amazon.com

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July 1, 2014

The Honorable Edith Ramirez Chairwoman Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

RE: Amazon.com, Inc.

Dear Chairwoman Ramirez:

After what we believed were constructive meetings with you over the last several weeks focusing on Amazon's customer-centric approach to in-app purchasing, FTC staff have informed us that they have been authorized to file a complaint against us in federal district court if Amazon doesn't enter a consent order in the model of the Apple consent order.

It's an understatement to say that this response is deeply disappointing. The Commission's unwillingness to depart from the precedent it set with Apple despite our very different facts leaves us no choice but to defend our approach in court.

The main claim in the draft complaint is that we failed to get customers' informed consent to in-app charges made by children and did not address that problem quickly or effectively enough in response to customer complaints. We have continuously improved our experience since launch, but even at launch, when customers told us their kids had made purchases they didn't want we refunded those purchases. And as we have made clear from the outset of your inquiry, our experience at launch was responsible, customer-focused, and lawful, including prominent notice of in-app purchasing, effective parental controls, real-time notice of every in-app purchase, and world-class customer service.

In-app purchasing was and remains a new and rapidly evolving segment, and we have consistently improved the customer experience in response to data. That constant iteration on behalf of customers has produced not only an in-app purchasing experience that already meets the requirements of the Apple consent order, but the development of industry-leading parental controls like Kindle Free Time. We believe the Commission should promote that kind of iteration on behalf of customers.

No one is more focused on creating a great experience for customers than Amazon, and in that respect we are completely aligned with the Commission's goals. Pursuing litigation against a company whose practices were lawful from the outset and that already meet or exceed the requirements of the Apple consent order makes no sense, and is an unfortunate misallocation of the Commission's resources.

Sincerely,

Andrew C. DeVore