

11

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The Platform by Peter Osnos

A weekly column considering the changing face of journalism in light of government pressure, business demands, and the evolving nature of media distribution.

I ignore the Doomsayers: The Book Industry Is Actually Adapting Well

October 24, 2012

The fall publishing season is in full swing. There can hardly have been a year with more luminaries atop both the fiction and nonfiction bestseller lists; J. K. Rowling, Michael Chabon, Ken Follett, Junot Diaz, among others, represent literary acclaim and commercial appeal. Diaz (*This Is How You Lose Her*) is having an especially good run: He is both a National Book Award finalist and a recipient of a MacArthur "Genius" prize. Stephen Colbert, Arnold Schwarzenegger, Neil Young, Bob Woodward, and Salman Rushdie are just a sampling of the nonfiction bestsellers. (For the full array, check out the *New York Times*'s copious five pages of print and e-book [listings in the book review](#), which are supplemented online with "expanded rankings" featuring "more titles, more rankings and a full explanation of our methodology.") Whatever else may be happening in this tumultuous period of transition in how books are produced and distributed, the sheer range and quality of so many titles is indisputable proof that our marketplace has writers and readers in impressive numbers.

For all the complexities that publishing faces, the notion that books are somehow less of a factor in the cultural or information ecosystem of our time doesn't hold up to the evidence.

Recently, Colin Robinson, a respected founder of a New York-based independent publisher, OR Books, wrote an [essay](#) for *The Guardian* entitled "Ten Ways to Save the Publishing Industry." The summary paragraph was grim: "Book sales are stagnating, profit margins are being squeezed by higher discounts and falling prices and the distribution of book buyers is being ever more polarized between record-shattering bestsellers and an ocean of titles with tiny readerships." For the most part, Robinson's recommendations are common sense: an emphasis on selection, pricing, effective use of the Internet, and a focus on readers by devoting more effort to reaching them directly through social media. Jeremy Greenfield, editorial director of *Digital Book World*, in a [response](#) to Robinson's manifesto makes a strong case with observations that I generally share: "The publishing industry isn't a monolithic thing: some publishers are doing well and others are not. ... I don't see an industry that's flailing—I see one that's managing a complicated transition much better than would be expected."

The available numbers seem to support this view. In the first six months of 2012, according to

12

Publishers Weekly, drawing on data from 1,186 companies, the Association of American Publishers reported that trade sales increased 13.1 percent, to \$2.33 billion. The most important indicator is the continuing boost in e-book sales, up 34.4 percent, to \$621.3 million, which makes it competitive with the totals for hardcover print sales. When you consider that it was only with the appearance of Amazon's first Kindle reader in 2007 that e-book sales took off, the pace of change is stunning. I still own an original Kindle, and picked up an iPad when it was released (these early models serve my simple purposes), but there are so many more advanced versions of these readers that consumers now have choices galore that are far more extensive, for example, than are provided by televisions, which most people judge simply by the size of their screens or the quality of the picture.

For those of us who remember a relatively genteel era, as recently as the 1980s and early 1990s, when books were shipped for sale mainly to classy "carriage trade" independents, several national chains (that have since gone under), and the enduring but embattled Barnes & Noble enterprises, there is a frenetic feeling about the push for visibility in the digital age. Now, Amazon, Apple, Google, and Microsoft are in a contest of behemoths, vying for dominance in the sale of hardware, software, and content. During a BBC interview the other day, Amazon CEO Jeff Bezos, in an uncharacteristic moment of revelation, disclosed that the company makes no profit on its various Kindle devices. "We sell the hardware at our cost, so it is break even on the hardware." Why then is Amazon so aggressive in its development of ever-more refined e-readers and tablets? "What we find," Bezos explained, "is that when people buy a Kindle they read four times as much as they did before they bought the Kindle. But they don't stop buying paper books. Kindle owners read four times as much, but they continue to buy both types of books." The Bezos strategy is clearly aimed at driving profit margins through hard bargaining with publishers, whose dependence on Amazon as a principal retailer has been growing significantly each year.

Instead of the competition among traditional booksellers for the attention of readers that was for so long the way books were sold, publishers now must confront the immense power and reach of tech giants and adapt to their influence. These companies are so much larger than even the biggest of publishers that accommodating their demands on price and promotion is a formidable task and is the reason why it looks (and often feels) that publishers are on the defensive.

We are in a whirlwind of change. A writer with the ambition to reach a maximum audience needs at least some understanding of Twitter, Facebook, YouTube, Pinterest, blogs, Tumblr, LinkedIn, GoodReads and Google+ (a hat tip to my colleagues at the Perseus Books Group who are making significant headway in providing guidance to our authors in all these marketing tools). But even in the midst of so much change, the main challenge of publishing remains the same: finding and supporting good books and then working closely with authors to identify and reach their readers through every way possible. With all the hubbub of today's technology and media landscape, that still is the best route to success.

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