

Penguin joins settlement in US e-books lawsuit

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Customers try out the textunes eBook reader app on an Apple iPad at the Leipzig Book Fair on March 15, 2012 in Leipzig, Germany. Penguin Group has agreed to join three other publishers in a settlement of a US government lawsuit alleging an e-book price-fixing conspiracy with Apple, officials said.

Penguin Group has agreed to join three other publishers in a settlement of a US government lawsuit alleging an e-book price-fixing conspiracy with Apple, officials said Tuesday.

The [Justice Department](#) said that with four of the five [publishers](#) having agreed to a settlement, it will proceed in its case against Apple and the remaining publisher, Macmillan.

The agreement was filed in a US federal court in New York and would end Penguin's role as a [defendant](#) in the civil [antitrust lawsuit](#) filed by the department on April 11.

Previous settlements were reached with Hachette Book Group Inc., HarperCollins and Simon & Schuster.

A trial against Macmillan and Apple currently is

scheduled to begin in June 2013.

"Since the department's settlement with Hachette, HarperCollins and Simon & Schuster, consumers are already paying lower prices for the e-book versions of many of those publishers' new releases and bestsellers," said Jamillia Ferris, of the department's antitrust division.

"If approved by the court, the proposed settlement with Penguin will be an important step toward undoing the harm caused by the publishers' anticompetitive conduct and restoring retail price competition so consumers can pay lower prices for Penguin's e-books."

Penguin agreed to terminate its agreements with Apple and other e-book retailers and will be prohibited for two years from entering into new agreements that limit discounts or other promotions.

US officials said the scheme was aimed at ending a discounting effort by Amazon, which sold most e-books at \$9.99 until the new pricing plan was forced on the retail giant.

The move almost instantly raised the prices consumers paid for e-books, authorities said.

The latest agreement came as Penguin is seeking to merge with rival Random House, the largest US book publisher.

The Justice Department said the terms of the settlement would apply if the joint venture is allowed to proceed.

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