



April 18, 2012

VIA HAND AND EMAIL DELIVERY

The Honorable Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515

The Honorable Anna G. Eshoo
Ranking Member, Subcommittee on Communications and Technology
United States House of Representatives
Washington, D.C. 20515

The Honorable Edward J. Markey
Member of Congress
United States House of Representatives
Washington, D.C. 20515

Dear Representatives Waxman, Eshoo and Markey,

I am writing in response to your letter of March 23, 2012, regarding the role industry can play to combat smartphone theft. I am pleased to note at the outset that Apple and the other members of CTIA - The Wireless Association, working with the Chairman of the Federal Communications Commission, recently agreed to implement voluntary measures designed to address smartphone theft. Those measures can be found online on the CTIA website. We are hopeful that the creation of this industry initiative speaks to your overriding concerns about the increase in smartphone theft, and we are committed to working with our colleagues to implement these measures.

I. Summary of Apple's Policies and Procedures

Apple provides its customers with an industry-leading suite of features designed to protect personal information and to locate and recover a device if lost or stolen. These features are free to our customers and can be accessed from any of our iOS devices through a downloadable app, or from any computer that is connected to the Internet. We also assist our customers if they contact us to report a stolen device.

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Our iCloud service includes a free feature called “Find my iPhone” that customers are prompted to activate during the initial setup process. When activated, this feature enables our customers to perform a number of tasks designed to protect personal information and to locate and recover a lost or stolen device. Using Find my iPhone, a user can:

- View the location of the device on a map, when the user has enabled location services on the device. If the device is powered off or is not connected to a Wi-Fi or cellular network, the user can request to receive an email once the device has regained connectivity.
- Display a custom message on the iPhone screen (e.g. “This iPhone is lost. If found, please contact me at XXX”), even when the home screen is locked.
- Play an alert sound at maximum volume, even if the iPhone is set to silent mode.
- Remotely lock the iPhone with a passcode to prevent unauthorized individuals from accessing the iPhone.
- Remotely wipe the contents of the iPhone.

These features are available to our corporate customers as well. A corporate IT department supporting the iPhone can enforce passcode restrictions and can remotely wipe a lost or stolen phone.

Finally, if a customer calls Apple or visits an Apple store to report the theft of an Apple product, we recommend that that customer report the theft to local law enforcement, and direct the customer to their wireless-service provider to suspend service. We assist law enforcement in any follow-up investigation, if we are contacted. On our online support knowledge base, we also provide customers with useful information regarding lost or stolen Apple products and important information specific to that customer’s account. (“Reporting a lost or stolen Apple product” at <http://support.apple.com/kb/HT2526>).

II. Responses to the Written Questions

1. What company policies and guidelines do you currently have in place that relate to cell phone loss?

Apple takes the security of customer data and devices seriously, and we provide an industry-leading suite of free tools to empower our customers to protect personal information and to locate and recover a lost or stolen device. We also assist our customers if they contact us about a stolen device. We have provided greater detail of these policies in the “Summary of Apple’s Policies and Procedures” section above.

2. Do you have an evaluation process to ensure that these policies keep up with advancing technologies and changing criminal tactics?

Apple is constantly working to improve the customer experience, and this extends to the features discussed above. For instance, the Find my iPhone feature was first introduced in 2009 as part of a paid service. In 2010, Apple made this feature available for free to all new iPhone customers. Apple also introduced the Find my iPhone app in 2010 and has worked to improve the app ever since, most recently by allowing users to receive an email message if an offline device regains connectivity.

- 3. Law enforcement and others have suggested that the ability to disable remotely mobile devices would reduce or eliminate resale value and thus lessen the incentive for cell phone theft. What are your views on this technology as a deterrent to theft?**

As discussed more fully above, we have provided our customers with an industry-leading suite of features designed to protect personal information and to locate and recover a lost or stolen device. These features include the ability to remotely lock a device, the ability to remotely wipe all data from the device, and the ability to locate a stolen device on a map. We believe that these features help protect our customers and can be a deterrent to theft. And as noted, Apple and the other members of CTIA - The Wireless Association recently agreed to take certain steps to help lessen the incentive for smartphone theft.

- 4. Does your company cooperate to retrieve lost or stolen phones? If so, how?**

If contacted by law enforcement, we assist them in any investigation related to a stolen iPhone. If a customer calls Apple or visits an Apple store to report the theft of an Apple product, we recommend that that customer report the theft to local law enforcement, and direct the customer to their wireless-service provider to suspend service. We also provide customers with important information specific to lost or stolen devices, including model information and serial numbers.

- 5. If your company has knowledge that a specific phone has been stolen, do you allow such a phone to be reactivated with a different phone number? If yes, please explain.**

Apple only activates a cellular service plan to newly purchased iPhones that Apple sells directly to the customer either in an Apple retail store or through the Apple online store. Apple does not either activate or reactivate iPhones that a customer purchases from another party and brings to an Apple retail store.

- 6. Australia has implemented a cell phone "blacklisting" program in which phones that have been reported stolen are placed on a list and cannot be reactivated if an individual brings them to a local carrier. This has significantly reduced cell phone theft in Australia. Would a similar program work in the United States?**

Apple and the other members of CTIA - The Wireless Association, working with the Chairman of the Federal Communications Commission, recently agreed to set of measures designed to address smartphone theft and to better protect our customers. Part of this agreement involves the creation, by the wireless carriers, of such a database.

7. What more can be done to protect consumers? Please include any additional insights that you believe we might find helpful or relevant?

We are proud of our record of developing and deploying tools for our customers to use to protect their devices. At Apple, innovation is a way of life, and we will continue to innovate in this area as well. And as noted, we joined with our industry colleagues to implement a new plan to better protect customers. Thank you for your interest in this matter, and please contact me if you require any additional information.

Sincerely,

A handwritten signature in blue ink that reads "Catherine A. Novelli". The signature is written in a cursive style with a small mark above the 'i' in Novelli.

Catherine A. Novelli
Vice President, Worldwide Government Affairs
Apple Inc.