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LITIGATION III, ANTITRUST DIV.
U.S. DEPT. OF JUSTICE

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April 27, 2012

Mr. John Read, Chief
Litigation III Section
Antitrust Division
U.S. Department of Justice
450 5th Street, NW, Suite 4000
Washington, D.C. 20530

Dear Sir:

I am writing to you regarding the current litigation involving the five publishers, Apple, and Amazon. My interest in this case arises from the fact that I am both a professor and an author who has a number of his own books handled by Amazon.

The issues in this case are extremely complicated and I am not competent to judge the matter on the basis of law. But I can give you my opinion of the impact that would occur if the defendants lost this case.

The publishers are accused of jointly negotiating to maintain a price level for their ebooks. This action was intended to maintain a fair price which would keep their businesses going in the face of rapid technological change and, incidentally, would also benefit authors who depend on royalties for income. Clearly, this was not price-setting in the "monopolistic" sense of the term. On the other hand, Amazon's ability to set prices even at below cost would infringe not only on the rights of publishers but also on those of authors.

To put it another way: As an author I would much rather see publishers make a satisfactory pricing arrangement with Amazon than leave the matter solely in Amazon's hands which, if it prevails, could act as a virtual monopoly regarding the pricing and sale of ebooks. It seems to me that any variance in consumer prices which might result is a legitimate return for the publishers' investment and for the authors' hard work.

Thank you for allowing me to express my opinion.

Sincerely yours,

Robert K. Murray
Robert K. Murray

Professor Emeritus
Pennsylvania State University