



Google



CMA's investigation into Apple and Google

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An insight into CMA's Dual Investigation into Apple and Google

Overview

The UK's Competition and Markets Authority (CMA) has launched its investigations into Apple and Google, for the mobile platforms both companies dominate. This comes as a result of significant leadership changes at the CMA and an increase of the government's focus on reducing regulatory burdens on businesses.

New Inquiries Under the Digital Markets Leadership

The CMA's investigations will assess if Apple and Google should face "strategic market status" (SMS) designation under the Digital Markets, Competition and Consumers Act- which came in

effect earlier this year. If enforced, SMS rules would mandate the companies to additional oversight, and they must follow strict conduct requirements for five-years.

This is the second case initiated under the new leadership, following a review of Google's monopolisation of searches and advertising. Apple and Google's dominance of mobile ecosystems, including app stores, and browsers, has raised issues around competition, and fairness for businesses and their consumers.

What is included in the investigation:

The CMA will explore the following issues:

- **Competition Between Apple and Google:** Is there active competition in technology ecosystems between the companies, or does their monopolisation prevent alternative companies?
- **Self-Preferencing Practices:** Do the companies use their platforms for their own benefits, at the expense of other rivals?
- **Barriers to Innovation:** Are these systems the obstacles in the development of new technologies, such as web apps, and AI-powered services?

Potential remedies could include making app and in-app purchases more accessible outside Apple's and Google's ecosystems.

Context:

The timing of this announcement has been controversial. Just days before the announcement of the investigations, Marcus Bokkerink, the CMA's chair, was ousted by the UK government due to criticisms that the regulator did not focus enough on economic growth. Doug Gurr, a former Amazon UK executive, was appointed interim chair. This created speculation about how Big Tech might now be treated under CMA's new jurisdiction.

Sarah Cardell, the CMA's chief executive, reaffirmed the agency's commitment to encourage competition:

“More competitive mobile ecosystems could foster new innovations and new opportunities across a range of services that millions of people use. Better competition could also boost growth here in the UK, with businesses able to offer new and innovative types of products and services on Apple’s and Google’s platforms.”

Impacts for Businesses and Consumers

For UK consumers, the CMA’s investigations may lead to a variety of choices and greater access to innovative apps and services. Businesses (in particular the 15,000 UK app developers contributing £28 billion to the economy) may benefit from fairer terms and better growth opportunities.

If Apple and Google are found to have SMS, they may face fines for up to 10% of their global turnover for violating the conduct requirements. The CMA aims to complete its investigation by October 22, 2025.

Conclusion

The CMA’s investigation underscore the delicate equilibrium that regulators must manage between innovation and holding big companies accountable for their actions. They aim to ensure that the mobile ecosystems are suitable for all- consumers, developers, and the broader UK economy.