

From: Feldma[REDACTED] [mailto:Feldma[REDACTED]]
Sent: Monday, June 25, 2012 12:08 AM
To: Read, John [John.Read@ATR.USDOJ.gov]
Subject: Agency Pricing

Gayle Feldman
131 East 74th Street
New York, N.Y. 10021
212 772-8265
Fax 212 517 4020
[feldma\[REDACTED\]](mailto:feldma[REDACTED])

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John Read, Chief
Litigation III Section
Antitrust Division
U.S. Department of Justice
450 5th Street NW, Suite 4000
Washington, D.C. 20530
john.read@usdoj.gov

Dear Mr. Read,

Like other Americans, I am writing to express my concern about the DoJ's proposed e-book settlement. I do not think it is in the best, long-term interest of the nation's readers and authors, its book business and book culture.

I view this situation through a quadripartite lens. I began my career working within book publishing houses in the U.K.; came to New York and in 1986 began covering the book business as a journalist, first for *Publishers Weekly*, then as a frequent contributor to the business section of the *New York Times*, and currently as New York correspondent for the London *Bookseller*; I am a published author, having brought out my first book in 1994 with W.W. Norton; and for the past nine years have been under contract to Random House, researching and writing a biography of its cofounder, Bennett Cerf.

Having been deeply immersed in the last hundred years of American book history for the Cerf biography, I know full well that there have been previous DoJ actions alleging collusion and cartels in the publishing business; no doubt there will be such actions in the future. Sometimes they are justified. This time, however, although Attorney General Holder may have authorized the DoJ to act with the best of intentions, I fear that he has been misguided.

Not being a proverbial fly on the wall, I can say nothing about the allegations of collusion. But I can say this: Amazon is an extraordinary American success story. One can only look upon it, marvel and be impressed. It created the Kindle and made e-books happen. But it did so in part by selling many of the most popular books below cost, thus gaining overwhelming market share, something that other companies, without its size and resources, could not do. In the Amazon ecosystem, Kindles and e-books also serve as advertisements and gateways to other far more expensive products that have nothing to do with books.

The agency agreement came into being *in response* to a near-monopolistic situation. It *increased* competition. It enabled other retailers, both online and bricks-and-mortar, to offer readers *more choice*. The remedies that the DoJ is now insisting on will almost inevitably turn back the clock – towards encouraging monopolistic behavior once again.

Stasis is not a good thing: people, businesses, cultures require some measure of change and development or they die. Our book ecosystem has been built up over generations. Of course it will need to adapt, to evolve. But ecosystems – even those that have been around for a long time and we take so much for granted – are delicate things. They can all too easily and suddenly not evolve for the common good – but instead collapse.

I hope the DoJ will think again.

Yours sincerely,

Gayle Feldman