

**From:** Douglas Preston [mailto:dpres[REDACTED] ]  
**Sent:** Tuesday, June 19, 2012 12:08 PM  
**To:** Read, John [John.Read@ATR.USDOJ.gov]  
**Subject:** Public comment on DOJ proposed settlement Re: alleged ebook price collusion

Dear Mr. Read,

I am the bestselling author of 25 novels and nonfiction books. Two of my publishers, Macmillan and Hachette, have been targeted by the DOJ for alleged price collusion in the ebook market. I am writing to comment on the DOJ's proposed settlement, to which I am opposed.

Let me tell you my own, personal experience with Amazon and its predatory market behavior.

My novel IMPACT was published on January 5, 2010, and it debuted at number 4 on the New York Times list. My publisher, Macmillan, was at the time in discussions with Amazon about its \$9.99 ebook pricing, which was three dollars less than Amazon's cost. The fear was that Amazon, through below-cost predatory pricing, was creating massive price deflation in the ebook market in order to sell electronic devices (Kindles) and gain a monopolistic market share. This predatory pricing was clearly an effort by Amazon to corner the ebook market. During the course of these discussions, Macmillan and Amazon disagreed over pricing. Amazon, as a negotiating tactic, to put pressure on Macmillan, removed all of its titles (physical and electronic) from its website. It just stopped selling Macmillan's books.

My book, IMPACT, was one of these titles. All of a sudden, my book could not be bought on Amazon.

The next week, my book dropped ten places on the New York Times bestseller list and the week after it was off the list entirely. I have had fifteen bestsellers and nothing like this had happened before. In analyzing the sales figures, my publisher felt this may have been a direct result of Amazon's removal of my book from its website.

I ask you, sir: if this isn't predatory, anti-competitive behavior, what is? I was one of thousands, perhaps tens of thousands, of individual authors directly hurt by Amazon's aggressive business practices. Amazon is one of the largest companies in the world. My two publishers, Macmillan and Hachette, are struggling, marginal businesses compared to Amazon. I am an author trying to make a living to support my family and send my kids to college. I was not party to Amazon's dispute with Macmillan. But Amazon used me, and thousands of authors like me, as expendable pawns in their dispute with Macmillan.

The reason the five publishers moved to agency model pricing was to **increase** competition in the ebook market. And it did. Amazon's share of the ebook market dropped from 90% to 60%. Yes, ebook prices went up. But antitrust actions cannot only be directed to reducing consumer prices. Many companies--like Amazon--engage in anti-competitive behavior by lowering prices for a while to gain monopolistic market share. Antitrust laws were first established in this country in response to large companies lowering prices below cost to drive out smaller competitors. The DOJ action against these five publishers is not only wrong, but it appears to be ignorant of history.

Mr. Read, the DOJ has made a serious mistake here. In a simplistic, ahistorical, and naive analysis of the situation, the DOJ initiated an action against the wrong party entirely. I protest.

Sincerely,  
Douglas Preston  
Author