

From: Steve Jobs <sjobs@apple.com>
To: Eddy Cue <cue@apple.com>
Subject: Re: Book Prices Thoughts
Received(Date): Thu, 14 Jan 2010 18:19:39 -0800

I can live with this, as long as they also agree to the other thing you told me you can get: The retail price they will set for any book will be the LOWER of the applicable "iTunes" price below OR the lowest wholesale price they offer the book at to anyone else, with our wholesale price being 70% of such price. For example, our retail price for a \$26 book will be \$12.99 and we will pay 70%

if they are offering a \$26 book to Amazon
On Jan 14, 2010, at 6:04 PM, Eddy Cue wrote:

Here is the pricing I think will push them to very edge and still have a credible offering in the market. These are the highest individual iTunes prices as each publisher can choose a lower price if they want.

List Price	Wholesale	iTunes	70%	Diff
\$20.01-22.50	\$10.00-11.25	\$9.99	\$7.00	\$3.00-4.25
\$22.51-25.00	\$11.25-12.50	\$10.99	\$7.70	\$3.56-4.80
\$25.01-27.50	\$12.50-13.75	\$12.99	\$9.10	\$3.40-4.65
\$27.51-30.00	\$13.76-15.00	\$14.99	\$10.50	\$3.25-4.50
\$30.01-35.00	\$15.01-17.50	\$16.99	\$11.90	\$3.10-5.60
\$35.01-40.00	\$17.51-20.00	\$19.99	\$14.00	\$3.51-6.00

The other point I want to get is lowering the price while the book is on the NYT Bestseller List. This will be hard to get because they will be losing an additional \$1.40, but we should try. When a book that list for \$30 or less is in the NYT Bestseller List than the iTunes price will be no greater than \$12.99. Between \$30.01-35 in the NYT Bestseller List, the price will be no greater than \$14.99.

--- Eddy