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U.S. DEPT. OF JUSTICE

May 10, 2012

To Whom It May Concern:

As the owner of an independent bookstore in Santa Cruz, CA, I am writing to register my complaint related to the lawsuit filed by the Department of Justice against Apple and five major publishers concerning agency model pricing for e-books. I believe that the lawsuit is not in the interest of the publishing industry, bricks and mortar bookstores and, most importantly, book consumers.

Prior to the agency model, independent bookstores like mine were unable to sell e-books competitively. Amazon.com undercut the price of e-books to below our cost to purchase e-books from publishers thereby dominating the market. In fact, at that time, Amazon held 90% market share for e-books. The lack of an agency model created a monopoly for e-books and created a marketplace where prices remained high for every provider besides Amazon.

Only with the advent of the agency model were independent bookstores able to sell e-books competitively thereby expanding the marketplace and dropping e-book prices across the wide and diverse channel of bricks and mortar bookstores. Sales for e-books at my bookstore have risen dramatically during the last 18 months and customers have told us time and again that they appreciate being able to source e-books from more than just one retailer. The agency model made the marketplace more competitive and diverse.

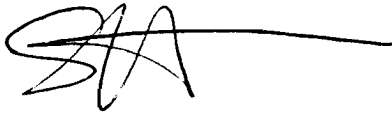
My fear is that this ruling will put all the power back in the hands of Amazon who will undercut e-book pricing. This will drive bricks and mortar bookstores out of the e-book business (the only part of the book industry that is growing) and will wreak havoc on the publishing industry,

especially for smaller publishers who don't have large margins. As Amazon increases their power at the expense of everyone else, the range of books being published will diminish and access to those books will be through one company only. As books are the basis for a strong cultural landscape, this ruling threatens the entire channel of bricks and mortar booksellers who also happen to be the heart of many main streets across America and the provider of many small business jobs.

It is true that through this ruling, consumers might save a dollar or two for their e-book. However, in the long-run, their choice on where to get e-books, and even which e-books are available, are going to be in the hands of one online company. This ruling hurts everyone but Amazon.

Please reconsider your ruling and subsequent settlements.

Thank you,

A handwritten signature in black ink, appearing to read 'SJA', with a long horizontal line extending to the right.

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Owner

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