PIERRE, S.D. – Attorney General Marty Jackley and 15 state attorneys general today charged three of the nation’s largest book publishers and Apple Inc. with colluding to fix the sales prices of electronic books purchased in their respective states. The States’ antitrust case cites the defendants for violating the antitrust laws and the federal Sherman Antitrust Act.

“The actions of these companies to control the price of e-book sales violate antitrust laws at the expense of South Dakota consumers,” said Jackley. “Competition is vital in the marketplace and this lawsuit seeks to restore the free market for e-book sales and return monies to South Dakota consumers.

The States’ antitrust action stems from a two-year investigation into allegations that the defendants conspired to raise e-book prices. For years, retail books through a traditional wholesale distribution model, under which retailers – not publishers – set e-books’ sales prices. However, the investigation revealed that Penguin, Simon & Schuster and Macmillan conspired with other publishers and Apple to artificially raise prices by imposing a distribution model in which publishers set the prices for bestsellers at $12.99 and $14.99.

The States have reached an agreement in principle with HarperCollins and Hachette to provide significant consumer restitution as well as injunctive relief.

Defendants named in the States’ antitrust action:

- Macmillan
- Simon & Schuster
- Penguin Group
- Apple Inc.