

**Before the
UNITED STATES COPYRIGHT ROYALTY JUDGES
The Library of Congress**

In the Matter of

**DETERMINATION OF RATES AND
TERMS FOR MAKING AND
DISTRIBUTING PHONORECORDS
(PHONORECORDS III)**

Docket No. 16–CRB–0003–PR (2018–2022)

DECLARATION AND CERTIFICATION OF MARY MAZZELLO

1. I represent Apple Inc. (“Apple”) in the above-captioned proceeding. I respectfully submit this declaration and certification in support of Apple’s Written Direct Statement in the above-captioned proceeding.

2. I have reviewed both the restricted and public versions of Apple’s Written Direct Statement, including all exhibits, affidavits, and expert reports (collectively, the “Written Direct Statement”). I also have reviewed the Protective Order issued in the above-captioned proceeding, dated July 27, 2016.

3. I have determined to the best of my knowledge, information and belief that the redacted portions of the Written Direct Statement contain “confidential information” as defined in Section III of the Protective Order. Accordingly, such confidential information has been marked “RESTRICTED — Subject to Protective Order in Docket No. 16-CRB-0001-PR (2018-2022) (Phonorecords III)” (“RESTRICTED”) pursuant to Section IV(C) of the Protective Order.

4. The confidential information in the Written Direct Statement includes non-public, material information concerning (1) Apple’s licensing agreements and the terms therein; (2) financial data, such as revenue and costs; (3) data and analysis concerning Apple Music

subscribers and usage; (4) Apple's royalty payments and the calculation of such payments; and (5) documents produced by other participants and marked RESTRICTED by them.

5. In particular, Apple's introductory memorandum contains, among other things, (1) information concerning Apple's revenue, subscribership and usage, (2) information concerning Apple's licensing agreements and the calculation of its royalty payments under those agreements, and (3) references to information found in documents marked RESTRICTED by other participants.

6. The Testimony of David Dorn contains, among other things, (1) sensitive information concerning Apple's licensing agreements; (2) data and analyses related to Apple's non-public financials, subscribership data, and usage data for its Apple Music service; and (3) information concerning Apple's royalty payments, which it makes pursuant to its confidential licensing agreements.

7. The Testimony of Rob Wheeler contains, among other things, non-public confidential information concerning Apple's licensing agreements, royalty payments, and the costs associated with Apple Music.

8. The Expert Report of Jui Ramaprasad contains, among other things, highly confidential information and analyses concerning Apple's subscribership data and references to information provided by other participants labeled RESTRICTED.

9. The Expert Report of Anindya Ghose contains, among other things, citations to documents provided by other participants labeled RESTRICTED.

10. Finally, Apple's Written Direct Statement includes exhibits and an exhibit list that contain highly confidential business information, document descriptions, and data. These exhibits include (1) non-public, highly sensitive licensing agreements, (2) non-public financial

data, (3) non-public user data and analyses, and (4) documents produced by the other participants as RESTRICTED.

11. Disclosure of the redacted information could competitively disadvantage Apple, provide a competitive advantage to another participant in this proceeding, or interfere with Apple's ability to obtain like information in the future. Indeed, many of the participants in this proceeding are direct competitors or sit opposite one another in negotiations. Disclosure of this confidential information to them, or to the public, could greatly harm Apple in future negotiations and provide competitors with information that Apple has taken great effort to keep confidential.

12. The confidential information described above and detailed in Apple's Redaction Log must be treated as "Restricted" pursuant to the terms of the Protective Order and should not be disclosed except in accordance with the Protective Order.

Pursuant to 28 U.S.C. § 1746 and 37 C.F.R. § 350.4(e)(1), I hereby declare under penalty of perjury that, to the best of my knowledge, information and belief, the foregoing is true and correct.

Dated: November 3, 2016
New York, NY



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