FOR IMMEDIATE RELEASE

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CHARLESTON – West Virginia Attorney General Darrell McGraw has reached an antitrust settlement with three of the largest book publishers in the United States. Hachette, HarperCollins and Simon & Schuster have agreed to pay a total of more than $69 million to consumers across the country to resolve antitrust claims of a conspiracy to fix the prices of electronic books (e-Books).

The settlement occurs in conjunction with a civil antitrust lawsuit filed today in U.S. District Court for the Southern District of New York against Hachette, HarperCollins, and Simon & Schuster by 55 attorneys general from states and territories which alleges that the three settling publishers and others, including non-settling publishers Macmillan and Penguin (collectively, the “Agency Five” publishers), “conspired and agreed to increase retail e-Book prices for all consumers” and “agreed to eliminate e-Book retail price competition between e-Book outlets, such that retail prices to consumers would be the same regardless of the outlet patronized by the consumer.”

“Price fixing books that educate and entertain us is shameful,” said Attorney General Darrell McGraw. “Consumers paid millions of dollars more for some of the most popular e-Book titles because of this conduct.” The settlement with three of the publishers will allow restitution for those consumers harmed by the scheme. In addition to the money consumers will receive, this settlement will restore competition in the e-Book market by promoting e-Book competition among retailers.

The lawsuit and settlement stem from a two-year antitrust investigation conducted jointly by the states attorneys general and the U.S. Department of Justice. That investigation developed evidence that the Agency Five conspired to end e-Book retailers’ freedom to compete on price by taking control of pricing from e-Book retailers and substantially increasing the prices that consumers paid for e-Books resulting in consumers paying millions of dollars more for their e-Books.

Under the proposed settlement agreement, which the court must approve, Hachette, HarperCollins and Simon & Schuster will compensate consumers who purchased e-Books from any of the Agency Five during the period of April 1, 2010 through May 21, 2012. Consumers in West Virginia are expected to receive up to $300,000.00 in total compensation.

Trial for the other, non-settling conspirators is set for early June, 2013.

Consumers can contact the Attorney General’s office at 1-800-368-8808 to have their names put on a list for the claims process. The claims program will begin after the court grants final approval to the settlement.

To report a scam or file a complaint, West Virginians can reach the Attorney General’s Office online at www.wvago.gov or by
calling the Consumer Protection Hotline at 1-800-368-8808. For regular consumer news updates, follow "AGWestV" on Facebook, Twitter, and YouTube.

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