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From: Tim Sweeney <

Sent: Sun, 3 Jun 2018 23:07:57 +0000 (UTC)

To:

Subject: Re: Fortnite interoperability and esports

United States District Court
Northern District of California

Case No. 4:20-ev-05640-YGR

Case Title Epic Games, Inc. v. Apple, Inc.
Exhibit No. DX-3125

Date Entered

Susan Y. Soong Clerk
By: Deputy Clerk

Thanks! I'll be reachable anytime.

Tim

On Jun 3, 2018, at 6:17 PM, < > < > > wrote:

Hi Tim,

Thanks for this note.

I'll give you a call tomorrow morning to talk about where we go from here. I'm encouraged and looking forward to connecting again.

Speak to you soon, Phil

Phil Rosenberg SIE LLC

On Jun 2, 2018, at 4:56 PM, Tim Sweeney wrote:

Hi Phil,

Thanks for your two long talks with me today. We would love to find a way to launch a great E3 Fortnite esports debut in partnership with Sony.

To summarize the E3 esports announcement plan in the case where Epic and Sony can't reach agreement on cross-platform interoperability in time: We will proceed with a general announcement of the PC and cross-console league structures and make significant esports announcements regarding Switch and Xbox. We will be clear that esports participation will be open to all interoperable platforms, that all other platforms are onboard (Apple, Google, Nintendo, Microsoft), and that Sony will be welcome to participate in the future should Sony policy be updated to allow it.

It would be very valuable to have face-to-face meeting time next week to discuss the opportunity with the appropriate folks, and I offer to travel to California, Japan, or both anytime next week.

In processing the tone and thoughts in these emails please understand that Epic much prefers, and we assume Sony also prefers, to have the frankest possible policy discussions in private now than to have any sort of public conflict later. And I apologize as I was optimistic that the opportunity offered in our original esports proposal was so wonderfully beneficial to Play Station and the future of the platform that these harder conversations could have been avoided

Tim

On Jun 2, 2018, at 11:53 AM, Tim Sweeney wrote:

Feel free to call me anytime today at Redacted.

We are working to deliver a new set of data on Tuesday.

Tim

On Jun 2, 2018, at 3:01 AM, wrote:

Hi Tim,

Can we start the deep data dives right away? But even if we can, I'm not optimistic we could get anything composed by E3; it's just a week away.

Maybe we should talk on Saturday. I want to make sure that I am crystal clear about what you are saying. Sound okay?

Phil

Philip Rosenberg - SIE SVP, Head of Global Publisher and Developer Relations

On Jun 1, 2018, at 10:45 PM, Tim Sweeney wrote:

Hi Phil,

Thanks for your continued efforts.

It's important to highlight how definitive a moment E3 will be for Fortnite and the general principal at stake.

We'll announce and release on Switch, with cross-play and cross-purchase between Switch, PC, Xbox, Mac, iOS, and Android (which is coming soon after E3).

We'll announce the broad details of the esports program, which will be extremely inclusive and player-friendly.

There is great eagerness among all partners to announce their esports

participation. We won't delay partner announcements by weeks or months on the mere hope of future Sony-Epic discussions being fruitful.

If we could reach a <u>definitive agreement</u> on cross-console by E3, Epic would be very flexible on the timing of announcing cross-console and even all console esports.

We'd ideally like to announce both at E3, but could delay announcement or implementation of either or both to allow more time to sort out the details.

Tim

On Jun 2, 2018, at 12:34 AM,

wrote:

Hi Tim,

I appreciate your note and sincerely want to assure you that my company is taking Epic's request seriously. As we have discussed in the past, we would never want to inhibit a gamer from enjoying a videogame anywhere he or she wants. We love our consumers too.



I have asked our legal teams around the world to review the letter that you attached to your email, and am confident they will dig in and discuss it right away. I certainly can't comment on your council's opinion, but I understand their points (I think!).



All that said, PlayStation does want to support Epic and its awesome eSports ambitions. And I / we very much appreciate your overture to build out a special PlayStation opportunity as a part of that ambition. We want to continue to have a close relationship with Epic. I will do my very best to keep the X-console dialog going with you and the stakeholders inside of my company.

I know that you have a clock running and yet, I still don't believe we will be prepared to be included in a Xconsole announcement during E3. That's why I asked Michael to respond to Joe's email earlier today; so you could have time to understand our position and could plan accordingly. I hope this is not an issue for you, and I certainly don't want to see any news regarding Fortnite that would be a negative for either of our companies. Our respective teams have great global marketing programs being developed, and plans for helping Fortnite expand into more opportunity markets. We certainly don't want to see that good work disrupted or slowed.

Sorry for the long winded, Friday night mail. I'm available this weekend if you would like to talk. In the meantime, let's start the data sharing ASAP as we keep driving the amazing Fortnite business.

Thanks for your partnership and understanding,

Phil

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From: Tim Sweeney

Sent: Friday, June 1, 2018 5:35 PM

To: Rosenberg, Phil

Subject: Fortnite interoperability and esports

Dear Phil,

Sony's interoperability restrictions have put both of our companies in an untenable position adversarial to our customers. Many Fortnite players are kids, and their friendships are being torn apart by Sony's segregation of players on competing platforms.

Frankly, we do not believe Sony's position is even legal. Please see the attached analysis prepared by our European counsel in the context of EU law including, importantly, GDPR data portability mandates with direct bearing on cross-play and cross-

purchase. We've also reviewed privileged analyses of follow-on implications in major jurisdictions of any punitive actions Sony might take to enforce this policy.

Perhaps Sony had not previously considered all of the implications of the GDPR legislation and of Sony's growing market position. We urge you to please do so now, and to please reconsider whether there is some amicable way that we can open up Fortnite together in a partnership benefiting all.

We believe that Fortnite esports collaboration on PlayStation will bring such enormous momentum and excitement to the Sony brand and player base that it will far outweighs any perceived negatives. Many of the most valuable companies in the world are those in the business of connecting people together socially. As the leading gaming brand, Sony is in the position to capitalize on Metcalfe's law economics more than any other.

Epic is flexible on the structure of esports competitions involving PlayStation. We simply proposed what we think will be the most inclusive and successful. If Sony's desire were for PlayStation to comprise a separate league in major esports competitions (and not be mixed with Switch and Xbox in those high-profile events), we'd happily accommodate that, provided we can agree on general game interoperability across platforms.

Ultimately, though we love Sony, we love our customers more.

Please inform Kodera-san, and please be clear, that Epic will enable full interoperability between all platforms in Fortnite at a timely point in the future.

Please understand that Epic firmly believes that this action is a matter of legal right and moral duty, and that I am conveying this to you following extensive deliberation and legal analysis across several continents with Epic's board members and major investors, and that we are prepared to pursue this course with all available resources, wherever it leads us, and for however long.

We urge Sony to find a way to enable this in a positive partnership, and to join Apple, Google, Microsoft, and Nintendo as stewards of platforms enabling all customers to play together with all of their friends.

Best Regards,

Tim Sweeney Founder/CEO, Epic Games