

Case 8: Superior Knowledge

Manifex Saltmarsh is a dealer in used books and has been for many years, affording him an expertise in his field that his customers often lack. Unlike some of his competitors, he usually tries to be fair in his dealings with people who bring him their books to sell. As a businessman, however, he is often forced to disappoint them. Most people believe that their books are more valuable than they are, and he cannot pay them the retail price and hope to make a profit for himself. Sometimes, however, customers underestimate the value of what they are selling.

One day an elderly widow appeared at Saltmarsh Rare and Unusual Books with several boxes of books. The books had belonged to her husband, who had died several years earlier. The majority of his books had been donated to the university library or sold at a yard sale. The widow was a longtime customer and, after a cursory examination showed the books to be unremarkable, Saltmarsh accepted them in trade for a copy of *The Joy of Cooking*. He did this mostly as a way to help the widow rid herself of the last of her husband's collection rather than from any hope of material gain.

That night, however, as he readied the volumes for sale on his dollar cart, one of them caught his eye. As he priced a battered copy of *The New York Times Guide to the Bars of Moscow*, he dimly remember having read something about this title some time ago. Hours later, he finally found a reference in *Bookman's Digest* to an embarrassing misprint in the first edition that caused the touchy *Times* publisher to destroy most of the first printing. As a result, the few copies that survived were immensely valuable.

With trembling hands, Saltmarsh examined page 407, realizing that there was little chance that his copy was one of the valuable ones. But there it was: a reference to a cartoon character painted on the wall of a Russian speakeasy as "Porky the Pig" rather than "Porky Pig." The value of the book had been conservatively estimated in *Bookman's Digest* at several million dollars and would no doubt have increased greatly over time.

The widow of the philosophy professor was a wealthy woman, having collected a tidy sum in insurance and a legal settlement when her husband died. Saltmarsh, however, was practically destitute and in danger of losing his business. Selling the book would allow him to keep the bookstore open and would make him financially secure for the rest of his life.

Study Questions:

1. Is it ethical for Saltmarsh to keep all the proceeds from the sale of the book, or should he share with the widow? Does the fact that Saltmarsh needs the money more than the widow make a difference here?
2. Would it have been ethical for Saltmarsh to make the trade if he had known the value of the book at the time of the transaction? Does the fact that Saltmarsh needs the money more than the widow make a difference here?
3. Do buyers with superior knowledge have an ethical obligation to share that knowledge with sellers when doing so is not in the buyers' financial interest?

Author: Jamie Agnew is the co-owner, with his wife Robin, of the [award-winning Aunt Agatha's Mystery Bookshop](#) in Ann Arbor. Jamie and Robin are also strong supporters and contributors to the popular annual [Kerrytown Bookfest](#).