

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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ATTORNEY GENERAL STRANGE ANNOUNCES THAT SUPREME COURT DENIES APPLE'S REQUEST TO REVIEW E-BOOK'S PRICE-FIXING CASE

Apple to pay millions to consumers for its role in scheme to inflate E-book prices

(MONTGOMERY)—Alabama Attorney General Luther Strange today announced that the U.S. Supreme Court has denied Apple Inc.'s request for the Court to review a lower court decision. This clears the way for the distribution of \$400 million to U.S. consumers who paid artificially-inflated prices for e-books. The lower court had held Apple liable for conspiring with five major publishers to raise the prices of electronic books.

“This court action means that Apple will be held accountable for its price-fixing actions, and that consumers who were damaged will receive compensation for their losses,” said Attorney General Strange. “This should send a message throughout the nation that such schemes will not be tolerated.”

Alabama is among a group of 33 states that investigated and prosecuted the antitrust case against Apple and its co-conspirators. In July 2013, the U.S. District Court for the Southern District of New York ruled that Apple conspired to raise prices with: Penguin Group (USA) Inc. (now Penguin Random House), Holtzbrinck Publishers LLC d/b/a Macmillan, Hachette Book Group Inc., HarperCollins Publishers LLC, and Simon & Schuster Inc.

The case was tried jointly between the 33-state coalition and the U.S. Department of Justice. The district court's ruling was affirmed by the United States Court of Appeals for the Second Circuit in June of 2015. With the Supreme Court declining to review that decision, Apple has no further opportunity to contest its liability.

All five of the publishers settled prior to trial, and paid a total of approximately \$166 million in nationwide consumer compensation. The states' settlement with Apple was contingent on the outcome of Apple's appeal of the ruling, meaning Apple must now pay the maximum contemplated amounts. In addition to the \$400 million to be distributed to consumers – including those represented by private counsel in a related class action – Apple will pay \$20 million to the states in reimbursement for fees and costs and to resolve claims for civil penalties.

The details of how consumer reimbursements will be processed have not been finalized. Information will be provided at a later time.

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