



SQUARE BOOKS

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RECEIVED *Kmw*

June 18, 2012

JUL 5 - REC'D 2012

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

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

Re: Comments on the Proposed Consent Decree in *United States v. Apple, Inc., et al.*, 77 Fed. Reg. 24518 (April 24, 2012)

Dear Mr. Read,

On behalf of Square Books, an independent bookstore in Oxford, Mississippi, its owners, employees, and dedicated supporters who wish for it to continue to serve its community of readers and writers, I write to oppose the consent decree with Hachette, HarperCollins, and Simon & Schuster. The consent decree will eliminate the agency model and surely result in anticompetitive effects, harming the fair market distribution of e-books (already stanchd by the intentionally monopolistic efforts of Amazon), existing businesses such as ours, and most importantly, the American consumer through injury to the open commerce, free expression, and the dissemination of information.

We support all the economic principles and facts that have been outlined in some detail in the letter to you from Oren Teicher and the American Booksellers Association, as well as the legal concerns expressed in same.

It is an Orwellian absurdity, if not a corruption of government, that the Department of Justice has taken the position that it has in this matter. The agency model is a mere finger in the dike against the total all-channels assault by Amazon upon the book industry and entire reading public. The fact that DOJ's role as Amazon's accomplice in this case is being subsidized by American taxpayer resources is further irony, not to mention that a recent former Deputy Attorney General, Jamie Gorelick, now sits on Amazon's board of directors, while the U. S. Department of State makes multi-million dollar Kindle reader purchases -- not open to bids -- from Amazon.

Your attention would be better directed to how it is that Amazon can become a publisher through an arrangement with Houghton Mifflin, print indelible so-called suggested retail

prices on the books, sell the books to wholesalers and retailers at a discount off this alleged retail price, sell to consumers at a price that is less than offered through wholesale channels, and spend millions of dollars advertising a given book in ads that never name itself as the publisher and cannot possibly earn out.

Or it might be worth your time to look into the arrangement Amazon -- with its proprietary electronic reading device that it sells below cost in its endeavor to capture the entire e-book market -- sought to form with Andrew Wylie, the world's most powerful literary agent, in order to become the exclusive e-book dealer of material by authors and their estates that is controlled by Wylie. (This arrangement failed to go through only because Wylie was shamed into withdrawing from it.) Perhaps you should look into Amazon's practice of hiring WalMart executives in order to imitate and expand WalMart's monopolistic successes. Perhaps you should investigate Amazon's widespread practice of selling books below cost in order to eliminate businesses and gain market share throughout all channels of the industry.

If you are genuinely concerned about fair trade, the book industry, and the rights of American consumers, you should look into some of the practices described above, letting go of the consent decree matter and giving it time to play out during this delicate and significant time of change in the book industry, instead of allowing lawyers from Amazon to bully you around and instruct you on what you should do in order to fortify its monopoly, the way they do everyone in the book business except small businesses like ours, which are too small to bother with and, with your help, won't be around much longer.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Howorth', with a large, sweeping flourish extending to the right.

Richard Howorth