UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

IN THE MATTER OF

TAPESTRY, INC,

DOCKET NO. 9429

-and-

CAPRI HOLDINGS LIMITED

NON-PARTY BURBERRY LIMITED'S MOTION FOR IN CAMERA TREATMENT

Pursuant to Rule 3.45 of the Federal Trade Commission's Rules of Practice, 16 C.F.R. § 3.45(b), Non-Party Burberry Limited ("Burberry") respectfully moves this Court for *in camera* treatment of four exhibits containing Burberry's competitively-sensitive, confidential business information (together, the "Confidential Documents"). The Federal Trade Commission ("FTC") has notified Burberry that it intends to introduce the four Confidential Documents into evidence at the administrative trial in this matter. *See* Letter from the Federal Trade Commission dated August 29, 2024 (attached as Exhibit A).

Burberry requests that the Court grant *in camera* treatment of the Confidential Documents indefinitely or, in the alternative, for a ten-year period. Burberry is a third party to this litigation, and its confidential business documents would not have been made public but for the subpoenas issued by the parties to this proceeding and the related action pending in the United States District Court for the Southern District of New York. Public disclosure of the Confidential Documents would significantly harm Burberry's competitive position in the handbag industry. In support of this motion, Burberry relies on the Declaration of Amanda Slatin ("Slatin Declaration"), which provides additional details on the documents for which Burberry seeks *in camera* treatment (attached as Exhibit B).

I. The Documents for Which Protection is Sought

Burberry seeks *in camera* treatment for the following Confidential Documents, copies of which are attached as <u>Exhibit C</u>.

Exhibit No.	Description	Bates No.
PX3119	Burberry Spreadsheet: AUR Analysis	Burberry-0003
PX3120	Burberry Spreadsheet: Burberry Pricing Architecture - Updated Summer 22	Burberry-0004
PX3121	Burberry Spreadsheet: Burberry Pricing Architecture - Updated Spring and Summer 23	Burberry-0005
PX3122	Burberry Spreadsheet: Burberry Pricing Architecture- Updated Spring and Summer 24	Burberry-0006

II. The Confidential Documents Warrant *In Camera* Treatment Because They Are Secret and Material, and Public Disclosure Would Result in Serious Competitive Injury

The Confidential Documents warrant *in camera* treatment because they contain secret and material information, the public disclosure of which would lead to serious competitive injury. *In camera* treatment of material is appropriate when its "public disclosure will likely result in a clearly defined, serious injury to the person, partnership, or corporation requesting" such treatment. 16 C.F.R. § 3.45(b). An applicant meets this burden by demonstrating "that the information concerned is sufficiently secret and sufficiently material to their business that disclosure would result in serious competitive injury." *In re General Foods Corp.*, 95 F.T.C. 352, 355 (1980). In this context, courts strive "to protect confidential business information from unnecessary airing." *HP. Hood & Sons, Inc.*, 58 F.T.C. 1184, 1188 (1961).

When determining whether to grant *in camera* treatment, the court considers both the secrecy and materiality of the information, applying six factors: (1) the extent to which the information is known outside the business; (2) the extent to which it is known by employees and others involved in the business; (3) the extent of measures taken to guard the secrecy of information; (4) the value of the information to the business and its competitors; (5) the amount of effort or money expended in developing the information; and (6) the ease or difficulty with which the information could be acquired or duplicated by others. *See In re Bristol-Myers Co.*, 90 F.T.C. 455, 456-457 (1977).

As discussed in the Slatin Declaration, the Confidential Documents are both secret and material to Burberry's handbag business, therefore warranting in camera treatment. First, absent these proceedings, Burberry would not have disclosed the documents in question outside of the company. Slatin Decl. ¶ 3. Second, Burberry restricts internal access to these documents as appropriate, limiting the number of employees who can view them. Slatin Decl. ¶ 3. Third, Burberry has taken further measures to safeguard the information, including by passwordprotecting the documents. Slatin Decl. ¶ 3. Fourth, the materials contain highly sensitive confidential information of competitive significance, including strategic pricing analyses, granular competitor handbag comparisons, and detailed handbag sales data. Slatin Decl. ¶ 4. Public disclosure of this information would significantly harm Burberry's competitive position by empowering its competitors to adjust their own strategies based on Burberry's proprietary competitive and pricing analyses. As this court has noted, "[t]he likely loss of business advantages is a good example of a 'clearly defined, serious injury." In re Dura Lube Corp., 1999 FTC LEXIS 255, at *7 (Dec. 23, 1999) (quoting In re Gen. Foods Corp., 95 F.T.C. at 355). Lastly, others could not easily acquire or duplicate the information since the materials are proprietary to Burberry and not publicly known outside the company. For these reasons, the Confidential Documents are both secret and material to Burberry's business and necessitate *in camera* treatment.

III. Indefinite *In Camera* Treatment Is Justified Because the Confidential Documents Contain Trade Secrets that Will Remain Sensitive Over Time

The Confidential Documents at issue constitute Burberry's trade secrets, warranting indefinite *in camera* protection. Information may receive indefinite *in camera* treatment when "the need for confidentiality of the material is not likely to decrease over time." *In re E.I. DuPont de Nemours & Co.*, 1990 FTC LEXIS 134, at *2 (Apr. 25, 1990). Trade secrets, including "secret formulas, processes, other secret technical information, or information that is privileged" are examples that "merit[] indefinite *in camera* treatment." *In re 1-800 Contacts, Inc.*, 2017 FTC LEXIS 55, at *5 (Apr. 4, 2017).

For example, the court in *In re Tronox Ltd.* granted non-party Masco Corporation indefinite *in camera* treatment for documents "contain[ing] detailed analysis of manufacturing processes and evaluations of grades of titanium dioxide, proprietary R&D test results across numerous proprietary formulations, as well as information about internal manufacturing processes." *In re Tronox Ltd.*, 2018 FTC LEXIS, at *26. Similarly, as explained in the Slatin Declaration, the Confidential Documents here contain Burberry's proprietary internal processes for pricing and evaluating its competitive position in the handbag industry. In particular, the documents shed light on how Burberry determines its handbag prices relative to other handbag competitors, its overall product and price mix for handbags, whom it views as its closest competitors, as well as detailed sales data. If the Confidential Documents were disclosed publicly, a competitor could copy Burberry's internal processes for their own benefit or adjust their current analyses to consider the process Burberry uses to make competitive decisions concerning price, mix, and output. Moreover, the circumstances warranting *in camera* treatment are not likely to decrease over time because the

Confidential Documents contain the processes by which Burberry makes competitive decisions and whom it views as its closest competitors, two factors unlikely to change in the foreseeable future. As a result, the court should grant indefinite *in camera* treatment for the documents in question.

IV. In the Alternative, Ten-Year *In Camera* Treatment Is Justified Given the Competitively Sensitive Nature of These Highly Confidential Documents

Even if the Court does not grant indefinite *in camera* treatment, Burberry's Confidential Documents should receive *in camera* protection for at least ten years due to the especially confidential, competitively sensitive nature of the materials. Courts routinely grant ten-year *in camera* treatment for similarly sensitive information. *See In re Tronox Ltd.*, 2018 FTC LEXIS 78, *1 (May 15, 2018); *See Otto Bock HealthCare N. Am., Inc.*, 2018 FTC LEXIS, at *10-12. For example, in *In re Tronox Ltd.* the court granted ten-year *in camera* protection to documents containing "sales data, pricing, profitability, shipping information, and strategic business plans." *See In re Tronox Ltd.*, 2018 FTC LEXIS 78, at *32 (May 15, 2018) (granting ten-year *in camera* protection for 14 of 19 non-parties).

The Confidential Documents at issue here contain similar information, including detailed "sales data," "pricing" information, and "strategic business plans" in the form of comparisons between Burberry and competitor handbags. Accordingly, Burberry's Confidential Documents warrant at least the ten-year *in camera* treatment afforded to non-parties in other FTC matters.¹

¹ At a minimum, the Confidential Documents qualify as ordinary business records meriting five-year *in camera* treatment because they "contain information of a type which most businesses would prefer to keep confidential." *In Re H. P. Hood & Sons*, Inc., 58 F.T.C. 1184 (1961).

V. Conclusion

For the reasons set forth above and in the accompanying Slatin Declaration, Burberry respectfully requests that this Court grant permanent *in camera* treatment for the Confidential Documents in their entirety.

Dated: September 10, 2024

Respectfully submitted,

<u>/s/ Brendan Fee</u> **MORGAN LEWIS & BOCKIUS, LLP** R. Brendan Fee 2222 Market Street Philadelphia, PA 19103-3007 T: 215.963.5000 F: 215.963.5001 brendan.fee@morganlewis.com

Counsel for Non-Party Burberry Limited

STATEMENT REGARDING MEET AND CONFER

The undersigned certifies that counsel for Non-Party Burberry Limited ("Burberry") notified counsel for the parties via email on or about September 10, 2024 that it would be seeking *in camera* treatment of the Exhibits. Complaint Counsel and Counsel for Respondents indicated that they would not object to Burberry's motion.

Dated: September 10, 2024

<u>/s/ Brendan Fee</u> **MORGAN LEWIS & BOCKIUS, LLP** R. Brendan Fee 2222 Market Street Philadelphia, PA 19103-3007 T: 215.963.5000 F: 215.963.5001 brendan.fee@morganlewis.com

Counsel for Non-Party Burberry Limited

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

IN THE MATTER OF

TAPESTRY, INC,

DOCKET NO. 9429

-and-

CAPRI HOLDINGS LIMITED

[PROPOSED] ORDER

Upon consideration of Burberry Limited's ("Burberry") Motion for In Camera Treatment,

it is HEREBY ORDERED that the following documents are to be provided indefinite in camera

treatment from the date of this Order in their entirety.

Exhibit No.	Description	Bates No.
PX3119	Burberry Spreadsheet: AUR Analysis	Burberry-0003
PX3120	Burberry Spreadsheet: Burberry Pricing Architecture - Updated Summer 22	Burberry-0004
PX3121	Burberry Spreadsheet: Burberry Pricing Architecture - Updated Spring and Summer 23	Burberry-0005
PX3122	Burberry Spreadsheet: Burberry Pricing Architecture- Updated Spring and Summer 24	Burberry-0006

ORDERED:

Dania L. Ayoubi Administrative Law Judge

Date:_____



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UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Bureau of Competition Mergers II Division

August 29, 2024

VIA EMAIL TRANSMISSION

Burberry Limited C/O Brendan Fee Morgan, Lewis & Bockius LLP 2222 Market St. Philadelphia, PA 19103-3007 brendan.fee@morganlewis.com

RE: In the Matter of Tapestry, Inc. and Capri Holdings Limited, Docket No. 9429

Dear Brendan Fee:

By this letter we are providing formal notice, pursuant to Rule 3.45(b) of the Commission's Rules of Practice, 16 C.F.R. § 3.45(b), that Complaint Counsel intends to offer the documents and testimony referenced in the enclosed Attachment A into evidence in the administrative trial in the above-captioned matter. Please let me know if you need copies of the documents and testimony referenced in Attachment A.

The administrative trial is scheduled to begin on September 25, 2024. All exhibits admitted into evidence become part of the public record unless Administrative Law Judge Dania L. Ayoubi grants *in camera* status (i.e., non-public/confidential).

For documents or testimony that include sensitive or confidential information that you do not want on the public record, you must file a motion seeking *in camera* status or other confidentiality protections pursuant to 16 C.F.R §§ 3.45 and 4.10(g). Judge Ayoubi may order materials, whether admitted or rejected as evidence, be placed *in camera* only after finding that their public disclosure will likely result in a clearly-defined, serious injury to the person, partnership, or corporation requesting *in camera* treatment.

Motions for *in camera* treatment for evidence to be introduced at trial must meet the strict standards set forth in 16 C.F.R. § 3.45 and explained in *In re 1-800 Contacts, Inc.*, 2017 FTC LEXIS 55 (April 4, 2017); *In re Jerk, LLC*, 2015 FTC LEXIS 39 (Feb. 23, 2015); *In re Basic Research, Inc.*, 2006 FTC LEXIS 14 (Jan. 25, 2006). Motions also must be supported by a declaration or affidavit by a person qualified to explain the confidential nature of the material. *In re 1-800 Contacts, Inc.*, 2017 FTC LEXIS 55 (April 4, 2017); *In re North Texas Specialty Physicians*, 2004 FTC LEXIS 66 (Apr. 23, 2004). For your convenience, we included, as links in the cover email, an example of a third-party motion (and the accompanying declaration or affidavit) for *in camera* treatment that was filed and granted in an FTC administrative proceeding. If you choose to move for *in camera* treatment, you must provide a copy of the document(s) for which you seek such treatment to the Administrative Law Judge. Also, you or

your representative will need to file a Notice of Appearance in the administrative proceeding. For more information regarding filing documents in adjudicative proceedings, please see https://www.ftc.gov/about-ftc/bureaus-offices/office-secretary/document-filing.

Please be aware that under the current Scheduling Order **the deadline for filing motions seeking** *in camera* **treatment is September 10, 2024**. A copy of the May 16, 2024 Scheduling Order can be found at <u>Tapestry/Capri</u>. If you have any questions, please feel free to contact me at (202) 326-2553 or brisenmay@ftc.gov.

Sincerely,

<u>/s/ Blake Risenmay</u> Blake Risenmay Counsel Supporting the Complaint

Attachment

FEDERAL TRADE COMMISSION | OFFICE OF THE SECRE ATTACHLED 19/16/2024 OSCAR NO 611648 | PAGE Page PLJBLIGBLIC CONFIDENTIALITY NOTICE

Ex No.	Description	Date	Bates-Begin	Bates-End
PX3119	Burberry Spreadsheet: AUR Analysis	7/16/2024	Burberry-0003	Burberry-0003
	Burberry Spreadsheet: Burberry Pricing Architecture -	7/22/2024	Burberry-0004	Burberry-0004
	Updated Summer 22	7/22/2024		
PX3121	Burberry Spreadsheet: Burberry Pricing Architecture -	7/22/2024	Burberry-0005	Burberry-0005
	Update for Spring 23 & Summer 23	7/22/2024		
	Burberry Spreadsheet: Burberry Pricing Architecture -	7/22/2024	Burberry-0006	Burberry-0006
	Updated For Spring 24 and Summer 24	//22/2024		



UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF ADMINISTRATIVE LAW JUDGES

IN THE MATTER OF

TAPESTRY, INC,

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-and-

CAPRI HOLDINGS LIMITED

DECLARATION OF AMANDA SLATIN IN SUPPORT OF BURBERRY LIMITED'S MOTION FOR IN CAMERA TREATMENT

I, Amanda Slatin, hereby declare as follows:

1. I am Principal Counsel – Americas for Burberry Limited ("Burberry") and I make

this declaration in support of Burberry's Motion for In Camera Treatment.

2. I have reviewed and am familiar with the documents Burberry produced in discovery, including the following documents, which Counsel Supporting the Complaint in the above-referenced matter has indicated it intends to offer into evidence at the administrative trial in this matter:

Exhibit No.	Description	Bates No.
PX3119	Burberry Spreadsheet: AUR Analysis	Burberry-0003
PX3120	Burberry Spreadsheet: Burberry Pricing Architecture - Updated Summer 22	Burberry-0004
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3. These documents are highly confidential competitive and pricing analyses prepared by Burberry for internal use only. Burberry takes substantial measures to safeguard the confidentiality of these documents including by limiting internal access to these documents as appropriate, protecting them with passwords, and taking other reasonable steps to protect their confidentiality. In the absence of subpoenas issued by the parties to this proceeding and the related action pending in the United States District Court for the Southern District of New York, these documents would not have been disclosed outside of Burberry.

4. These documents contain highly confidential business strategy, including how Burberry prices its products relative to its handbag competitors. Disclosure of these documents would reveal Burberry's sensitive strategies to the public, and in turn, to Burberry's competitors, which would cause significant and irreparable harm to Burberry.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: September 10, 2024

Amanda Slatin Principal Counsel – Americas Burberry Limited



Hearing Exhibit Nos. PX3119, PX3120, PX3121, and PX3122

CERTIFICATE OF SERVICE

I hereby certify that on September 10, 2024, I filed the foregoing document electronically

using the FTC's E-Filing System, which will send notification of such filing to:

April Tabor Secretary Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-113 Washington, DC 20580 ElectronicFilings@ftc.gov

The Honorable Dania L. Ayoubi Office of Administrative Law Judges Federal Trade Commission 600 Pennsylvania Ave., NW, Rm. H-110 Washington, DC 20580

I also certify that I caused the foregoing document to be served via email to:

Blake Risenmay Federal Trade Commission 400 7th Street, SW Washington, DC 20024 Email: <u>brisenmay@ftc.gov</u>

Complaint Counsel

Al Pfeiffer Latham & Watkins LLP 505 Montgomery Street, Suite 2000 San Francisco, CA 94111 Tel: (415) 395-8898 Email: al.pfeiffer@lw.com

Counsel for Tapestry, Inc.

Jonathan M. Moses Wachtell, Lipton, Rosen & Katz 51 West 52nd Street New York, NY 10019 Tel: (212) 403-1388 Email: JMMoses@wlrk.com

Counsel for Capri Holdings Limited

By: <u>/s/ Brendan Fee</u>

Brendan Fee

Counsel for Non-Party Burberry Limited