

Apple denies e-book pricing conspiracy

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Photo illustration of an eBook reader app on an Apple iPad. Apple on Thursday denied a charge that it schemed with publishers to hike prices for e-books, portraying itself as a hero for prying Amazon's "monopolistic grip" from the market.

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"The DOJ's accusation of collusion against Apple is simple not true," Apple spokesman Tom Neumayr said in an emailed statement a day

after a [Department of Justice antitrust suit](#) was filed.

"The launch of the iBookstore in 2010 fostered innovation and competition, breaking Amazon's monopolistic grip on the publishing industry."

The [Justice Department](#) sued Apple and five publishing firms Wednesday alleging a conspiracy to raise prices and limit competition for e-books. It immediately announced a partial settlement in the case.

Officials said three of the publishers agreed to end the scheme to force retailers such as Amazon to accept a new pricing plan that ended their ability to offer discounts for electronic books.



A Kindle e-reader. Prior to the introduction of Apple's iPad, online retail giant Amazon sold electronic versions of many new best sellers for \$9.99.

Hachette Book Group, HarperCollins and Simon & Schuster reached a settlement but the case will proceed against Apple and the other two -- Macmillan and Penguin Group -- "for conspiring to end e-book retailers' freedom to compete on price," the Justice Department said.

Attorney General Eric Holder said that as a result of the conspiracy, "consumers paid millions of dollars more for some of the most popular titles," and competition was eliminated.

Prior to the introduction of Apple's iPad, online retail giant Amazon sold electronic versions of many new best sellers for \$9.99.

After Apple's "agency" model was adopted, the prices rose to \$12.99 and higher, the suit said, and price competition among retailers was "unlawfully eliminated."

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