

From:

Shanks, David Kennedy, Susan

To: Sent:

3/5/2010 5:59:50 PM

Subject:

Fw: Partners

Don't share this with anyone else. Let's see what he says on Monday

From: Steve Riggio < Sriggio@bn.com>

To: Shanks, David

Sent: Fri Mar 05 15:08:23 2010

Subject: RE: Partners

You are vitally important to us. I will call you Monday

From: Shanks, David [mailto:David.Shanks@us.penguingroup.com]

Sent: Thursday, March 04, 2010 2:17 PM

To: Steve Riggio Subject: Partners

## Hi Steve,

I wanted to share something that has me concerned. You know that we are working with your guys to come up with a formula where all of our accounts will be able to have the same prices on our ebooks. It will level the playing field for Penguin books and hopefully allow all of us to sell both paper and ebook product.

The one discouraging thing as you no doubt know is that Random House has chosen to stay on their current model and will allow retailers to sell at whatever price they wish. That is their prerogative.

When you go on the Kindle website it could be the Random House home page. Amazon is showing us what they do to people who do not do what they want. Since Penguin is looking out for B&N's welfare at what appears to be great cost to us, I would hope that B&N would be equally brutal to Publishers who have thrown in with your competition with obvious disdain for your welfare. You once told me that you were nice and Amazon played hardball and they were winning. I hope you make Random House hurt like Amazon is doing to people who are looking out for the overall welfare of the publishing industry.

I hope you can see how strongly I feel about this. They should not be allowed to be selfish and win.

Thanks for listening. I hope to see you soon.

David

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