



# Beyond the Book<sup>®</sup>



Q: Welcome to Beyond the Book. My name is Chris Kenneally. I am the Director of Author Relations for the non-profit Copyright Clearance Center. We're in the media room at the Marriott Marquis in New York City for a discussion with Caroline Vanderlip, who is the CEO of SharedBook. Welcome to Beyond the Book, Caroline.

A: Thank you, Chris. Nice to be here.

Q: It's good to have you here. You're going to be delivering the key note address tomorrow's session, and you're going to be asking a question that rings hard and probably sends a bit of fright into some people in this audience here of book publishers. And that is, is print dead?

So, tell us, what's the diagnosis? What's the prognosis from the good doctor?

A: Well, Chris, I've chosen that as my opener, because I think that it's a question that a lot of people are asking, both in the book publishing and magazine publishing sphere. And I think it actually misses the point, which is why I'm starting that way.

I don't think that print is actually dead. And I'm not sure that it matters what I think, because ultimately, I think what matters is how the consumer wants to consume what has traditionally been a print product. And some people will always want to consume it in a hard physical form. And others will want to consume it on a Kindle or an E-Reader or whatever device happens to be de jour. And there's still others who may want to read it on the web, or read it on a hard drive.

But ultimately what's important is the content itself, and the fact that there's still a broad audience for that content that will want to consume it in various ways. And ultimately, very similar to what happened in the movie business in the '80s, I do believe that the audience for the content will actually expand. We're just going to have to be smarter about how we distribute it.

Q: Well, I was going to say, your perspective on this is certainly shaped by your own professional experience. From 1988 to 1995, you were in variety of senior positions over at NBC, and lastly, I believe, Senior Vice President at the NBC Cable and Business Development where you launched Super Channel in Europe and CNBC and so forth. So, how does that experience help you understand better where this is going for the book publishing world?



# Beyond the Book®



A: Well, I think that that particular experience taught me, very clearly, that the consumer doesn't care how the programming gets into their home. When we were first starting out in the cable industry, even prior to my stint at CNBC, everybody was talking about the pipes into the home. And there was finally a recognition after a number of years that ultimately the user, the consumer of that content, which in this case happened to be programming, TV programming, didn't care whether it came in over the air or whether it came in through a cable pipe. As long as it came in, and it was clear, and it was what they wanted to watch.

But even before then, Chris, in the early '80s, I was very involved in Pay-Per-View programming, which was a brand new concept at the time, and home video programming. And it was just as home video was hitting the marketplace, and we encountered something very similar to what we're seeing now in the publishing world. Which is a real hesitancy on the part of the content owner to see that product distributed in a different way.

Ultimately what the movie producers found was that the theatrical release, which they were so nervous about cannibalizing, they ultimately saw significantly greater revenues from more channels for that theatrical release. So if the movie used to be just in theaters, and all of the revenue was made in that theatrical run, now there was home video, and there was Pay-Per-View, and there was Net, then DVD and all the other forms. And instead of cannibalizing the audience it actually expanded it. And I think we're seeing the same thing happening in the print business.

Q: Well, in the print business, publishing for books, as well as for magazines, the executives are famous for being control freaks. They want to hang on to their content and have a hard time letting it go into these new forms. And there are so many of them it would be hard to point to one in particular. They're afraid of – they're just afraid in general of them. How do they accommodate themselves? How do they kind of let go of that fear and recognize that the revenue models may change, but that ultimately they'll be – they'll benefit from that?

A: It's a hard question, Chris. I don't know.

Q: We've been asking it for ten years now. (laughter).

A: You know, I think it's just a see change in the way you have to look at your business. And if I take away anything so far from the first day at this publishing conference, it's that I think publishers are finally beginning to see their content as content, not as books. And I think that that see change has been a long time in coming, and I think that that's instrumental in getting to where we need to go. Particularly in the non-fiction category. I think they're finally understanding that



# Beyond the Book®



there's a market for a chapter, there's a market for parts of a book that you can sell that to the ultimate buyer, the consumer, and make revenue from it. But it doesn't have to be in the way that you first conceived it.

Just a – to divert just a little. I was at a conference recently in which there were a lot of editors who were very, very concerned about when – if there's so much social media, and Web 2.0 and user generated content, however you want to describe what's happening in this marketplace, which is user interaction, how does an editor ever actually finish a book? How do they publish it and get it off their desk so that they can move on to the next book? And that's a – that's kind of an old question, because it's an old model. In the new model, the answer is the buyer is the ultimate determiner as to when that book should be purchased.

So, if I'm – if I've got a medical book, for instance, and I've opened it up to the medical community for commentary, I, as the buyer, can decide to buy the book when the editor is through with it. Or maybe I want to decide to wait three months, and actually buy the book with the three months of commentary from the community. Or two months, or one month, or maybe I only want Doctor Zillespie's (sp?) comments, because that's who I really respect.

But, ultimately, I as the buyer, make that decision. And that's a shift in the way we think about publishing a book.

Q: Well, so it's personalized, it's customized, and the control shifts from the publisher side of things to the audience side of things. And it's an audience that wants the book. I think the fear about control is that the pirates will take over. And it seems to me, at least, that if you're going to work at this, it's better to work for the people who want your material, who want to pay for it, than to try to go after the ones who are trying to steal from you. Is that – does that work for you?

A: Yeah, I think that works for me really well. You can always come at an industry from the negative. The example I'll use out of the movie business again, is reviewing tapes for Oscar nominations. And there used to be all of these encryption and encoding and special machines you had to buy. And ultimately this year they finally realized that you just had to trust your audience. And that didn't mean that there wouldn't be movies that got out on the street. Guess what, they're going to get on the street anyway. If people really want to copy and steal, they're going to do it. But, you shouldn't put so many controls on it that you ultimately hurt the enthusiasm of your end buyer to buy your product.

Q: Well, tell us where SharedBook fits into all of this, and a little bit of the history of the company, too.



# Beyond the Book®



A: Sure. SharedBook has been in business for five years. We are a customized and personalized publishing platform. And by that we mean that we offer various ways for owners of content, and I use that term very significantly, not necessarily traditional publishers. But those who own large content libraries to be able to monetize those libraries in a new form, i.e., in allowing either an editor to pull content together in a different form and sell a new book. Or for a user to be able to select that which they want, assemble it on the fly, and be able to purchase it.

So, SharedBook is very much about delivering content in the form that the user wants, in the way that the user wants. And to do it all dynamically. We have a number of different businesses. So, from my example earlier, where the user or the buyer decided when to buy that medical text, the technology that essentially allows for all of the adaptation of that text, and then packaging it with the original content, is all SharedBooks.

There are traditional publishers today using SharedBook to allow users to inscribe a classic book. Whether it's a children story, or a book like *The Alchemist*, etcetera. Where you used to give a book and inscribe it in the front, and it had special meaning for the user, we've taken that into the digital world, in the 21<sup>st</sup> century, and actually allow somebody to place a photo and an inscription in that book that gets bound into the final copy.

On the non-traditional publisher side, we work with companies to allow the user to select the content that they want, in the form that they want it. So, you can go to an Allrecipes.com and you can make a customized cookbook. And the application that you're using is SharedBooks. Although, it's under the brand of Allrecipes.

And finally, we're working now with owners of text book content to allow professors and students to make custom textbooks, which can also contain other kinds of content and user information all bound together.

So, those are – that's kind of the range of uses of the platform working with all different kinds of publishers.

Q: And it's not just the users who can customize the content, too. An editor could respond to a change in the marketplace, or something that was currently popular. I'm thinking about the focus in the medical world today on autism. And if you had material that looked back on the history of it, and studied it and so forth, you could package that out of a larger body of work, and create a really targeted book for a targeted audience.



# Beyond the Book<sup>®</sup>



A: Absolutely, Chris, thank you for mentioning that. I should tell you that the first large content library that's going to be doing just that is Encyclopedia Britannica, which is launching in the Spring with a 100 new titles, all created using SharedBook technology and printed on demand. And that is exactly their point of view, which is they have this large content library that SharedBook allows them to be opportunistic. And more importantly, SharedBook allows them to take out all of the traditional costs of publishing. So, instead of finding an author, and waiting for a manuscript and designing that manuscript, and sending it to China to be printed so that it can be shipped to stores, so that it can be returned, which is essentially, as you know, is the publishing model. This allows them actually to create a book very, very quickly, using our technology, to offer it in their store. And while, of course, they'd love tens of thousands of people to buy that title, the reality is, even if 100 people buy that title, it's 100 sales they didn't have before, monetizing the content that they already have.

Q: Well, we've been speaking with Caroline Vanderlip, CEO of SharedBook, who will be addressing the Publishing Business Conference and Expo tomorrow here. So, really appreciate your sharing all of that with us, giving us a preview. Thank you, Caroline, for joining Beyond the Book.

A: Thank you, Chris.

Q: And this is Chris Kenneally for Beyond the Book and Copyright Clearance Center. We look forward to having you back again soon.

END OF FILE