

Apple: DOJ Allegations 'Simply Not True'

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Apple appears ready to fight the Justice Department's antitrust suit over eBook price fixing, even as three other publishers named in the suit agreed to settle.

The company released a statement to several news outlets yesterday calling the government's allegations "simply not true" and claiming its iBookstore broke Amazon's "monopolistic grip" on publishers.

"The DOJ's accusation of collusion against Apple is simply not true. The launch of the iBookstore in 2010 fostered innovation and competition, breaking Amazon's monopolistic grip on the publishing industry," Apple said, according to a full text of the response published by paidcontent.org. [1] "Since then customers have benefited from eBooks that are more interactive and engaging. Just as we've allowed developers to set prices on the App Store, publishers set prices on the iBookstore."

Apple did not immediately reply to requests for additional comment.

The DOJ said Wednesday it had sued [Apple and five publishers](#) [2] for colluding to raise the prices of eBooks. Three of the publishers, Hachette Book Group, HarperCollins Publishers and Simon & Schuster, agreed to settle; Apple, Macmillan and Penguin are moving forward with litigation.

"As a result of this alleged conspiracy, we believe that consumers paid millions of dollars more for some of the most popular titles," Attorney General Eric Holder said in a statement. Sixteen states have joined the DOJ's complaint.

The government isn't seeking monetary damages against Apple, Macmillan and Penguin. Rather, it is trying to force the companies to abandon their pricing agreements, which it claims keeps eBook prices artificially inflated.

The proposed settlement between the DOJ, Hachette, HarperCollins and Simon & Schuster forbids them from prohibiting retailers of their books from discounting prices, allowing companies like Amazon and Barnes & Noble to cut prices on eBooks.

Amazon welcomed the DOJ's suit, saying it was a "big win" for Kindle owners and would allow it to "lower prices on more Kindle books."

The DOJ isn't the only government regulator to take a close eye at eBooks. The European Commission said late last year that it was investigating whether Apple and the same publishers named in the DOJ's suit were conspiring on prices.

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Published on Wireless Week (<http://www.wirelessweek.com>)

Source URL (retrieved on 06/12/2013 - 10:45am):

<http://www.wirelessweek.com/news/2012/04/apple-doj-allegations-simply-not-true>

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[1] <http://paidcontent.org/2012/04/13/after-two-days-apple-responds-to-doj-we-didnt-collude/>

[2] <http://wirelessweek.com/News/2012/04/doj-alleges-apple-publishers-price-fixing-ebooks/>