PHOENIX (Wednesday, August 29, 2012) -- Arizona Attorney General Tom Horne, along with 54 attorneys general in other states, districts and U.S. territories, announced today that he has reached an antitrust settlement with three of the largest book publishers in the United States. Hachette Book Group Inc., HarperCollins Publishers L.L.C. and Simon & Schuster Inc. have agreed to pay more than $69 million to consumers to resolve an antitrust suit alleging they illegally conspired to fix the prices of electronic books (E-books). They have also agreed to change the way they price E-books going forward.

The settlement occurs in conjunction with a civil antitrust lawsuit filed by the States today in U.S. District Court for the Southern District of New York against Hachette, HarperCollins, and Simon & Schuster. The States’ lawsuit alleges that the three settling publishers and their non-settling co-conspirators “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.”

“Price fixing raises consumer costs and will not be tolerated. Consumers paid millions of dollars more for E-Books than they should have because of the defendants’ illegal conduct. Today’s settlement provides restitution for those consumers harmed by the illegal scheme.” Horne added, “This settlement not only puts money back in consumers’ pockets – it also restores competition in the E-Book market by promoting E-Book competition among retailers.”

The proposed settlement agreement, which the court must approve, requires Hachette, HarperCollins and Simon & Schuster to compensate consumers who purchased E-books from any of the defendant publishers from April 1, 2010 through May 21, 2012. Payments will begin 30 days after final court approval of the settlement becomes final. This settlement will provide Arizona consumers with nearly $1.5 million in total compensation.

In addition to paying the $69 million consumer compensation, Hachette, HarperCollins and Simon & Schuster have agreed to terminate their existing agency agreements with certain retailers, requiring the publishers to grant those retailers—such as Amazon and Barnes & Noble—the freedom to reduce the prices of their E-book titles.


###