

THURSDAY, JULY 14, 2005

## Resting on His Deep Throat Coup

The man who founded PublicAffairs Books, a publishing group that produced books by the likes of **Bill Clinton**, **Nancy Reagan** and **Boris Yeltsin**, is stepping down as CEO.

**Peter Osnos**, 61, told The Post yesterday that he will act as editor-at-large for the company he started in 1997 with the notion of "doing the best nonfiction books I could." Before founding PublicAffairs, he worked at The Post for 18 years as a foreign correspondent and editor. Osnos said he started his company because of the experiences he had at the newspaper.

Osnos's most recent accomplishment was concluding a deal with the family of **W. Mark Felt**, Watergate's "Deep Throat," for a book that will tell Felt's story, a feat that



THE WASHINGTON POST

**Peter Osnos, with Nancy Reagan in 1989, is stepping down as CEO of his publishing firm.**

Osnos says took "a lot of tap dancing."  
"I was at The Post during Watergate, I know the story and I think I'll be able to apply the kind of journalism that it needs," he added. Osnos said he has read **Bob Woodward's** new book, "The Secret Man: The Story of Watergate's Deep Throat," and "Felt's book is going to be just as good."

# Osnos turns a page

## Stepping down from imprint he started

By KEITH J. KELLY

Peter Osnos, the journalist-turned-book executive, is stepping down from the PublicAffairs imprint he started eight years ago with the aim of bringing out quality books with low-priced advances.

"The second most important thing to do when you start something is to step back from the management at some point," said Osnos, adding that he would continue to retain the title of founder and editor at large, acquiring books.

But the day-to-day fiscal management of the company, which is part of Basic Books, will fall to the new publisher.

Osnos focused on public-spirited books which on occasion turned into best sellers.

He gambled on works such as the complete and unabridged "Starr Report," based on the reams of documents compiled by special prosecutor Kenneth Starr in his ultimately unsuccessful bid to force President Clinton out of office. It became a runaway bestseller.

He also published Wesley Clark's "Waging Modern War," Vernon Jordan's autobiography, "Vernon Can Read" and "The Case for Democracy" by Natan Sharansky, Ron Dermer and Anatoly Shcharansky,

which President Bush cited as a favorite.

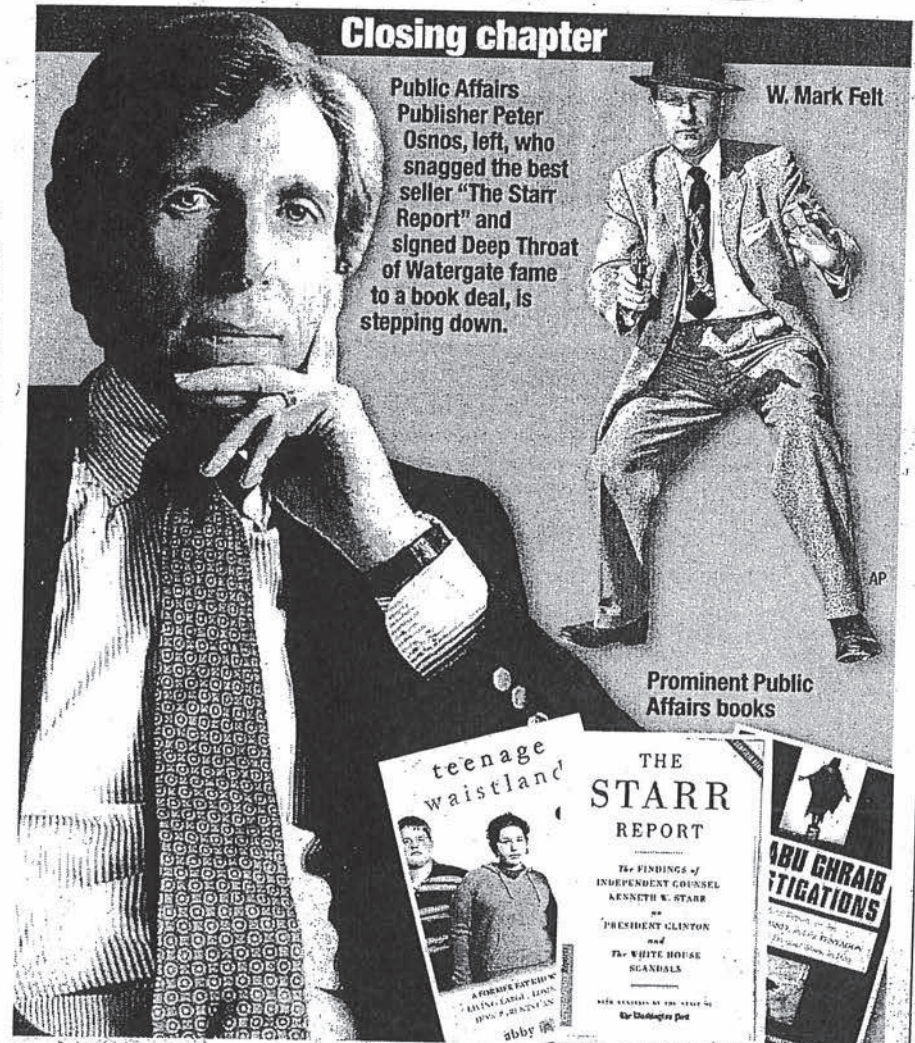
The imprint's biggest bestseller was "Blind Man's Bluff" by Christopher Drew and Sherry Sontag, about submarine espionage, which sold 400,000 copies in hard cover. He also had a funny bone, publishing the autobiography of Sid Caesar, "Caesar's Hours: My Life in Comedy, With Love and Laughter," and "Mixed Nuts," a book about comedy teams ranging from Abbott and Costello to the Three Stooges.

Only last month, Osnos had taken a chance on the autobiography of Mark Felt, the ex-FBI deputy director who was revealed as the Deep Throat source who helped Bob Woodward and Carl Bernstein.

Mainstream publishers had balked because they thought Felt was essentially not mentally competent enough to recall much of his days in the FBI.

Osnos, 61, is a veteran journalist at the Washington Post and a publisher of Times Books when it was still published by Random House.

Among his early backers at PublicAffairs — and still part of his minority ownership block — are ABC News anchor Peter Jennings, C-SPAN founding chairman Robert Rosenkrans and General Electric's chief legal man



### Closing chapter

Public Affairs Publisher Peter Osnos, left, who snagged the best seller "The Starr Report" and signed Deep Throat of Watergate fame to a book deal, is stepping down.

W. Mark Felt

Prominent Public Affairs books

Ben Heineman.

The Washington-based venture capital firm Perseus Capital eventually gave the imprint an infusion of cash for a majority stake and incorporated the imprint into its fledgling Basic Books.

While Osnos may have been the visionary, some

sources say that it was not always a smooth ride with investors who were looking for a return on their money.

"I don't think he made a heck of a lot of money for himself or his investors," said one.

Osnos plans to make the Felt book a revision of a previous Felt autobiogra-

phy, with Deep Throat updates.

Still, as Osnos pointed out yesterday, "I don't know anybody who wouldn't be happy with creating a company and publishing books well."

In its eight years, it published 300 books including more than 50 bestsellers.

# Publisher Osnos To Quit CEO Post At PublicAffairs

By JEFFREY A. TRACHTENBERG

Peter Osnos is stepping down as chief executive of PublicAffairs, the small but distinguished book publisher he launched nine years ago. Mr. Osnos says his decision reflects in part the increasing difficulties faced by modest-sized publishers these days.

"We've had remarkable results, but publishing is a tough business," said Mr. Osnos, 61 years old, who will remain at the house as editor at large and pursue other projects. "There comes a point where you say, 'What's the best thing I can do for a company going forward?'"

PublicAffairs has carved out a respected place among its peers as an ambitious publisher of nonfiction. It has issued books by such authors as Lou Cannon, Stuart E. Eizenstat and Kenneth Turan, and last year printed "The 9/11 Investigations: Staff Reports of the 9/11 Commission" edited by Steven Strasser. Mr. Osnos, a former publisher at Bertelsmann AG's Random House Inc., is well-known in book circles as an energetic, strong-willed personality with journalistic roots.

The house recently agreed to publish the memoirs of former senior FBI official Mark Felt, who earlier this year disclosed that he was "Deep Throat" in the Watergate investigation. That book, with the working title "A G-Man's Life," is being written with John O'Connor, and is expected to be in the bookstores in March 2006.

Nevertheless, with nearly 200,000 books flooding onto the market each year, publishers are finding it increasingly difficult and more expensive to get their books noticed. "Even when you have marketing dollars, it's harder to get attention," says Lorraine Shanley, a founder of industry consulting company Market Partners International Inc. "There has also been a decline in the number of independents, while the chains require more promotional dollars."

PublicAffairs is 53%-owned by Perseus Books LLC, a unit of Washington private-equity firm Perseus LLC. Mr. Osnos and a group of private investors own the remainder. As a closely held company, PublicAffairs doesn't disclose its financial results. But the house is estimated to have generated between \$13 million and \$14 million in revenue last year by publishing such books as Natan Sharansky's "The Case for Democracy" and Linda Robinson's "Masters of Chaos," a look at the history of the U.S. Army's Special Forces.

David Steinberger, CEO of Perseus Books, said he and Mr. Osnos will work together to find a successor. "We aren't necessarily looking at the usual suspects," said Mr. Steinberger. "It's an entrepreneurial, dynamic organization and very different from the large publishers owned by big media corporations."

Mr. Osnos said that his announcement should prompt a host of potential candidates to "put their oar in the water" and apply for the job. The decision was his alone, he emphasized. "This is about ensuring PublicAffairs outlasts me."

## PublicAffairs Founder Plans to Step Down

PublicAffairs, a division of the Perseus Books Group, is looking for a new publisher after Peter Osnos, below, the founder and publisher of the company, announced yesterday that he is stepping down and will work as an editor at large for the company. "Anybody who has ever founded anything knows the second-most important thing you do is to decide when to turn it over," Mr. Osnos, 61, said in an interview. He plans to work on a PublicAffairs autobiography of W. Mark Felt, the former F.B.I. official who in May revealed himself as Deep Throat, the source for many of the Watergate stories by Bob Woodward and Carl Bernstein that were published in The Washington Post. In its eight years, PublicAffairs has published more than 300 books, including works by Vladimir V. Putin, the Russian president, and George Soros, the investor and philanthropist, and anthologies related to the 9/11 attacks and the Abu Ghraib investigations.

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