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**NO FEE PURSUANT TO
GOVERNMENT CODE § 6103**

(Additional attorneys for the People appearing on the Appendix)

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

**PEOPLE OF THE STATE OF
CALIFORNIA,**

Plaintiff,

v.

APPLE, INC.

Defendant.

Case No.

**COMPLAINT FOR INJUNCTIVE AND
OTHER RELIEF**

(BUS. & PROF. CODE, §§ 17200 et seq.;
17500 et seq.)

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COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

1. Plaintiff, the PEOPLE OF THE STATE OF CALIFORNIA (“Plaintiff” or “the People”), by and through Xavier Becerra, Attorney General of the State of California, Jackie Lacey, District Attorney of Los Angeles County, Nancy E. O’Malley, District Attorney of Alameda County, Summer Stephan, District Attorney of San Diego County, Jeffrey Rosen, District Attorney of Santa Clara County, and Jeffrey Rosell, District Attorney of Santa Cruz County, brings this action against Defendant, Apple, Inc. (“Apple” or “Defendant”), for violating the California Unfair Competition Law (“UCL”) (Bus. & Prof. Code § 17200 et seq.) and the California False Advertising Law (“FAL”) (Bus. & Prof. Code § 17500 et seq.), and alleges the following on information and belief.

JURISDICTION AND VENUE

2. Defendant has transacted business within the State of California, including in the Counties of Alameda, Santa Clara, San Diego, Los Angeles, and Santa Cruz, at all times relevant to this complaint. The violations of law described herein occurred in the Counties of Alameda, Santa Clara, San Diego, Los Angeles, and Santa Cruz, and elsewhere in the State of California.

DEFENDANT

3. Defendant Apple, Inc., is a California corporation with its principal place of business at One Apple Park Way, Cupertino, California 95014.

BACKGROUND

4. Apple is one of the world’s largest cell-phone manufacturers, and makes the popular line of iPhone smartphones. Apple’s iPhones are powered by lithium-ion batteries, which lose the ability to provide voltage over time. Because utilizing peak processing power with a degraded battery can damage a phone’s electronic hardware, iPhones are programmed to automatically shut off when a battery can no longer provide sufficient voltage to support necessary processing power. Apple equipped their iPhone 6 and iPhone 7 generation phones, as well as their first generation iPhone SE phones, with batteries that were particularly susceptible to such

1 performance loss over time, which led to a higher than expected number of “unexpected power-
2 offs” (“UPOs”) as the phones aged.

3 5. In January 2017, Apple released an update to its iPhone 6 operating system called
4 iOS 10.2.1, which managed the UPO problem by downgrading iPhone processing performance as
5 the battery lost power. In other words, iOS 10.2.1 struck a trade-off: in order to prolong battery
6 life and prevent shutdowns, 10.2.1 slowed down—or “throttled”—iPhone processing
7 performance.

8 6. In December 2017, Apple released iOS 11.2, which struck the same tradeoff between
9 battery life and processing performance in Apple’s iPhone 7 models. All iOS updates between
10 iOS 10.2.1 and iOS 11.2.6, inclusive, throttled iPhone processing in order to compensate for
11 insufficient battery performance.

12 7. The iPhone models affected by these iOS updates were:

- 13 • iPhone 6;
- 14 • iPhone 6 Plus;
- 15 • iPhone 6S;
- 16 • iPhone 6S Plus;
- 17 • First generation iPhone SE;
- 18 • iPhone 7; and
- 19 • iPhone 7 Plus.

20 8. Throttled iPhone performance manifested itself in many ways noticeable to iPhone
21 owners. For example, throttled phones experience longer app launch times, lower frame rates
22 while scrolling, reduced screen brightness, and lower speaker volume. Overall, iPhone
23 performance was noticeably slower in throttled phones.

24 **APPLE’S DECEPTIVE ACTS AND PRACTICES**

25 9. Apple was not candid or forthright about throttling its iPhones, and chose instead to
26 mislead consumers about the purpose and effect of its iOS updates.

27 10. From the very beginning, Apple’s public statements about the iPhone 6, the first-
28 generation iPhone SE, and the iPhone 7 were directly contrary to the realities of the battery

1 performance and UPO problem Apple knew these phones were facing. For example, when Apple
2 released the iPhone 6, it touted that the phone had “blazingly fast performance and power
3 efficiency,” and that it “deliver[ed] higher sustained performance with great battery life.”
4 Similarly, Apple claimed that the new iPhone SE had “blazingly fast speeds [and] longer battery
5 life” and that the iPhone 7 delivered “more power and performance with the best battery life
6 ever.”

7 11. Apple compounded the deception created by its inaccurate claims regarding battery
8 and processing performance when it launched iOS 10.2.1—the first iOS update to throttle
9 iPhones—for iPhone 6 models on January 23, 2017. Upon release, Apple did not explain that iOS
10 10.2.1 would throttle iPhone performance. Rather, Apple misrepresented the purpose of the iOS
11 10.2.1 update in the description it provided to iPhone 6 owners, saying only that it “*improves*
12 *power management* during peak workloads to avoid unexpected shutdowns on iPhone.”
13 [Emphasis added.]

14 12. Approximately one month later, in February 2017, Apple doubled down on
15 misrepresenting the purpose and effect of the iOS 10.2.1 update when it provided a statement to
16 numerous media outlets about the iOS 10.2.1 update. Instead of explaining that iOS 10.2.1
17 throttled performance in order to compensate for poor battery performance, Apple claimed once
18 again that it, “*made improvements* to reduce occurrences of unexpected shutdowns.” [Emphasis
19 added.]

20 13. When Apple launched iOS 11.2 on December 2, 2017 for iPhone 7 models, it chose
21 to ignore altogether that iOS 11.2 throttled iPhone 7s in the same way that iOS 10.2.1 throttled
22 iPhone 6 models and the iPhone SE. Specifically, in the description Apple provided of the iOS
23 11.2 update to iPhone 7 users, Apple stated only that “iOS 11.2 introduces Apple Pay Cash to
24 send, request, and receive money from friends and family with Apple Pay. This update also
25 includes bug fixes and improvements.” Nowhere did Apple mention battery management or
26 performance throttling.

27 14. On December 18, 2017, a technology blogger published the results of independent
28 testing demonstrating that Apple had throttled its iPhones in response to battery performance

1 problems. This blog post touched off an intense round of media scrutiny criticizing Apple for
2 misleading consumers about its iPhone throttling practices. Only after the December 18 blog post
3 and the resulting media scrutiny did Apple come clean about its prior misrepresentations
4 regarding the UPO problem and its throttling of iPhone performance.

5 15. Prior to launching iOS 10.2.1, Apple knew that it had a problem. Specifically, Apple
6 knew that its iPhone customers were unhappy with the high rates of UPOs, but it also knew that
7 iPhone customers would be unhappy if Apple throttled phone performance to fix the problem.
8 Rather than being candid or forthright with its customers, Apple chose to misrepresent both the
9 nature of the UPO problem, and the throttling solution, to its customers. Apple did not reverse
10 course on this internal decision until it was publicly called out for its deception by the press in
11 late December 2017.

12 16. Apple's misrepresentations harmed iPhone users in myriad ways. First, some
13 consumers who purchased iPhones likely would not have had they been aware of Apple's battery
14 power problems and performance throttling solution. Second, because consumers were not aware
15 that the *battery* was in fact the cause of UPOs and performance throttling, some consumers likely
16 purchased an entirely new phone when they experienced diminished performance though, in fact,
17 a much cheaper battery replacement would have remedied the problem. Third, some consumers
18 likely suffered through diminished performance that they could have avoided. Ultimately, the
19 value of these consumers' iPhones was lower relative to what it would have been had Apple
20 equipped these customers with the information and agency to make informed choices about their
21 devices.

22 VIOLATIONS OF LAW

23 FIRST CAUSE OF ACTION: CALIFORNIA UNFAIR COMPETITION LAW

24 17. The People reallege and incorporate each and every allegation contained in the
25 preceding paragraphs 1 through 16, inclusive, as though set forth here in full.

26 18. Apple has engaged in business acts or practices that were unlawful, unfair, deceptive,
27 or misleading, and therefore violated Business and Professions Code section 17200. These acts
28 and practices include material misrepresentations and/or omissions regarding the nature of the

1 UPO problem and Apple's performance throttling solution, including but not limited to,
2 statements regarding: (1) the ability of the lithium-ion batteries in its iPhones to provide sufficient
3 power to support necessary phone processing; (2) the nature and cause of the high numbers of
4 UPOs, which were in fact caused by insufficient battery power, and; (3) the nature of the iOS
5 updates that throttled phone processing. These misrepresentations and/or omissions were material
6 and likely to deceive a reasonable iPhone customer or prospective customer.

7 **SECOND CAUSE OF ACTION: CALIFORNIA FALSE ADVERTISING LAW**

8 19. The People reallege and incorporate each and every allegation contained in the
9 preceding paragraphs 1 through 18, inclusive, as though set forth here in full.

10 20. Apple has engaged in business acts or practices that constitute violations of Business
11 and Professions Code section 17500. These acts and practices include making misrepresentations
12 and/or omissions regarding the nature of the UPO problem and Apple's performance throttling
13 solution, which Defendants knew, or by the exercise of reasonable care should have known, were
14 untrue or misleading at the time Apple made them. These misrepresentations and omissions
15 include, but are not limited to, statements regarding: (1) the ability of the lithium-ion batteries in
16 its iPhones to provide sufficient power to support necessary phone processing; (2) the nature and
17 cause of the high numbers of UPOs, which were in fact caused by insufficient battery power, and;
18 (3) the nature of the iOS updates that throttled phone processing. These misrepresentations and/or
19 omissions were material and likely to deceive a reasonable iPhone customer or prospective
20 customer.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, the People of the State of California respectfully request that this
23 honorable Court enter an order:

24 A. Issuing an injunction prohibiting Apple, its agents, employees, and all other persons
25 and entities, corporate or otherwise, in active concert or participation with any of them, from
26 engaging in unfair, deceptive or misleading conduct;

27 B. Assessing a civil penalty against defendant for each violation of Business and
28 Professions Code section 17200 and Business and Professions Code section 17500.

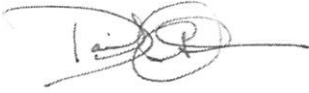
1 C. Ordering Apple to pay Plaintiff's costs of suit, including but not limited to all costs of
2 prosecution and investigation;

3 D. Granting such other and further relief as the Court deems equitable and proper.
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5 Respectfully Submitted,

6 XAVIER BECERRA
7 Attorney General of California

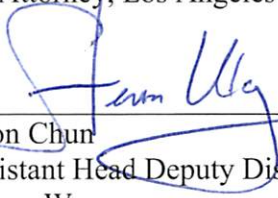
8 Dated: November 18, 2020

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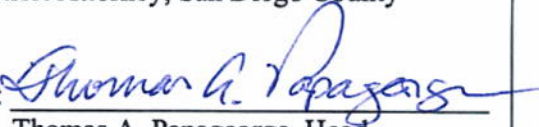
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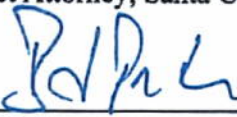
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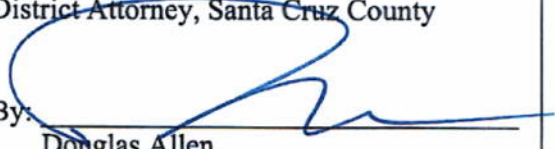
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2 The following additional attorneys also appear in this action as counsel for Plaintiff, the
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