

**From:** Lauren E. Abramo [mailto:labra[REDACTED]]

**Sent:** Friday, June 22, 2012 3:10 PM

**To:** Read, John [John.Read@ATR.USDOJ.gov]

**Subject:** Regarding the DOJ's proposed settlement with HarperCollins, Hachette, and Simon & Schuster

Dear Mr. Read,

As a literary agent and subsidiary rights director, but first and foremost as an American consumer, I am deeply concerned by the Department of Justice's proposed settlement with publishers with regard to e-book pricing. While the Department is charged with enforcing the law and seeking just punishment for unlawful behavior, it also seeks to defend the interests of the people of the United States, and it is my strong belief that this proposed settlement would accomplish the opposite.

As markets evolve and technology changes, it is inevitable that companies will need to find the right terms on which to do business. With the introduction of the agency model into e-book sales, publishers were able to foster competition among retailers that led to the introduction of technological improvements, improved customer experiences, and, yes, lower e-book prices. I know that you have been shown, by those with ample data to support it, that e-book prices have—contrary to expectation or allegation—lowered since the major publishers undertook the agency model with their retail partners. One need only take a look at the number of devices on which to read e-books now available to consumers to know that the last few years have seen the development of a wide array of choices for Americans who wish to buy them. With this choice has also come a lowering of prices for both the devices and the content that supports them and a dramatic increase in unit sales that keeps the market running to everyone's benefit. Competition in the marketplace has promoted the growth of new venues for e-book sales from libraries, to independent bookstores, to large chains.

In short, the major publishers' embrace of the agency model has given American consumers more choice at lower prices than ever before. Without the agency model, the company with the biggest bankroll controls the consumer experience. Readers suffer when only one company has a viable outlet for the content they want to buy. Authors suffer when only one company can provide them the access to the consumers who will purchase their books. Bookstores suffer when they cannot even leverage the assets that another retailer cannot hope to emulate because they've been priced out of the game.

Though the Department seeks to protect the American consumer from companies they feel have engaged in anticompetitive practices, the proposed settlement misapplies that notion and would inadvertently return the e-book market to a less competitive place. The agency model is not the problem, and subverting it would not serve the interests of the United States. Few things are as important and fundamental to our culture as books. The settlement, as it stands, would harm all of us who read books, those of us who write them, and the American public as a whole.

Furthermore, the terms of the proposed settlement are too ambiguous in their application, in the reporting of relevant data to confirm that the rules are being followed, and in the enforcement of these provisions—and the consequences of failing to meet them.

I urge you to reconsider so that the Department of Justice can truly accomplish its aims to defend all of our interests. Thank you for your time.

Sincerely,

Lauren E. Abramo

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