



**Tom Allen, President and Chief Executive Officer
Association of American Publishers**

Podcast for November 2, 2009

- Q: It's the creative economy, stupid, as a political consultant might say. Hello, everyone. This is Chris Kenneally for Copyright Clearance Center and Beyond the Book in Oslo today with Tom Allen, President and CEO of the Association of American Publishers. He's attending the annual general meeting of the International Federation of Reproduction Rights Organizations for the first time as President and CEO of AAP since the retirement of Pat Schroeder, who served in the same position from 1997 until earlier this year. Welcome to Beyond the Book, Tom.
- A: Chris, I'm very glad to be with you.
- Q: It's a pleasure indeed to have you and we welcome you to IFRRO and it's a 25th AGM. It's an anniversary year for this organization, which Copyright Clearance Center has been a part of since the very beginning and now your introduction to it and at a time when things couldn't be more dynamic for AAP and for the book publishing industry. I'll start with the obvious question, which is what's new in the Google settlement? I know there are some things you can say, probably a lot you can't say, but just tell us where we stand today and we are now October 22nd.
- A: Sure. Well, first of all, the parties to the Google settlement, the Authors Guild, the plaintiff, publishers, and Google itself reached a settlement agreement about a year ago, but that settlement agreement came under criticism and then earlier this year, the Department of Justice weighed in and said it had some concerns. So the current state of affairs is this: the settlement agreement that was negotiated a year ago is in the process of being changed and negotiations are going on between the parties and also with some consultation with the Department of Justice. The court has ordered that a revised settlement agreement be submitted on November 9th, which is not very far away. So there's a lot of intensity around those negotiations right now, but I expect that that deadline will be met, that a revised agreement will be presented, and then we expect that a fairness hearing, which has now been postponed twice, but I think the fairness hearing will be set by the court probably for late December or maybe more likely sometime in January.
- Q: Well, with all of that in mind and as background to your new role here, we should remind people that you have served in Congress for a number of years and I wonder whether you can tell us what attracted you to this position. Why would a Congressman want to move into the role as CEO of AAP?



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A: Well, I can say this. First of all, I love this job. I'm finding it very exciting. First of all, publishers are really good people to be around. They care a lot about civilization, about the state of society, as well as their own particular commercial businesses and of course, many of our members are non-profits, university presses, and others. But I tell my friends, well, I'm now the spokesman or the head of an industry association for an industry that used to be mature, but is no longer. Digital transforms everything and so every publishing company is trying to find new business models to operate in this very changing environment. That makes it exciting for me and I come to the position with almost 20 years practicing law and 12 years in the United States Congress.

So I think that background is helpful because we do have litigation going on, the Google case, other cases that are trying to prevent piracy of copyrighted materials and the public advocacy never stops. With the executive branch, think about lead in children's products, which includes books. We have issues with the Consumer Product Safety Commission. We have issues with other parts of the executive branch. We work with the U.S. trade representative on piracy and market access issues around the world and we – with every state legislature, we certainly are engaged whenever they have legislation that touches on copyright. I would say this. This is an agenda that's easy to support. We're for copyright protection, education funding, and free speech and I like the people I'm working with and I think it's a very interesting time for the industry.

Q: I like the phrase that this is – used to be a mature industry, that it now is one that's kind of going through a renaissance or a kind of renewed adolescence, if you will. Sort of learning and growing all at the same time. The term of your predecessor, Pat Schroeder, who likewise was a Congressperson as well, went from '97 until just earlier this year. That was an incredibly dynamic period, saw the introduction of the digital era. What can you expect for the next decade, do you think, in the industry itself, both for American publishers, but for publishers anywhere around the world?

A: Well, I think as I said, digital transforms everything and so moving from ink on paper to digital is going to accelerate during this period. It started a decade or more ago, but it is really accelerating now and that can be expected to continue. But I think part of the challenge is that along with digital and internet based delivery of content comes an expectation by many members of the public that somehow it should all be free and that attitude is a real problem for the publishing industry and I don't think that many people who simply don't see much wrong with downloading pirated material understand the effect on our society of a weakening of the principles of copyright and Benjamin Franklin was a publisher. He did well



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enough at that job to allow him time to work on establishing the constitutional framework for this country. But in a deeper sense, writers and creators of art and music make an invaluable contribution to the society.

If they can't earn a living doing that, then our society is going to suffer. The immediate sort of major issue has to do with educational materials and on the one hand, you look at our publishers, who are developing cutting edge curricula, which combines ink on paper and digital materials and online tutoring and assessment materials and testing materials for university professors and for teachers in elementary and secondary schools. You look at that and on the other hand, you see this movement toward open access, which is for some, an opportunity but unless that is handled carefully, it could be a real problem for the viability of educational publishing in particular.

Q: And as we see demonstrated here today at the IFRRO AGM, the creative economy is very much a global economy, an economy that the United States is very well plugged into and indeed is a leader for. We've heard it said today that we live in troubled times for copyright and I think you are alluding to that with the need to educate people about why things should be not always free, perhaps sometimes free, but not always free. How is the AAP itself confronting some of these challenges? Tell me about some programs, some specific efforts around the world that you're working on right now.

A: Sure. I'd be glad to. I would say that at home, as I mentioned before, we have litigation against a state university that has simply been putting materials on its website and telling its students to download those materials without the protections that even they would provide for ink on paper materials. So we have to take enforcement action in the United States. We have enforcement actions going on in China and in other countries around the world. We work with – because it's not just all about enforcement, it's also about helping people understand the role of copyright in a civilized society. It's absolutely fascinating to me.

I've been reading some of the recent documents and speeches from ministers in China and they are – they have understood and are clearly moving toward the creation of several major, large, globally competitive publishing companies in China that will be for-profit and it's interesting to hear them saying that and then back home, to be dealing with issues related to educational materials where the opposite is the view, that somehow we ought to push publishers aside and have people prepare materials for colleges and ultimately for high schools without that kind of expertise and quality assurance.



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Q: Well, it's all about protecting one's assets. I mean as an author and a journalist myself, I know that whatever I create is how I'm going to – I eat what I kill is what I tell people and the same would be true in publishing and so perhaps when the Chinese are establishing their businesses, they're recognizing they've got something to protect as well. Certainly the American publishers understand that.

A: Yeah, that's exactly right. I mean the Chinese have realized that in a world which is moving increasingly toward a knowledge based economy, they want to compete in that world and I think that the story of publishers and the contribution they make to a society is not well known at all because I think on the one hand, publishers themselves have been reluctant to describe what they do. Lots of people in this country think publishers are printers and that they just print the book that the author writes, but for most of the books that you see on your shelves, there's been an editorial function, there's a distribution function, there's a marketing function, which ensures that the product, the quality of the product is enhanced and more people are made aware of and have the opportunity to read the material that an author produces and certainly in the education arena, the amount – investments of tens of millions of dollars are going into the development of new curricula for specific higher ed programs and also for elementary and secondary school programs that in many ways are not just materials, but complicated curricula, including as I've said in some cases at the college level, with online access for students with questions about the particular product.

I don't think people know that and part of my job at AAP is going to be to try to make the public case for the publishing industry so that people understand how important it is to the fabric of our civilization and the state of our democracy.

Q: Well, you mentioned a good point which is that publishing does not equal printing and indeed when we read about Simon & Schuster bringing out something called a vook or a vook, I'm not sure how it's pronounced, where they're incorporating elements of film and video into the sort of package of the book itself, it's going to redefine what publishing really means. Have you a sense of how important the beyond the word is going to be to publishing in the future?

A: Well, of course I can't predict the future and I parachuted into this industry, so I don't claim any expertise, but I am going to take a wild guess anyway. If you're an elected official, you're allowed to do this and though I'm not anymore, the habit is hard to give up. I think that increasingly, people – first of all, I don't think books are going away. I think people are always going to be reading. More people will be reading digitally than ink on paper, but people will still be buying books for decades and decades to come, but I do think that it's likely that the experience of absorbing this content is going to be increasingly multimedia.



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One of my sons-in-law has been going through a nursing program and he – you can see things in their textbooks, their medical textbooks, and you can take out the CD-ROM and put it in and see things on your computer screen that are not two-dimensional, that are extraordinarily complex and fascinating and I think increasingly books, or whatever they migrate to, will have a combination of different ways of absorbing the material. Video or audio or part video and part audio and part print, it may all come together in some instances. Not all, because I don't think the book is really going away, but it's going to be a different world and different business models are going to be adopted in order to figure out how to deliver what the public wants and still be compensated enough for doing that, by both the author and the publisher, so that the business can survive.

Q: Well, finally, I noticed in your background that you're a graduate of Bowdoin College, you're a Rhodes Scholar, I believe you attended Oxford University. Any nostalgia at all, all the same, as much as you're excited about the future, any nostalgia for those quiet days in the library reading books?

A: Well, you know, I still read books all the time and I always have. I mean I do come to this as a book lover for sure, even though I didn't know much about publishing and yeah, I read books and played sports when I was young and I haven't given up either habit, but you know, as much as I love books, I am not – I don't have nostalgia for the past as compared to the future. The future is going to be very exciting. If I have a residual concern it's that I worry a little bit that people will be gathering so much information in bits and pieces, searching and finding the particular point they want rather than reading a longer history or a complete work of fiction, that I do worry we'll lose a little bit of that overall impression of what our civilization is all about, but the world is moving faster. The future, I think, is exciting. The past has been – let's just say very interesting as well.

Q: Well, we wish you well in the new position. We've been chatting with Tom Allen, who is the President and CEO of the Association of American Publishers. Tom, you in fact are off from Oslo to China. So you're moving along as fast as the times. This is Chris Kenneally for Copyright Clearance Center and Beyond the Book. Thank you for listening.

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