Missouri Attorney General

Attorney General's News Release

July 16, 2014

Apple e-books settlement

Jefferson City, Mo. – Attorney General Chris Koster today announced that the 33 states litigating against Apple in the e-books antitrust litigation have reached a settlement that will pay up to $400 million in consumer damages if the liability order entered against Apple is affirmed by an appeals court. The settlement, which is subject to court approval, would resolve a July 2013 ruling that Apple conspired with five publishers to increase retail prices of e-books from 2010 to 2012.

Missouri joined the investigation prior to the filing of the lawsuit, served on the expert committee, and assisted with discovery and preparing the case for trial last June.

Following the trial, Judge Denise Cote ruled that Missouri, the other states, and the United States Department of Justice had proven that five leading publishers - Hachette, HarperCollins, Macmillan, Penguin and Simon & Schuster - conspired to eliminate retail e-book competition and raise prices ahead of the impending launch of the iPad. The judge found that Apple played a key role in facilitating the conspiracy, which would not have succeeded without their involvement. Apple has appealed that decision to the United States Court of Appeals for the Second Circuit.

Consumers have already received compensation from a $166 million settlement fund paid by the five publishers involved in the conspiracy. The $400 million settlement with Apple is contingent upon the resolution of Apple's appeal of Judge Cote's 2013 ruling. The settlement provides for less relief if the decision is remanded for a new liability trial, and no relief in the event it is reversed without remand.

"E-book price increases were not the result of market forces, but rather a scheme that involved five publishers and was orchestrated by Apple," Koster said. "If the judgment against Apple is affirmed, Missouri consumers will share a total of $6.4 million in settlement compensation from this settlement, to be distributed based on e-book purchasing information. Affected consumers will recover approximately double the amount they overpaid due to the conspiracy, a clear victory for Missouri consumers."