24 June 2024:

Apple is the first company <u>charged</u> with violating the DMA rules. The European Commission confirmed that the terms and fees for developers Apple proposed in March don't comply with the DMA.

9 August 2024:

Apple announced that it is making "changes" to its App Store rules in the EU after the Commission said Apple is violating the law on 24 June. While the update purports to give developers more freedom to provide pricing information and links in app, this comes with new fees including a proposal to make developers pay Apple a commission for sales made on any platform – not just iOS.

A confusing, arbitrary, and expensive fee structure that will be more costly for consumers.

In other words: still illegal.