UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

LAMARTINE PIERRE, et al., Plaintiffs, v. APPLE INC., Defendant.	Case No. 23-cv-05981-VC **ORDER GRANTING MOTION TO DISMISS** Re: Dkt. No. 30

Apple's motion to dismiss is granted.

As discussed more fully at the hearing, the complaint suffers from several fatal problems. For one, the plaintiffs have not adequately alleged antitrust standing (and probably not even Article III standing) given the speculative nature of the connection between the alleged anticompetitive conduct and the plaintiffs' injury. The relevant market definition is also problematic for several reasons, most prominently because the complaint does not adequately explain why peer-to-peer substitute apps like Zelle are excluded. Finally, it does not appear that the plaintiffs' have adequately alleged an agreement. The complaint alleges that Venmo, Cash App, Apple Cash, and Google Pay all agreed to Apple Store Guideline 3.1.5. In doing so, the complaint alleges, these apps entered into a horizontal agreement to prevent payment apps from implementing decentralized cryptocurrency transactions. Even assuming that Guideline 3.1.5 restricts decentralized cryptocurrency transactions (which seems doubtful), it is not clear how companies agreeing to a guideline outlining the Apple Store requirements for apps facilitating cryptocurrency transactions constitutes an unlawful agreement under Section 1 of the Sherman Act.

The plaintiffs should not assume that the defects mentioned in this ruling are the only ones in the complaint. Apple's motion to dismiss has put them on notice of many more potential problems. Indeed, it is difficult to see how amendment could salvage this case. But, in an abundance of caution, the motion to dismiss is granted with leave to amend. If no amended complaint is filed within 21 days of this ruling, dismissal will be with prejudice.

IT IS SO ORDERED.

Dated: March 26, 2024

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VINCE CHHABRIA
United States District Judge