ARKANSAS CONSUMERS TO RECEIVE RESTITUTION IN SETTLEMENT WITH E-BOOK PUBLISHERS

LITTLE ROCK - Attorney General Dustin McDaniel announced today that Arkansas consumers will share in a national settlement of nearly $70 million to resolve claims that three of the nation's largest book publishers conspired to fix the prices of electronic books, or e-books.

Book publishers Hachette Book Group, HarperCollins Publishers LLC and Simon & Schuster Inc. entered into an agreement with McDaniel and attorneys general from 53 other jurisdictions to settle allegations that the publishers engaged in price fixing and eliminated retail-price competition, causing consumers to pay artificially high prices for e-books.

"Consumers across the country paid millions more than they should have for e-books from these publishers," McDaniel said. "With this settlement, Arkansas consumers harmed by the publishers' schemes can receive restitution. This legal action sends a message to companies that collude to fix prices that their actions will not be tolerated."

The settlement stems from a two-year investigation into the three publishers, as well as nonsettling publishers Macmillan and Penguin.

Consumers who purchased e-books from the publishers during the period from April 1, 2010, to May 21, 2012, may be eligible for restitution. Arkansas consumers' share of today's national settlement with Hachette, HarperCollins and Simon & Schuster will be approximately $471,000.

In addition to consumer restitution, the three settling publishers have agreed to terminate existing agreements with retailers that constrained the retailers' ability to offer consumer discounts or promotions on the sale of e-books.

The settlement agreement also precludes the publishers from further conspiring or sharing competitively sensitive information with their competitors for the next five years.

Attorney General McDaniel and other attorneys general are continuing their litigation against the nonsettling publishers and Apple in a separate lawsuit based upon the same investigation. A trial date with Macmillan, Penguin and Apple is set for early June 2013.

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