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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

REINCUBATE, LTD.,

Plaintiff,

v.

APPLE, INC.,

Defendant.

Case No.:

COMPLAINT

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1. Reincubate, Ltd. brings this action against Apple Inc. for anticompetitive conduct and patent infringement. Apple induced Reincubate to develop and disclose its Camo technology. But because Camo provided interoperability between iPhones and Windows computers, as well as between Android devices and Mac computers, Apple copied the technology, built it into iOS as a disadvantage that interoperable so -tied offering. innovation that would have reduced user lock-in. As a direct result, Reincubate suffered, among other harms, the loss of its core competitive position and commercial upside from Camo after Apple induced it to prove the market and then used its OS and App Store control to copy the technology, prevent n bundled substitute.

2. For many years, Apple has built a closed iPhone platform and ecosystem that has 7 Trillion market cap as of the date of filing of this complaint. For instance, the United States has recently long understood that disruptive technologies and innovative apps, products, and services threatened [its] dominance by making users less reliant on the iPhone or making it easy to switch to a non-App ¹ One such innovative and disruptive technology is Camo, an app by Plaintiff Reincubate .

3. Apple itself recognized innovation introduced in its Camo app, naming it an Apple Design Awards Finalist (Innovation Category) in 2023 at Worldwide Developer Conference (WWDC). Camo transformed any iPhone, Android phone, iPad, or Android tablet into a powerful and customizable webcam for a Mac or other personal computer , including those that run Windows. Accordingly, Camo enables cross-device interoperability: smartphone or tablet cameras can be used on different platforms, including Mac and non-Mac personal computers and non-Apple software, like Zoom, Google Meet, Microsoft Teams, Chrome, and dozens - device lock-in.

¹ *United States of America, et al. v. Apple Inc.*, No. 2:24-cv-04055 (JXN-LDW), at United States District Court for the District of New Jersey (filed Mar. 21, 2024), ECF No. 1 at 3.

4. [redacted] -quality, commercially successful product to enable reliable high fidelity use of a smartphone whether iPhone or Android as a webcam for Mac and Windows computers. Although limited prior tools had attempted similar functionality, none provided high definition video, low-latency, frame-accurate synchronization and rendering, high security, and cross-platform interoperability that Camo introduced in 2020. With its introduction in 2020, Camo finally provided this missing seamless interoperability between iOS devices and PCs, as well as between Android smart devices and Macs.

5. Camo was used by thousands of Apple employees, across all divisions of the company. At first, Apple encouraged Reincubate to increase its investment in Camo. But when Apple recognized that Camo was a threat it took steps not only to copy it, thereby infringing [redacted] such that Reincubate could not compete with [redacted] -off, called Continuity Camera, which was only operable between Apple devices and Mac computers. In other words, Apple crippled Camo so as to hamstring its potential for interoperability between iPhones and PCs, as well as between Androids and Macs. [redacted] conduct constitutes monopolization and maintenance of monopoly power, in violation of Section 2 of the Sherman Act.

NATURE OF THE ACTION

6. For years Apple actively encouraged Reincubate, a London-based software company, to develop Camo and to communicate openly about it with Apple. Reincubate obliged and provided Apple with constant technical updates as well as market updates related to commercial success. Then, when Apple realized the sizeable and growing customer support behind Camo, and that the software provided interoperability between Apple devices and Android devices, it incorporated the technology directly into its mobile operating system, iOS and made it impossible for Reincubate to compete by, among other things, refusing to provide any path to access the smooth, low-latency Wi-

[redacted]. There was no legitimate business purpose for constructively cutting off this path. Apple did this in furtherance of preserving its mobile operating system monopoly relative to its only possible competitor, Android. Thus, this action arises under Section 2 of the Sherman Antitrust Act, 15 U.S.C. § 2, to [redacted] nited States mobile operating

systems market.

relief as the Court deems just and proper to restore competition and prevent further harm.

7. This is also an action for willful direct and indirect infringement of United States Patent Nos. 11,924,258 and 12,335,323, in violation of the United States Patent Act, 35 U.S.C. §§ 100 *et seq.* Apple has infringed by, without authorization, making, using, offering for sale, and selling devices running iOS, iPadOS, macOS, and tvOS that support

with Live Multicam functionality in Final Cut Pro for iPad. Reincubate seeks preliminary and permanent injunctive relief to prevent Apple from continuing its harmful infringement. In addition, Reincubate seeks monetary damages for past and ongoing infringement, including enhanced damages for willful misconduct.

8. so-
is always unlawful .

actively encouraged Reincubate to spend its resources developing the Camo product, induced the company to share confidential technical details and beta builds, and then used that privileged access to shape its own Continuity Camera feature. Only after Reincubate had demonstrated that the solution worked, that demand existed, and that the model was viable did Apple absorb the concept.

- system level, pre-installed it on every device, and configured the platform in ways that displaced Camo, failed to give access to key APIs, foreclosed certain interoperability, and strengthened

-in. After Reincubate spent years and millions developing and proving the Camo model, Apple absorbed it into iOS as a first-party feature. Apple undertook this conduct to maintain its monopoly power, knowing that an independent, cross-platform solution like Camo would

into its own ecosystem. This is not mere competition on the merits; it is the exploitation of a

PARTIES

I. Plaintiff Reincubate

9. n award-winning company organized

and existing under the laws of England and Wales, with company registration number 5189175 and VAT number GB151788978. Reincubate maintains its principal place of business in the United Kingdom.

10. Reincubate is a well-established, award-winning software company that builds on more than a decade of real-world engineering, innovation, and market success. The company has the highest official business honor conferred in the United Kingdom on separate occasions, reflecting sustained excellence in technical achievement and contribution to industry. Over the years it has produced widely used tools (e.g., the iRecovery -recovery tool), delivered enterprise-grade software, amassed multiple patents, and developed consumer applications such as Camo, which, as mentioned earlier, was nominated by Apple for the Apple Design Award Innovation.

II. Defendant Apple

11. Defendant Apple, Inc. is a global technology company with headquarters in Cupertino, California. Apple is organized and existing in the State of California with its principal place of business located at One Apple Park Way, Cupertino, California 95014. Apple is one of the world's most valuable public companies with a market capitalization approximately \$3.7 trillion. For fiscal year which ended on September 28, 2024, Apple generated annual net sales of over \$391 billion and net income of over \$93.7 billion.² Apple's net income exceeds nearly every other company in the Fortune 500 and the gross domestic products of more than 100 countries.

12. The iPhone remains the central engine of the on hardware alone, far surpassing most other smartphone makers. Since 2012, iPhone sales have

13. Apple has steadily expanded the ways it generates income from iPhone customers beyond the initial device purchase. These include iPhone care and upgrade programs, apps and in-app purchases, paid digital subscriptions fitness, and cloud storage services as well as accessories like Apple watches, tracking devices,

² Apple Inc., Annual Report (Form 10-K) (Sept. 28, 2024), <https://www.sec.gov/Archives/edgar/data/320193/000032019324000123/aapl-20240928.htm>.

headphones,

Additional sources of revenue from iPhone customers include (1) advertising revenue (such as the Apple App Store, Apple News, and Apple search ads); (2) Payment and financial services (such as Apple Pay where Apple takes a commission from every single sale); (3) Developer and App Store fees; (4) Enterprise services; and (5) Licensing billions of dollars annually for default search engine placement). In fiscal year 2024, those segments together produced around one-third of roughly four times the amount earned from Mac computer sales. Among the biggest revenue drivers in these areas are the Apple Watch and the App Store, where iPhone owners buy and download applications. Over time, Services have made up a growing portion of consumers access them.

14. Apple has long been the leading smartphone vendor in the United States.³ Indeed, at least as early as 2020 Apple commanded nearly 50% of the U.S. smartphone market. That number has increased. In 2024, U.S. market share stood at over 61%.⁴ Further, industry data suggest that Apple commands over 70% of the performance smartphone market within the U.S.⁵ remarkably durable and is only showing a tendency to increase.

15. Apple currently holds a dominant share of the U.S. smartphone market generally estimated at nearly 60 percent of unit shipments in recent quarters.⁶ These market shares have remained remarkably durable over the last decade and are showing a tendency to increase in

16.

³ H.R. Comm. on the Judiciary, 117th Cong., Investigation of Competition in Digital Markets (Comm. Print 2020) at 332, <https://www.govinfo.gov/content/pkg/CPRT-117HPRT47832/pdf/CPRT-117HPRT47832.pdf>.

⁴ Ash Turner, *US Smartphone Market Share (2025)*, BANK MY CELL (Jan. 4., 2025), <https://www.bankmycell.com/blog/us-smartphone-market-share>

⁵ *United States of America, et al. v. Apple Inc.*, No. 2:24-cv-04055 (JXN-LDW), at United States District Court for the District of New Jersey (filed Mar. 21, 2024), ECF No. 1.

⁶ Counterpoint Research, U.S. Smartphone Market Share, <https://counterpointresearch.com/en/insights/us-smartphone-market-share> (last visited Jan. 5, 2026).

dominance or its potential for continued growth within important demographic groups, particularly younger Americans. Roughly one-third of all iPhone owners in the United States were the smartphone market. Surveys indicate that up to 88 percent of U.S. teenagers plan to choose an iPhone as their next device. iPhone users also disproportionately belong to higher-income households. Since most consumers rely on a single smartphone to access related services and products, securing these key user groups enables Apple to generate more spending on iPhone-linked offerings, achieve higher per-user margins than its competitors, and exert greater influence over app developers and others participating in the smartphone ecosystem.

17. In fiscal year 2024, Apple spent approximately \$31 billion on research and development.⁷ By comparison, Apple spent \$94.95 billion on stock buybacks during the same year.⁸ Thus, Apple invests far more in financial engineering and shareholder enrichment than in actual innovation. This creates for Apple a powerful financial incentive to preserve its existing monopolistic ecosystem and prevent disruptive innovations like Camo from loosening its hardware-software grip.

y engine of revenue growth and profitability.⁹ Apple has expanded these service revenues by designing a tightly controlled, closed ecosystem that locks users in and limits their ability to rely on competing platforms or third-party solutions.

18. Founded in 1976, Apple spent its first quarter-century largely devoted to developing and selling personal computers. Although the broader PC market grew over the following decades, Apple found it difficult to achieve widespread adoption for its higher-priced products when compared with lower-cost competitors such as IBM and Microsoft. In the late 1990s, Apple undertook a major corporate restructuring and adopted a new strategy that extended

⁷ *Apple Inc. Research & Development Expenses 2006-2024*, MACROTRENDS, <https://www.macrotrends.net/stocks/charts/AAPL/apple/research-development-expenses> (last visited Jan. 23, 2026).

⁸ *Apple Inc. FY2024 Review: Revenue, Cash & Buybacks*, MONEXA (Aug. 13, 2025), <https://www.monexa.ai/blog/apple-inc-aapl-fy2024-review-revenue-cash-buybacks-AAPL-2025-08-13>.

⁹ <https://www.visualcapitalist.com/charted-how-apple-makes-its-391b-in-revenue/> (last visited Dec. 3, 2025);

<https://www.voronoiiapp.com/technology/-Apples-Growth-Engine-Shifts-from-Hardware-to-Services-2969> (last visited Dec. 3, 2025).

beyond computers to include consumer electronics like the iPod a shift that ultimately paved the way for the creation of the iPhone.

19. When Apple began developing mobile consumer devices, it did so in the aftermath of *United States v. Microsoft*, a case that opened new opportunities for innovation in areas critical to the success of Appl

after Apple created a cross-platform version of both the iPod and iTunes that worked with market. At the time, Windows still dominated PC market share (~95%), and access to its APIs and driver interfaces was crucial. Moreover, Apple was struggling financially at the time, in the late 90s, having lost money for several consecutive years and, at times, approaching insolvency. The consent decree forced Microsoft to publish interface documentation and licensing terms that enabled third parties including Apple to make Windows-compatible software and devices without retaliation or discrimination. Apple was therefore able to release iTunes for Windows (in 2003) and Windows-compatible iPods, allowing cross-platform syncing through standard USB and media protocols. Without the consent decree issued in *United States v. Microsoft*, achieving that level of success and ultimately launching the iPhone would have been far more difficult, if not impossible, for Apple.

20. By way of background, on May 18, 1998, the U.S. Department of Justice joined by the attorneys general of 19 states and the District of Columbia brought an antitrust action against Microsoft titled *United States v. Microsoft*. The suit alleged that Microsoft had violated Section 2 of the Sherman Act by maintaining a monopoly in the market for Intel-compatible personal computer operating systems. During the trial, the government demonstrated that technologies, including web browsers like Netscape. Microsoft had recognized that if consumers could use middleware to reach various online content and services through remote servers over the internet, they might become less dependent on the Windows operating system. Here, Camo presented a similar threat to Apple insofar as interoperability between mobile devices and

21. Microsoft similarly sought to weaken cross-platform technologies such as

Mac computers and

-Senior Vice

at

Ironically, these are the sorts of steps Apple has taken, a quarter century later, against Reincubate and its Camo product, specifically the introduction of technical incompatibilities not giving Camo access to the smooth, low-latency Wi-Fi access in both infrastructure and peer-to-peer models that Apple itself enjoys.

22.

concerning middleware technologies.

23.

music. The first release of iTunes was designed exclusively

24. Later in 2001, Apple introduced the iPod, a portable digital music player designed

pocket and listen to it wherever [they] go compatible only with Mac computers.

25. On November 1, 2002, the trial court approved a proposed consent decree in *United States v. Microsoft*. The decree, among other provisions, barred Microsoft from retaliating against firms that created or distributed competing products such as web browsers and media players. It also required Microsoft to provide access to certain application programming interfaces (APIs) for third-party developers, including Apple.

26. After the consent decree, in October 2003, Apple released a cross-platform version broader audience to use the iPod and iTunes, including access to the iTunes Store. Through the Store, customers could purchase and download songs to play either on the iTunes desktop

y several hundred thousand units. Within a year of making iTunes compatible with Windows and thereby reaching millions of new users

hundreds of millions of iPods, while iTunes became the leading platform for online music

way we all listened to music

announced that Apple Computer, Inc. would henceforth be known simply as Apple Inc., reflecting its evolution from a computer manufacturer into a broader consumer electronics company.

27. The widespread availability of the iPod and iTunes on Windows made possible in part by the successful antitrust case against Microsoft helped lay the groundwork for the launch, Apple began to restrict the growth of cross-platform technologies on its devices, including most recently against Reincubate as set forth *infra*, mirroring and far exceeding the kinds of tactics Microsoft had once used to limit such technologies on Windows.

28. In January 2007, Apple introduced the first-generation iPhone,

-
-CEO

but also a ton of data: contacts,

29. The original iPhone was priced at about \$299 equivalent to roughly \$460 in 2025 dollars when adjusted for inflation and required a two-year service contract with a mobile carrier. When the iPhone was first released, virtually all of its native applications were developed by Apple. The device included only around a dozen built-in apps, such as Calendar, Camera, Clock, Contacts, iPod, Messages, Notes, Phone, Photos, Safari, Stocks, Voice Memos, and Weather.

30. -party developers, inviting them to build native applications for the device. To support this, Apple released its first software development kit (SDK) a collection of digital tools for creating apps designed to encourage and enable outside developers, like Reincubate, to participate. Apple also provided ways for developers to generate revenue through

under 15 U.S.C. § 22 because Apple transacts business and is found within this District. Indeed, Apple purposefully directed substantial business activities toward New Jersey and has engaged in anticompetitive conduct causing foreseeable harm within the State of New Jersey. Apple regularly transacts business in New Jersey, derives substantial revenue from goods and services sold to consumers and businesses in New Jersey, and maintains continuous and systematic contacts with the state, including through the sale and distribution of iPhones, iPads, Mac computers, Apple Watches, and related software and services. Apple also operates retail stores, employs personnel, and provides marketing, customer-service, warranty, and technical-support services throughout New Jersey.

37. Apple operates several company-owned retail stores in New Jersey¹⁰, including locations at:

Garden State Plaza, One Garden State Plaza, Paramus, NJ 07652;
The Mall at Short Hills, 1200 Morris Turnpike, Short Hills, NJ 07078;
Menlo Park Mall, 55 Parsonage Road, Edison, NJ 08837;
Bridgewater Commons, 400 Commons Way, Bridgewater, NJ 08807;
Willowbrook Mall, 1400 Willowbrook Blvd, Wayne, NJ 07470;
Cherry Hill Mall, 2000 NJ-38, Cherry Hill, NJ 08002;
Freehold Raceway Mall, 3710 U.S. Route 9, Freehold, NJ 07728;
Rockaway Townsquare, 301 Mt. Hope Ave, Rockaway, NJ 07866; and
The Pier at Caesars, One Atlantic Ocean, Atlantic City, NJ 08401.

These retail stores are owned and operated directly by Apple, Inc. not by franchisees or independent dealers. The stores are staffed by Apple employees, display Apple signage, maintain Apple inventory, proce

in New Jersey for which Apple is directly responsible. Thus, this Court has personal jurisdiction over Apple because Apple has purposefully availed itself of the privilege of conducting business within New Jersey and maintains continuous and systematic contacts with this State sufficient to satisfy constitutional due process requirements.

¹⁰ Apple Store in New Jersey, OUTLETS NEW JERSEY, <https://outletsnewjersey.com/apple-store-in-nj/> (last visited Jan. 25, 2026).

38. Apple employs hundreds of personnel in New Jersey in retail, technical support, and corporate functions. Apple derives substantial revenue from New Jersey, including from the sale of iPhones, iPads, Mac computers, and related products and services. On information and belief, Apple generates hundreds of millions of dollars in annual revenue from New Jersey anticompetitive conduct alleged herein, generates significant revenue from New Jersey residents who purchase applications, subscriptions, and in-restrictive Developer Program License Agreement binds developers in New Jersey who seek access to the iOS platform. Apple's anticompetitive conduct in the mobile operating system market has caused and continues to cause harm to competition affecting New Jersey consumers, developers, and businesses.

39. Venue is further proper in this District under 28 U.S.C. §§ 1391 and 1400 because a substantial part of the events or omissions giving rise to claims occurred in this District, including the patent infringement described herein, and because Apple has a regular and established place of business in this District.

40. In addition, Apple has committed acts of infringement within this District by making, using, offering for sale, and selling products that infringe the Patents-in-Suit including iPhones, iPads, and Mac computers incorporating Continuity Camera functionality to consumers through its retail stores in this District. Apple also offers these infringing products for sale, demonstrates their functionality, provides technical support, and induces customers to use Continuity Camera through marketing materials and in-store assistance. Each sale of an infringing product in New Jersey, and each instance of customer use induced by Apple, constitutes an act of infringement within this District.

41. Maintaining this action in the District of New Jersey serves the interest of justice and promotes judicial efficiency. The United States Department of Justice, joined by twenty state attorneys general, has filed suit against Apple in this District alleging monopolization of the smartphone market.

RELEVANT FACTS

I. Apple Violation of the Sherman Act

A. Apple has a monopoly in the mobile operating system market

42. Section 2 of the Sherman Act prohibits the acquisition or maintenance of monopoly power through exclusionary or anticompetitive conduct. As set forth below, Apple possesses monopoly power in the relevant markets identified herein and has willfully maintained that power through exclusionary acts directed at Reincubate.

43. On June 29, 2007, Apple co-founder, Steve Jobs, famously unveiled the iPhone. Nearly twenty years later, in July 2025, current CEO, Tim Cook, announced that Apple had

44. The iPhone has and continues to comprise high-quality hardware including but not limited to semiconductor chipsets, cameras, and sensors. For example, Apple advertises that the iPhone 17 Pro includes an A19 Pro chip with 6-core GPU with three 48 megapixel cameras, camera. But key feature is its mobile operating system, iOS.

45. House Report spearheaded by a Congressional Subcommittee on Antitrust, Commercial and Administrative Law provides a succinct, general overview of mobile operating systems (also referred to herein as mobile OSs :

A mobile operating system (OS) provides a mobile device with its underlying functionality, such as user interface, motion commands, button controls, and such as the microphone, camera, and GPS. The mobile OS is the interface between the mobile device hardware, such as the smartphone handset or tablet, and the applications that run on the device, like email or streaming apps. The mobile OS is pre-installed on mobile devices; an alternative mobile OS cannot be installed or substituted. The characteristics of the including the app stores and apps that can run on the device. The mobile OS also integrated with.¹¹

46. Thus, like a car engine, much of a mobile operating system is invisible to users. But it operates under the hood and facilitates the user experience on mobile devices, such as the Apple

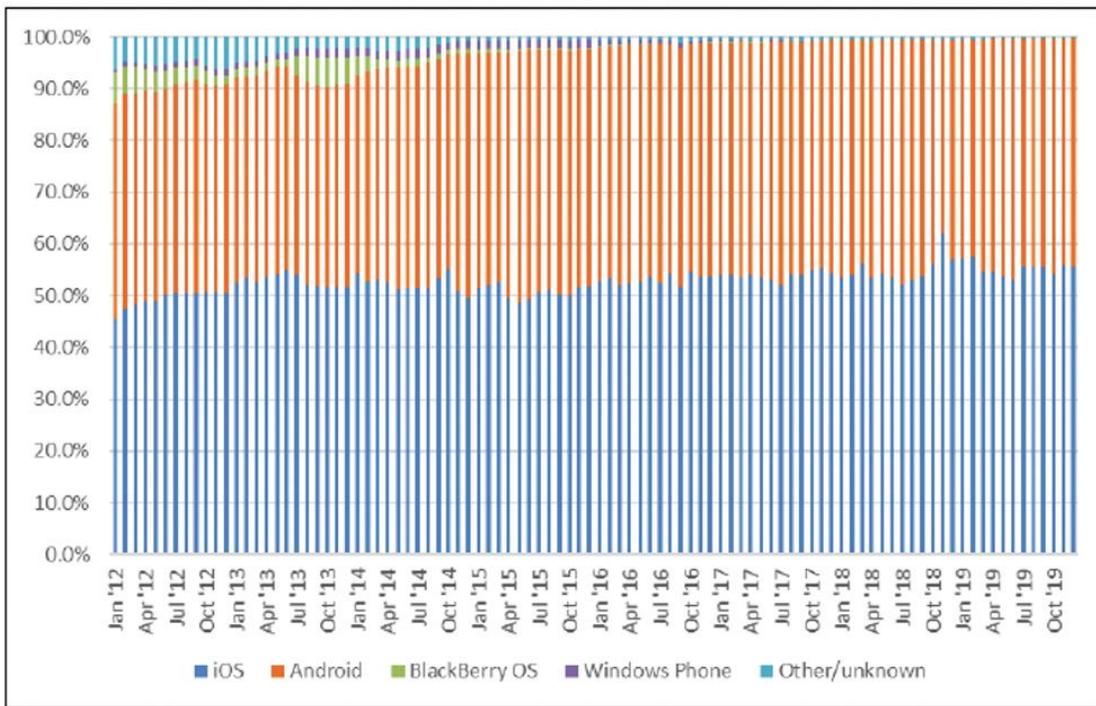
¹¹ H.R. Comm. on the Judiciary, 117th Cong., Investigation of Competition in Digital Markets (Comm. Print 2020) at 100, <https://www.govinfo.gov/content/pkg/CPRT-117HPRT47832/pdf/CPRT-117HPRT47832.pdf>

iPhone and iPad.

47. Mobile operating systems are distinct from, and not reasonably interchangeable with, personal computer operating systems. This is at least evidenced by the fact that mobile OS providers often provide a *separate* personal computer operating system. For example, Google offers Chrome OS for personal computers and Android for mobile smartphones. Apple does the same, offering macOS for personal computers and iOS for iPhones.

48. The relevant geographic market for mobile OS is the United States. Significant barriers separate the mobile OS markets of different countries, including variations in cellular network access, regulatory regimes, and country-specific social norms. Network effects also operate primarily within national boundaries: for most users, the vast majority of meaningful connections—friends, family, and other personal contacts—are located in the same country. As a result, users in the United States predominantly interact with other users in the United States. For these users, a mobile OS that lacks popularity in the United States is not a reasonable substitute for one that is widely adopted domestically, even if it enjoys substantial popularity abroad. Industry participants, including Apple, recognize these market distinctions and track their own performance, as well as that of competitors, on a country-by-country basis.

49. In the United States, two mobile operating systems—iOS and Android—account for nearly 100% of the mobile operating system market. At nearly all times from 2012 through 2019, iOS encompassed more than 50% of the mobile OS market in the United States—sometimes commanding over 60%:

Market Share of Mobile Operating Systems in the U.S.

50. iOS market share has only gone up since 2019. Current data suggests that the iPhone encompasses over 65% of the U.S. smartphone market. Given that all iPhones are preloaded with iOS and that all iPads are preloaded with iPadOS a variant of iOS it follows that iOS currently encompasses well over 65% of the mobile OS market. Courts within the Third Circuit have held that a defendant has significant market share supporting an inference of monopoly power if the defendant possesses sixty percent or more market share in the relevant market.¹² In light of this, a Court in this District held that the United States adequately alleged Apple maintains a monopoly in the smartphone market where it alleged that Apple maintains a market share of 65%.¹³

51. There are significant barriers to entry in the mobile OS market:

One former mobile OS competitor observed that its experience showed that it was

¹² *Broadcom Corp. v. Qualcomm Inc.*, 501 F.3d 297, 307 (C.A.3 (N.J.), 2007); see also *Royal Mile Co., Inc. v. UPMC*, 2013 WL 5436925, at *30-31 (W.D.Pa., 2013) (collecting Third Circuit cases).

¹³ *United States of America, et al. v. Apple Inc.*, No. 2:24-cv-04055 (JXN-LDW), at United States District Court for the District of New Jersey (filed Mar. 21, 2024), Order on MTD, ECF No. 283 at 17-20.

doubtful that a new, competitive mobile OS will emerge in the U.S. Another former market

new OS must offer a superior product packaged in an attractive handset, as well as a fully realized suite of apps and compatible devices comparable to what Apple and Go

offered better analysts agree, noting it is

14

52. Thus, mobile OS within the United States is a relevant product market.

53. Apple exercises complete control over its mobile operating system, iOS, and over the interoperability of its broader ecosystem of devices and operating systems, including macOS (for its computers), iPadOS (for its tablets), watchOS (for its watches), tvOS (for its digital media player), and visionOS (for its spatial computer). This control enables Apple to dictate how and whether its devices communicate with one another and with competing platforms. By tightly integrating its products while restricting interoperability with non-Apple devices, Apple maintains its dominance in the U.S. smartphone market and leverages that dominance to entrench its positions in adjacent markets, including laptops, tablets, and smartwatches.

54. iPadOS is a specialized version of iOS designed specifically for iPads. Collectively, iOS, iPadOS, watchOS, tvOS, and visionOS are referred to herein as Mobile consists of the software that manages smartphones, tablets, and

55. As detailed below and as numerous lawsuits and government enforcement actions have likewise alleged Apple has erected and maintained barriers to competition to preserve its monopoly power in the U.S. mobile operating systems market through iOS. In *United States v. Apple Inc.*, the Department of Justice and several states alleged that Apple used contractual and technical restrictions to block interoperability with non-Apple devices and services.¹⁵ Private actions, including *Epic Games v. Apple*, *Cydia v. Apple*, and *AliveCor v. Apple*,

¹⁴ House Report at 104.

¹⁵ *United States of America, et al. v. Apple Inc.*, No. 2:24-cv-04055 (JXN-LDW), at United

have similarly accused Apple of using its control over iOS to exclude rival app stores, payment systems, and health technologies. As another example, Affinity Credit Union accused Apple of preventing competitors from accessing the NFC interface on Apple smartphones that would be needed to compete with Apple Pay. Complaint, *Affinity Credit Union v. Apple Inc.*, No. 3:22-cv-04174 (N.D. Cal. July 18, 2022).

iOS to foreclose competition and reinforce its monopoly power.

B. Apple maintains monopoly power through anticompetitive conduct

i.

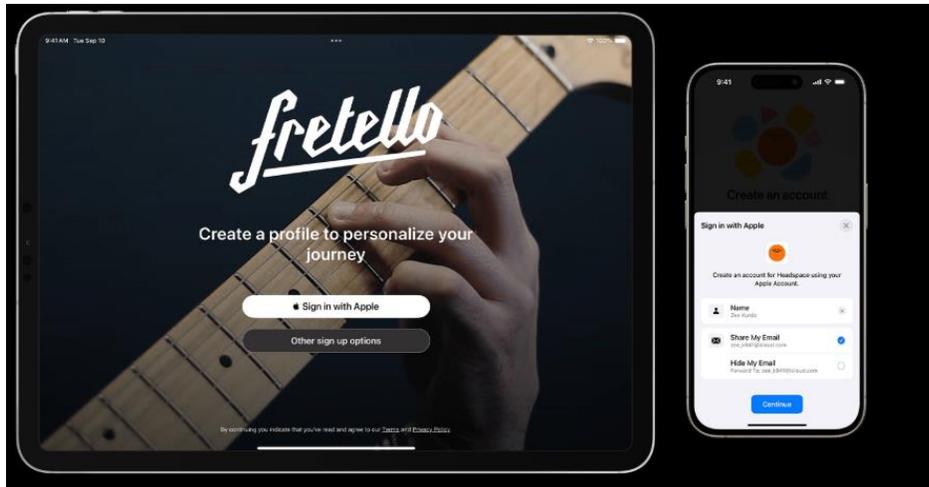
56. At its core, iOS includes an aggregation of features—a comprehensive combination of functionalities that deliver a cohesive mobile operating environment.

57. For example, user interface and experience features, such as Messages, allow users to add text effects such as bold, italic, underline, and strikethrough to emphasize messages, or apply animated effects to any letter, word, phrase, or emoji:

States District Court for the District of New Jersey (filed Mar. 21, 2024), Order on MTD, ECF No. 283 at 21–24.



58. Security and privacy features, such as *Hide My Email*, allow users to create and share a random email address that forwards to a personal email address. Thus, users may receive messages from applications *without* having to share their personal email address:



59. Cross-Device integration *Continuity Camera*, introduced in *infra*, allow users to use their iPhone

as a webcam for their Mac device, wirelessly and in real-time:



60. These and other iOS features contribute to what is commonly referred to as iOS stickiness—the concept that the iOS ecosystem keeps users engaged, loyal, and unlikely to switch to other mobile operating systems—namely Android.

61. As noted above, Apple exercises complete control over its mobile operating system, iOS, and over the interoperability of its broader ecosystem of devices and operating systems, including macOS (for its computers), iPadOS (for its tablets), watchOS (for its watches), tvOS (for its digital media player), and visionOS (for its spatial computer). This control enables Apple to dictate how and whether its devices communicate with one another and with competing platforms. By tightly integrating its products while restricting interoperability with non-Apple devices, Apple maintains its dominance in the U.S. smartphone market and leverages that dominance to entrench its positions in adjacent markets, including laptops, tablets, and smartwatches.

62. iOS stickiness has and continues to be a primary goal of Apple. Indeed, as early as

63. Numerous plaintiffs have [redacted] s refusal to provide cross-platform functionality between iOS and Android.

64. Consistently distinguishing iOS from Android is evidently expensive. Acknowledging this fact, [redacted] **anything new and especially phone.**

65. However, [redacted] is that it surreptitiously delegates rigorously challeng new features to third-party software developers. Apple induces and encourages these developers to spend time and money researching and developing software applications. Should these applications be given the thumbs up by the invisible hand of the market, Apple incorporates them directly into the latest version of iOS as new features, thus preserving user satisfaction with iOS and in turn [redacted] Mobile OS monopoly. That is exactly what happened to Reincubate.

66. In October 2020, the U.S. House of Representatives Subcommittee on Antitrust, Commercial, and Administrative Law issued its Investigation of Competition in Digital Markets: [redacted] -page report following a sixteen-month bipartisan inquiry into the business practices of major technology platforms, including Apple. The report concluded that Apple exercises monopoly power over software distribution on iOS devices through its control of the App Store and uses that control to extract supra-competitive commissions, suppress competition, and disadvantage rival developers.

interest that enables exclusionary conduct and self-preferencing practices that harm innovation, raise consumer prices, and erode competition in digital markets.

67. power:

Apple has significant and durable market power in the mobile operating system

¹⁶ *United States of America, et al. v. Apple Inc.*, No. 2:24-cv-04055 (JXN-LDW), at United States District Court for the District of New Jersey (filed Mar. 21, 2024), ECF No. 1 at 6.

operating system that runs on Apple mobile devices, has enabled it to control all software distribution to iOS devices. As a result, Apple exerts monopoly power in the mobile app store market, controlling access to more than 100 million iPhones and iPads in the U.S.

consumers. Launched in 2008, the App Store revolutionized software distribution on mobile devices, reducing barriers to entry for app developers and increasing the choices available to consumers. Despite this, Apple leverages its control of iOS and the App Store to create and enforce barriers to competition and discriminate against and exclude rivals while preferencing its own offerings. Apple also uses its power to exploit app developers through misappropriation of competitively sensitive information and to charge app developers supra-competitive prices within the App Store. Apple has maintained its dominance due to the presence of network effects, high barriers to entry, and high switching costs in the mobile operating system market.

Apple is primarily a hardware company that derives most of its revenue from sales of devices and accessories. However, as the market for products like the iPhone have matured, Apple has pivoted to rely increasingly on sales of its applications and services, as well as collecting commissions and fees in the App Store. In the

devices has resulted in harms to competitors and competition, reducing quality and innovation among app developers, and increasing prices and reducing choices for consumers.¹⁷

Apple has significant and durable market power in the market for mobile operating systems and mobile app stores, b

mobile operating system is one of two dominant mobile operating systems, along

mobile devices and does not license iOS to other mobile device manufacturers. More than half of mobile devices in the U.S. run on iOS or iPadOS, an iOS

high switching costs, ecosystem lock-in, and brand loyalty. It is unlikely that there will be successful market entry to contest the dominance of iOS and Android.

software distribution on iOS devices. Consequently, it has a dominant position in the mobile app store market and monopoly power over distribution of software applications on iOS devices.

devices. It does not permit alternative app stores to be installed on iOS devices, nor does it permit apps to be sideloaded. As discussed earlier in this Report, consumers have a strong preference for native apps to web apps, and Apple has acknowledged

¹⁷ House Report at 16 17 (internal citations omitted).

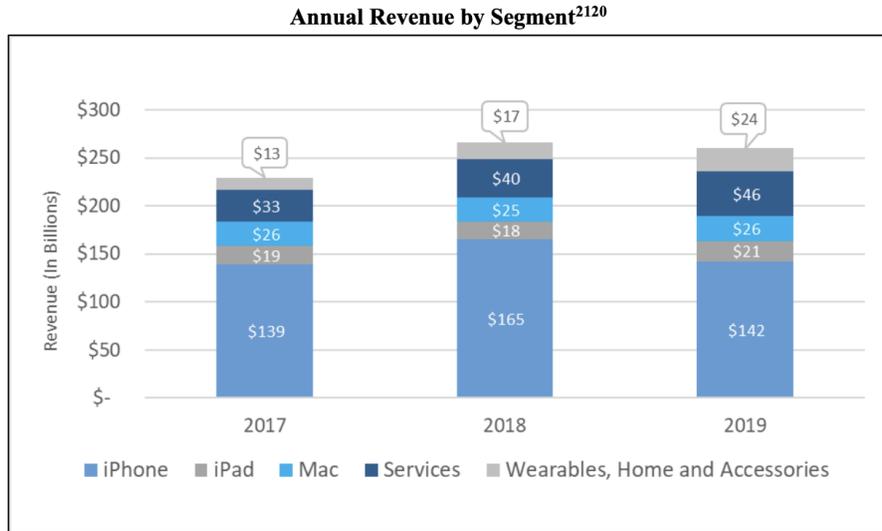
key differences between them. Developers have explained that Apple actively

position as the sole app store on iOS devices is unassailable. Apple fully controls how software can be installed on iOS devices and CEO Tim Cook has explained that the company has no plan to permit an alternative app store. The former director

meaningful competitive cons

In response to these concerns, Apple has not produced any evidence that the App Store is not the sole means of distributing apps on iOS devices and that it does not exert monopoly power over app distribution. Apple says it does not create nor is it aware of third-party data that tracks market share in the app distribution market. Apple claims the App Store competes in a larger software distribution market that includes other mobile app stores, as well as the open internet, personal computers, gaming consoles, smart TVs, and online and brick-and-mortar retail stores. While consumers can access software and developers can distribute software through those platforms, none of those platforms permit consumers to access apps on an iOS device, or for developers to distribute apps to iOS devices.

allow it to generate supra-normal profits from the App Store and its Services business. Apple CEO Tim Cook set a goal in 2017 to rapidly double the size of the Services business by the end of 2020. Apple met this goal by July 2020, six months ahead of schedule. The Services business accounted for nearly 18% of total revenue (\$46.2 billion) in fiscal year 2019. Services grew faster than Products in recent years, increasing by more than 41% since 2017. The Services category is also



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In addition to investigating whether Apple abuses its monopoly power over app distribution to leverage high commissions and fees from app developers, Subcommittee also examined whether Apple abuses its role as iOS and App Store owner to preference its own apps or harm rivals. The Committee requested

the iPhone, and Subcommittee Chairman Cicilline requested information from Apple regarding its practice of preinstalling its own apps on the iPhone.

reserving certain application programming interfaces (APIs) and access to certain ge.

It is widely understood that consumers usually do not change default options. This

employees that demonstrate an understanding inside Apple that pre-loading apps could be advantageous when competing against third-party apps.

Apple pre-installs about 40 Apple apps into current iPhone models. Several of these

-installed apps.

Apple does not pre-install any third-party apps, and until the September 2020 release of iOS 14, it did not allow consumers to select third-party web browser or

A report by the Netherlands Authority for Consumers and Markets (ACM) on

¹⁸ House Report 333 336 (internal citations omitted).

are often pre-installed on iOS devices. The study also noted that -installation of apps can create a so-called status-quo bias. Consumers are more likely to use the apps that are pre- that compete with pre-installed apps only when there is a noted quality difference, and even then, lower-quality pre-installed apps will still enjoy an advantage over third- markets explained that privileging access to APIs can provide an advantage to those with greater access over those with more innovative products. Public Knowledge

own apps and services by pre-installing them on iOS devices, leading consumers to rely on the preinstalled apps rather than looking for alternatives in the App Store.

features, such as the microphone, camera, or GPS, or other software programs and determine what information on the device apps can access. Public APIs for iOS are made available to app developers to ensure apps are integrated with the device and function as intended. These public APIs also control the services that are opened via default when users click a link to open a webpage or an address to open a map application. Private APIs access functionality that is not publicly released. Apple is permitted to use the private APIs on iOS devices, but third-party developers are not.

-installed applications. As a result, when an iPhone user clicks on a link, the webpage opens in the Safari Browser, a song request opens in Apple Music, and clicking on an address launches Apple Maps. With some recent exceptions, iPhone users are unable to change this default setting; however they are able to send app-specific links from inside many popular apps. For example, a person can share a link to a song in a third-party music streaming app such that it would open that song in the same app if it is already downloaded

uses its control over iOS to give its own apps and services advantages that are not available to competitors. For example, the developer explained that for years it was

into Apple devices. Although Siri can now integrate with the app, users must explicitly request Siri launch the third-party app, otherwise it will default to launch

Like setting advantageous defaults and pre-installing its own apps, **Apple is also able to preference its own services by reserving access to APIs and certain device functionalities for itself.** ACM and technology reporters have both noted

-party developers had to rely on the UIWebView API to render web pages in iOS apps, while Apple gave

in

....

In January 2020, Kirsten Daru, Chief Privacy Officer and General Counsel of Tile offered testimony to Subcommittee about this dynamic. Tile is a company that makes hardware and software that helps people find lost items. Tile testified that for years it successfully collaborated with Apple. However, in 2019 reports surfaced that Apple planned a launch a hardware product to compete with Tile. In

service and user experience while simultaneously introducing a new pre-installed Apple finder app called Find My. Changes to iOS 13 made it more difficult for

Tile permission to t
was pre-installed on iOS devices and activated by default during iOS installation.

Questions for the Record included detailed location permission flow comparisons

iOS 13 it saw significant decreases in users and a steep drop off in users enabling the proper settings on iOS devices.¹⁹

In addition to investigating allegations Apple engages in self-preferencing in the App Store, the Committee sought information regarding whether Apple exploits third-party developers that rely on distribution in the App Store. Developers have alleged that Apple abuses its position as the provider of iOS and operator of the App Store to collect competitively sensitive information about popular apps and then build competing apps, or inte

developers from competition, and platforms should continue to innovate and improve their products and services. However, Sherlocking can be anticompetitive in some instances.

Some app developers have complained that Apple leverages its control of iOS and the App Store to glean business intelligence that enables it to better compete against third-party apps. For example, after a stress relief app called Breathe was
-party

an
make their work obsolete by announcing a new app or feature that uses or incorporates their ideas. Some apps have simply buckled under the pressure, in

and expense in fighting the tech giant and the consequences they might face from

....

¹⁹ House Report at 351 357 (internal citations omitted, emphasis added).

In response to the requests for information, Match Group, Inc. told the
S
in the App Store, only to copy the most successful of them and incorporate them in
-installed app. Phillip Shoemaker, former director of app
review for the App Store, similarly told Subcommittee staff that during his time at
Apple an app developer proposed an innovative way to wirelessly sync the iPhone
for its own offerings.

explicitly authorizes Apple
-responsive regarding allegations of
intellectual property rights.

In contrast, Apple co-
Agreement, which Apple requires every app developer to agree to, appears to warn
developers that in exchange for access to the App Store, Apple is free to build apps
or recommendations you provide to Apple pursuant to this Agreement for any
20

-FL)
and Lucy McBath (D-
2019 removing parental control apps from the App Store. In 2018, Apple
announced its Screen Time app, a new feature bundled with iOS 12 that helped iOS
users limit the time they and their children spent on the iPhone. Thereafter, Apple
began to purge many of the leading rival parental control apps from the App Store.
Apple explained the apps were removed because they used a technology called
Mobile Device Management (MDM). The MDM technology allowed parents to
tent. Apple noted that
MDM could allow the app developer to access sensitive content on the device.

....

the benefit of Screen Time. Apple could have achieved its claimed objective
protecting user privacy through less restrictive means, which it ultimately did
only after significant outcry from the public and a prolonged period of harm to

²⁰ House Report at 361 363 (internal citations omitted, emphasis added).

to exclude rivals and a shield to insulate itself from charges of anticompetitive conduct.²¹

68. In recent years, Apple has faced mounting allegations of anticompetitive conduct consistent with the exclusionary pattern alleged here. For example, the Department of Justice sued Apple in March 2024 for maintaining its dominance in the U.S. smartphone market, alleging Apple restricted cross-platform interoperability, favored its own hardware and services, impeded switching between platforms, and imposed barriers on rival apps and developers.

69. judge recently found that Apple willfully violated a prior antitrust injunction. That antitrust injunction, arising out of Epic Games lawsuit against Apple, required Apple to permit alternative payment methods in its App Store. Apple purposefully ignored the order and continued and even barrie

70. a price-fixing conspiracy. In that case, the presiding judge stated that t

highest-level

22

71. Even when subject to a binding federal injunction prohibiting anticompetitive anti-steering conduct, Apple chose to pursue **the most anticompetitive path available** and then attempted to obscure that conduct and the decision-making process that led to it from the Court.²³

alternative purchasing mechanisms, Apple responded by imposing a prohibitive 27% commission on external purchases and by layering design, placement, and warning requirements deliberately engineered to deter users and render external purchase options economically and practically nonviable. *Id.* The district court found that Apple **willfully violated** both the letter and the spirit of the injunction, concealed its true decision-making, and acted in bad faith, and it therefore held Apple in civil contempt and imposed sanctions. *Id.* On appeal, the United States Court of Appeals

²¹ House Report at 364–367 (internal citations omitted, emphasis added).

²² House Report at 75.

²³ *Epic Games, Inc. v. Apple Inc.*, 2025 WL 3548683, at *1–23 (9th Cir. Dec. 11, 2025).

-faith compliance, and upheld the sanctions in substantial part, reversing only to require that any remedial commission framework be narrowly tailored and purgeable rather than punitive. *Id.*

was so pronounced that, on appeal, Apple asked the Ninth Circuit to remove the district judge who found it in contempt, a request the court rejected outright, holding that adverse rulings and findings of bad faith d

Id.

72. Beyond the United States, Apple is also subject to global scrutiny: regulators in the European Union, Japan, Turkey and other jurisdictions are investigating or penalizing Apple for using its iOS-ecosystem control to foreclose competition, block alternative app stores or payment systems, and leverage its operating-system dominance into adjacent markets.²⁴ Across the EU and in the UK, Apple has been confronted with significant private individual and class action litigations over its anticompetitive conduct in connection with the App Store.²⁵

24

Streaming Practices, CNBC (Mar. 4, 2024), <https://www.cnbc.com/2024/03/04/apple-hit-with-more-than-1-point95-billion-eu-antitrust-fine-over-music-streaming.html>; Commission Staff Working Document, Report on the Implementation of the DMA, SWD (2025) 166 final (Mar. 14, 2025), <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52025DC0166>; (designated as a gatekeeper with respect to its core platform service iPadOS and for iMessage); Press Release, Apple Inc., Japan Fair Trade Commission Closes App Store Investigation (Sept. 1, 2021), <https://www.apple.com/newsroom/2021/09/japan-fair-trade-commission-closes-app-store-investigation/>; e Competition Act Grows Its Guidelines, Wolters Kluwer: Competition Law Blog (Jan. 17, 2024), <https://legalblogs.wolterskluwer.com/competition-blog/japans-mobile-software-competition-act-grows-its-guidelines/>; into Apple Over Its App Store Payment Systems; Alleged Violation of Law on the Protection of Competition (Mar. 30, 2023), <https://digitalpolicyalert.org/event/20453-announced-competition-authoritys-investigation-into-apple-over-its-app-store-payment-systems-alleged-violation-of-law-on-the-protection-of-competition>; Steve Costello, Korea Targets Google, Apple for In-App Payment Breaches, Mobile World Live (Apr. 2, 2024), <https://www.mobileworldlive.com/regulation/korea-targets-google-apple-for-in-app-payment-breaches/>; Paul Sandle, Apple Loses U.K. Lawsuit Over App Store Commissions, Reuters (Oct. 23, 2025), <https://www.reuters.com/sustainability/boards-policy-regulation/apple-loses-uk-lawsuit-over-app-store-commissions-2025-10-23/>; Cleary Gottlieb Steen & Hamilton LLP, Framework, Cleary Antitrust Watch (Apr. 2, 2025), <https://www.clearyantitrustwatch.com/2025/04/french-competition-authority-fines-apple-e150-million-for-abusive-implementation-of-privacy-framework/>.

25

, [2025] CAT 67 (Competition Appeal Tribunal Oct. 23, 2025), <https://www.catribunal.org.uk/sites/cat/files/2025->

73.

demonstrate a corporate

actions toward Camo: Apple leveraged its operating-system dominance, restricted -platform offering, thereby preserving its monopoly power by foreclosing competitive alternatives that would have allowed interoperability with Android devices.

74. In 2020, frustrated by low-quality video conferencing options, the Reincubate team began to conceptualize a novel idea: a software that allows users to utilize their phone camera as a professional quality webcam for a computer.

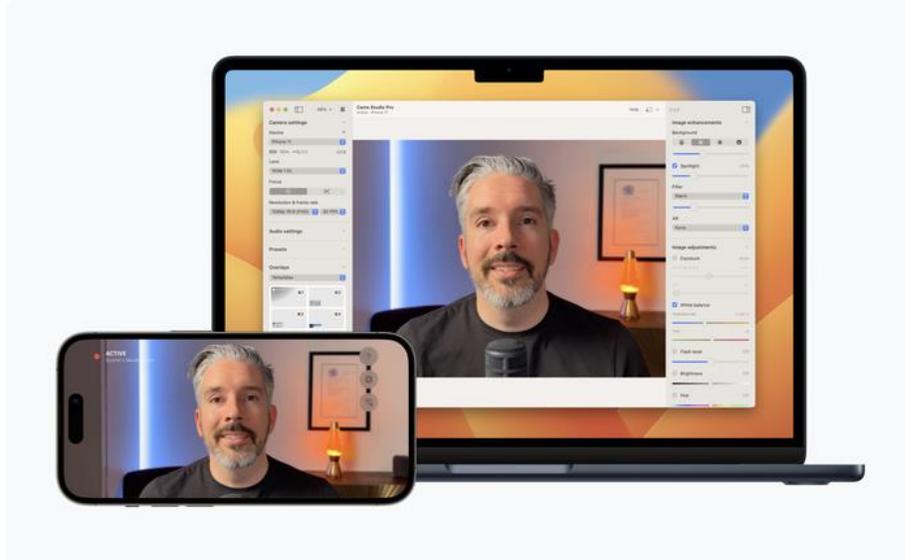
75. On July 16, 2020, Reincubate l , of webcams for video calls, recordings, streaming, and content creation, by leveraging the superior cameras found in modern smartphones.

76. Today, Camo is supported by all major video conferencing, recording, and streaming apps, including Zoom, Meet, Teams, Skype, Slack, Google Chrome, Safari, FaceTime, Cisco Webex, and more.

77. At a high-level, Camo works as follows: users install Camo Studio onto their computer, such as a Mac, and they install the Camo Camera App onto their phone, such as an iPhone or any Android phone. The computer and the phone connect via USB cable or Wi-Fi. Camo Studio installs a virtual

phone camera then captures live video using its native camera hardware and streams the compressed video feed to the computer via USB or Wi-Fi:

[12/14037721%20Dr.%20Rachael%20Kent%20v%20Apple%20Inc.%20and%20Apple%20Distri-
bution%20International%20Ltd%20-
%20%20Judgment%20%5B2025%5D%20CAT%2067%2023%20Oct%202025.pdf](https://www.channelnewsasia.com/business/apple-can-be-sued-in-dutch-court-antitrust-damages-eus-top-court-says-5527651); *Apple Can
Be Sued in Dutch Court for Antitrust Damages, E* , Channel News Asia (July
25, 2023),
[https://www.channelnewsasia.com/business/apple-can-be-sued-in-dutch-court-antitrust-damages-
eus-top-court-says-5527651](https://www.channelnewsasia.com/business/apple-can-be-sued-in-dutch-court-antitrust-damages-eus-top-court-says-5527651); *Apple Hit With App Store Antitrust Suit From Privacy Firm Proton*,
Bloomberg L. (June 30, 2023),
[https://news.bloomberglaw.com/litigation/apple-hit-with-app-store-antitrust-suit-from-privacy-
firm-proton](https://news.bloomberglaw.com/litigation/apple-hit-with-app-store-antitrust-suit-from-privacy-firm-proton).



78. Camo allowed for reliable, low-latency, high quality, native, seamless and driverless use of a smartphone camera as a webcam.

79.

80. According to Apple, the

developer community to stretch the limits of their imaginations and bring the next big app idea to

81.

Camo compatible with Apple applications, such as FaceTime and Safari, as well as making Camo available on the Apple App Store and the Apple Mac App Store. Members of the WWDR team monitored Camo and participated in its beta before public launch, joining Reincubate on calls and encouraging the company to invest heavily in Camo.

82. On June 21, 2020, Reincubate CEO, Aidan Fitzpatrick was introduced to the WWDR Partnership Manager for the UK & Ireland, SiQuing Lin. The next day, Mr. Fitzpatrick
-in and third-
amazing. Camo lets people use any iOS device as a webcam, so that they can

83. From there, technology and actively induced and encouraged Reincubate to further develop and market Camo for the iOS platform. Indeed, I

Photo & Video Manager, Roland Wood:

Congrats on finally getting Camo into broader testing. I manage the Photo/Video segments for Worldwide Developer Relations at Apple as well as all camera manufacturers. **working on utilizing the iPhone cameras and APIs for webcam usage. You might have done it as it seems. access to our team to make sure Camo looks and behaves the best it can for launch.**

84.

85. On April 27, 2021, an Apple iPhone Engineer named Vitor Silva²⁶ emailed Mr. ernally too as

86. On April 30, 2021, WWDR team member Raul Basurto Rosenzweig emailed Mr.

87. In July 2021, Apple employees who work on Apple University training and professional-development program for educating and developing Apple employees purchased multiple Camo licenses.

88. As Camo continued to grow in popularity both within and without Apple, Reincubate continued to test and ship Camo updates For example, on June 8, 2021, Mr. Fitzpatrick emailed WWDR team member Raul Basurto Rosenzweig a short note of appreciation. Loved WWDC. Still exploring the APIs & there s some neat stuff for us that we Rosenzweig me know what neat stuff you have in the pipeline, **especially for the new stuff!**

89. **please do let me know**

²⁶Vitor Silva is currently listed as iPhone Product Manager, Worldwide Product Marketing at Apple on linkedin.

if you plan to ship any new features either with our iOS 15 launch

thus further inducing Reincubate to keep developing Camo.

90.

update on your iOS 15 plans

for a VC intro (re-intro?) meeting in the next few weeks? **I can tell you a bit more about what Apple Developer Relations do and how we can help you**, and would love to get a deeper understanding of your product and roadmap.

91. As a result, Reincubate continued to devote significant time, money, and resources

92. On information and belief, at least 2% of Apple employees worldwide have used Camo. This amounts to thousands of people across all parts of Apple, including a number of Senior Directors, engineering managers, product designers, industrial designers, video producers, education sales teams across multiple regions have used Camo to sell Apple devices. Apple even requested a company-wide discount which was provided and which Apple used and made various feature requests.

93. Evidently, Camo passed the challenge. On August 2, 2021, the iOS userbase signaled its love for Camo as the App was



Not a fan of camera-on video calls? *Camo* could change that. It turns your iPhone or iPad into a pro-level HD webcam for Mac and Windows. The advanced editing tools will ensure you – and your background – look tip-top onscreen.

What we love: The app leverages your device's existing camera so you don't need to buy an expensive external webcam, and no additional software drivers are required. Plus it's compatible with most video-call platforms and apps, including *Zoom*, *Microsoft Teams*, *Meet* and *Slack*.

94. a strong success, with good traction amongst the great and good of the Apple ecosystem, creators, journalists, entrepreneurs, and investors.

95. On information and belief, Apple encouraged Reincubate to continue developing Camo and to provide technology and marketability so that Apple could develop a competing feature limited to iPhones.

96. As Camo continued to show commercial success, Apple quietly appointed Brad Ford to manage

97. On information and belief, Mr. Ford was tasked with incorporating the Camo technology directly into the iOS platform.

98. On information and belief, Mr. Ford reviewed Reincubate patents related to the Camo technology as well as Camo itself.

99. On June 6, 2022, Apple kicked off its Worldwide Developers Conference 2022 at its headquarters in Cupertino, California.

100. That morning, Apple Senior Vice President, Craig Federighi, unveiled the then-latest version of iOS (iOS 16) to WWDC22 attendees:



101. Walking across the stage, Mr. Federighi proudly unveiled latest feature:

Now with Continuity Camera, you can use iPhone as your webcam and that Continuity do things that were never before possible with a webcam

102. As a result, noted independent analyst Benedict Evans observed publicly that Apple just killed Camo and long-time Apple-watcher John whether [his] life on a beach somewhere learning that Reincubate did not plan to exit the market, Gruber added that

Although other press outlets and members of the technology press contacted Reincubate for comment, the company declined to provide one.

103.

-party product obsolete. The term originates from -2000s duplication of a third-party search tool called Watson after Apple integrated similar functionality into its own macOS application Sherlock 3. Over the years, e copied and bundled third-party features such as screen-time tracking apps after Apple released Screen Time, password managers following iCloud Keychain, and parental-control tools supplanted by Family Sharing and Screen Time restrictions. The phrase has of appropriating and extinguishing innovative software developed outside its ecosystem.

104.

2022. The relevant portion of the article, available at <https://techcrunch.com/2022/06/13/all-the-things-apple-sherlocked-at-wwdc-2022/> is reproduced below:

Feature: Continuity camera

Sherlocked app: [Camo](#)

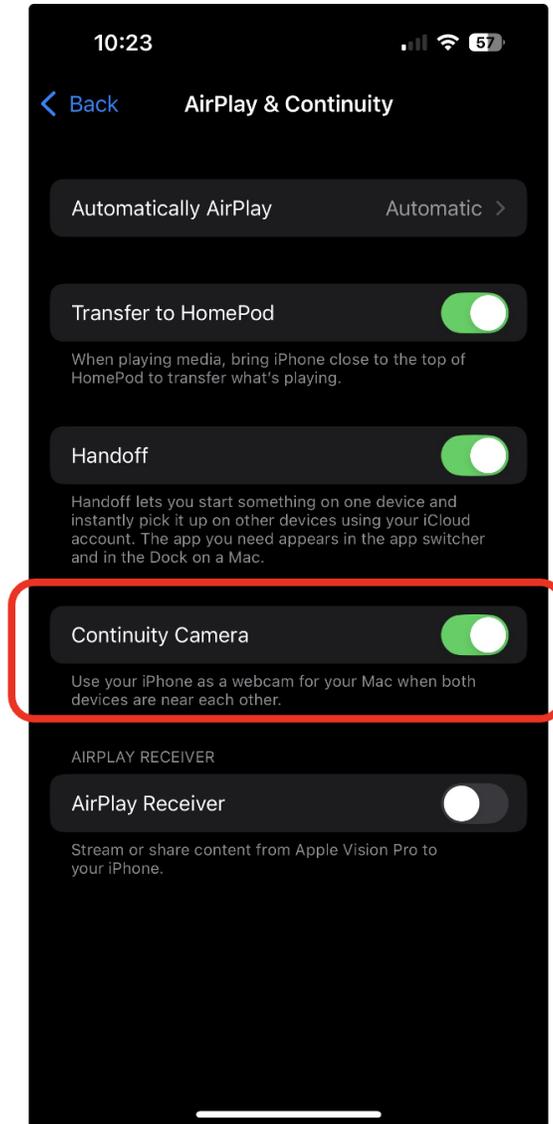
Apple's new continuity feature will let you use your iPhone as a webcam, which was Camo's main pitch. The iPhone-maker is partnering with Belkin to release [a special mount later this year](#), which will hold your iPhone atop your MacBook screen. Plus, it will release an API for Continuity Camera so other apps could easily take advantage of this feature.



IMAGE CREDITS: [APPLE](#)

But Camo's not completely dead. It's available on Windows and is also compatible with Android phones. As Continuity Camera will only work with an iPhone-Mac combo, any other combinations of desktop and mobile systems will have to use Camo or an equivalent app. Plus, it could offer more video tuning features to its pro users, so they can get their money's worth.

105. The deeply integrated Continuity Camera became another such absorbed feature that Apple uses to preserve its mobile OS monopoly:



106. Camo technology directly into iOS 16
emailed Mr. Fitzpatrick:

that Apple had taken and incorporated

Ms. Lin

I realise that one of the features that we announced today is very similar to what Camo offers, and I wanted to check in with you to see how you are feeling about that?

107. lism messaged Mr. Fitzpatrick and asked to meet. They met that day, and Mr. Geleynse prodded Mr. Fitzpatrick to

108.

encouraged Ms. Pruden to discuss the issue with Mr. Fitzpatrick.

109. Nine days later, Ms. Pruden and Mr. Fitzpatrick met via Webex. Ms. Pruden then

Apple is unfazed by competing third-party developer applications. Rather, Apple is concerned with preserving its monopoly in the mobile OS market by utilizing technology developed by third-party developers, such as Reincubate. Indeed, Apple *relies* on these developers.

110. During that meeting, Mr. Fitzpatrick further explained to Ms. Pruden that substantially in a new and innovativ

Mr. Fitzpatrick further explained to Ms. Pruden that Apple s conduct signaled third-party developers the risk of developing on Apple platform

111. During that meeting, Mr. Fitzpatrick explained to Ms. Pruden that Camo was Reincubate s fourth product to be harmed Ms.

Apple whatever he builds next will be great.

he did next, so it would be hard to shipping innovativ

112. Ms. Pruden concluded the meeting by stating that she would be upset to see Reincubate leave the Apple developer ecosystem presumably because Apple would lose a developer contributing to new iOS features.

113. Apple has al with hindsight, I think going forward we need to set a stake in the ground for what features we than

anything new and especially expensive needs to be rigorously challenged consumer phone.

²⁷ First Amended Complaint, United States & Plaintiff States v. Apple Inc., No. 2:24-cv-04055 (JXN-LDW) (D.N.J. June 11, 2024) (complaint available at <https://www.justice.gov/d9/2024-06/423137.pdf>).

114. But third-party developers, like Reincubate, are also disincentivized from innovating. They are tasked with making the financial and personal investment every proven market.

115. Theft and i macOS) was just the tip of the iceberg here.

116. Camo has been unable to achieve smooth, low-latency Wi-Fi performance in either infrastructure or peer-to-peer modes, which were essential to its operation and interoperability between devices since the introduction of the continuity system.

subsystem uses aggressive Wi-Fi channel switching that makes macOS and iOS unsuitable for the kind of low-

Technical Support explicitly acknowledged. As a result, Continuity Camera retains reliable, privileged wireless performance, while third-party apps like Camo experience connections with latency (unpredictable latency) and cannot achieve comparable latency or throughput. Because Apple controls both the radio stack and the entitlements required for stable infrastructure and peer-to-peer Wi-Fi modes, Camo is effectively prevented from accessing the same transport capabilities that Apple relies on. In short, Apple reserved the only viable wireless path for its own product while degrading or blocking that path for everyone else.

117. Accordingly, not only does built-in default feature, Apple Continuity framework itself is what prevents Camo from offering low-latency wireless functionality. Beyond that, several aspects of Continuity Camera interfere with or obscure the Camo user experience. For example, when a user positioned their iPhone for use with Camo, Continuity Camera automatically launched on the device, and would **suspend the Camo app and block its connection** in a way that Reincubate cannot work around. This forces users to deviate from the default workflow to continue using Camo. Moreover, the first time a Mac using the macOS Ventura operating system, or later, lists available cameras, a pop-up appears promoting Continuity Camera without referencing alternative options, like Camo. On information and in the design and roll-out of Continuity Camera were designed to preserve its monopoly in the mobile OS market by undermining interoperability provided by Camo.

118. Furthermore, Camo faced several issues on the Apple-run App Store. Apple exercises strict control over how developers build and distribute apps for users of their devices. For example, developers may distribute native iPhone applications only through the Apple App Store, which remains the sole channel for downloading native iOS apps. This exclusive distribution model enables Apple to wield monopoly power over developers by enforcing contractual terms and rules that restrict the behavior of non-Apple apps and services. Through its App Store Review Guidelines, Apple dictates the standards apps must meet to appear on the App Store and those standards can be changed at any time. These guidelines give Apple complete discretion to review and approve all apps and updates. Apple frequently uses this discretion to its advantage altering or departing from its rules when it benefits the company and allowing executives to oversee and Store policies is often inconsistent, and Apple has repeatedly used these rules to punish or limit developers whose technologies threaten position.

119. A small number of early phone as webcam products had existed before Camo but remained clunky, limited in capability, and lacked meaningful traction or the technical innovations embodied in the Asserted Patents and in the Camo product. Many of these other products and companies, however, relied on App Store practices that violated distorted user trust signals, including the use of coerced or falsified reviews (including where users admitted they were forced to leave positive reviews directly in their reviews), misuse of trademarks, deployment of multiple Bundle IDs, and publication of misleading App Store submissions. Despite these reports, Apple took no meaningful corrective action.

120. One such firm a company valued at approximately one billion dollars at the time accumulated thousands of reviews reflecting coercive practices, with over 2,000 reviews expressly stating that users were required to submit five-star ratings to unlock core functionality. Despite receiving reporting on these violations from Reincubate, Apple continued to display only aggregate star ratings and selected excerpts, obscuring the scope of this misconduct.

121.

and pervasive enforcement of its App Store rules.

enforcement allowed inferior substitutes that were not in comp to muddy the market, dilute thereby disadvantaging the independent, high-performance, cross-platform solution that posed a meaningful competitive threat to

122.

App Store. Similar to Continuity Camera, Camo features a lightweight iOS interface, making it impossible to effectively demonstrate its functionality without showing the device mounted and connected to a Mac. In fact, Apple approved a video with just such an App Preview video²⁸ previously and it was live in the app store for some time before Apple forced Reincubate to take it down to get an update published in 2021.

Design teams have expressed sympathy, they have offered little guidance beyond repeated resubmissions and appeals. To the extent Apple has communicated requirements for an App Preview, they have been onerous and included things including that they could not include people or any real world use, no people holding the device, nor any items, nor any depictions of Reincubate hardware. By contrast (and unsurprisingly),

Camera depicts every one of those things including people using the device, hardware, and the complete setup something Camo is not permitted to do within the App Store. Apple's control over both app distribution and app creation, including access to low-latency Wi-Fi, gives Apple tremendous power.

of third-party developers like Reincubate while also protecting itself from the competitive threats and pressure interoperable apps like Camo poses to Apple's mobile OS monopoly.

123.

identical to its control over the iOS App Store. For Camo, the MAS constituted an important distribution channel and competitive market. Reincubate repeatedly communicated to Apple the specific technical barriers that prevent Camo from qualifying for MAS distribution. Apple employees affiliated with the WWDR team represented in multiple emails that those barriers would be addressed and that Reincubate should not compromise its Camo product by getting it into MAS with just a subset of its features. Yet Apple has taken no action to remove them, leaving

²⁸ https://www.youtube.com/watch?v=mC5FTN7_qt0

Camo excluded from the MAS.

124. Additionally, unlike most other Apple applications, Continuity Camera despite having its own icon is so deeply embedded within iOS that it cannot be deleted or treated as an independent app. Apple could still retain the advantages of a first-party offering even if Continuity Camera were removable, just as it does with apps like Home, Watch, and News. In contrast to those apps, however, disabling Continuity Camera requires users to dig several layers deep into the Settings menu. On information and belief, this deep integration was not a matter of technical necessity but a deliberate design choice intended to foreclose third-party competition. By making Continuity Camera inseparable from the operating system, Apple ensured that users would default to its solution and that competing products like Camo would be deprived of visibility, user adoption, and interoperability within the iOS and macOS environments.

125.

and resulting in a similar though more limited product. On information and belief, Apple produced and distributed this instructional content to steer developers toward derivative implementations that mimic

necessary for Camo to compete on equal footing, Apple used its control over developer resources to shape the competitive landscape in its favor.

126. To be clear, Reincubate is not *alone* commonly always constitutes anticompetitive conduct or is always unlawful. Indeed, Apple has a long history of Sherlocking. But in most of those cases, Apple has not actively induced the developer to test and build software. Here, Apple actively cultivated a relationship of trust with Reincubate, induced the company to share technical details, beta builds, and market data, and leveraged that privileged access to inform its own development of Continuity Camera. Only after Reincubate had demonstrated that the solution worked, that demand existed, and that the model was viable did Apple absorb the concept. Apple did not iOS; it embedded it at the operating-system level, pre-installing it on every iPhone and Mac and did not give access to APIs,

-in. Thus, Reincubate spent multiple years and millions of dollars developing Camo and testing the market. Yes, Camo was new. Yes, Camo was expensive to develop. And yes, Camo was rigorously challenged. Apple cheered from the sidelines. And when Camo had completed its challenge, it became the newest feature of iOS.

127.

to the earliest days of the iPhone. As early as 2010, then-

make Apple['s] ecosystem even more sticky.

128. In response, Apple leveraged its control over app development and distribution to solidify its monopoly on mobile OS as the central access point for apps, products, and services. Although Apple frequently asserts that these restrictions are intended to safeguard user privacy and security, its internal records suggest otherwise. In practice, many of these limitations, direct or disruptive competition, like that of Camo, that could threaten its mobile OS monopoly.

129. Thus, Apple is knowingly and deliberately degradin in order to preserve its mobile OS market share and undermine interoperability.

II. Willful Infringement of United States Patents Nos. 11,924,258 and 12,335,323

A. The Reincubate Patents

130. On March 5, 2024

258

P 258 Patent is attached hereto as **Exhibit 1**.

131. On June 17, 2025, the USPTO duly and legally issued United States Patent No. 12,335,323 323 also

323 Patent. A true and correct copy of the 323 Patent is attached hereto as **Exhibit 2**. Collectively, the 258 and 323 Patents may be referred -in-

132. The technology disclosed in the Patents-in-Suit relates to capturing, processing and enhancing video in a manner supportive of and suitable for the purposes of real-time video

communication.

133.

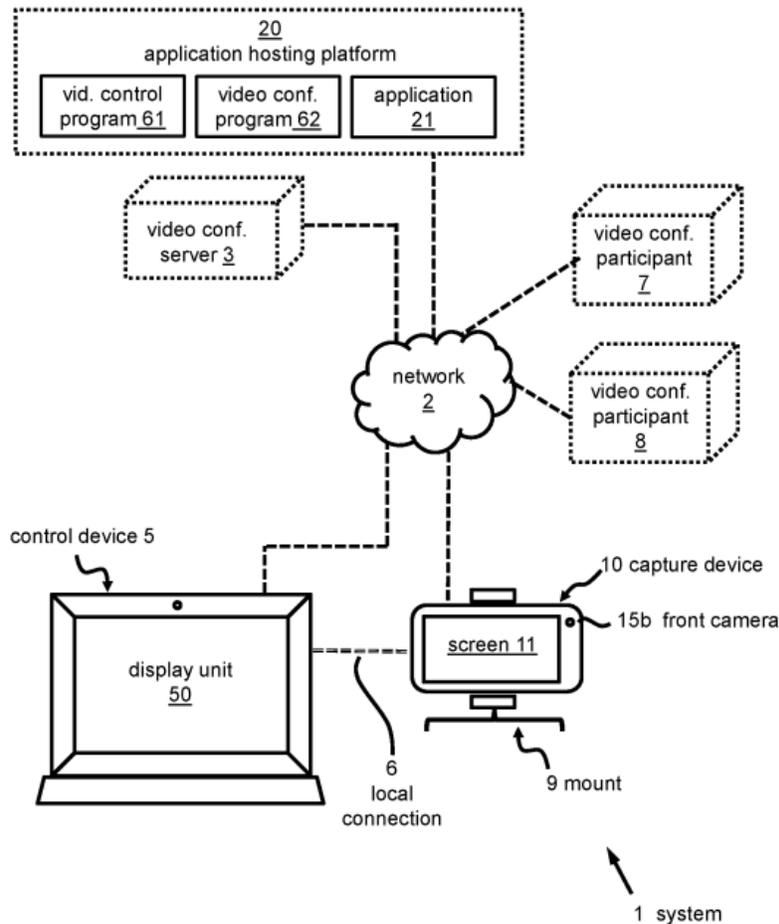


Figure 1

134. The technology disclosed in the Patents-in-Suit was not routine or conventional. The USPTO examined the patented technology and concluded that no prior art, alone or in combination, disclosed or rendered obvious any of the claims of the Patents-in-Suit.

135. The Patents-in-Suit cover Camo.

136. Apple itself has acknowledged the novelty of the technology disclosed in the Patents-in-Suit. Indeed, :

Congrats on finally getting Camo into broader testing. I manage the Photo/Video segments for Worldwide Developer Relations at Apple as well as all camera

iPhone cameras and APIs for webcam usage. **You might have done it as it seems.**

137. Apple itself has praised the technology disclosed in the Patents-in-Suit. For example, i

138. [redacted] twitter account received the following messages. On information and belief, the senders were employed by Apple on the dates they sent the messages:

Date	Sender	Message
Aug. 20, 2020	@[redacted]	
June 23, 2021	@[redacted]	
Aug. 27, 2021	@[redacted]	

139. On April 27, 2021, iPhone Engineer [redacted] been using [Camo] with Webex and love it! Making it known internally too as I look better than

140. On April 30, 2021, WWDR team member, Mr. Basurto Rosenzweig, emailed Mr. Fitzpatrick:

141. In May 2021, a member, at the time, of [redacted] Human Interface Team direct

Date	Sender	Message
May 18, 2021	@[redacted]	hey [redacted] y for

Notably, another member of that same team, the Human Interface Design Team, together with [redacted] Federighi, announced Continuity Camera to the world at WWDC in 2022.²⁹

142. In July 2021, Apple employees who work on Apple University training and professional-development program for educating and developing Apple employees

²⁹ <https://youtu.be/q5D55G7Ejs8?t=5251>

purchased multiple Camo licenses.

143.

store:



Not a fan of camera-on video calls? *Camo* could change that. It turns your iPhone or iPad into a pro-level HD webcam for Mac and Windows. The advanced editing tools will ensure you – and your background – look tip-top onscreen.

What we love: The app leverages your device's existing camera so you don't need to buy an expensive external webcam, and no additional software drivers are required. Plus it's compatible with most video-call platforms and apps, including *Zoom*, *Microsoft Teams*, *Meet* and *Slack*.

144. On September 23, 2021, Mr. Fitzpatrick attended a video call with a Senior Systems Engineer and Government Education Manager at Apple, who informed Mr. Fitzpatrick that Camo capacity.

145. As further alleged herein, Apple infringes certain claims of the Patents-in-Suit.

146. The Patents-in-Suit claim priority to and the benefit of United Kingdom Patent Application Nos. GB 2110144.9, filed on July 14, 2021, and United Kingdom Patent Application No. GB 2020571.2 filed on December 23, 2020.

147. On information and belief, Apple was aware of United Kingdom Patent Application Nos. GB 2110144.9 and GB 2020571.2 at least as early as June 6, 2022.

148. Yet, on June 6, 2022, Craig Federighi, unveiled Continuity Camera to WWDC22 attendees and remarkably **[n]ow with Continuity Camera, you can use iPhone as your webcam** and **letting you do things that were never before possible with a webcam**

149. Mr. Federighi omitted the fact that Camo users including Apple employees had been using iPhones as *two years earlier*.

150. have recognized that Continuity Camera infringes the Patents-in-Suit:

151.

I realise that one of the features that we announced today is very similar to what Camo offers, and I wanted to check in with you to see how you are feeling about that? I believe there is still space for Camo to compete with the platform feature and succeed on the App Store. **I have told Shaan Pruden (our WWDR Director) about this, and she would be happy to meet you for a coffee.** Would you like me to organise that? When will you be flying home?

152. That same day, lism
messed

153. Tech publications similarly recognize that Continuity Camera infringes the Patents-in-Suit. On June 6, 2022, iMore published:

Apple today announced a raft of new software updates including macOS Ventura, feature called **Continuity Camera** when it does, a feature that allows iPhones to be used as Mac webcams **something that might sound familiar. That's because being able to use an iPhone as a webcam is nothing new, apps including the popular and excellent Camo already make that a reality.**

154. On June 13, 2022, TechCrunch published:

which
. The iPhone-maker is partnering with Belkin to release a special mount later this year, which will hold your iPhone atop your MacBook screen. Plus, it will release an API for Camera Continuity so other apps could easily take advantage of this feature.

155. the WWDR
Director, Shaan Pruden (who was also a Camo user at the time), that Continuity Camera copied

156. The next day, Ms. Pruden and Mr. Fitzpatrick met in Tantau 14 at Apple Park. Ms. unveiling of Continuity Camera.

157. Nine days later, Ms. Pruden and Mr. Fitzpatrick met again via Webex. Ms. Pruden

