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June 22, 2012

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

Re: Comments on the Proposed Consent Decree in *United States v. Apple, Inc.*, et al., 77 Fed. Reg. 24518 (April 24, 2012)

Dear Mr. Read:

The Book Industry Charitable Foundation is a 501(c)(3) organization whose mission is to provide emergency financial assistance to book store employees. As a nonprofit dedicated to supporting the book industry we write today to oppose the proposed consent decree with Hachette, HarperCollins and Simon & Schuster, primarily because it requires that the Agency Model, adopted in April 2010, for the sale of e-books be eliminated by these three publishers for two years. We believe that elimination of the Agency Model will lead to the departure from the market of a sizeable number of the independent bookstores that are currently selling e-books.

The Binc Foundation believes that the Agency Model corrects a distortion in the market which, if uncorrected, will reduce or eliminate competition both on the publishing level and at the distribution level. By leveling the playing field, this model is pro-competition and enhances consumer choice, both leading to a stronger overall book industry.

Author events, book groups, and other promotion events regularly held at bricksand-mortar independent bookstores foster a sense of community. Further, we believe that the greater the number of books, the greater the number of voices and ideas enrich the lives of our citizens and better our society as a whole. In this way, independent bookstores are integrally important to the vitality of a democracy.

We are in agreement with the American Booksellers Association and ask "that the final consent decree not require publishers to drop the agency plan as a condition of settlement. If there was collusion in the market, DOJ and the court should punish those colluders. A two-year hiatus from the agency plan will not punish any alleged colluders. It will only punish indie booksellers and other e-book distributors who entered the market after the Agency Model was adopted by changing the terms of their business arrangement in a way that facilitates below cost-pricing by power buyer, and likely leading to a monopoly for that buyer."

Sincerely,

Pamela French
Executive Director