

June 23, 2012

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

Dear Mr. Read,

I am writing today to oppose the proposed consent decree with Hachette, HarperCollins and Simon & Schuster. As a prospective bookseller in the heartland of America, I am disheartened by this proposed action. If enacted, I believe this settlement will change the current e-book distribution system and effectively price my locally-owned, community bookstore out of the e-book market before I have even had a chance to enter it.

This fall, Bluebird Books will open in Hutchinson, Kansas. When our community last enjoyed the benefits of an independent, locally-owned bookstore, e-books were an unfathomable concept to readers and booksellers alike. Yet today I know that for my venture to even be feasible, I will need an e-book strategy. I was thrilled when I learned that the American Bookseller Association's IndieCommerce e-book agreement with Google eBooks will provide that strategy for me. I was thrilled with the possibility that in addition to being all that a brick-and-mortar bookstore can be to its community, I will also be able to remain competitive in the e-book market.

Although Google has decided to pull out of the e-book market entirely, I believe that ABA's IndieCommerce will incorporate a new e-book solution for independent booksellers. However, this solution is possible only because of the Agency Model. The Agency Model allows not only a more diverse network of e-book distributors, but also lower prices to consumers. Apparently, the monopolizing presence of Amazon in the e-book market was good only for Amazon, while a more diverse e-book distribution system has benefited consumers, independent booksellers and publishers.

If the Agency Model goes away, I believe the market dominance of Amazon will return. IndieCommerce will not be able to develop a new e-book strategy for independent booksellers because Amazon will return to pricing e-books for far lower than small, independent booksellers will be able to purchase them. Not only will new community start-up bookstores like my own be prevented from even competing in the e-book market, but consumers will be locked into only one distribution channel.

Please do not require publishers to drop the Agency Model. The affect of this action will simply facilitate below cost pricing by a power buyer and eliminate any chances that locally-owned, community bookstores have of entering the market.

Sincerely,

Melanie Green, Owner Bluebird Books