

Josh Kaul Wisconsin Attorney General

P.O. Box 7857 Madison, WI 53707-7857

NEWS FOR IMMEDIATE RELEASE

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Attorney General Kaul Announces \$113 Million Agreement with Apple Over iPhone Throttling

MADISON, Wis. – Attorney General Josh Kaul, along with a coalition of over 30 other attorneys general led by Arizona Attorney General Mark Brnovich, Arkansas Attorney General Leslie Rutledge, and Indiana Attorney General Curtis Hill, announced a \$113 million agreement with Apple, Inc. regarding Apple's 2016 decision to throttle consumers' iPhone speeds in order to address unexpected shutdowns in some iPhones.

"Companies cannot deceive consumers by covering up problems with their products," said AG Kaul. "With this agreement, Apple is being held accountable for throttling iPhone speeds to hide battery issues."

Based on the multistate investigation, the attorneys general allege that Apple discovered that battery issues were leading to unexpected shutdowns in iPhones. Rather than disclosing these issues or replacing batteries, however, Apple concealed the issues from consumers. Apple's concealment ultimately led to a software update in December 2016 that reduced iPhone performance in an effort to keep the phones from unexpectedly shutting down.

The attorneys general allege that Apple's concealment of the battery issues and decision to throttle the performance of consumers' iPhones led to Apple profiting from selling additional iPhones to consumers whose phone performance Apple had slowed.

Under the agreement, Apple will pay Wisconsin \$3,293,355.19. In addition to the monetary payment, Apple also must provide truthful information to consumers about iPhone battery health, performance, and power management. Apple must provide

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this important information in various forms on its website, in update installation notes, and in the iPhone user interface itself. Apple recently also entered into a proposed settlement of class action litigation related to the same conduct, and under that proposed settlement Apple will pay out up to \$500 million in consumer restitution.

This resolution does not relate to a civil action filed by the State of Wisconsin. The requirements of 2017 Wis. Act 369 do not apply.