

# E-books: US tells Apple to cut publishing ties

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A woman tries out an eBook reader app on an Apple iPad at the Leipzig Book Fair on March 15, 2012 in Germany. The US Department of Justice said Friday that tech giant Apple must cut its ties with five e-book publishers after it was found guilty of price-fixing

The US Department of Justice said Friday that tech giant Apple must cut ties with the five publishers with which it was found guilty of running an e-book price-fixing scheme.

Last month, a US district court in New York found Apple guilty of conspiring with [publishers](#) to fix book prices for readers using its iPad and iPhone devices.

On Friday, Justice Department officials submitted to the court a plan for Apple to cut its existing ties to the publishers and to make it easier for its [rivals](#) to sell books on its platforms.

"Under the department's proposed order, Apple's illegal conduct will cease and Apple and its senior executives will be prevented from conspiring to thwart competition in the future," assistant attorney general Bill Baer said.

The proposed settlement would see Apple end its current agreements with five US-based publishers: Hachette Book Group, HarperCollins, Macmillan, Penguin and Simon & Schuster.

The tech firm would promise not to enter new contracts with the five to limit price competition in the next five years, and would allow other e-book retailers to link to their products from iPad and iPhone apps for two years.

Apple would also be ordered to pay the salary of an external monitor to confirm its compliance with anti-trust laws.

The Department of Justice lodged a civil antitrust lawsuit against Apple and the publishers in April last year.



A visitor looks at a e-book for children at the 64th Frankfurt Book Fair in Germany, on October 10, 2012. The US Department of Justice said Friday that tech giant Apple must cut ties with the five publishers with which it was found guilty of running an e-book price-fixing scheme.

It has since reached settlements with four of the publishers and has an agreement with Macmillan that is yet to be approved by the court.

Friday's proposition on Apple's settlement still has to be approved by a federal judge.

Under the existing settlements, the publishers agreed to end any agreements they have with retailers like Apple to prevent them from discounting titles sold through their platforms.

Through its devices and software, Apple allows readers to buy electronic

versions of books online and download them to a personal digital library.

In this it competes with other retailers such as Amazon and Barnes & Noble, which sell e-books through online "apps" on mobile devices, using operating systems such as Microsoft's Windows or Google's Android.

The settlement would oblige Apple to allow retailers to "provide links from their e-book apps to their e-bookstores, allowing customers who purchase and read e-books on their iPads and iPhones easily to compare Apple's prices with those of its competitors."

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