

Exhibit 6

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Amazon Bad News Behind Mask Of State Tax Win

Just in time for Halloween, a Seattle federal judge ruled on Monday (Oct. 25) in favor of Amazon.com—but the ruling's effect was actually *against* Amazon and every other E-tailer. Technically, Amazon won a legal victory; the court said it was unconstitutional for the North Carolina Department of Revenue to demand names and addresses *and* details about books, movies and music that customers bought from Amazon. But the judge also said the state *could* have exactly what it needs to calculate sales taxes: who bought things and how much they cost.

Amazon has dressed up that court ruling as a big victory for customer privacy. But now Amazon will have to cough up the customer data, and North Carolina will begin to go after Amazon's North Carolina customers to collect the taxes due—and you can bet that the revenueurs will mention Amazon's name when the tax bills go out. Amazon is already collecting sales taxes in five states where it has physical operations. Therefore, a few

more court victories like this one, and Amazon might be better off just collecting all state sales taxes itself. [Read more.](#)


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How Big Will Mobile Be This Holiday Season? It's A Numbers Game

New figures from a National Retail Federation (NRF) survey suggest that mobile shopping will soar this holiday season. But digging deeper into the numbers suggests something much more nuanced. It shows a surprisingly large number of American consumers predicting they'll shop by phone as well as comments from younger, "practically married to their smartphones" consumers saying they'll *not* be using their phones for shopping—not even for research.

The story behind the numbers also gets into some definitional questions. Consider a 19-year-old who poses a question to a Facebook forum about which car to buy. Does that consumer think of such an inquiry as mobile research or merely talking with friends? Retailers are likely to see it as quintessential M-Commerce research, but the consumer—who is answering these survey questions—is more likely to see it as hanging with friends and say "no," said Pam Goodfellow, a senior analyst with Big Research, which managed the NRF survey. [Read more.](#)

PCI 2.0 Changes: The Good, The Bad And The Hashing

IT and business executives reading PCI DSS Version 2.0—slated to be released Thursday (Oct. 28)—will notice that it focuses on clarifications and additional guidance instead of providing a lot of new requirements. There are, however, two "Evolving Requirements" that, together with several clarifications, may impact how many retailers approach PCI compliance. Rather than taking the entire document apart piece by piece our resident QSA, PCI Columnist Walt Conway, highlights five items that caught his attention, along with the implications of each for retail IT executives.

The short version: You can expect to spend more time at the beginning of your assessment, and some of the approaches and technologies you may recently have put in place may no longer make the grade. [Read more.](#)

Retailers Struggling With The Concept Of Digital Ownership

As much as E-Commerce and Mobile Commerce are all about taking the in-store experience and making it better (easier, faster, cheaper) and perhaps creating a few experiences that are uniquely digital, digital sites are almost always more comfortable selling physical goods. That's true even for entirely digital operations, such as Amazon's Kindle.

That's why the announcement from Kindle that it will "later this year" introduce "lending for Kindle" is so potentially significant. (Nitpick: Why not simply say that it will be introduced this year? Isn't it assumed that you won't announce it earlier this year?) The concept is a direct steal from the physical world. A person who purchases an e-book can loan someone a copy of that book, with restrictions. [Read more.](#)

Amazon's Over-The-Top iPad Move: What's With Windowshop?

Amazon's announcement Tuesday (Oct. 26) that it was creating a new branded product for the iPad is a surprisingly direct acknowledgment that Apple's latest toy is in reality what so many marketers have falsely said about so many products: A true game changer.

Let's look at what the world's largest e-tailer said. Amazon—and tons of retailers—have made lots of ports to new platforms. You create a dedicated app and it has your brand on it. Or you craft a version of your product to run on the new platform. But Amazon, owner of one of the strongest brands in retail today, opted to give its iPad version an entirely new name: Windowshop. [Read more.](#)

Horror Stories of Mobile Money Fraud

With the mobile phone on the cusp of becoming a device for performing financial transactions, are we also on the cusp of a corresponding tsunami of criminal attacks on the mobile channel? Not to be alarmist, but yes, says GuestView Columnist Nick Holland. And there are already horror stories. In cyberspace, no one can hear you scream.

We're coming to an inflection point that will have some scary repercussions for the mobile industry. Until recently, criminals have had very little

incentive to attack the mobile channel. But this is changing, and fast. There are three reasons for this shift. [Read more.](#)

Bored With Your Current IT Gig? DSW May Be Able To Help

The CIO of \$2 billion shoe chain DSW is putting out feelers for a senior retail IT manager, one whose background focuses on applications (not infrastructure), merchandise planning distribution, allocation and logistics.

Background in "store systems would also be interesting" for this position, said DSW CIO Carlos Cherubin. "This is a new position, born of the fact that our organization is growing," he said, referring to its current 210-person IT operation (internal IT staff of 170 plus about 40 IT contractors). "We're a 200-person shop day-to-day," Cherubin said. [Read more.](#)

Starbucks' Mobile Payment Trial Working, Expanding To East Coast

Starbucks, which is one of the very few national retailers running any kind of a mobile payment trial, has sharply expanded its initial West Coast run, announcing this week a planned move into its almost 300 stores in New York City and parts of Long Island. (Target, another M-Commerce-interested retailer, has already been accepting the mobile payments at the Starbucks in their stores.)

One of the reasons for the urban move is a discovery from the 16-store test in Seattle and Northern California that "dense office building environments" worked out much better than "more neighborhoody environments," said Chuck Davidson, the category manager for innovation on the Starbucks Card team. He theorized that word of mouth in those office parks was the cause (and the lunch crowd, as opposed to the suburban tendency to solely do morning coffee). [Read more.](#)

Getting ROI From PCI Security: Can It Be Done?

One of the most frustrating truths in retail security is that, by definition, it has no [meaningful return on investment](#)—at least not in the sense that CFOs and board members view ROI. There's no chance at improving revenue or profit; at best, it's risk avoidance. Even that's dicey. If security is in place, how do you really know that you would have been breached otherwise?

One way to squeeze out ROI: Flip an unsexy security expense like PCI by

upgrading to a POS system that also moves lines faster or displays ads while customers are waiting. Or what about training cashiers to encourage debit-card users to key in their PIN—thus improving security and reducing the cost of card transactions at the same time? We explore these and other ideas in [the latest *StorefrontBacktalk* podcast on security](#). To listen to the podcast, [please click here](#). [Read more](#).

Visa CEO's Talk Of "Excess Cash" Sure To Sit Well With Retailers

In a recent financial statement (it involved declaring a quarterly dividend), Visa CEO Joseph Saunders made an interesting comment. Well, it should prove interesting to retailers who are steaming about their latest interchange fight.

Said the CEO: "This is the second consecutive year that the board has authorized a meaningful increase in Visa's dividend, demonstrating confidence in our business and our commitment to returning excess cash to shareholders." Excess cash? Yeah, that's exactly the phrase you want to publicly use with retailers who are already screaming about charges that they see as profiteering. [Read more](#).

European E-Commerce Groups Decide To Say What They Mean

With E-Commerce, sometimes it's hard just to figure out what analysts are talking about. Tackling that problem, the U.K.-based E-Commerce trade group IMRG on Friday (Oct. 22) announced a new E-Commerce measurement standard that's being supported by similar groups in Germany, France and Belgium.

The Global B2C E-Commerce Measurement Standard (GEMS) sounds impressive, but the "standard" actually consists of definitions of 10 terms (including "e-retail," "e-retail shopping," "payment" and "a week"), along with 22 retail categories that the groups count as E-Commerce and another 10 that the groups exclude. [Read more](#).

Note To PR People: Come And Get Us

Like most media outlets these days, we here at *StorefrontBacktalk* get deluged with PR people pitching stories about their clients. But also like most media outlets, very few of those pitches are appropriate for us.

To help, [we have crafted a page with our best-kept secrets](#) about how to successfully pitch a story to us. It starts with understanding our audience and how we try and differentiate our stories. [Read more.](#)

Wal-Mart Shoplifter Gets A Great Dumpster Hiding Space—Until Machinery Compacts Him

Some stores have all the fun. Remember the Ohio Wal-Mart where a [shoplifter faked a pregnancy \(as well as barcodes and a not-quite-shoplift shoplift\)](#) to try and get out of going to jail? Although that town only has one Wal-Mart, it seems to get more than its share of truly strange shoplifting stories.

It seems that a short time before the "my water broke" incident, that same store had a shoplifter who was almost caught, so he ran off and hid in a trash dumpster. It would have been a good move, had the collection truck not arrived and dumped the container's contents—including our intrepid shoplifter—into its compressing machinery. [Read more.](#)

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