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**Sent:** 2/15/2018 2:00:39 PM  
**To:** [REDACTED]@apple.com  
**Subject:** WW framework terms

## 1. Counterfeit /IP

\* Apple products should be sourced only from Apple or Apple Authorized Distributors.

[REDACTED]  
and we should be able to purchase from any Apple Authorized Reseller. We expect Apple to give us a list of all of its authorized resellers and would not hinder or deter resellers from working with Amazon. Certified refurbished selection is an open question.

\* Amazon must proactively monitor platform for counterfeits/knockoffs and cooperate with Apple to remove and prevent them.

We understand Apple's IP team may not be happy with elements of our anti-counterfeiting program and it's worth our respective teams digging in to see how we can collectively be more effective. You may not be aware that Amazon already aggressively and proactively monitors our store for counterfeits. In the trailing 6 months, 99.4% of all Apple listing removals (including those products branded "pple" and those hiding under another brand) were driven by our proactive efforts and not as a result of Apple's notices to us. In 2017, 98.2% of account-level enforcement action against bad actors was detected and driven by Amazon separate from notices of infringement from brand owners. Amazon will continue taking aggressive proactive action against bad actors that would intentionally violate Apple trademarks. And Apple should continue to be responsible for protecting its IP (including by monitoring listings, doing test buys from authorized resellers to ensure they are offering genuine product, providing us with notice if product is counterfeit, and cooperating with us in refining our controls). We don't expect it to be constructive to try to construct contractual commitments around our proactive efforts, just as Amazon will not seek contractual commitments from Apple around their anti-counterfeiting efforts and cooperation. We'll continue to iterate on our proactive detection and enforcement efforts and will need Apple to provide assistance to help us identify and close gaps. We are also open to opportunities to share more data with Apple around the effectiveness of our efforts and on bad actors. Non-Apple branded products, such as generic iPhone cables, that are not misrepresented to be Apple OEM products, are not in scope here and would not be restricted.

In any case, if Apple uses brand registry to provide information that will help identify unauthorized listing and to lock down creation of new ASINs with the Apple brand, and [REDACTED]

\* Brand Registry can supplement anti-counterfeiting terms in agreement.

Ideally Apple would get started now on Brand Registry independently from this terms agreement so it can immediately start to benefit from the incremental IP protection the service offers. My team tells me they've had a hard time getting Apple to engage on this. We're not sure what the impediment is but they are ready, willing, and able to work through any concerns or issues quickly.

## 2. Marketplace Management

\* Unless otherwise authorized by Apple, Amazon is the sole source of Apple Products and Services on Amazon's platforms.

We understand this to mean that Amazon would prevent marketplace sellers from listing against Apple products unless they are Apple authorized resellers. Amazon could consider this if [REDACTED]

[REDACTED] We would also need Apple to provide and regularly update a complete list of its authorized resellers, encourage (or at least not discourage) resellers to sell on Amazon, and allow Amazon to whitelist authorized resellers without seeking Apple's permission.

### 3. Customer Experience

\* Only Apple Products and Services appear in search results and product pages when Apple trademarked terms are used

We understand that Apple does not want to drive sales to competing brands in search or detail pages. For instance, when a customer types in "iPad" - a trademarked term for Apple - Apple wants search results to show Apple iPads. But an ad placement in search to Apple accessories that are procured directly from Apple or its authorized resellers would be acceptable. On Apple product detail pages, we understand Apple does not want to see any product placement that recommends non-Apple products.

[REDACTED] We cannot alter our organic search algorithm to return only Apple products in the search results when an Apple term is searched. We do not block or limit advertising on our detail pages, [REDACTED] Apple would need to purchase these placements or compensate Amazon for the lost ad revenue. Exclusivity in ad placements would not apply, in search, to the bottom of page (BOP) on desktop or after the 'nth' result on mobile, and on a detail page, to a stripe below the fold.

We would add a fourth key item:

### 4. Deal Structure

We need to agree on a framework for global CX/non-economic terms. Each region would opt-in only after reaching agreement on economic terms. Different regions may have slightly different CX implementations and things may break from time to time. We think a deal term of 2 years would be a good starting place as both sides should be committed to building this relationship over time, and we should come up with a mechanism to resolve minor disputes (e.g. suspending individual ASINs) and having a defined escalation path over a period of time. If we can't resolve after sufficient escalation, then the parties would have a right to terminate for convenience.