AG Gansler: Consumers Will Soon See Checks or Credits from E-book Price-Fixing Settlement and Related Trial

Major publishers to compensate Marylanders roughly $3.8 million

Baltimore, MD (March 25, 2014) - Attorney General Douglas F. Gansler announced today that Maryland consumers will begin receiving checks or credits to their accounts this week as part of the recent E-book price-fixing settlement. Attorney General Gansler, joined by 32 other state attorneys general, sued Apple, Inc. and five of the six largest E-book publishers in the country in 2012. Apple refused to settle but Hachette Book Group Inc., HarperCollins Publishers LLC, Simon & Schuster Inc., Holtzbrinck Publishers, LLC, d/b/a Macmillan and Penguin Group (USA) Inc., settled claims for a national amount of $166 million. Maryland consumers will receive approximately $3.8 million now that the United States District Court for the Southern District of New York has approved the settlements.

"Price-fixing is an illegal scam and Maryland consumers were denied a fair, honest and competitive marketplace," said Attorney General Gansler. "E-book consumers deserve these checks or credits which are coming their way in the weeks ahead. Since most consumers didn't have to fill out a form or file a claim, look for emails or credit notifications on the E-book accounts where you shop."

The amount of an account credit or check will depend on the number of eligible E-books a consumer purchased during the claims period, from April 1, 2010 to May 21, 2012. Whether a consumer receives a credit or check depends on the retailer through which the E-books were purchased and, in certain circumstances, whether a claim was properly filed or whether a consumer specifically requested a check. Eligible consumers should check their email for communications from their E-book retailer or from the Settlement Administrator regarding account credits or checks. More information about the settlements can be found at www.ebookagsettlements.com.

While the E-book publishers settled in 2012, Apple declined. As a result, U.S. District Court Judge Denise Cote conducted a three-week trial in June 2013. Judge Cote found that Apple played a central role in facilitating and executing a conspiracy to eliminate retail price competition in order to raise e-book prices, in violation of federal and state antitrust laws. A second trial to
determine the amount of damages Apple must pay for that violation is scheduled to begin in May. Pending the outcome, additional account credits or checks may be distributed to Maryland consumers.

Attorney General Gansler thanked Assistant Attorneys General Schonette Walker, John Tennis and Ellen Cooper for their work in this case.