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Admitted in Massachusetts and  
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September 26, 2016

*Via Fedex*

Office of the Assistant Attorney General  
Antitrust Division  
Department of Justice  
Main Justice Building  
Room 3109  
950 Pennsylvania Avenue NW  
Washington, DC 20530  
Attn: Renata B. Hesse, Acting Assistant Attorney General

Dear Ms. Hesse:

Pursuant to the Department of Justice (“Department”) Antitrust Division's Business Review Procedure, 28 C.F.R. §50.6, our clients, Amadeus Group LLC (“Amadeus”) and Mystic Logistics LLC (“Mystic”, and together with Amadeus, collectively, the “Applicants”), submit this business review request for a statement of the Department's present enforcement intentions with respect to the proposed business conduct described herein.

Amadeus' new proprietary pricing engine technology tool would allow subscribers to calculate the most effective transportation and postage method to package and transport commercial mailings. Amadeus plans to launch this technology tool<sup>1</sup> on an annual SaaS subscription basis as described in more detail below (the “Service”). To use the Service, a subscriber will import detailed information in a mail.dat file format. The subscriber would then select various data, such as consolidation rate sheets or flat rates per piece, a minimum charge aggregation option, shuttle weight/rate logic, co-palletization rates, commingle rates, consolidation prep fees and/or agent markup amounts, etc. (“Subscriber Data”). The subscriber would then run the tool to identify, organize and abstract transportation and postage pricing scenarios for large mailings. The

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<sup>1</sup> To date, the tool has been made available to a handful of subscribers on a beta basis, as well as marketed at various trade shows.

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subscriber than specifies the packaging method. The Service tool produces side-by-side quotes for multiple-pricing scenarios for 5-digit penetration, postage, transportation and packaging methods and/or overall savings for that particular job. The subscriber may use the quotes to bid for jobs. The quotes and underlying Subscriber Data would remain available to the subscriber, and may be stored on the Service for up to a year to permit the subscriber to confirm the amount of postage and transportation savings as needed during the saved period.

The Service tool calculates quotes by considering industry standard variables such as:

- various transportation methods, such as consolidation, co-palletization, commingling, inbound shuttles and multiple minimum destination charge aggregation options.
- various add-on fees such as consolidation prep fees or agent mark-up fees on transportation.
- various packaging options for transport, such as tray, pallet, destination or mail job.
- Pricing for all pieces processed at the sectional center facility (SCF) or addressed for delivery in the service area of the same auxiliary service facility (ASF), the same network distribution center (NDC) or the same 5-digit zip code.

Each subscriber has control over what Subscriber Data and other information it will make available to Service, although not including certain information may adversely impact the value of the Service to a subscriber. In particular, some of the Subscriber Data required to produce quotes may be considered confidential information of a third party. In its service agreement with subscribers, Amadeus will demand that its subscribers and any contractors or employees who work with the subscribers or either of the Applicants refrain from sharing third party confidential information with the Service, either of the Applicants or their advisors without the third party's consent.

Subscription fees will be charged and kept by Amadeus. Each participating subscriber must commit to the Service for a period of one year, with automatic annual renewals unless either party gives the other 30 days' notice of non-renewal. This will ensure an acceptable degree of consistency as to the quantity and quality of Service a subscriber can expect to receive as part of its subscription. There will be no restriction on a subscriber's ability to join other services, including those that might be competitive to Service.

The Service offers a robust technology platform that enables subscribers to implement and operate the Service with modest effort. Once set up, the Service will be available, including operations that are automated, backend functionality, such as surfacing algorithms, usage

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measurements, traffic tracking and reporting. Thus, subscribers can participate in Service without incurring significant IT costs.

Service is designed to accommodate all types of subscribers in the direct mail industry. Because the quality of Service will improve with the number of participating subscribers, and there will be no restriction on the ability of a subscriber to join competing services, Amadeus does not anticipate capping the number of subscribers who may subscribe to the Service.

One element of Subscriber Data uploaded by a subscriber to run a quote using the Service is transportation support pricing information, i.e., pricing rate sheets ("Transportation Data"). Amadeus' affiliate Mystic provides transportation support services. So a subscriber may import Transportation Data from Mystic or from a third party who competes with Mystic.

Mystic and Amadeus work closely as affiliates. In some cases, Mystic employees provide services to Amadeus. As such, employees of Mystic assisted with the development of the Service tool. In particular, IT employees at Mystic are involved with the Service tool in their roles providing services to Amadeus. Mystic and Amadeus have developed a proposed safeguard that would deny Mystic access to the Transportation Data of a third party.

Amadeus proposes to use public key cryptography to deny Amadeus (and by extension, Mystic) access to the Transportation Data uploaded by a subscriber. This is to be accomplished by Amadeus contracting with a 3rd Party Service Provider (SP), for the purpose of encryption, to issue public keys to Amadeus while the SP controls the private keys used to decrypt the Transportation Data. As the SP is both the issuer and holder of the private keys, and at no time by contract can present the private key to Amadeus, Amadeus won't have possession of the private key and accordingly, will be unable to decrypt the Transportation Data.

There are two (2) processes which require the Transportation Data to be in an unencrypted state to operate the Service, neither of which impacts the proposed safeguard. The processes' operation and relationship to the subscriber, Amadeus and SP are described as follows:

(a) Subscriber Data Upload Process. The subscriber encrypts and uploads Subscriber Data to the Service using the public key provided to subscriber by Amadeus. However, Amadeus will retain in its store the Transportation Data in an encrypted state only. At no time is Amadeus provided the Transportation Data in an unencrypted state. Amadeus stores encrypted Transportation Data and notifies SP of new Transportation Data for validation. The SP, upon receiving notification from Amadeus, downloads the encrypted Transportation Data from Amadeus. SP decrypts the Transportation Data using private key, performs validation, and

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notifies Amadeus of the result for the subscriber. At no time is Amadeus in possession of private key used to decrypt Transportation Data. Amadeus cannot reverse-engineer the result to obtain the Transportation Data.

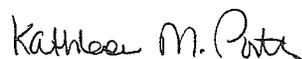
(b) The Service. Upon receiving the Service request from an Amadeus subscriber, Amadeus instructs SP to perform the Service. Upon receiving the Service request from Amadeus, SP downloads encrypted Transportation Data from the Amadeus store and decrypts it using the private key. SP performs the Service and returns the result to Amadeus. At no time is Amadeus in possession of private key used to decrypt the Transportation Data. Amadeus cannot reverse-engineer the result to obtain the Transportation Data.

The Service is a new service that Amadeus believes will have appeal to companies who drop ship large volumes of mail for their own business or on behalf of other businesses. However, Amadeus believes that these companies have meaningful alternatives to what the Service will offer. Thus, Amadeus believes there is little chance that Service could acquire market power as a result of the agreements it must enter into with participating subscribers in order for the Service to exist at all. Amadeus believes that the provision of the Service is in the public interest and poses no antitrust concerns.

We would be pleased to supply you with additional information or to meet with you should you find it useful for reviewing this request. Because Amadeus's ability to establish a network of subscribers is dependent on Amadeus's launch of the Service as described above, we would appreciate an expeditious response from the Department to this request. In the interim, any subscriber using the Service will be able to upload only Mystic's Transportation Data, not a third party's.

This letter contains confidential information. Therefore, the Applicants request that it be accorded confidential treatment to the fullest extent provided for by applicable statutes and regulations.

Kind regards,



Kathleen M. Porter

Copy to: Amadeus and Mystic Logistics  
Patrick M. Birney, Esq.