

[w o r d s]

MAPLEWOOD'S BOOKSTORE

engaging readers of all ages and interests
welcoming patrons and employees with autism

June 17, 2012

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

RECEIVED *KMD*

JUN 27 REC'D 2012

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

Re: E-Book Pricing and the "Agency Model"

Dear Mr. Read:

I am the Managing Principal of [words] Bookstore in Maplewood, New Jersey and wish to comment on the reported settlement between the Department of Justice and the publishers Hachette, HarperCollins, and Simon & Schuster regarding e-book pricing. Specifically, we believe that the "agency model" of pricing e-books has fostered competition in the e-book market and support its continued use.

According to the agency model for e-books, the publisher, as opposed to a vendor, sets the price for a given e-book. This model has enabled a wide range of e-book retailers to participate in the market, and prevented a single large retailer from deeply discounting its e-books to create an effective monopoly. The result is increased competition in the e-book market, which benefits publishers, booksellers, and readers.

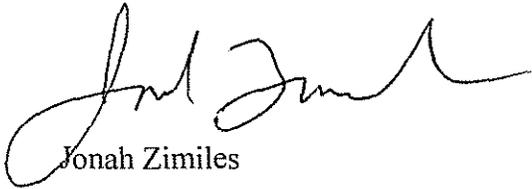
[words] is pleased to offer our customers the ability to purchase hardcover books, paperbacks, and e-books. As you consider the terms of this settlement, please consider the benefits of the agency model for an open and competitive market in which independent booksellers and large retailers alike can offer the best possible products and services.

Before I became a bookseller, I practiced law for a dozen years after serving as a law clerk to a judge on the United States Court of Appeals for the Third Circuit. My wife spent a decade as a federal prosecutor. Though I am not an expert in antitrust law, I do know a bit about prosecutorial discretion. Whatever the technical merits of the government's case, proceeding

with actions against publishers and the agency model, is in direct conflict with fairness and the public interest, and is an odd exercise of this authority.

[words] is more than simply a terrific bookstore. Our twin missions are serving as the literary and social hub of our local community and providing vocational training opportunities for young people with autism. We are a model social enterprise and proud to have provided jobs or job training to over forty of these individuals. The jobs of these individuals, as well as those of our twelve “neurotypical” employees will be in serious jeopardy if the agency model is eliminated.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jonah Zimiles", with a stylized, cursive script.

Jonah Zimiles

Jonah Zimiles, Managing Principal
179 Maplewood Avenue | Maplewood, NJ 07040
973-763-9500 | jonah@wordsmplewood.com | wordsmplewood.com