

THE ZOË PAGNAMENTA AGENCY

20 West 22nd Street, Suite 1003, New York, NY 10010 tel 212-253-1074 fax 212-253-1075 www.zpagency.com

Monday, June 18, 2012

VIA FIRST CLASS MAIL

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 *Kmw*

JUN 27 REC'D 2012

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

Reference: 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. To be filed with Judge Cote.

Dear John R. Read, Esq.:

I am the president and founder of a literary agency based in New York. Like many others in my industry, I am very concerned by the proposed settlement between the US Government and Apple Inc et al. In my view, and in many of my colleagues' view, the proposed settlement is very simply not in the public interest. As Scott Turow, president of the Authors Guild, writes best: "Our government may be on the verge of killing real competition in order to save the appearance of competition."

The Department of Justice alleges that the move to agency model was anti-competitive and bad for the market, but this is not the case; the Defendants' actions *did* promote competition in the e-book market.

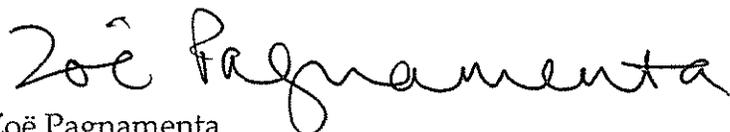
The proposed settlement will not foster "healthy" competition in the literary marketplace. In opening the door even wider to Amazon, the already creaking doors to Barnes & Noble, BAM, and struggling independent bookstores across the nation will be effectively sealed shut—not to mention the future of the book publishing industry as we know it (should the Defendant Publishers even survive) and the more serious, far-reaching implications for intellectual property.

E-books after all are texts; texts produced by writers whose rights are looked after by agents and publishers. It is the publishers who set prices; retailers are not the duly appointed owners of intellectual property. The proposed settlement would hinder the writer and his rights in favor of the consumer.

Yet, in this equation, there's no room for the consumer to win when a monopolist controls 90% of market share. The settlement is not in the public interest because it squashes the competition it aims to promote. Consumers should be permitted to formally interfere in the case for the purposes of filing an appeal. It may be that Amazon controls 90% of the DOJ too.

I do hope you will consider this letter along with the many other letters arguing against the settlement which I know you are already receiving.

Sincerely,

A handwritten signature in black ink that reads "Zoë Pagnamenta". The signature is written in a cursive style with a prominent loop at the end of the word "Pagnamenta".

Zoë Pagnamenta
President, The Zoë Pagnamenta Agency
Member of the Association of Authors' Representatives