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

May 4, 2012

John Read
Chief Litigation III Section
Antitrust Division
U.S. Department of Justice
450 5th Street, NW, Suite 4000
Washington, DC 20530

Dear Mr. Reid,

I am writing to you in regard to the Department of Justice antitrust suit concerning agency pricing on ebooks by book publishers. My bookstore is a traditional brick and mortar independent bookstore which is also a Google ebook affiliate, and thus directly involved in the sale of ebooks. I am writing to you because bookselling, an institution to which I have dedicated my professional life for the last 21 years, and which forms the livelihood of both myself and my employees, is under increasing threat from a monopolistic, predatory corporation, Amazon.com. There is no question in my mind but that agency pricing, the setting of minimum prices for individual, unique books by their producers, was undertaken by the book publishers named in the suit as a legitimate means to reestablish a competitive environment for the resale of their products. The competitive environment had been dangerously undermined by the monopolistic, predatory policy of Amazon.com to sell those products below cost.

Amazon.com is the Standard Oil of our time. They have been aggressively expanding both horizontally and vertically for many years now, purchasing publishers, used book consortiums, and Warehouse Robotics manufacturers, to name just a few of their recent acquisitions. The size and power of Amazon.com is now such that it periodically bullies states, such as South Carolina, over sales tax collection, and is in a position to bully producers, such as book publishers, with great force. An independent bookstore such as Devaney Doak & Garrett Booksellers cannot sell books at or below cost and survive. We require profit to pay employees, procure supplies, advertise, and make contributions to the welfare of our community. We do not have, nor wish for, the resources to starve out our competitors by selling below cost, purchase 775 million dollar robotics corporations, or bully states and book publishers, to get better terms or be exempted from

sales tax collection. All we require is something remotely resembling a level playing field in which we can compete in terms of service, price, and value.

Agency pricing was undertaken to reestablish fair competition in the face of monopolistic aggression by Amazon.com. It is too late to regulate a monopolistic corporation after they have attained monopoly. It would be a tragic irony if this attempt by the book industry to ensure a competitive environment were removed by the government, thus helping facilitate the further entrenchment of a non competitive monopoly. I implore you not to do that.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Kenny Brechner', written in a cursive style.

Kenny Brechner