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June 11, 2012

John R. Read, Esq.
Chief, Litigation III
Antitrust Division, United States Department of Justice
450 5th Street, NW, Suite 4000
Washington, D.C. 20530

RECEIVED *KRW*

JUN 27 REC'D 2012

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

Re: United States v. Apple, Inc., et al., 12-cv-2826 (DLC) (SDNY). Comments on Proposed Final Judgment as to Defendants Hachette, HarperCollins and Simon & Schuster.

Dear Mr. Read,

I am writing in regards to the proposed settlement in this case, which I have read in full. I am both a consumer that buys a very large number of new, printed books each year, as well as a book blogger who reviews the books of my choice on my personal blog. I truly love books. I spend a great deal of time reading books and participating in the online book blogger and general book reader communities. I am also one of the many consumers in this country that still prefers to buy print books and to have physical bookstores such as Barnes & Noble and independent bookshops as an option to purchase those books from. I hope that in any final settlement, the Department of Justice can consider the needs of *all* consumers - not just those who want cheaper ebooks and ebooks in general, but those of us that have a strong interest in physical books and bookstores remaining viable.

I feel physical bookstores have a great significance, both culturally and to the community. They are a wonderful place for young children to discover books, and for readers to meet authors and other book lovers. I credit early trips to the bookstore as a young child with developing an early love of books and reading, which was helpful to me as a student, and which I credit with my continued love of reading. The continued existence of physical books is also important for lower income readers, particularly children, as early literacy is so important, and who may not have access to expensive devices to read ebooks on. Amazon.com receiving too much power and the ability to take huge losses on ebooks to obtain market dominance threatens the interests of other consumers who want to be able to purchase physical books, and from physical stores or from online retailers other than Amazon.com, as well as ebook readers who would prefer to have purchasing options other than Amazon. Many other retailers may have service or values more in line with what some consumers are looking for, but will not have the financial means to compete with Amazon.com if they can once again sell far below cost against the wishes of the authors and publishers who worked so hard to produce those books, because Amazon can

afford to take huge losses on ebook bestsellers and then make up their losses selling other products such as expensive electronics in order to still make a profit.

The ebook market does not exist in a vacuum; it is integrally connected to the print book market. There is just one publishing industry, not an ebook industry and a print book industry. Any major changes to the ebook market and pricing will also have a major effect on the print book market, and the entire publishing industry. Amazon being able to sell ebooks as a loss leader to gain market dominance, something other companies simply cannot realistically afford (meaning they cannot realistically compete and thus, no competitive marketplace), will hurt companies such as Barnes & Noble and Books a Million, the last remaining physical chain bookstores, which then in turn hurts those consumers who wish to purchase their books at a physical bookstore. It will also hurt independent bookstores and the communities that love those bookstores. It may ultimately threaten the existence of print books themselves, which as I said previously, are very important to many people, if Amazon's sell below cost model creates completely unrealistic price expectations in consumers, which could make the publishing of traditional print books unsustainable.

While certainly collusion, if proven, can be ethically and legally problematic, so too can be giving a large amount of power to a large corporation that has deep pockets and an obvious interest in becoming a monopoly, to the detriment of customers who would like to purchase their books elsewhere, particularly from physical bookstores. I believe the best market for anyone who loves and values books, is a market in which both print and ebooks, and both physical and online booksellers, can survive. Lowering prices on ebooks at Amazon.com may in the short term serve the interests of those consumers who want cheaper ebooks and to buy only from Amazon, but in the long term, could very much harm the interests of the public by reducing the options for buying books, both online and in physical stores, reducing the availability of print books for the large number of consumers who still prefer them, and reduce access to books for those who cannot afford or access ereaders at all. I strongly encourage the Department of Justice to consider that the ebook industry is not a separate industry from the rest of publishing, that any action taken has great potential to harm those customers who prefer print books and physical bookstores, and therefore to consider the interest of all book consumers in the final settlement, and not just those consumers who wish to purchase ebooks from Amazon.com. As any settlement legally must serve the public interest, considering all consumers and potential future consumers of books, and not just Amazon customers, is the most appropriate action.

Sincerely,
Rebecca Herman
Fairfield, CT