

Italy fines Amazon, Apple \$338 million for anticompetitive sales of Beats headphones

Article

The news: The Italian Competition Authority (AGCM) has charged online retailer **Amazon** and **Apple** \$228 million as a result of its antitrust investigation involving the reselling of **Beats**

products, [per](#) Engadget.

How we got here: The AGCM’s antitrust case began in 2020 when they searched both company’s offices. The regulators claim the two companies signed an agreement in 2018 limiting resellers of Apple-owned Beats products on Amazon’s Italian website.

- The agreement allegedly contained contractual clauses that limited sales of Beats items to Amazon and selected sellers “chosen individually and in a discriminatory manner.”
- The AGCM said those clauses and agreements violated Article 101 of the Treaty of the Functioning of the European Union. Further, the regulator revealed that the agreement between Apple and Amazon restricted cross-border sales—limiting buyer choice and depriving them of discounts offered by third-party sellers.
- **70%** of consumer electronics purchases in Italy are from Amazon.

Why this matters: Amazon has had various run-ins with regulators for favoring its own products over those from third parties in its own stores, a key complaint against monolithic technology platforms. The AGCM’s findings point to the possibility of gaming the shopping platform to benefit specific products and sellers.

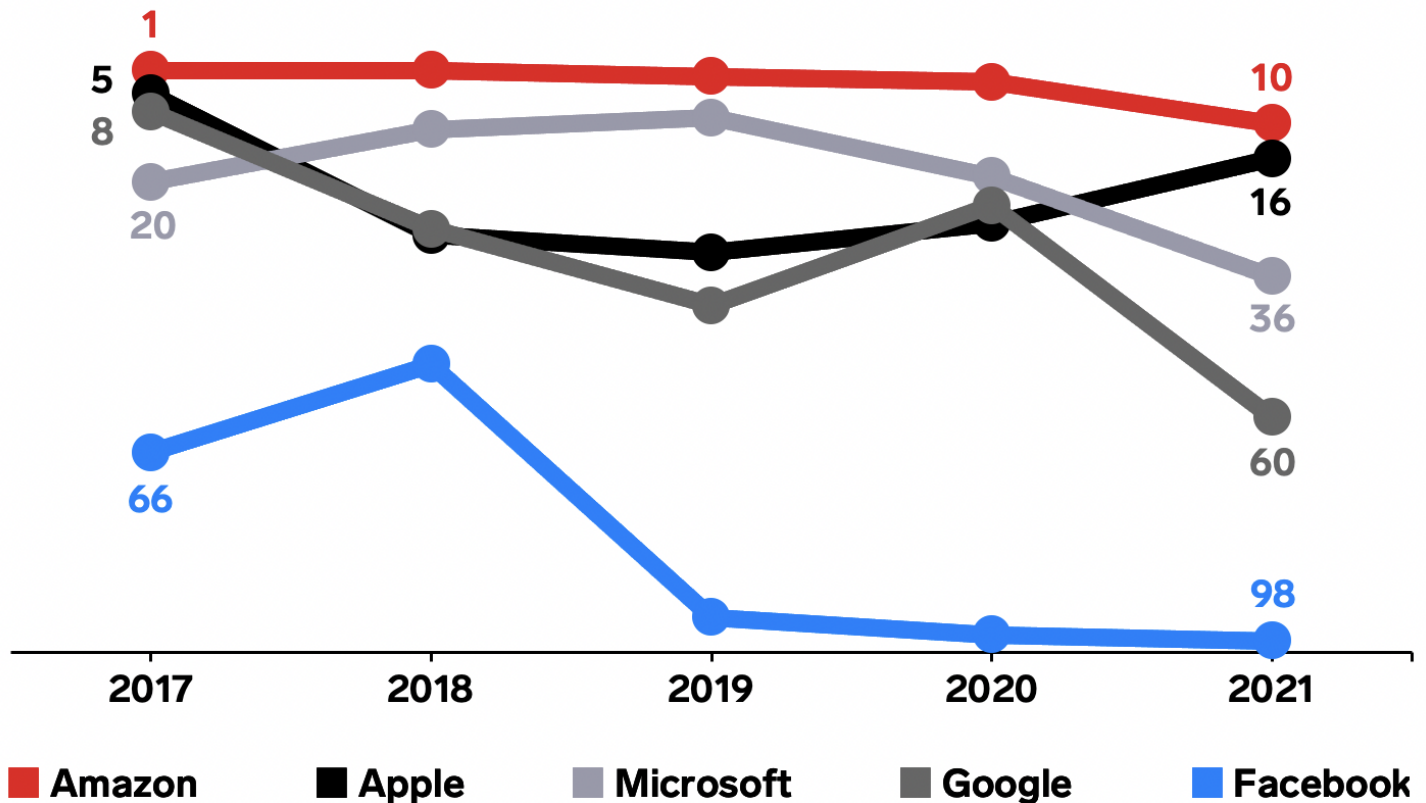
- Private firms including **Allbirds** and **Williams-Sonoma** have [accused](#) Amazon of using data from their products to create cheaper copycat products that rank higher in Amazon search results.
- Last month, a Reuters [investigation](#) into Amazon’s India business found documents showing it had intentionally used non-public, third-party data to create copycat products and fixed search results to make them appear more prominently.
- The DC attorney general filed a case in May claiming Amazon used [anticompetitive practices](#) to control third-party sellers’ pricing on and off its marketplace.

What’s next? An Amazon spokesperson called the AGCM’s antitrust penalty “disproportionate and unjustified,” and Apple denied any wrongdoing. Both companies are planning to appeal the penalty.

- These findings and the resulting fines might spur regulators in other countries to begin new investigations to determine if there was possible collusion between Big Tech companies to limit sellers or game the sale of certain goods.

Technology Company Reputation Rankings, April 2021

relative ranking by reputation from 1 to 100



Source: Axios/Harris, May 2021

Methodology: The Axios Harris Poll 100 is based on a survey of 42,935 US adults in a nationally representative sample conducted April 8–21, 2021. The Axios Harris poll first identifies the 100 most visible companies and then ranks them based on what respondents think of them.

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