

Attorneys**Partner**

• Jeffrey C. Johnson

Partner Jeffrey Johnson Comments On iTunes Deal With European Commission

Partner Jeffrey Johnson was quoted by *Newsfactor.com* in a January 9, 2008 article about Apple's agreement with the European Commission to flatten its iTunes pricing structure across Europe ("Apple Agrees To Reduce iTunes Prices in UK").

Johnson said that he is not surprised by Apple's iTunes deal with the European Commission. Ordinarily, a well-advised company will not enter into any binding agreements intended to address a regulator's concerns until it has received some assurances that the proposed agreements will satisfy those concerns.

According to Johnson: "Europe and the U.S. are the most likely sources for this kind of active antitrust oversight, so I would be surprised if there were suits in other countries, particularly in light of the nature of the dispute. To the extent Apple does have different pricing structures in other jurisdictions, however, there will now be considerable commercial and market pressure for Apple to agree to equalize their pricing unless there are compelling reasons to justify the differential.

Johnson noted that this case demonstrates the fact that, unlike traditional "brick and mortar" business models, businesses that market electronically stored and delivered products might find it hard to convince customers – and regulators – that there are good reasons for regional cost differentials with those products.

To read the article by Jennifer LeClaire, please [click here](#).