

Appeals court upholds Apple e-book settlement

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A US appeals court rejected Wednesday a challenge to a settlement between Apple and consumers which could have voided a \$450 million payout deal in the Apple e-books antitrust case.



A three-judge panel dismissed criticism of the settlement by plaintiff John Bradley that a lower US court had erred in considering the settlement for damages before Apple's appeals of its liability in the case are heard.

In July 2013, US District Judge Denise Cote ruled that Apple was liable of conspiring with five book publishers to fix e-book prices, a decision upheld by an appellate court.

Apple has launched an appeal in the case to the US Supreme Court.

Bradley's attorney, Steve Miller, had argued that Cote should not in November 2014 have approved the \$450 million settlement while the appeal on Apple's liability was still unresolved. Bradley challenged the fairness, reasonableness and adequacy of the settlement.

If the Supreme Court upholds Apple's liability in the case, Apple will pay plaintiffs the full \$450 million. If the liability ruling is reversed, Apple will pay just \$70 million.

"The <u>district court</u>'s failure to defer its ruling will lead to confusion and uncertainty and potential future litigation," said the Bradley brief.

But the US appeals court roundly rejected this argument.

"Evaluation of the fairness and adequacy of every settlement requires a court to asses the likely future legal proceedings, namely the relative probabilities of various outcomes if there was no settlement and the parties went to trial," said the appeals decision.

"The District Court did not abuse its discretion."

The ruling was lauded by plaintiffs attorneys Hagens Berman, which said



consumers could ultimately recover more than twice their losses if the Supreme Court upholds the lower <u>court</u> rulings.

"The decision today affirms the contingent <u>settlement</u> structure we fashioned to maximize the potential amount of recovery and get money back into consumers' hands as fast as possible," said attorney Steve Berman.

"We hope to close the chapter on Apple's e-book conspiracy soon."

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