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March 26, 2014

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Attorney General Patrick Morrisey Announces Distribution of Settlement Funds from E-Books Case

CHARLESTON ñ Attorney General Patrick Morrisey today announced that West Virginia consumers who purchased electronic books between April 2010 and May 2012 should receive account credits or checks this week as part of a national settlement.

A total of $697,193.97 is expected to be distributed among West Virginians who purchased e-books. Consumers will be compensated either through a credit to their e-books account or via a check, depending on which option they chose and which retailer was used to make the initial transaction.

“This is good news for West Virginia consumers who paid higher prices for electronic books,” Attorney General Morrisey said. “Regardless of their reasoning, businesses cannot work together to artificially inflate prices of any commodity. Because of actions by some publishers, e-book prices rose dramatically, in some cases by 50 percent, and the free market system that this nation enjoys was not able to work in the way in which it is intended.”

In 2012, 33 states and territories joined with the U.S. Department of Justice in a lawsuit alleging Apple Inc. and five of the nation’s six largest e-books publishers conspired to fix the prices of e-books. The publishers — Hachette Book Group Inc., HarperCollins Publishers LLC, Simon & Schuster Inc., Holtzbrinck Publishers LLC, d/b/a Macmillan, and Penguin Group (USA) Inc. — settled the claims against them for a total nationwide payment of $166 million, which includes the amount coming to West Virginia.

Apple Inc. declined to settle the claims, and a three-week trial took place last summer in the U.S. District Court for the Southern District of New York. A judge determined the company violated federal and state antitrust laws by conspiring to eliminate retail price competition. The trial did not address the issue of damages, which will be addressed at a future proceeding.

Consumers in West Virginia who purchased e-books between April 1, 2010, and May 21, 2012, and are eligible for refunds should expect to be contacted via email by the retailer or from the Settlement Administrator. The funds will not be distributed or administered by the West Virginia Attorney General’s Office.

“Consumers are entitled to a fair, open, and competitive marketplace,” Morrisey said. “When a company or companies violate antitrust laws, consumers are entitled to be compensated for their losses.”

Individuals with questions about the settlements may call 866-621-4153 or visit www.ebookagsettlements.com.

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