

Tattered Cover Book Store

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LITIGATION III, ANTITRUST DIV. U.S. DEP1 OF JUSTICE

June 18, 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,

Tattered Cover Book Store is a locally owned independent bookstore with three locations in the Denver, Colorado metropolitan area. We have been in business since 1971 and currently employ approximately 150 people. I write today to oppose the proposed consent decree with Hachette, HarperCollins and Simon & Schuster primarily because it requires that the Agency Model for the sale of e-books be eliminated by these three publishers for two years. I believe that the elimination of the Agency Model will radically change the current e-book distribution system and will severely impact the ability of our store to compete fairly in the marketplace.

Since the Agency Model was implemented in 2010, we have seen an exponential growth in our e-book sales that was solely due our ability to offer our customers competitively priced and lower priced e-books. These e-books are now available and compatible with a wide range of devices, including: Apple devices; Android devices; Kobo devices; Sony ereaders; Aluratek e-readers, iRiver devices, and personal computers. Essentially, the ebooks that we sell can be read on every device except the Amazon Kindle, which is a closed, proprietary system. We believe consumers deserve a competitive marketplace that includes stores of all sizes and types, local and on-line. To cede the marketplace to a single proprietary retailer would be a disservice to the customer.

Administrative Offices: 1628 16th Street, Denver, Colorado 80202 • 303-436-9219 Retail Stores: Colfax Avenue 303-322-7727 • FAX 303-399-2279 Historic LoDo 303-436-1070 • FAX 303-629-1704 Highlands Ranch 303-470-7050 • FAX 303-470-7047 1-800-833-9327 • www.tatteredcover.com • books@tatteredcover.com As an example, last year we welcomed over 500 authors at our stores. We also offer educational classes, children's story hours, and community gatherings of all kinds. I mention these activities to illustrate why we believe we are a vital part of our community and it is so important that we remain viable by offering our customers the services they want, including the sale of e-books.

In conclusion, we ask that the final consent decree not require publishers to drop the Agency Plan as a condition of settlement. A two-year hiatus from the agency plan will only punish independent booksellers like us and prevent us from offering e-books to our customers in a variety of non-proprietary formats at affordable prices.

Sincerely,

Matthew Miller General Manager Tattered Cover Book Store Denver, Colorado