

Authors urge US antitrust probe of Amazon

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Amazon CEO Jeff Bezos speaks in New York, May 6, 2009

Authors and booksellers are urging US antitrust officials to investigate whether online retail titan Amazon is abusing its considerable power to the detriment of readers, following a similar move in Europe.

The Authors Guild, Authors United and the American Booksellers Association called for the probe in letters on Tuesday to the Department of Justice.

They argue that Seattle-based Amazon has used its strength to squeeze larger shares of book revenue from publishers and authors and to curtail sales of some works, while promoting others.

"In recent years, Amazon has used its dominance in ways that we believe harm the interests of American readers, impoverish the book industry as a whole, damage the careers of (and generate fear among) many authors, and impede the flow of free ideas in our society," Authors United said in a copy of the letter posted online.

Amazon did not respond to an AFP request for comment, but has consistently argued that keeping book prices down—books on Amazon are generally cheaper—is good for readers because it makes books more affordable.

The drive for a US antitrust probe stemmed from an acrimonious feud between Amazon and publisher Hachette over online book sales that highlighted Amazon's market dominance and fuelled protests from leading authors like John Grisham and Stephen King.

The conflict ended late last year, after six months in which Amazon clamped down on sales of Hachette books on its website, with the signing of a multi-year agreement on ebook and print book sales in the US market.

The spat over who sets retail prices for online sales, especially ebooks, had outraged Hachette [authors](#) who saw their book sales sink after Amazon leveraged its power as the largest book retailer in the United States.

Their fight raised issues over Amazon's overwhelming pricing power in the market vis-a-vis both publishers and readers, with the company facing protests not only in the United States but in Europe as well.

The European Union's antitrust watchdog opened a formal investigation last month into Amazon's ebook distribution, in the latest Brussels inquiry to target the US-based Internet retailer.

The European Commission, the EU executive's arm, is probing clauses Amazon has with publishers which may shield the company from competitors, including an obligation to be informed of more favorable terms being offered by rivals.

Amazon said at the time that it was confident that its ebook business did not breach EU rules.

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