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Registered Number 84121 England

Associated Newspapers Ltd response to the CMA's proposed Steering Conduct Requirements for Apple and Google

1. Associated Newspapers Ltd (**ANL**) is the publisher of the Daily Mail, Mail on Sunday, Metro and i newspapers; MailOnline, metro.co.uk and inews.co.uk websites; and New Scientist magazine. ANL is pleased to respond to the Competition and Markets Authority's (**CMA**) consultation on its proposed steering conduct requirement (**CR**).[1] This response covers the consultation for both Apple and Google.

2. ANL is extremely supportive of a remedy facilitating steering. In-app payments and subscriptions for ANL's apps are subject to exorbitant commissions, from both Apple and Google, of up to 30%. This is a perpetual tax and value transfer from UK-based businesses to the US, without any corresponding value being added to the UK economy.

3. ANL supports many elements of the proposed CRs. In particular, ANL supports the CMA's decision to proceed by way of binding CRs rather than relying on voluntary commitments from Apple and Google. In addition, ANL supports developers being able to use clickable links, rather than limiting them to text-only communications. ANL also supports the requirement for Apple and Google to retain cost-accounting evidence capable of substantiating any Steering Fee, and the prohibition on platforms restricting the use of dynamic links or associated link parameters.

4. However, ANL considers that the CRs require important changes if they are to deliver an effective steering remedy. In summary, Apple and Google should not be permitted to charge for steering; if any fee is allowed, it should be strictly cost-based, limited to a one-off charge and subject to prior CMA approval, with a default fee of zero unless and until approval is granted. The CRs should also minimise friction by prohibiting scare screens and restrictions on WebViews, while ensuring that developers may offer steering alongside in-app purchasing.

5. More broadly, the CMA should move promptly to address Apple's App Tracking Transparency framework, alternative in-app payment systems and alternative app distribution.

Apple and Google should not be permitted <u>any</u> fees

6. The CMA proposes to allow Apple and Google to charge developers for steering. Although it does not set the fee itself, it would permit Apple and Google to determine the fee by reference to principles of cost, value and administrative simplicity.[2]

[1] CMA, *Proposed steering conduct requirement for Google's mobile platform,*30 June 2026, link <u>here</u> (**Google Consultation Document**, which includes the draft CR (**Google CR**). CMA, *Proposed steering conduct requirement for Apple's mobile platform*, 30 June 2026, link <u>here</u> (**Apple Consultation Document**, which includes the draft CR (**Apple CR**)).

[2] CR [10(a)-(c)], Google CR and Apple CR.

7. ANL's position is that no fee should be payable for steering, which is a process whereby developers actively choose not to use a service offered by Apple or Google.

8. Any flexibility on fees will allow Apple and Google to render steering unattractive: the most obvious example of this is the EU, where fees are 20%[3] and steering adoption by developers remains negligible. If the CMA were to permit Apple and Google to set their fees according to the CMA's current proposal, it would need to explain why it expects a different outcome to the current unsatisfactory outcome in the EU.

9. Zero fees is the only fair and reasonable approach, when the following is considered:

    a. **The fact developers are opting *not* to use the service:** where ANL chooses to route a reader to pay on a website rather than through Apple and Google's in-app payment systems, ANL is not using Apple's or Google's payment processing, checkout, or billing for that transaction at all. Put simply, there is no service being consumed to charge a fee for. By comparison, where a user subscribes on the Daily Mail's website using Daily Mail's own payment processing and later accesses that subscription through the app, no payment is due to Apple or Google, even though the user receives exactly the same in-app content and functionality. There is no principled justification for charging a fee merely because the user reached the same website through a link in the app rather than independently;

    b. **Any value provided by Apple or Google is negligible**: ANL has built a well-established brands through sustained investment in high-quality journalism, consumer research and marketing. Consumers overwhelmingly seek out ANL's apps because of that brand and content, rather than discovering them through the App Store or Play Store. The proportion of users acquired through app-store discovery, as opposed to channels such as direct search, marketing or word of mouth, is therefore negligible. In any case, Apple and Google are separately remunerated for discovery in their app stores, by selling sponsored results;

    c. **The value app developers provide to Apple and Google**: consumers would not buy an expensive phone if there were no apps. Millions of consumers use their phone every day to read ANL's publications, so ANL plays a role in making Apple and Google's phone hardware, and the phone ecosystem generally, more valuable;

    d. **Physical apps pay nothing:** Apple and Google already charge zero commission (other than the annual developer program fee) to developers selling physical goods through the same App Store and Play Store. The CMA's own documents give the examples of groceries on the Tesco app and taxis on the Uber app:[4] those developers face no restriction on steering, can use whatever payment processor they choose, can link out freely, and do not pay a commission at all. They use exactly the same review, hosting, discovery, and security infrastructure as any other app. If the fee genuinely reflected the value of running that infrastructure, it would apply here too.

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[3] Clause 3.4C of Apple's Alternative Terms Addendum, link [here]().

[4] Footnote 11, Google and Apple Consultation Documents.

10. Zero fees is also the outcome that is most consistent with the desire to promote consumer value, competition, and economic growth in the UK because it is the only situation that is likely to make a material difference to the way in which mobile ecosystems operate, it promotes competition between UK fintechs, and it gives developers more margin to reduce their consumer prices and/or increase their R&D budgets. It's a win-win scenario for all parties.

Set any fees by cost, not by value

11. If the CMA is going to accept it must allow fees, it should choose the benchmark that is more readily enforceable. Apple and Google have shown that they will [redacted] any grey area, or discretion, to their advantage. In the EU, headline fees remain at around 20%.[5] In South Korea, Apple still charges up to 26%.[6] In the Netherlands, its effective commission is around 27% for dating apps.[7] In every one of those markets, the fee has been high enough that developers have not taken up the steering right in any meaningful way. A right that exists on paper but is priced out of existence in practice is not an effective remedy.

12. This process has cost too much, for too long, to end the same way. Years of work, and a great deal of public and private effort, have gone into reaching this point. If the CMA now settles on a fee-setting mechanism soft enough for Apple and Google to price steering back into irrelevance - exactly as has happened in [redacted] jurisdiction that has tried a discretionary fee based on value - that effort will have achieved nothing, and developers and consumers will be back where they started.

13. Cost is easier to pin down than value, and it is more objective. Properly done, a value assessment would also have to net off the value developers themselves provide to Apple and Google in the first place. Costis a number that more readily be evidenced, checked and enforced.

14. The CR should provide that Apple and Google work out what a steered link actually costs them to run, and charge that and nothing more. That is broadly the position the US has now reached: Apple may charge only commissions "*genuinely and reasonably necessary*" for coordinating external links, and no more.[8] The US is a high-growth economy which champions homegrown tech - the UK should be seeking to emulate its approach. If a cost-only fee is compatible with the world's most dynamic technology economy, there is no reason it would not work here too.

Flat fee rather than percentage

15. As currently drafted, the CMA seems to allow the steering fee to be expressed as a percentage of the developer's sales even if the 'service' being provided by Apple or Google has no connection to the price being charged to the user. This is clearly unfair and unreasonable.

16. No cloud provider, broadband provider, PC operating system provider, or indeed any other service provider without market power, charges their customer a percentage of their revenues. It may be that the CMA has in mind that a percentage commission could never be 'fair and reasonable', in

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[5] See Clause 3.4C Alternative Terms Addendum.
[6] The Korean Communications Commission, Market Survey 2024, summary, link here.
[7] Developer, Apple, Support: *Distributing dating apps in the Netherlands*, link here.
[8] United States Court of Appeals for the Ninth Circuit, *Epic Games, Inc v. Apple Inc.*, 11 December 2025, link here, pages 41-42.

which case that should be made explicit in the drafting because experience in other jurisdictions shows that Apple and Google will charge a percentage commission if allowed to do so.

17. For the avoidance of doubt, in our view, a percentage commission would clearly be inappropriate <u>even if</u> the SMS firm were allowed to charge for the 'value' it provides. If 'value' is properly calculated, it would not vary between developers according to how much they charge their own customers.

No indefinite fee

18. As currently drafted, the CR appears to permit Apple and Google to charge a steering fee on every automatic renewal of a subscription entered into following a steered transaction, potentially for months or years after the original click-through.

19. ANL strongly considers that any such fee should be limited to a one-off charge. A recurring percentage on each renewal is not a cost- or value-reflective payment for a referral, but an indefinite tax on the developer's ongoing revenue that becomes progressively less connected to the initial steering event. This is also inconsistent with the European Commission's approach under the DMA, which rejected Apple's claim to perpetual remuneration.[9] Unless the CR is amended, UK developers may therefore be left materially worse off than their international competitors.

20. A perpetual commission also fails to recognise consumer choice and portability, where a user acquired on an Apple device may well elect to move to a Google or other devise within any period of time, short or long, post-acquisition. Requiring the publisher to continue to pay Apple a steering fee where the subscriber has been retained by a publisher but has moved away from the hardware provider is an inherent unfairness.

21. Finally, the proposed CRs should also account for publishers' consumer-law obligations under the Digital Markets, Competition and Consumers Act 2024.[10] The new subscription regime will require publishers to permit consumers to cancel during an initial cooling-off period and following certain renewals, including the conversion of a free or discounted trial, and to provide any resulting refund required by the applicable regulations. Yet the proposed CRs contain no corresponding requirement for Apple or Google to return any commission or Steering Fee charged in respect of the cancelled transaction. This would leave the publisher bearing both the consumer refund and an App Store fee on revenue it has not retained. That asymmetry further supports a zero Steering Fee; at an absolute minimum, the CRs should require any fee attributable to a transaction to be refunded automatically and in full where the publisher refunds the consumer following cancellation.

Interim position

22. ANL is concerned that the proposed framework would allow Apple and Google to introduce self-certified steering fees when the CR enters into force, leaving the CMA to challenge any excessive fee only through a subsequent non-compliance investigation which could take up to 9 months. That

[9] Case DMA.100109, [191], link here.

[10] See Part 4, Chapter 2 of the DMCCA 2024.

would enable the platforms to continue charging potentially unlawful fees throughout a lengthy assessment and enforcement process.

23. Apple and Google have a strong commercial incentive to preserve existing revenues through superficial compliance and force the regulator to intervene after the event. The CR should instead require the platforms to submit any proposed fee for prior CMA approval, with the CMA required to decide within a specified period and the applicable fee defaulting to zero unless and until approval is granted. This would place the risk of delay on Apple and Google, rather than developers, and incentivise a genuinely fair and reasonable proposal from the outset.

Form of steering

24. In respect of friction and the form of steering, ANL has the following comments on the CR. Contrary to the CMA's current proposals:

    a. **Scare screens:** interstitial or warning screens should not be allowed. Apple and Google already permit apps selling physical goods and services to direct users to external payment methods without such screens, and there is no principled basis for treating digital goods differently. Any necessary information about the contracting party can be presented alongside the payment options. If the CMA nevertheless retains interstitial screens, the CR should expressly limit them to once every six months and require a prominent "do not show again" option.

    b. **WebViews:** Apple and Google should not be permitted to prohibit steering through WebViews. The CMA has identified no reliable evidence that WebViews cause consumer confusion, while its own evidence indicates that they are faster, involve fewer steps and create less friction than redirecting users to an external browser.[11] Restricting WebViews would therefore weaken the effectiveness of steering and, given the EC found restrictions on WebViews to be illegal friction in the EU,[12] place UK developers at a disadvantage to EU developers.

    c. **Side-by-side presentation:** Developers should be free to choose which payment options to display, including offering steering alone. At a minimum, however, Apple and Google must not require developers to choose between in-app purchasing and steering. The CR should expressly permit both options to be offered concurrently within the same app and storefront, so that developers are not forced to abandon a payment method that consumers have been conditioned to expect in order to exercise their steering rights.

Next priorities for the CMA

ATT

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[11] The CMA heard from developers that browser-based journeys "can be clunky and slow, whereas WebViews can load faster, involve fewer steps, and reduce friction ([4.69]-[4.71] (Apple Consultation Document) / [4.70]-[4.72] (Google Consultation Document).

[12] Case DMA.100109, [119], link here.

25. As set out in detail in previous earlier submissions, Apple's App Tracking Transparency framework opted users out of cross-app and cross-website tracking by default, via a consent prompt whose mandated wording and presentation discouraged opt-in.

26. The result has been a sharp decline in third-party advertising revenue, falling hardest on small businesses that rely on targeted advertising to reach new customers,[13] while Apple applies a materially softer, more neutral approach within its own ecosystem and continues to draw on first-party data to sell advertising across the App Store, Apple News and Stocks. As advertising revenue has declined, developers have been pushed towards the paid apps and subscriptions from which Apple profits directly through commission. The CMA identified this self-preferencing risk itself, in its 2022 Mobile Ecosystems Market Study, and Apple's subsequent SMS designation gives it a clear route to act on it. France and Italy have already fined Apple over ATT;[14] Germany, Poland and Romania have live investigations.[15] Yet the CMA's July 2025 Roadmap set ATT remedies aside without explanation.[16] This should not be allowed to continue.

Alternative app distribution and in-app payment

27. Steering is a welcome step, but it cannot match the seamlessness of paying directly in-app, and it does nothing to open up app distribution itself. The CMA should move promptly to consult on measures enabling alternative in-app payment systems, rather than continuing to defer the question at the root of the 30% commission problem. It should equally commit to addressing Apple's and Google's restrictions on alternative app stores and sideloading, rather than allowing indefinite delay while both companies continue to shield themselves from competition in how apps reach users in the first place.

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[13] *Evaluating the Impact of Privacy Regulation on E-Commerce Firms: Evidence from Apple's App Tracking Transparency*, link here.

[14] The Autorité de la concurrence, *Targeted advertising: the Autorité de la concurrence imposes a fine of €150,000,000 on Apple for the implementation of the App Tracking Transparency (“ATT”) framework* (March 2025), link here. The Autorità Garante della Concorrenza e del Mercato, *A561 – The Italian competition authority fines Apple over 98 million euro for abuse of a dominant position* (December 2025), link here.

[15] Bundeskartellamt, *Bundeskartellamt has concerns about the current form of Apple’s App Tracking Transparency Framework (ATTF)* (February 2025), link here. UOKiK, *Is Apple restricting competition? President of UOKiK brings charges* (November 2025), link here. Digital Policy Alert, *Romania: Announced Competition Council investigation into Apple over alleged abuse of dominance related to the App Store* (October 2023), link here.

[16] CMA, *Strategic market status investigation into Apple’s mobile platform: Roadmap of possible measures to improve competition in mobile ecosystems* (July 2025) para 1.19, link here.