

The Supreme Court will wade into a fight over Apple's tightly controlled App Store

Notes & Cues:**Article:**

The Supreme Court on Monday announced that it would consider a case that asks whether consumers can sue Apple over the way it manages millions of apps for iPhones and iPads, threatening to expose not only Apple but also its tech industry peers to new antitrust scrutiny.

The lawsuit could force Apple to rethink the way it manages its App Store, long considered one of the most highly curated platforms in the business. For one thing, Apple generally takes a 30 percent cut of all third-party apps sold through its portal. In the eyes of the plaintiffs, that fee ultimately hurts consumers, because developers pass those added costs on to iPhone and iPad users who purchase the paid apps.

Apple has argued that its policies target developers, not consumers. It has likened itself to a shopping mall that "leases space to various stores, " which then sell to shoppers. In a digital context, Apple says consumers aren't buying apps from the company — they're buying them from the creators of those apps through the App Store interface. The arguments rest on a Supreme Court decision from the 1970s that found consumers can't seek damages in cases where a company allegedly charged a third party and that third party then passed the costs onto its customers.

A loss for Apple could mean trouble for other companies, like Google and Microsoft, which have their own repositories for third-party apps on smartphones and other devices. It could mean a "potential flood of lawsuits, " said Morgan Reed, the leader of ACT: The App Association, a Washington-based trade group for app-makers that is sponsored by Apple. It has asked the Supreme Court to halt the lawsuit.

Summary: