

From: Heather Ripkey [mailto:crackerjackhea[REDACTED]]

Sent: Wednesday, June 13, 2012 3:19 PM

To: Read, John

Cc: Fairchild, Stephen

Subject: United States v. Apple, Inc. et al., No. 12-CV-2826(DLC) (S.D.N.Y.) – Comments on Proposed Final Judgment as to Defendants Hachette, HarperCollins, and Simon & Schuster

Re: United States v. Apple, Inc. et al., No. 12-CV-2826(DLC) (S.D.N.Y.) – Comments on Proposed Final Judgment as to Defendants Hachette, HarperCollins, and Simon & Schuster

Dear Sirs,

I am writing today about this antitrust case. I am an avid reader, book lover, eBook reader, and a member of the publishing industry.

I emphatically do not support the publishers' so-called Agency Model for eBook pricing.

Traditional publishing is predicated on the expectation of waste. If a bookstore does not sell a book, the publisher refunds the bookstore's money. These unsold and refunded books are often destroyed by the bookstore, or less often become remainders and sold for a fraction of the original price. As a former manager for two national bookstore chains, I personally destroyed thousands of books per month. The production cost of these unsold books is reflected in the retail price of traditional books.

While there are still costs associated with the production of eBooks, there is no need to factor such extreme waste into the equation. New eBooks are quite inexpensive to produce since the production of books is now completely digital throughout the publication process.

Consider a recent example from my employer, a small publishing company. It was decided that a book already in production would be made available as an eBook. The conversion from our digital publication files to eBook was outsourced for around \$400.00. Perhaps another thirty dollars was spent in payroll costs for our employees to upload the book to eBook retailers. For a cost of around \$430.00 an eBook was for sale. We are a small publisher with a modest market and so pricing the book at five dollars would allow us to recoup our costs after selling eighty-six copies.

It is ludicrous for publishers to claim that they must artificially control the prices of eBooks to stay in business.

Arguments that claim eBooks will put bookstore out of business are based on supposition and the-sky-is-falling fear mongering.

Price gouging and price fixing are prohibited by law. We allow the free market to regulate prices and the success of businesses.

It is my hope that the court will decide in favor of the free market and against artificial pricing.

Thank you for your time and consideration,

Heather E. Ripkey
Helena, Montana