

June 25, 2012

John Read
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U.S. Department of Justice
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Dear Mr. Read,

This letter is coming on the last day of the comment period because I have been struggling to find words that might convey to you the damage that may accrue from your suit against Penguin, MacMillan, and Apple. I know this letter is inadequate but I cannot let the comment period pass by without making at least an attempt to convey to you the consequences for the country as a whole in this ill-advised suit.

England waltzed down the path you propose for the United States resulting in a country where Independent Bookstores are almost eradicated with only 350 to 450 remaining in a nation once rich in corner bookshops. France and Germany on the other hand have thriving literary communities. Both countries allow the publisher to set the price on their product, thus negating Amazon's cutthroat pricing policy. As a result France has about 2,000 Independent Bookstores and Germany has 4,900 with almost every town or village possessing a bookshop. Both these countries with far smaller populations and physical size already outnumber the bookstores remaining in the United States where Amazon is voraciously killing the Independent Bookstores.

Bookstores are more than just a place to buy books; they are a part of their community. We hold author events, put on events to raise money for charities, donate books to the local schools, lead community book club discussions, employ local workers, and use local accountants, attorneys and printers. While Amazon puts nothing into the community Independent Bookstores serve the community interests.

I know you think you are protecting the American consumer by forcing the lowest possible price on a book. But that is only part of the story. There is a high price to buying cheap. Across this land we are losing our regional and cultural identity. Chicago, Atlanta, Seattle, begin to look very much alike. The same chain stores, the same tilt up discount shopping centers. And in small towns it is even worse. As we lose the Independent shops, many of the towns

now have empty spaces where thriving local shops once prospered. It has been a fact that housing prices are more stable and higher when they are near a vibrant shopping district. So the failure of small shops with a regional identity has a negative impact on housing prices. Maybe you can buy your book for \$5.99 but you lose 5 or 10% on a \$200,000 house, the math is not advantageous.

There are studies showing that people live healthier lives if they live within walking distance of a vibrant shopping district. The country's health care is in crisis, bookstores are an important part of walkable shopping districts. If we can have a healthier population by getting out of our cars and walking, is that low priced book at the cost of losing the neighborhood stores really a good deal?

Independent Bookstores foster a sense of community. Neighbor meets neighbor at author events or book club meetings. As people's lives have become more hectic, the habit of driving everywhere more pronounced, neighborhoods can become nothing more than a housing development of strangers. Independent Bookstores within neighborhoods help people to know each other thus forging a feeling of community that can be reflected in neighbor helping neighbor. Amazon.com does not.

Authors are not best served by the Department of Justice's actions either. Many prominent authors including John Grisham, Richard Russo, Sherman Alexie, Jonathan Evison, and many others have spoken out against this ruinous lawsuit for the damage it will do to literature in the US.

Many items are priced by the company that produces them. This is not a new or unusual concept. In our store there are games, fine pens, all sorts of items that the producer of the product sets either a minimum or an exact price. In order to carry the product we agree to that pricing. It works and is a normal part of the business world. There is nothing intrinsically wrong with a company pricing its product to protect its brand. While publisher pricing thwarts Amazon's discounting practices it may help save the remaining Independent Bookstores.

It is my understanding the Department of Justice is charged with preventing companies from becoming a monopoly. Yet when publishers try to independently do just that, stop a monopoly from forming, you are imperiling them with a costly lawsuit that would encourage a monopoly. This is mind boggling. It would seem to me the Department of Justice should be

encouraging rather than punishing the publishers. What could possibly be wrong with publishers setting a price on their product? In the long run it serves the public well by protecting the public from facing a future where their options are very limited and Amazon is a strong monopoly.

I am not anti-Amazon. I believe they have a role to play in the economy of books. There are many good things about Amazon, but their pricing practices are predatory. Amazon is selling books for about the price an Independent Bookstore pays the publisher or distributor, leaving no profit margin at all. We cannot compete or survive facing this predatory pricing. It is not fair competition to sell at or near cost, it is in fact ruinous. Amazon is very nearly a monopoly right now; the Department of Justice's action will ensure it is a secure monopoly.

As taxpayers, business owners, employers, and members of the community, we strongly urge you to drop your suit against MacMillan, Penguin, and Apple. Further we urge you to release Harper Collins, Simon and Schuster, and Hachette from the draconian agreement they were forced to embrace in order to avoid a lawsuit with the Department of Justice, an opponent with limitless funds the publishers felt unable to battle. Those limitless funds are our tax dollars and we do not want them spent on creating a monopoly and imperiling Independent Bookstores that are part of our regional and cultural heritage.

Sincerely,



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