BOOK PUBLISHING IN THE DIGITAL WORLD

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NOTHING NEW UNDER THE SUN

1970s
Financial innovation online – Reuters, Bloomberg

1970s/80s
Legal and tax innovation online – Lexis Nexis, Westlaw

1980s/90s
STM innovation online – Science Direct, Biomednet, SpringerLink

1990s/00s
Education innovation online – whiteboards, ELCs, University of Phoenix
E-BOOKS TAKE OFF!

2002 - 2009 \$US Trade eBooks (12-15 Publishers)
ETAILERS AND AGGREGATORS

- Amazon Kindle
- Audible.com
- iBooks
- Google eBookstore
- Barnes & Noble Booksellers
- Waterstone’s
- Gardners Books
- Go Spoken
- WH Smith
- Ebrary
- OverDrive
- EBSCO
- Dawson Books
- NetLibrary
- myiLibrary
AMAZON KINDLE

AMAZON STRENGTHS
- Greatest Online Retailer
- 75%+ Market Share of Print Books Online
- 60% Market Share of Ebooks
- Kindle Devices and Platform combination
  - Cloud Solution
  - Self Publishing Platform
- Long term commitment to make ebooks work

AMAZON WEAKNESSES
- Hardware Production and Design
  - Mobi-platform lock-in
- Cannot maintain current market share
- Hardware e-ink only limiting education and other “how-to” products

AMAZON OPPORTUNITIES
- Dominant Platform for reading and buying books
- Become the leading self-publishing platform
  - Rethink Magazine and subscriptions

AMAZON THREATS
- Publishers seeing Amazon as Competitor
- Level Playing Field in Pricing Limits a Significant Competitive Advantage
  - In it for margin on content
# Apple iBooks

## Apple Strengths
- Hardware and Software
- Design and User Experience
- TOTAL domination of entertainment device market
  - In it for Hardware/Software sale first – margin on content secondary
  - Other platforms allowed to co-exist in Apple hardware

## Apple Weaknesses
- New to Book Market
  - No Print tie-in
  - Limited selection
- Reflective LCD screen harder on eyes than e-ink for immersive reading

## Apple Opportunities
- **TEXTBOOKS!**
  - Creating a new audience for books
    - Redefining books as “cool”
  - Enabling new forms of reading and content based on platform flexibility and multimedia functions

## Apple Threats
- Disaggregation of content blocked by rights holders
- Limit to appeal of Agency model outside US
  - Hardware and data plan prices
  - Size and weight & battery life of devices
GOOGLE EDITIONS

GOOGLE STRENGTHS
• SEARCH + FIND + BUY
  • Browser is platform
  • Online and offline access
  • Title count – 1 million
    • 100% cloud
• Search is core objective, not content margin

GOOGLE WEAKNESSES
• Release date for outside of USA?
• Can browser interface compete with dedicated software?
• No self-publishing platform

GOOGLE OPPORTUNITIES
• Print bundling
  • Large-scale retail partnerships
• Educational/Professional/Corporate solutions
• Endless device customization deals

GOOGLE THREATS
• SETTLEMENT CLARITY
  • Will HTML5 encryption hold up to piracy?
  • Google NOT a retailer
• Publisher rights clearance will limit title availability
public library online

Online access to themed digital bookshelves through local libraries

Shortlisted for The Bookseller Digital Innovation Award 2010
An online access subscription model of themed digital bookshelves from a range of publishers offering the best fiction and non-fiction.

A cost effective way for libraries to serve their entire population 24/7: concurrent user access for £100/100,000 population served per year.

A new revenue stream for publishers and authors that drives book sales in all formats.

A means for libraries to attract new users digitally.

A means for publishers to support public libraries, literacy and social inclusion digitally.
Digital Library

Welcome to the Royal Borough of Kensington & Chelsea Digital Library, now the library is always open!

Overdrive Digital Library
The Overdrive digital library is available 24/7. Explore our growing collection of audiobooks and eBooks.

Download your selections to your computer to use, or transfer to a compatible portable device, including iPod, iPhone, MP3 players, even your Smartphones.

Public Library Online
Visit our latest and updated addition to our digital library. All the books can be accessed online 24hrs a day. All the shelves can be accessed by clicking the link above.

Project Gutenberg
This is the place where you can download over 30,000 free ebooks to read on your PC, iPhone, Kindle, Sony Reader or other portable device.

You can also access Project Gutenberg from within our OverDrive collection.
WHICH PUBLISHERS ARE INVOLVED SO FAR?

- Alma Books
- A&C Black
- Arden Shakespeare
- Berlin Verlag
- Bloomsbury
- Canongate
- Faber
- Mercier Press
- Quercus
- Verve Books
- Wisden

More coming soon to this publisher-led library supply initiative.
POTENTIAL WORLD ENGLISH-LANGUAGE MARKET FOR PUBLIC LIBRARY ONLINE

UK: 60 million

USA and Canada: 340 million

Australia: 20 million

EU: 440 million

Speakers of English Worldwide: 1.8 billion
THE BUSINESS MODEL FOR BERG FASHION LIBRARY

- Sold on subscription to HE and FE colleges
- Price is banded by FTEs (ie student numbers)
  - Sold through library consortia often on multi-year deals
- 500 libraries worldwide @ £1500 pa = £750k
  - Less costs @ 30%
- Potential contribution = @ £500k pa
- This model can be rolled out across other subject areas throughout Bloomsbury
WHAT RESEARCHERS ARE LOOKING FOR

- Applied as well as theoretical information
- Multi-format (text; image; multi-media)
- Comprehensive ‘Subject Discovery Database’
- International information on dress
- Interactive community of users
- Constantly updated
Since its launch in 2009, QFINANCE has developed an excellent worldwide reputation in a short time.

High-profile partnerships
- QFINANCE is fast becoming a sought-after authoritative content source for market-leading finance sites.
- Thomson Reuters adds vital time-sensitive element to QFINANCE with Market New and Market Data and will attract a new audience.
- Lexis Nexis licence deal will generate revenues.
- Possible future licensing deals with global companies such as Bloomberg.

Awards Recognition
- QFINANCE.com was shortlisted in 4 categories at the State Street Financial Press Awards 2010 – competing with well-established names including the FT, eFinancialNews and Global Investor.
- CHOICE named QFINANCE as an Outstanding Academic Title for 2010.
Visitor numbers have grown tremendously since QFINANCE launched, now reaching almost 150,000 unique visitors per month.

According to an April 2010 user survey, 72% of users are well-qualified finance professionals from over 100 countries.

54% of users say QFINANCE is providing them with information they cannot get elsewhere.

QFINANCE’s web presence is continually increasing through links and partnerships with other related sites, such as Morningstar and Business Insider.

“This is going to be incredibly useful to me. A really great reference guide” Patrick Hosking  THE TIMES

“QFINANCE: Impressive” Adam Durchslag  THOMSON REUTERS

“Essential reading for finance professionals” CNBC Europe
Together with Qatar Foundation, Bloomsbury is developing a pioneering approach to Journals Publishing in the 21st century:

- High-quality journals publishing centre in Qatar for the international research community
- Digital native multidisciplinary online publishing environment for research who prefer to use online material
  - Business model based on Open Access Author pays fee
    - Publish across all research areas internationally
- Publish in English with Arabic Abstracts (and Arabic with English Abstracts)
- **Reinforce research commitment** both in the MENA region and international in reach and content
  - Launched by Buzz Aldrin in December 2010
AND TOMORROW?

- New projects in development
  - The Future of Energy
  - Water – The Ultimate Resource
    - Arab Almanac
    - Wisden India
    - Drama Online
    - Ornithology Online

- New revenue streams starting to come on stream
  - Include advertising and sponsorship

- Exploiting the Group's expertise in
  - Publishing
    - IP creation and exploitation
  - Business development
  - Management
What % of the publishers’ business will be digital in the future?
50 % in 5 years?

Print will always exist, but digital enables us to combine, disaggregate, innovate and generate revenue in a greater variety of ways than print.