

Amazon strikes twin electronic book deals: WSJ

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File picture shows Amazon.com's Kindle and large version Kindle DX electronic readers. Amazon.com is letting two more major publishers raise prices of electronic books for Kindle readers in deals struck just days before Apple releases rival iPad computer tablets, the Wall Street Journal reported.

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The agreements with Simon & Schuster and Harper-Collins break from Amazon's practice of holding the price of popular new titles down to 9.99 dollars each, according to the newspaper.

Prices for Kindle e-books can now be set at 12.99 or 14.99 in deals

similar to those that Apple has with [publishers](#) providing digital works for iPad devices that make their US debut on Saturday.

Amazon did not respond to AFP requests for comment.

US book publishers are smiling again, after years of watching digital versions of their titles sell for below what they thought they were worth.

A host of rivals to the market-dominating Kindle electronic reader has given publishers leverage to finally be able to dictate their own terms after being at the mercy of Amazon.

Rupert Murdoch, whose News Corp. stable includes publisher Harper-Collins, could hardly contain his glee during an earnings call in the weeks after Apple first showed the world its iPad in late January.

Apple's iPad tablet computer doubles as a full-color e-reader of books, newspapers and magazines.

"Without content, the ever larger and flatter screens, the tablets, the e-readers and the increasingly sophisticated mobile phones would be lifeless," Murdoch said. "Without content these ingenious and wonderful devices would be unloved and unsold."

Unveiling the iPad, Apple chief executive Steve Jobs announced deals with five major publishers and an agreement that allows publishers to set higher prices while Apple settles for a 30-percent cut.

The so-called "agency model" is a departure from the way Amazon has been doing business with book publishers.

Since the release of the [Kindle](#) two years ago, Amazon has sold digital versions of hardcover new releases and bestsellers for 9.99 dollars, a

move primarily aimed at driving sales of the online retail giant's e-reader.

Publishers were generally opposed, believing the price too low, but were not in a position to argue while Amazon was the only game in town.

That is no longer the case.

Just days after the wraps were taken off the iPad, Macmillan informed Amazon it wanted to begin charging between 12.99 and 14.99 dollars for e-book versions of most hardcover new releases and bestsellers.

Macmillan said it would give Amazon a 30-percent cut, as with Apple.

Amazon protested, temporarily pulling Macmillan titles -- both print and e-books -- from its online bookstore, but acknowledged that "ultimately, however, we will have to capitulate and accept Macmillan's terms."

Another major publisher, Hachette Book Group, quickly followed Macmillan.

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