



AG STRANGE REACHES AGREEMENT WITH APPLE ON E-BOOK PRICE-FIXING DAMAGES CLAIMS

(MONTGOMERY) – Attorney General Luther Strange today announced a proposed settlement of claims for monetary relief against Apple Inc. related to its participation in a price-fixing conspiracy in the market for E-books. The settlement agreement, which remains subject to approval by the U.S. District Court for the Southern District of New York, would resolve claims for consumer damages brought by Texas and 32 other states and territories, as well as states’ civil penalty claims.

Pursuant to the terms of the settlement, the amount to be received by consumers is contingent upon the resolution of Apple’s appeal of the District Court’s July 2013 finding that Apple violated the antitrust laws by orchestrating a conspiracy with five publishers to artificially raise prices for E-books between 2010 and 2012. That appeal is currently pending before the United States Court of Appeals for the Second Circuit. Consumers nationwide (including those represented by private counsel in a related class action) will receive \$400 million if the court’s ruling is ultimately affirmed. If the appellate courts do not affirm the court’s ruling, the settlement provides for a smaller recovery or no recovery if Apple is ultimately determined not to have violated the antitrust laws.

E-book purchasers nationwide have already received compensation from \$166 million in settlement funds paid by the five publishers involved in the conspiracy –Penguin Group (USA), Inc. (now part of Penguin Random House); Holtzbrinck Publishers LLC d/b/a MacMillan; Hachette Book Group Inc.; HarperCollins Publishers LLC; and Simon & Schuster Inc.

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