PLAINTIFF
U.S. District Court - NDCAL
4:20-cy-05640-YGR-TSH
Epic Games, Inc. v. Apple Inc.

Ex. No. PX-0505

Date Entered
By

Subject: Re: Google working to target iPhone ad market

From: Steve Jobs

Received(Date): Fri, 10 Oct 2008 16:07:48 -0700

To: Philip Schiller

Cc: Brian Croll , Scott Forstall

Date: Fri, 10 Oct 2008 16:07:48 -0700

Actually, the more energy they devote to iPhone, the better. And the more dependent they are on our choices, the better. For example, we could choose to provide an ad API for developers using a Microsoft ad platform back end, and where would Google be then?

Steve

On Oct 10, 2008, at 3:14 PM, Philip Schiller wrote:

FYI

Google is rumored to be working on an ad system for iPhone app developers (thus obviously Android developers)

## Google working to target iPhone ad market

By Prince McLean

Published: 03:00 PM EST

Advertisers have reported that Google is working to build customized ad presentation options that target the iPhone, in recognition of Apple's market power among mobile web users.

A <u>report</u> in Adweek notes that "Google has presented a new option to show different ads in response to searches made from iPhones" in meetings with ad agencies. Although the company would not confirm the plans publicly, it did report that such plans have been "under consideration."

While systems to incorporate advertising support within iPhone apps are already common and ad networks targeting the iPhone's browser, including JumpTap and AdMob, already exist, Google's entry into the iPhone market is significant.

Google maintains a dominant lock on Internet advertising that even Microsoft has been stymied to challenge. It also reflects Google's view of the significance of the iPhone market, in much the same way as Microsoft's interest in partnering with Apple to provide Exchange Server support on the iPhone does. Both Google and Microsoft own their own competing mobile platforms.

The iPhone is unique in that it presents a standard desktop web experience as opposed to a mobile centric view by default. Many mobile phones present a simplified version of web pages using technologies such as WAP or Japan's imode mobile web.

Google hopes to offer advertisers the ability to target the roughly ten million iPhones in use with

Exhibit PX 505 ads that present mobile users with options to access customized options, including direct links to phone support or iPhone-optimized web apps.

Adweek cited a report in the *New York Times* from January that named the iPhone the top source of Google's web traffic.