

August 20, 2020

Mr. Tim Cook CEO Apple 1 Infinite Loop Cupertino, CA 95014

Dear Mr. Cook,

On behalf of Digital Content Next (DCN), I am reaching out to you to better understand the "conditions" you mentioned in your July 29<sup>th</sup> remarks before the House Judiciary Committee. We would like to know what conditions our members – high quality digital content companies – would need to meet in order to qualify for the arrangement Amazon is receiving for its Amazon Prime Video app in the Apple App Store.

DCN is the only trade organization dedicated to serving the unique and diverse needs of the most trusted and well-respected media brands that, together, have an unduplicated audience of 223,098 million unique visitors or 100 percent reach of the U.S. online population. These brands enjoy trusted, direct relationships with consumers and advertisers. Many of our members provide their customers access to content through subscriptions, a model that two-thirds of subscribers (64%) perceive has a high value<sup>1</sup>.

In <u>response</u> to Rep. Hank Johnson's question on whether the arrangement afforded Amazon is "available to any app developers," you responded affirmatively that they are available to "anyone meeting the conditions.<sup>2</sup>" In <u>evidence</u> released by the Committee after the hearing, it appears the terms provided to Amazon include a significantly increased net revenue structure.

Nearly all of DCN's members offer apps in the Apple App Store and, as noted above, many offer subscription-based access to a wide variety of content. The terms of Apple's unique marketplace greatly impact the ability to continue to invest in high-quality, trusted news and entertainment particularly in competition with other larger firms. In keeping with your statement to the Committee, I ask that you clearly define the conditions that Amazon satisfied for its

<sup>&</sup>lt;sup>1</sup> Digital Subscription Economy, DCN, 2019

<sup>&</sup>lt;sup>2</sup> Online Platforms and Market Power, Part 6: Examining the Dominance of Amazon, Apple, Facebook, and Google, House of Representatives Committee on the Judiciary Subcommittee on Antitrust, 1:16:50.

arrangement so that DCN's member companies meeting those conditions can be offered the same agreement. I look forward to discussing this with you.

Jason Kint CEO
Digital Content Next

cc: U.S. House of Representatives Committee on the Judiciary