

From: Staff@Seattle Mystery Bookshop [mailto:sta[REDACTED]]
Sent: Friday, June 22, 2012 3:07 PM
To: Read, John
Cc: d[REDACTED] Thom Chambliss/pnba; 'Oren Teicher'
Subject: DOJ vs Booksellers

Mr. Reed -

You may think of your case against those who came up with the 'agency model' in publishing to be on the right side of the law - and it very well may be. But it is on the wrong side of justice and the future of independent booksellers and publishing.

In the 22 years I've been selling books, little has been so damaging to bookselling as the rise of Amazon. While many people assumed that the so-called "Big Box" stores would kill us all off - it did kill off many - it has been Amazon's discounting model that has been the worst for us all.

And, by 'us all', I include you if you're a reader.

You see, Amazon has had an aim to undercut any and all prices, no matter what the over-all loss of revenue, in order to garner market share. And it has worked, nauseatingly well. First, they went after books by discounting so deeply that it made little sense for the average person to buy books anywhere else. Understandably, small independents who had weathered the Big Box revolution, couldn't compete and far too many have closed. This, perversely, strengthened Amazon - there were fewer competitors. (We've been able to survive due to our specialty selection and by having used books and a constant flow of signings. General independents lack those hedges. But the rise of e-book sales is eroding our sales.)

But the real dagger to the heart of publishing has been e-books. A great deal of the damage to publishers has been self-inflicted. By releasing a cheaper e-book version of a new hardcover simultaneously but at a lower price, they were inviting people to move away from printed books. However, once Amazon got their hands into the pie, publishing, and by extension booksellers, that pie hit the fan. Once again, not caring if temporary financial losses were taken, by drastically cutting the prices of the e-books they sold they cornered most of the market.

Jay Gould would have been green with envy. The Hunts look silly by comparison - too bad silver isn't electronic!

The agency model is the one thing that has stopped the inexorable slide to total domination of the e-book market by Amazon. The agency model is an attempt by those involved to reinstate some tiny bit of competitiveness in bookselling. If you take that out, kiss us all goodbye. There is no way for printed books to compete with ultra-cheap e-books. And that's what Amazon will do. If you look at their history, that's what they've always done. The sales of printed books has fallen over the last few years and only a stabilized, reasonable, across-the-board price for them will *perhaps* save the slide in sales of printed books. Publishers cannot survive selling just e-books and neither can booksellers. They don't make those selling them enough money - unless you sell the volume that Amazon does. You can't pay the rent selling e-books, you can't pay for the marketing departments, the editing, the publicity, the author tours - all of that goes away with the agency model. This may sound alarmist, but think of it this way; it is often said that a university football program is what keeps all of those other sports going... Hardcover covers are the football program of publishing.

So the law may say that the agency model is wrong, but justice says it is right, that it is necessary.

I hope you'll take all of this into account with your actions. If you do not read, if you don't ever browse in small bookshops, if you want to live in a world where the only place to get an electronic file is from Amazon, then by all means take down the agency model. If you do, America - it's authors and readers - will be far poorer for it.

Thanks for your time.

JB Dicker, owner

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