

Apple unhappy with e-books monitor pay and power

November 30 2013



E-Books are seen on an ipad at the Frankfurt Book Fair 2013 on October 9, 2013 in Frankfurt am Main, Germany.

Apple wants to rein in the pay and power of a monitor hired to watch over the company as punishment for conviction in an e-book price-fixing case.

In court paperwork available online Friday, Apple objected to being billed more than \$1,000 an hour for the services of former US prosecutor Michael Bromwich.

The Northern California-based maker of iPads, iPods, iPhones and Macintosh computers also protested Bromwich's intent to question chief executive Tim Cook, lead designer Jony Ive, board member Al Gore and other top executives who aren't involved in day-to-day operations.

"Michael Bromwich is already operating in an unfettered and inappropriate manner," Apple argued in an objection filed with the [federal judge](#) in Manhattan who presided over the e-book trial.

"The \$1,100 hourly rate he proposes for himself and the \$1,025 rate for his legal support team are higher than Apple has ever encountered for any task," the filing maintained.

In a letter to an Apple attorney, Bromwich countered that it is up to the judge to decide whether his pay is reasonable and contended that he has encountered resistance from the Cupertino, California-based firm.

"We have seen little reciprocity and instead a consistent pattern of delay, unresponsiveness and lack of cooperation," Bromwich said in a letter on file with the court.

"We very much hope that changes with our trip to Cupertino the week of December 2."

In September, the judge who found Apple guilty of illegal price-fixing for e-books ordered the tech giant to steer clear of new contracts with publishers which could violate antitrust law.

US District Judge Denise Cote ordered Apple to refrain from any agreement with publishers "where such agreement will likely fix, or set the price at which other e-book retailers can acquire or sell e-books."

The order followed the judge's July ruling that Apple illegally conspired

with publishers to boost the price of electronic books.

A separate trial will be held next year to determine damages, but the injunction blocks Apple from making any similar moves to reshape the price structure in the e-books market.

Apple can still sell e-books through its online channels, but cannot make any special arrangements or collude with publishers to fix prices.

The company also must pay for an antitrust compliance officer who answers to the court.

The trial focused on a six-week period in late 2009 and early 2010 during which Apple negotiated contracts with publishers ahead of its iPad launch and proposed a new and more profitable business model.

Apple's deals with five major publishers aimed to undo the "wholesale" pricing model set by Amazon by shifting to an "agency" model where [publishers](#) set the price and paid a 30 percent commission to Apple.

Cote sided with the government on charges that Apple helped orchestrate the industry's shift. Apple is appealing the decision.

© 2013 AFP

Citation: Apple unhappy with e-books monitor pay and power (2013, November 30) retrieved 28 April 2024 from <https://phys.org/news/2013-11-apple-unhappy-e-books-power.html>

| |
|--|
| <p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p> |
|--|