Ohio Attorney General Mike DeWine - States Announce Agreement with Apple in E-Books Case

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(COLUMBUS, Ohio)—Ohio Attorney General Mike DeWine today announced a proposed settlement of claims for monetary relief against Apple Inc. related to its participation in a price-fixing conspiracy in the e-books market.

The settlement agreement, which remains subject to approval by the U.S. District Court for the Southern District of New York, would resolve claims for consumer damages brought by Ohio and 32 other states and territories.

"Challenging anti-competitive business behavior helps ensure that consumers are getting a fair market price that has not been illegally inflated," Attorney General DeWine said. "Ohio consumers and other e-book purchasers have already benefited from previous settlements with e-book publishers, and we hope that this settlement will provide further relief."

Pursuant to the settlement’s terms, the amount consumers would receive is contingent upon the resolution of Apple’s appeal of the District Court’s July 2013 finding that Apple violated antitrust laws by orchestrating a conspiracy with five publishers to artificially raise prices for e-books between 2010 and 2012. That appeal is currently pending before the United States Court of Appeals for the Second Circuit.

Consumers nationwide (including those represented by private counsel in a related class action) will receive $400 million if the court’s ruling is ultimately affirmed. If the appellate courts do not affirm the court’s ruling, the settlement provides for a smaller recovery ($50 million) if the case is sent back for reconsideration or a new trial, or no recovery if Apple is ultimately determined not to have violated the antitrust laws.

This settlement, combined with previous publisher settlements, will provide consumers with over twice their actual damages, assuming the Apple liability finding is upheld on appeal.

Nationwide, e-book purchasers already have received compensation from $166 million in settlement funds paid by the five publishers involved in the conspiracy: Penguin Group (USA), Inc. (now part of Penguin Random House); Holtzbrinck Publishers LLC d/b/a Macmillan; Hachette Book Group Inc.; HarperCollins Publishers LLC; and Simon & Schuster Inc.

Ohio consumers comprise approximately 2.9 percent of e-book purchasers in the country.
Documents

Proposed settlement agreement

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