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Disruption and innovation in the Australian book industry: Case studies of trade and education publishers

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Jan Zwar

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Disruption and innovation in the Australian book industry: Case studies of trade and education publishers

Jan Zwar¹

ABSTRACT

The disruption and structural transformation underway in the global book industry is well known. Major changes include the development of technology which enables digital publishing, distribution and retailing; the entry of disruptive players including Amazon, Google and Apple; the introduction of hand-held digital reading platforms and devices; upheavals in the bricks and mortar retailing sector; and the rise of online and social media as important channels for promoting books. Education publishers are also affected by disruption taking place in the education sector itself, further complicating their business models and operations.

To date there has been little systematic examination of the responses of Australian publishers to change and the ways in which traditional publishers are experimenting and innovating, both as defensive responses and initiating change themselves.

This report examines changes that are underway in nearly every stage of the publishing process, drawing on findings from interviews with senior Australian publishers. It includes 25 case studies and detailed discussion of the key findings. A broad range of publishers is represented, including major trade and education multinational companies, small and large independent trade publishers, experimental literary presses, scholarly presses and more. These case studies are illustrative, not comprehensive.² The publishers recount reforms and initiatives that demonstrate a variety of innovations being trialled and implemented in the Australian industry.

Keywords: Book publishing; disruption; innovation; authors; publishers; booksellers; books; ebooks; literature; education; cultural economics

JEL classification: Z10, Z11

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² A later stage of this research project involves a survey of traditional Australian book publishers, with the findings due for release in 2016. This survey will indicate the extent to which the initiatives documented in this report are occurring across the industry.

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INTRODUCTION

This report examines the responses of traditional book publishers to global changes taking place in the book industry. It contains 25 case studies including major trade and education multinational companies, small and large independent trade publishers, scholarly and literary presses, collaborative ventures and more. The purpose is to examine, in publishers' own words, how they are experiencing disruptive changes and the strategies they are implementing in order to adapt. It is important to note that this set of case studies is *illustrative*, not comprehensive. The selection process is discussed below; suffice to emphasise that there are many high-profile innovative publishers that are not profiled in this report.

After several tumultuous years, the financial performance of the Australian book industry in 2015 is summarised by Shaun Symonds, General Manager of Nielsen Book Australia and New Zealand, as a year in which book sales stabilised. Symonds reports that in 2015 trade sales in the Australian market (not including offshore sales) are worth approximately \$979 million, which is 2.4 percent higher in value compared to the previous year-to-date period. Sales volumes remained steady at over 56 million.³ (Nielsen BookScan data is based on sales of print books and represents around 90 percent of all sales of trade books in Australia.)⁴ Education sales are approximately \$410 million according to the Australian Publishers Association. IBISWorld estimates the total revenue from book publishing (including trade and education publishing) in 2014-15 to be approximately \$1.6 billion (IBISWorld 2015) although total figures are subjective.⁵

It has been a difficult period for the industry and the contributory factors to its structural transformation are well known. They include the development of technology that has enabled digital publishing, distribution and retailing; secure e-commerce systems; the entry of disruptive players including Amazon, Google and Apple; the introduction of hand-held digital reading platforms and devices; changes in the bricks and mortar retailing sector; and the rise of online and social media as important channels for promoting books. The closure of REDgroup Retail in 2011 had an enormous impact on Australian trade publishers, which perhaps has not captured as much of the popular imagination as has the influence of Amazon: at the time of REDgroup Retail's collapse it was responsible for 20 percent of Australia's trade book sales (albeit on a loss-making basis) and Nielsen BookScan data suggest that these sales were not captured by other onshore booksellers after its Borders and Angus & Robertson outlets closed.

While there has been much academic and media coverage about changes in the markets for books, there has been less consideration of industry-wide responses to changes on the part of publishers. However, there is excellent news media reporting of individual publisher announcements, company takeovers, new imprints, adoptions of technology, staff changes and sales performance with thoughtful commentary accompanying these news items. The research draws on these developments to consider how the Australian publishing sector is responding more broadly to the structural transformation of the industry.

This research is predicated on the assumption that book publishers have needed to innovate to respond to changes in the industry that, in many cases, have been forced upon them. Publishers have developed defensive strategies to entrants such as Google, Apple and Amazon, for example, direct to consumer print and ebook sales and improvements in their logistics management and speed to

³ Symonds (2015); Nielsen BookScan 2015 snapshot; and personal communication.

⁴ 'It has been estimated that Nielsen BookScan's retailer coverage is approximately 90% of Australian book trade sales (\$) representing sales from more than 1000 retailer outlets.'
<http://www.nielsenbookscan.com.au/controller.php?page=108>

Nielsen BookScan data is collected from retail outlets where sales of print books are a predominant aspect of those businesses. Such outlets include independent bookstores, book chains, discount and department stores, and airport newsagents. These data do not incorporate sales from non-bookshop retail outlets, for example, special interest stores such as gardening, sport or cooking which also stock some related books.

⁵ The Final Report of the Book Industry Collaborative Council (BICC 2013) calls for an industry-wide initiative to improve the collection of data, see pp. 8-9.

market. (In some cases, such as Harlequin, the sale of ebooks is an extension of its postal mail order services to readers.) Publishers have also employed opportunistic strategies to leverage digital technology, such as Pan Macmillan's Momentum, a digital-only epress that was established to experiment with e-publishing and digital sales channels. Other strategies aim to open up new, different markets and test new business models, for instance new types of royalty agreements between publishers and authors, experiments with the pricing of ebooks and moves to subscription models.

Scholars from a variety of disciplines and specialisations including economics, management, sociology, law and cultural policy have put forward definitions and approaches to analysing innovation.⁶ Anna Faherty draws on the work of Nigel King and Neil Anderson (2002) and Michael West and James Farr (1990) to define innovation as:

...intentional products, processes or procedures, which are new to the work group or organization in which they are introduced *and* which have the aim of producing benefit for the organization or wider society... (Faherty 2013, p. 40).

Many of the strategies include *efficiency-centred* approaches, that is, improving the effectiveness of existing business models. Other strategies seek to open up new markets and to create new business models. One type of innovation is not valued over another in documenting the case studies; the research examines initiatives in commissioning titles, layout, printing, warehousing, distribution and promotion, all of which serve traditional publishing business models as well as entry into non-traditional models and partnerships. The report deliberately takes a broad view. Other important innovative aspects of the industry include literary experimentation and the development of different models for creative collaboration. These are also included in this report.

METHODOLOGY

The first stage of compiling the list of companies to be profiled involved asking for recommendations from executives at the Australian Publishers Association (APA) and the Small Press Network (SPN), plus individual industry contacts. A former executive with the SPN provided a number of names and introductions, while the APA, rather than nominating a list of company names, instead offered an invitation to serve on the judging panel for the 2015 Australian Book Industry Awards (ABIA), and in this way they provided an introduction to publishers that were shortlisted for an ABIA Innovation Award.

Interviewees also suggested other companies and in some cases gave introductions. Every attempt has been made to include a broad cross-section of case studies, with a range of genres, size of operations, business models, geographic locations and approaches to innovation. Nearly all of the publishers approached were willing to be interviewed; however, in a small number of cases, publishers were simply too busy although they expressed appreciation at being contacted, or phone and email enquiries did not generate a response. Despite this, the research program quickly filled up and even grew substantially.

Each extended case study is compiled based on an interview with a nominated member of the organisation, usually the CEO, Managing Director, General Manager, Head of Publishing or Editor. The interview was conducted in person or by phone, usually lasting between 1 ¼ and 1 ½ hours and recorded in a digital audio format, after which it was transcribed. Other research included reading the publishers' websites, books, reader and critical reviews of their books, business and media coverage and other related material that was publicly available. After the case studies were drafted, a copy was provided to the interviewees for correction, additional comment and clearance. A collection of the case studies was assembled as a working draft and examined for themes and points of continuity. Finally, copies of the working drafts were provided to industry representatives for feedback before the report was finalised.

The selection process for the publishers profiled in Part 3, Recent Ventures, was slightly different. These are identified from networks in the industry and publishers shortlisted for the 2015 ABIA

⁶ For an introduction see Fagerberg (2006). Studies focusing on innovation in the cultural sector include Caves (2000) and Stoneberg (2010). A recent discussion of the literature is provided by Eltham (2012).

Innovation Award. The purpose here is to complement the extended case studies with shorter profiles that contribute to a more nuanced portrait of the different types of innovation in the book industry.

The next section in this report provides an overview of changes in the industry, followed by a discussion of themes which emerged from the case studies. Although the case studies vary considerably, it was possible to identify certain commonalities and common challenges facing contemporary Australian publishers.

OVERVIEW OF THE AUSTRALIAN BOOK INDUSTRY

DECLINE IN ONSHORE SALES AND UPTAKE IN OFFSHORE SALES

Nielsen BookScan data show that onshore sales of print format trade (i.e. consumer retail) books increased steadily in Australia during the 2000s to a peak of approximately \$1.3 billion in 2009, but following this the domestic Australian retail market for books contracted during 2010-2014. Sales volumes declined after 2010 and started recovering in 2014. The Average Selling Price (ASP) has gone down since 2011, indicating a move to cheaper books by consumers and moves in the industry to lower price points.

Table 1. Sales of trade books in Australia 2006-2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Volume (m)	52.4	59.0	61.3	64.8	66.3	60.5	56.7	54.2	55.5	56.4
Value (\$m)	1,036	1,169	1,214	1,290	1,259	1,080	980	919	939	979
Average Selling Price (\$)	19.75	19.85	19.80	19.90	19.00	17.85	17.30	16.95	16.90	17.35

Source: Nielsen BookScan (AP3 Panel) 2016.⁷

Tim Coronel and Foong Ling Kong estimate that two hundred and fifty million dollars in Australian book sales annually has been lost to offshore retailers such as Amazon, Amazon's Book Depository and through ebook sales from other providers (Coronel 2013, 25; Kong 2014, 38). These sales include print and ebooks, and it is believed that sales are strongly influenced by the exchange rate: when the Australian dollar is stronger against the US dollar they are a more attractive retail option. In comparison, education sales (\$410 million in 2015) have remained relatively steady over time.

IMPACT OF BLOCKBUSTER TITLES AND THE COLLAPSE OF REDGROUP RETAIL

The turbulence of the past few years includes the extraordinary success of bestsellers such as the final Harry Potter book, the *Twilight* series, *Fifty Shades of Grey* and the negative impact of a major retailer's collapse. The bar chart below sets out the percentage change in sales each year.

⁷ These figures are rounded estimates including the ASP, which has been rounded to the nearest \$0.05. The figures are not adjusted for inflation.



Figure 1. Percentage change in Australian trade book sales 2006-2015. Figures are rounded and are not adjusted for inflation. Source: Nielsen BookScan (AP3 Panel) 2016

Shaun Symonds observes that, ‘The blockbusters always have a two-year effect – the year they have an impact in the market and the year after, when they aren't there and sales trend in the opposite direction.’

The final book in the Harry Potter series, *Harry Potter and the Deathly Hallows*, was released in mid-2007, contributing to an upswing in sales in that year and a downswing in the following year as no other blockbuster replaced its sales impact. In 2009 the Stephenie Meyers *Twilight* series contributed to an upswing, especially after the release of the first film in 2008, followed by a downturn as there was no major blockbuster in 2010. In 2011 the industry was damaged by the collapse of REDgroup Retail. Shaun Symonds observes:

The negative growth impact on the industry from the REDgroup collapse was spread over two years. Stores shut around June 2011, so it affected growth in 2011, and then the closure of these stores carried over into the first half of 2012 because sales were correspondingly lower than 12 months previously due to the reduction in retail outlets. If the REDgroup stores had all shut on December 31 2011 we could have contained the growth impact in one year and it would have been about 20 percent.

The industry has been recovering slowly, aided by the blockbuster success of *Fifty Shades of Grey* in 2012. The most recent sales boom in 2015 was from adult colouring books. There is further discussion of the impact of short- and long-term books sales cycles in the Conclusion of this report.

PUBLISHERS

The Australian publishing industry, like many other English language industries, consists of a small number of large publishers that are responsible for the majority of sales in the sector: Penguin Random House, HarperCollins, Harlequin (a division of HarperCollins), Pan Macmillan, Hachette, Allen & Unwin, Simon & Schuster, Hardie Grant, and Scholastic (a leading children’s publisher) in the trade sector; and Pearson, Cengage, Wiley, Scholastic, McGraw-Hill, Lexis Nexus (publisher of legal titles), OUP, and Wolters Kluwer in the education sector. The exact number of book publishers is not known but discussions with the Australian Publishers Association and the Small Press Network about their membership size suggest that there may be as many as 400 specialist traditional book publishers,

including very small ‘micro-publishers’. Self-publishers and publishers that operate solely on a fee-for-service basis do not fall within the scope of this report.

The Thorpe Bowker data demonstrate the large number of other organisations and individuals that publish books. The data in Table 2 below include all the organisations that purchased ISBNs from Thorpe Bowker in 2014. As well as traditional book publishers, there are government departments, local councils, community, leisure and volunteer organisations, professional associations, interest groups, religious bodies and individuals that have published a book with an ISBN.

Table 2. Australian publisher output 2014, by size of publisher

	No. of publishers	Total titles published
1 book	2290	2290
2-5 books	1156	3073
6-10 books	170	1270
11-20 books	81	1188
21-50 books	70	2141
51-100 books	24	1642
100+ books	24	9273

Source: Thorpe Bowker 2015

In addition to the largest publishers, Thorpe Bowker identifies ‘an expanding middle ground, where 101 publishers produced 20-99 titles each and another 96 publishers released 11-20 titles’.⁸ Over 2000 publishers have released one book, and many of these are assumed to be self-publishers.

BOOKSELLERS

Changes in bookselling are also well-known, with a contraction in sales by bricks and mortar bookstores and an increase in online sales. Turnover in bricks and mortar retail outlets in Australia was estimated at over \$900 million in 2013-2014 (IBISWorld 2015).

Table 3. Retail distribution of books in Australia

Channel	Value of turnover	Comments
Bookchains	38%	Includes Dymocks, QBD, Booktopia and Koorong plus other bookseller chains.
Discount and department stores (DDS)	28%	Examples of discount department stores are Big W, Kmart and Target; examples of department stores are Myer and David Jones.
Independent bookstores	27%	
Other	7%	
Total	100	

Source: Estimates based on discussions with industry representatives

⁸ ‘Think Australian’, Thorpe Bowker 2014, p. 5 (based on 2013 data), <http://issuu.com/bplusmag/docs/thinkaustrian2014> Note that these statistics come from the registration of ISBNs, which is managed by Thorpe Bowker.

Notable features include the emergence of Big W as the single biggest retailer of books in Australia. The proportion of independent booksellers represents 27 percent of retail market sales, up from 20 percent in the late 2000s. Booktopia, an Australian-owned online retailer, purchased Bookworld in 2015 to become the dominant Australian-based online retailer, with an estimated market share of 6-7 percent.

TRADE/EDUCATION SALES

The industry has traditionally been divided between trade (consumer) publishing and educational publishing (primary, secondary and tertiary), with trade publishing further divided between adult fiction, adult nonfiction and children’s books.

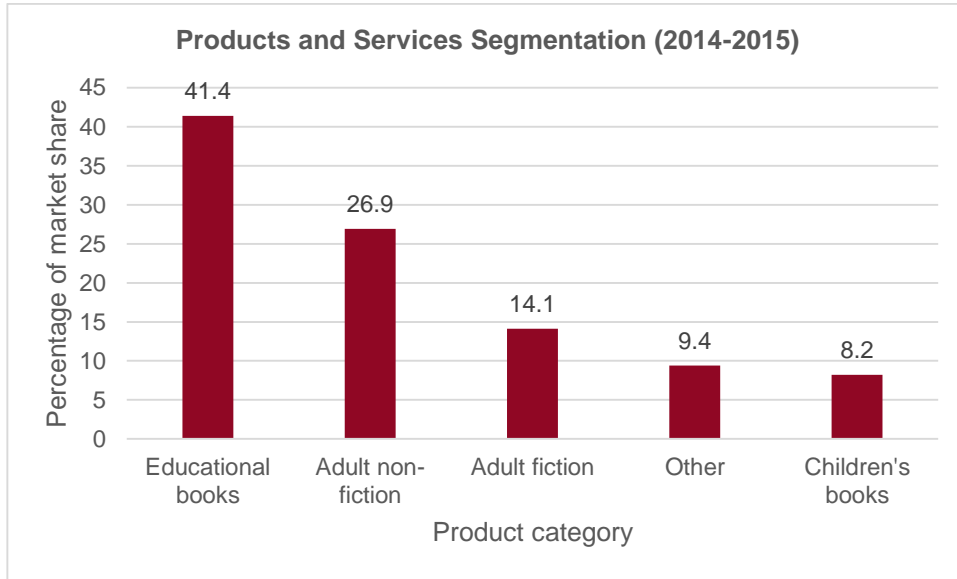


Figure 2. Estimated breakdown of sales by major product category.
Source: IBISWorld, January 2016

Education revenues can be broken down as follows:

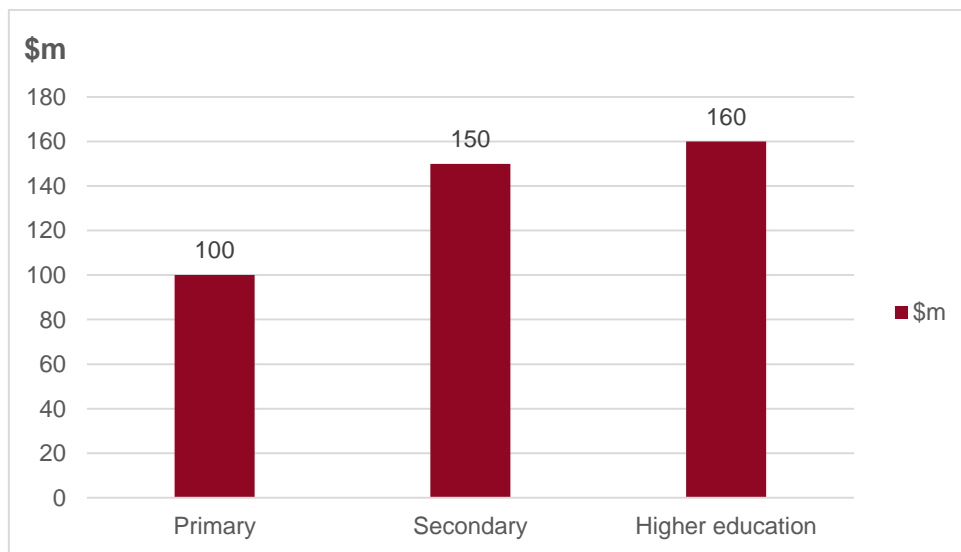


Figure 3. Breakdown of education sales in 2015.
Source: Australian Publishers Association, January 2016

The higher education sector includes publishers of resources for universities, vocational training by TAFE and private providers, and continuing professional education.

PRINT/DIGITAL TRADE SALES AND PUBLICATION FORMATS

An aggregate of Australian print and digital trade book sales is not collected by one organisation so it is not possible to provide a definitive breakdown of print versus digital sales. Louise Sherwin-Stark, Hachette, estimates that digital sales comprise 17-20 percent of most large trade publishers' turnover. Michelle Laforest, Harlequin Australia, reports that approximately 75 percent of their sales are print books. Further, some of the bestselling authors published by Harlequin's digital Escape imprint are returning to print, with Harlequin developing dual branding and promotion strategies across digital and print formats. It serves to underline that, along with emerging digital retail strategies, print remains important.

The trade paperback format is the most popular, while sales of the cheaper B format paperback have been declining.⁹ Justin Ractliffe, Hachette, explains:

Trade paperbacks (TPBs) are typically priced between \$29.99 and \$32.99. They are the preferred first format in this country, unlike the UK and US where most books come out in hardback first, which is more expensive. By far the largest proportion of titles are sold in TPB in Australia. B format paperbacks are the second format – or third if the book has come out in hardback before going into TPB – and are typically priced between \$19.99 and \$22.99.

The smaller B formats are usually associated with backlist titles rather than with frontlist (new or recently released) titles. Publishers interviewed for the case studies advised that RRP (recommended retail prices) and ASPs have dropped in the past five to ten years, for example, B formats have generally moved from RRP \$24.99 to \$19.99.¹⁰ Ractliffe adds that:

With the demise of REDgroup and the cutting back on ranges by the DDSs, it has been increasingly hard for publishers to sell paperbacks into stores. NewsLink (which owns retail outlets in airports) and Dymocks drive these sales now. This is in contrast to the UK where the paperback is their first, and biggest selling, format.

Another perspective on the continuing relevance of print formats is provided by Thorpe Bowker. In 2014, 54 percent of all ISBNs – including trade and education – were registered for print books (down from 64 percent in 2008), 20 percent of ISBNs were for ebooks (up from 4 percent in 2008) and the remainder were for other formats including CDs, DVDs, stapled, spiral and ring-bound materials (Thorpe Bowker 2015).

In summary, the proportion of books published in print format has gone down but sales of trade print books remained strong in the period of this study.

LITERARY FICTION AS A PROPORTION OF TRADE SALES

It is well-known in the industry and in academia that sales of most literary titles are modest and their contribution to culture and society is not measured in commercial terms. The publishers in these case studies estimated sales of 2,000 – 4,000 for most literary fiction titles and the usual first print run of poetry collections published by Pitt Street Poetry is 300, with reprints of 100. Of course there are exceptions, with well-known recent examples including books by Geraldine Brooks, Michelle de Kretser, Hannah Kent, Richard Flannagan, Kate Grenville, Graeme Simsion and Christos Tsiolkas to name just a few best-selling Australian literary authors. But despite the strong sales of a small number

⁹ The ONIX Code List 175 describes these formats as follows: 'B-format paperback, B105: In [the] UK, a category of paperback characterized by page size (normally 198 x 129 mm approx.); Trade paperback (UK), B106: In [the] UK, a category of paperback characterized partly by size (usually in traditional hardback dimensions), and often used for paperback originals.' ONIX codes are the international standard for representing and communicating book industry product information in electronic form.

¹⁰ The scope of this research did not permit independent verification based on the analysis of sales data.

of Australian literary titles in the market, a rough educated guess is that sales of literary fiction comprise less than 5 percent of trade publishing and Australian-authored literary fiction comprises 2.5 percent or less of total trade sales. Despite constrained budgets, literary publishing itself is a lively area of experimentation and innovation, discussed further on.

In the next section, we consider the disruption that is taking place in the industry and publishers' innovations and initiatives.

DISRUPTION AND INNOVATION IN THE BOOK INDUSTRY

In a generic business model by Flaherty (2013), there is a well-established chain of activity. Authors license or assign rights to their work to publishers either via an agent or directly. Publishers exploit these rights by selling the books they produce to bookshops and other retail outlets, libraries, wholesalers, aggregators, or onselling rights to other publishers and other content developers. For many centuries, publishers did not deal directly with consumers, rather they relied on other organisations to be retail interfaces.

The publishing industry has been required to adapt and innovate in order to survive. Some academics distinguish between 'innovation at the level of individual products, or ... substantial change in the way a company operates' (Faherty 2013, 40). Another distinction is between improving products provided in existing marketplaces (exploitative innovations) and initiatives with the potential to open up new markets (exploratory innovation) (Smith, Binns and Tushman 2010). Anna Faherty draws attention to the distinction noted by Zott and Amit (2007) between efficiency-centred models that 'deliver products or services similar to the company's current offer, but in more efficient ways' and novelty-centred models, 'which introduce new ways of conducting economic exchanges' (p. 41).

Faherty lists four non-traditional innovations in publishers' business models:

- Developing new distribution mechanisms and sales transactions
- Breaking down barriers between publishers and consumers
- Capturing new revenue streams
- Transforming to a service business (Faherty 2013, 45).

The case studies in this report demonstrate that the publishing industry is innovating along the traditional stages of the value chain while also introducing non-traditional initiatives.

The next section provides an overview of changes in trade publishing and then in education publishing.

CHANGES IN TRADE PUBLISHING

THE ONLINE RETAIL ENVIRONMENT

The move to online retailing is one of the greatest areas of innovation in the book industry over the last decade, a move forced on the industry by new entrants such as Amazon and Apple. Although the exact figures are unknown, Australians spend millions of dollars in these online marketplaces. IBISWorld predicts that 19.7% of trade sales in 2015-16 will be through online retailers (IBISWorld 2015).

Publishers have become adept at keeping informed about the latest technological developments and preparing for the provision of ebooks in the latest formats at a competitive price. Several interviewees view this rapid transition as a hard-earned achievement to keep up with consumer demand.

Louise Sherwin-Stark, Hachette, distinguishes between different types of online retailers.

Amazon sells both print books and ebooks. They supply print books from US publishers into the Australian market, but their ebook sales via Kindle are actually sales that we can measure and account for. Apple iBooks only sell ebooks. Booktopia sell predominantly print books but have confidently moved into digital particularly in the last couple of years.

Publishers also discuss that the merchandising managers of most major ebook retailers including Google, Amazon and Kobo are based overseas and they have little awareness of the Australian market or of Australian book titles (with the exception of Apple, which has an office in Sydney). Louise Sherwin-Stark, who previously worked for Google Play, comments:

First, the merchandisers who choose which ebooks to feature on their Australian sites are not necessarily located in Australia. With the best will in the world these merchandisers cannot have a strong understanding of the local culture.

Second, the online retailers of ebooks only can be more interested in marketing their technical platforms than in promoting individual books or authors, which is a challenge for publishers trying to connect new authors with readers.

Therefore, this new digital marketplace poses unique challenges for promoting the books of debut Australian authors. In general, Australian publishers are paying additional attention to overseas retailers to gain more prominence for their titles in these outlets.

In addition, publishers work with Australian-based online book retailers on a range of promotional initiatives, particularly Booktopia, the largest Australian-owned online retailer. Booktopia works closely with Australian publishers and online communities to extend its reach to book readers and to deliver pre-sales campaigns which increase the number of pre-ordered books – and increase its market share of retail sales. Booktopia has also initiated its own strategies to increase its market share of front list titles. These include compression algorithms which have improved stock management, leading to higher turnover of stock and have proven to be so successful that, remarkably, the owners of the business have no need for old stock provisions in their audited accounts.

Publishers also offer retail services direct to readers. In some cases, such as Harlequin, the sale of ebooks is an extension of their postal mail order services to readers. In other cases, direct to reader services are a new venture. Initially there were opportunities to receive and fulfil customer orders through fax and post, which progressed to more efficient e-commerce sites and direct sales of ebooks. Lorena Kanellopoulos, the Manager of ANU Press, recounts the early order-fulfillment system for print books as being quite cumbersome but improvements over time enable the efficient provision of print and ebooks direct to readers.

BUSINESS MODELS AND PRICING

Publishers are experimenting with new business models and pricing mechanisms, even when the organisation itself operates within the traditional business model. The case studies in this report include such strategies as:

- New types of royalty agreements between publishers and authors
- Use of technology to make niche publishing projects viable
- Experimenting with the pricing of ebooks
- Giving away 'books' free online
- Moves to subscription models

NEW ROYALTY AGREEMENTS BETWEEN PUBLISHERS AND AUTHORS

Changes in royalty agreements could be seen as an ongoing evolution within an existing system of rights payments to authors. One example of innovation is by Pantera Press, a small independent press based in Sydney with genre and non-fiction lists. Alison Green and John Green, a former investment banker, developed a business model that involves small up-front payments to authors until their book had broken even and then a higher royalty split. However, Green observes, given that the size of advances in the industry has come down, their initial payment to authors is on a par with many advances paid by much larger publishers. Pantera Press's profit-sharing model is part of its strategy to invest in building the profile of all of their authors with a view to a long-term association. Likewise, The Author People do not work on an advance model, though generally provide higher than industry

standard royalties for their ebooks and paperbacks, often increasing further after an agreed ‘minimum viable’ level of sales has been achieved.

USING TECHNOLOGY TO MAKE NICHE PUBLISHING PROJECTS VIABLE

Publishers have historically taken advantage of technological developments to pioneer new cost-effective formats and this behaviour continues. In this report we consider its applicability to ebooks, poetry publishing and community-based publishing. (Ebooks are discussed in more detail in the following section.) Business models for poetry publishers run partly on passion as well as careful management. Linsay and John Knight, the publishers of Pitt Street Poetry, bring decades of commercial experience in publishing (Linsay Knight was formerly Head of Children’s Books at Random House Australia) and other business management expertise (John Knight has an MBA and has worked as a consultant to the medical profession). Overheads are kept low, and a first print run of Pitt Street Poetry is usually 300 copies; if 250 of these are sold, the edition has covered its costs. As noted earlier, all of the specialist literary, university and academic publishers in this report use technology where possible to keep their overheads down. Lorena Kanellopoulos, the Manager of ANU Press, gives a particularly vivid account of constantly finding ways to reduce the publisher’s overheads by streamlining the workflow using InDesign and their own in-house XML software upgrades.

EXPERIMENTING WITH THE PRICING OF EBOOKS

Momentum was established as an independent imprint of Pan Macmillan with a brief that included building the reputations and careers of authors in an online environment over time and experimenting with the pricing of ebooks. Momentum publishes a variety of titles but it has developed particular market traction with genre titles including series. Just as earlier releases in a series of print books may be priced more cheaply than the newest instalment, Joel Naoum, Publisher, Momentum Books, has experimented – in collaboration with authors – with the pricing of ebooks published in a series. Sometimes the first book is available free or for \$1, with subsequent books in the series priced higher. Naoum has also observed a tendency for some readers to wait until several books in a series have been released before starting to read them, a text-based equivalent to the phenomenon of ‘binge viewing’ TV programs in a series.¹¹ Likewise, Jim Demetriou, Sales and Marketing Director, Allen & Unwin, initiates temporary price reductions on selected Allen & Unwin titles in estores to strategically drive up sales and shift the books to more prominent placements (e.g. in lists of top selling books).

GIVING AWAY ‘BOOKS’ FREE

In addition to the sales promotions which involve giving away the first book in a genre series free, three scholarly publishers give away the entire content of their lists free: ANU Press, Re.press and Monash University Publishing. They are committed to the open access movement, a scholarly commitment to make available universities’ research output free in recognition of the fact that taxpayers funded it initially and in order to advance knowledge. However, all three publishers distinguish between giving away digital content and selling print books. Over 800,000 free digital copies (on very niche, specialist academic topics) have been downloaded from ANU Press, and Re.press and Monash University Publishing have also given away tens of thousands of downloaded copies. The formats vary from html (Monash University Publishing), to PDFs (Re.press) and a range of popular ebook formats (ANU Press). ANU Press and Monash University Publishing are subsidised by their host universities. Re.press is a not-for-profit publisher of Continental philosophy and theoretically-influenced fiction and poetry which began as self-funded by a small group of academics and is now self-sustaining, albeit with the contribution of volunteers’ time. These three presses sell a fraction of books in print form compared to the free downloads but they are experimenting with ways in which open access downloads and sales of books can co-exist. Lorena Kanellopoulos, Manager of ANU Press, has observed a decline in demand for print books in recent years; however given that ANU Press books are priced essentially to cover costs, this may not affect their business model.

¹¹ This is not a new phenomenon; Charles Dickens was a master of serial storytelling, but it is a significant contemporary trend in marketing book titles. See, for example, <http://lithub.com/harry-potter-loves-ferrante/>

MOVES TO SUBSCRIPTION MODELS

Education publishers have made more inroads than trade publishers in moves to subscription models. (This is discussed in more detail below.) However, some trade publishers are also achieving success in this area. Hardie Grant is the publisher of two subscription-based websites derived from books. Wine Companion is a subscription-only membership website built around James Halliday's annual *Wine Companion*. The website was set up several years ago and has over 10,000 subscribers. In a remark that may inspire good-natured envy on the part of other publishers, Julie Pinkham, Managing Director, Hardie Grant Books commented that, 'We hoped that it would be successful, but it just seemed to be easily successful.' Partly due to its success, the publishers launched Cooked, a subscription-only website about food and recipes. Further, the *Wine Companion* annual books and the website provide the basis for wine-tasting events and other services, broadening the base of Hardie Grant Books' commercial operations.

Smaller publishers with a focus on literary publishing are experimenting with subscription models to build an additional revenue stream, particularly because sales numbers for literary titles are often modest. Seizure has established a website¹² with some content available free and some behind a paywall. Interestingly, Alice Grundy observed a greater willingness by Seizure readers to pay for professional development content, and therefore columns such as Agony Aunt, which gives industry advice about writing careers, are behind a paywall. *Overland*, one of Australia's oldest literary journals, has instigated an annual Subscriberthon, modelled on the Melbourne community radio station Triple R. This is the single greatest source of subscription renewals and in an environment where many literary journals are struggling, *Overland's* subscriber base has grown substantially over the past years. However, income from subscriptions is part of a broader mix of revenues. Both Seizure and *Overland* have received grant funding from the Australia Council for the Arts (although in a postscript provided in January 2016, Grundy advised that Seizure's Australia Council funding has been cut following government cuts to arts funding). In addition, both publishers have attracted other external funding. In 2014 Seizure raised \$5,000 through crowd-funding for the development of its online platform, and *Overland* manages a number of literary prizes worth thousands of dollars annually from external sponsors, which are an attractive draw for its readership.

NON-TRADITIONAL MODELS OF TRADE BOOK PUBLISHING

Notions of what constitutes 'a book' have historically been very fluid and the development of new technology is testing and expanding the boundaries further. The Australian Publishers Association recognised this when it changed its name from the Australian Book Publishers Association in 1996. The nature of the change occurring now depends on the specialisation of the publisher. Hardie Grant Books, an Australian-owned and operated publisher of 'food, wine, sport, humour and biography', with annual turnover in the tens of millions of dollars, has been particularly successful in moving to cross-platform offerings based on its lists, with Explore Australia, a travel and camping guide (<http://www.exploreaustralia.net.au>), James Halliday's Wine Companion (<http://www.winecompanion.com.au/>) and Cooked, a multi-author platform of recipes and discussion about food (<https://cooked.com.au/>). In doing so, it has changed the consumer behaviour of members who pay an annual or monthly subscription fee for new and backlisted content. Royalties are paid to authors based on content accessed, providing them with an additional revenue stream.

Another form of value-adding is an app created by the publishers of Hello TABLE cookbook. Every recipe in the cookbook has a QR code. A scan with a smartphone creates a shopping list on the phone, sorted by the supermarket sections. The creators of the app are in discussion with a number of publishers to expand the coverage to a broad range of cookbooks.

Accessible Publishing Systems operates in some ways as a traditional publisher (acquiring rights and selling books to third party retailers and direct to consumers) however there are non-traditional aspects of its business model too. The creators have devised a system for converting standard ebooks into a marked-up version using simple graphics that show a phonetic version for pronouncing the English. Over 4000 Macmillan ebooks have been converted to the Readable English phonetic displays

¹² <http://seizureonline.com/>

and are for sale in the Readable English ebook store. The innovation here lies not just in the development of the graphic/phonetic pedagogical system of icons, but in developing a cost-efficient way to apply the phonetic icons to thousands of ebook titles. The company is also able to cost-effectively publish large-print, Braille, and DAISY audio books, and plans to convert and publish books in Dyslexie font for readers with dyslexia. Finally, The Author People was deliberately established to challenge and expand the notion of a traditional publisher: Lou Johnson is both open to non-traditional non-book products and to reconceiving the role of The Author People as a publisher.

PUBLISHERS ARE ENGAGING DIRECTLY WITH READERS

For centuries publishers relied on third parties such as booksellers to curate their product and to create an 'aura' around it: a mixture of art, entertainment, escapism, education and aspiration. Laura J. Miller in her history of bookselling in the US characterised booksellers as 'reluctant capitalists' because they usually entered the business with a reverence for books as something more than disposable consumable goods. Miller documented previous upheavals in book retailing, such as the establishment of bookstores in suburban shopping malls. (These were criticised by some purists as a lowbrow move, but they had the benefit of expanding the market for books.) However, despite substantial changes in book retailing, the separation between publishers and consumers remained largely in place until the end of the twentieth century (Miller 2006).

That has now changed. Publishers for the first time are building direct relationships with their readers. Larissa Edwards, Head of Publishing, Simon & Schuster Australia:

We are talking directly to the readership here. There is no mediation at all via the retailers. The authors are speaking directly to their readers and we are included in the conversation. NetGalley reviewers, for example, are getting excited about our books before they come out. These are people who have dedicated followings so this is an exciting time to be around. That has never happened before in terms of the book industry, and I say this as an ex-bookseller. That is great but it is also a challenge.

Justin Ractliffe, Hachette, observes that over the past decade publishing has reconfigured itself to focus more on understanding their customers. 'Jobs exist now such as content managers, consumer insight researchers, and social media managers that ten years ago didn't exist.'

We work very closely with booksellers and build 'buzz' around our books, but we've also put a lot of energy into building our own platforms and talking directly to readers.

Many of the publishers in this report are experimenting with ways of building communities of readers and engaging with them. Seizure and *Overland* are building communities of literary readers. Momentum and Pantera Press are building communities of genre readers, while Hardie Grant Books is using online platforms for lifestyle communities around travel, wine-tasting and cooking. Malarkey has created a new community of readers and writers built around Australia's sporting culture, with opportunities for memoir, anecdote, pathos and humour – as well as weekly AFL match reports written by fans. The Author People was established specially to find ways to connect authors and potential readers more effectively, often using social media and online communities.

Many of the innovations in this report, including online retailing, new business models, pricing and promotional strategies, derive from the opportunities for publishers to connect directly with readers. Joel Naoum, Momentum, believes that publishers are following their readers online and into social media rather than initiating these moves. Readers started blogging about their favourite books and authors, exchanging reviews and recommendations, and publishers are now engaged in creating these environments. Reading is both a solitary and a social activity and these approaches use new technologies to create online opportunities for social interaction based around books and storytelling.

Direct engagement with readers also provides publishers with the opportunity to develop their own datasets for analysing consumer behaviour. It is difficult to make comparisons but Harlequin is likely to be one of the leading trade publishers in the use of data analytics. Other publishers, such as Hachette, are increasing their capabilities.

The next section sets out innovations that are occurring in the stages of bringing a trade book to publication, and the discussion of trade publishing concludes with a focus on literary publishing.

MARKET RESEARCH

Harlequin was an early market leader in conducting market research into its readers, and some publishers spoke about new market research initiatives. Hachette Australia and Hachette UK have commissioned a study that segments readers according to readers' preferences rather than traditional demographic segmentation (e.g. age, gender, income). This has provided new insight into readers and their preferences when buying books.

Justin Ractliffe, Hachette: Those insights inform how we acquire books, what we acquire, how we target them, how we position them, our metadata, our covers, our key lines, the key words that we use in our metadata and our digital marketing. From two years ago we've come a long way.

Louise Sherwin-Stark, Hachette gives examples of insights which have enabled the publisher to sell more copies of particular authors' books. Other smaller, specialist publishers draw on their own detailed knowledge of their readerships and networks. As Susan Hawthorne of Spinifex discusses, there is potentially a tension between publishing that is editorially-driven and publishing that is based on careful assessment of the market demand for potential titles. However, large trade publishers spoke about the need to better understand their readers in order to meet their needs, and some publishers are engaging in formal market research to this end.

COMMISSIONING BOOKS

Publishers usually commission books through agents or in discussions with the authors on their lists. While this hasn't changed, there are additional avenues for commissioning books including holding open submission days, and running competitions for aspiring authors based around a particular genre or theme (e.g. young adult). Some publishers are also commissioning first-time authors from new sources, such as YouTube vloggers and bloggers, who have a distinctive authorial voice and a large following (often millions of subscribers).

EDITING, DESIGN AND LAYOUT

Virtually all the trade publishers referred to improved workflow planning in the editing, design and layout of texts. This was a major re-engineering process by large publishers, and some small presses were established after months of preparatory research to design more efficient workflow throughout the production processes. For example, Joel Naoum, Momentum, came to the role with expertise in IT and he also benefitted from a three month visit to the UK researching digital publishing, funded by an Unwin fellowship. Naoum conducted meetings and placements with digital publishers for the UK fellowship by day, and designed the workflow processes for Momentum during nights. The cost-effectiveness of producing quality ebooks for a broad range of platforms is a key part of Momentum's ability to develop large lists at competitive prices.

Kanellopoulos of ANU Press, brought to the position her experience in electronic publishing both in implementing ANU E Prints and as part of a project team which established a database of Australian PhD theses online. Kanellopoulos spoke extensively about the press's design of workflow planning in order to minimise costs to the university while maintaining the quality of their print on demand books. Another benefit of the efficient workflow is that ANU Press also offers a remarkably quick time to press: from one to four months depending on the timeliness of the individual author in checking proofs etc. On the other hand, some interviewees in other case studies discuss their frustrations with production workflows in their own organisation. What was once innovative is no longer state of the art, with the cost of upgrades proving prohibitive to greater efficiency at the time of the interview.

PRINTING/E PUBLICATION

Many publishers updated their software in order to publish their books to print or ebook format from the same file. In some cases, such as ANU Press, it was in the knowledge that few print copies would be needed in comparison to the number of ebooks sold or downloaded.

CATALOGUING

In addition to traditional forms of cataloguing such as registering an ISBN, having up to date metadata is seen as critical by some publishers. For example, Jim Demetriou, Sales and Marketing Director of Allen & Unwin, described updating a book's metadata the day after it won an award, or entering the latest 'trendy' cooking ingredients or dietary terms if they were contained in a recipe book. Michaelle Laforest, Regional Vice President, Harlequin, also emphasised the importance of metadata as vital to increasing the likelihood that potential consumers will discover a title through general online searches.

WAREHOUSING AND DISTRIBUTION

Louise Sherwin-Stark, Managing Director: Sales, Product & New Zealand, Hachette Australia, observes that we, as Australian consumers, are 'desperate to get our hands on good content, wherever it comes from.'

We want big international books to be available on the same day that they are available anywhere else in the world, and we hate the idea of missing out on a big cultural event in the US and in the UK.

Australian publishers are aware that if they cannot supply a book quickly, consumers will turn to overseas providers or even to pirated ebooks. Internal reforms are underway to improve printing and distribution logistics for print books.

The Final Report of the Book Industry Collaborative Council calls for continued reform to improve the speed and efficiency of distribution in Australia (BICC 2013, 30). A number of Australian publishers have improved their group inventory management and reduced the amount of offshore printing. The new systems have achieved a reduction of print costs and also a reduction in the number of 'book miles' (the distance over which print books are transported), which is also a move on the part of publishers to demonstrate environmental responsibility in their operations. In addition, the ability to distribute ebooks online was part of the impetus behind the formation of Momentum, Re.press and ANU Press. Many of the smaller presses in this report distribute ebooks directly from their own website as well as having distribution arrangements to retail outlets. Arguably, the most significant innovations in the area of distribution relate to improvements in stock handling to reduce surplus stock and inventory management to track stock movement. Moves to print-on-demand for smaller runs of print titles have also contributed to decreased levels of warehousing.

PROMOTION

The large number of new titles released each year (over 20,000 ISBNs were issued in Australia in 2014 by Thorpe Bowker) means that enabling the discoverability of their titles by potential readers poses a challenge for publishers. Publishers are responding in a variety of ways.

The greatest change has been a shift to incorporate social media as part of the promotions mix. All the book publishers interviewed for this report are using social media to promote their new releases. Many strategies include increased contact by authors with readers which occurs with the encouragement of publishers. Larissa Edwards, Simon & Schuster, comments that some authors are more suited to this engagement than others and in her view it can't be forced. She mentions Posie Graeme-Evans as an author who is particularly skilled at this. Pitt Street Poetry publishers refer to a vibrant Facebook community of poetry readers and writers in Australia, Susan Hawthorne refers to feminist discussion on Facebook, and *The Footy Almanac*, established by John Harms, is a lively online community of sports-lovers where the boundaries between authors and readers blur.

The promotional strategies of publishers vary widely according to the intended readerships of their books. Joel Naoum observes that having a series of books by an author displayed in an ebookstore gives the author (and publisher) a greater presence. Many publishers send review copies of a new release to influential book bloggers. Large and small publishers use video interviews, author websites and apps to promote new releases. Pantera Press developed an app to promote a YA (young adult) title, *Killing Adonis* by J.M. Donellan, in which a lead character has synaesthesia. The app enabled users to type in a message which was transformed with colour and sound that they could then forward to friends. It was very successful in reaching YA audiences on Facebook, Twitter and other social media, with a high rate of likes and retweets and a substantial increase in subscriptions to Pantera Press's email list.

The first chapter of *Killing Adonis* was also downloadable free, another trend in which potential readers can peruse material online before deciding whether to make a purchase. The scholarly publishers in this report also intend that free online downloads of books will drive some readers to purchase the printed book. (One multinational publisher is using data analytics to experiment with the pricing of ebooks and to observe the effect on sales.)

Publishers spoke about strategies to highlight their titles, such as short-term price discounts and attention to metadata tags. Australian-owned online book retailers such as Booktopia are also vital for highlighting Australian books in retail cyberspace.

Publishers are not only dealing directly with readers in the digital domain, they are also dealing with book bloggers and YouTube reviewers. Joel Naoum, Momentum, discussed the influence of one blogger who had over 50,000 likes on her Facebook page who helped draw the attention of vast numbers of readers to the work of Kylie Scott. Louise Sherwin-Stark, Hachette, described an event held for young adult book bloggers at their office in Sydney. YA bloggers and reviewers may have tens or hundreds of thousands of followers. The executives referred to the sales success of a first novel by Zoella (Zoe Elizabeth Sugg), a young English fashion and beauty video blogger. Her first novel, published by Penguin, sold over 45,000 copies in Australia, a bestseller despite Zoella having no mainstream media platform in Australia and being unknown to most Australians apart from her followers. YouTube has provided a platform for an Australian comedy group called the Janoskians with an international following of over 2 million subscribers. Their first book will be published by Atria, an imprint of Simon & Schuster in the US, and Simon & Schuster Australia. Lou Johnson's promotion strategies in *The Author People* involve pursuing non-traditional promotional opportunities for authors to engage with prospective readerships in online and social media communities. Johnson gave an example to compare the traditional way one title could be promoted, and the additional opportunities they were investigating.

However, for many publishers the online communication built around books does not negate the value of face to face events. One author who participated in a discussion forum run by Macquarie University in 2014 commented that 'easy electronic contact has if anything seemed to reinforce the value of face-to-face contact'. Author book signings at in-store events, appearances at writers' festivals and schools, media interviews, catalogues and in-store displays are all part of the bread and butter of promotion (although book launches these days are mostly symbolic occasions of celebration rather than opportunities to sell large numbers of books, with the exception of poetry books and other specialist titles).

Seizure has developed a live events program in collaboration with the City of Sydney Libraries and Musica Viva. Alice Grundy is particularly pleased that the association with libraries has introduced library users to Seizure events who would not otherwise have become part of a literary community. The editors are currently developing a YouTube channel both to promote their imprint and as a potential source of revenue from advertising.

Another promotional strategy used by publishers is to run competitions to attract authors and readers. *Overland* runs a number of literary competitions and publishers seeking to build up a new imprint, such as YA fiction, may run a competition for unpublished manuscripts both to build up their lists and to raise the profile of their new imprint among readers.

Naoum observes a willingness by readers of romance titles to experiment with reading new authors, making them particularly responsive to online promotions. In his view, the tropes and conventions are

sufficiently well-established in romance genres, and prices are low, so that readers have confidence in trying the works of new authors (and are quite vocal in their feedback to others on social media, be it praise or disappointment).

The case studies demonstrate that publishers are exploring new methods and building up their in-house knowledge. All the publishers interviewed acknowledged that the industry itself is learning and no one was complacent about this area of change.

THE CHANGING 'BRICKS AND MORTAR' RETAIL ENVIRONMENT

Despite the rise of online retailing, the case studies demonstrate that Australian online retailers and Australian 'bricks and mortar' booksellers are critically important to the success of many new Australian trade books. Several case studies include accounts of an Australian author's debut that was strongly supported by independent bookstores and retail chains, including *The Lost Swimmer* by Ann Turner (published by Simon & Schuster), *Lost and Found* by Brooke Davis (published by Hachette) and *The Tea Chest* by Josephine Moon (published by Allen & Unwin). The hand selling of these titles by booksellers around Australia played a large part in bringing them to the attention of Australian readers. Justin Ractliffe and Sherwin-Stark of Hachette, also note that the strength of independent booksellers in Australia, which sell a higher proportion of literary books, enables Hachette Australia to invest in selected literary titles by local authors.

An unusual feature of the book publishing industry is the sale or return policy for book retailers. This adds to the risk borne by publishers and potentially impacts on their preparedness to invest in innovation, therefore it is explained in more detail here. The Productivity Commission (2009) characterised the sale or return policy as publishers "effectively acting as a banker to the industry" (Productivity Commission, 2009 p 2.16). Under terms of the policy, if new trade titles are not sold, retailers can either discount them heavily to clear the stock and receive a rebate from the publisher, or return the books to publishers and receive a refund (which often takes the form of a credit towards the next consignment of books) depending on the terms of trade. The sale or return historical practice in Europe was introduced in the USA in the Great Depression and is now standard practice in the international English-language book industry.¹³

The sale or return policy can prove fraught for publishers in a number of ways, especially in economically difficult times or if a retailer is expressing trading pressures.

1. Small publishers face the prospect of bankruptcy if large orders fail to sell and the books are returned to publishers months later. Susan Hawthorne refers to the bankruptcy of US independent publishers in the 2000s caused by Borders over-ordering books in large quantities, and then returning the stock months later and requiring a refund (see also Miller 2006, 78).
2. The practice can place a severe strain on publishers' cash flows. The risk associated with publishing a new title is carried by a publisher rather than the bookseller, however, it should be noted that booksellers can also experience cash flow difficulties if a publisher is slow to issue credits for books returned or goes into receivership.
3. A development that appears to have gathered momentum in 2015 is that major retailers in Australia are in some cases exerting pressure on publishers for larger discounts on the RRP and higher rebates for paying their invoices on time. This pressure is being brought to bear because many retailers are experiencing difficult trading conditions. For example, if a retailer stocks a range of non-book products (e.g. discount and department stores (DDSs)), poor results in sales of other category items (e.g. apparel) may motivate pressure on book publishers for greater financial concessions to boost the company's overall financial performance.

¹³ In the late 1990s, five major publishers (Allen & Unwin, HarperCollins, Hodder Headline, Pan Macmillan and Penguin books) made backlist titles – which are titles published more than twelve months ago (Kaye and Johanson 2007, 177) – available on firm sale only, antagonising some booksellers (although Random House maintained a sale-or-return policy on backlist titles). One consequence of this decision is that booksellers have a greater incentive to stock new releases rather than backlist titles.

Another aspect of the industry that is not well understood is the process by which publishers and retailers prepare orders for the Christmas period, which is the busiest time of year for trade book sales.

May-July	<p>Publishers present their catalogues to retailers for the Christmas period. This involves sales representatives pitching their books to buyers in DDSs, book chains and independent bookstores. ARCs (advance reading copies) may be provided to retailers. These are not final versions of the book, rather, a mock up that is prepared in some numbers to promote sales to retail outlets.</p> <p>Based on these meetings, retail buyers place an order with the publisher.</p>
August	<p>Publishers finalise their new release titles for the Christmas period and books are printed based on the demand indicated by the orders placed by retailers. Hundreds of thousands of copies of books are printed during this stage.</p>
Oct-Nov	<p>Retailers confirm their order for books by placing a final order. If the economic climate is difficult and the retailer is under financial pressure, the retailer may reduce the number of books from the initial order in July-August by hundreds of thousands of dollars or they may insist on additional discounts and rebates if they are to stock the books.</p> <p>At this point, publishers have invested hundreds of thousands of dollars in printing and warehousing costs of stock. They face an unpalatable choice between writing off the cost of this stock, incurring financial penalties for the costs of additional warehousing, or acquiescing to demands for extra discounts which render large volume orders marginally profitable.</p> <p>Advice from major publishers who <i>were not</i> interviewed in this report is that major retailers such as DDSs are demanding an increased discount from 50 percent of RRP to 60 percent of RRP plus increased rebates for paying for stock on time. (A question about this practice has been included in a survey of publishers, discussed in the Conclusion to this report.)</p> <p>The final order and the terms of trade are signed between publishers and retailers.</p>
Nov -Dec	<p>The stock is provided by publishers to retailers.</p>
Jan-March	<p>Unsold stock is tallied by retailers and either returned to publishers for a refund or credit on the next consignment of books, or heavily discounted in-store to clear with the retailer claiming a rebate from the publisher.</p>
March-April	<p>During these months the publisher is likely to receive payment from retailers for Christmas stock.</p>

These are generalisations and in practice publishers manage different terms of trade with a range of booksellers in order to achieve a minimum 40 percent gross margin across their entire list, which is the base level needed to operate a functioning business. Firm sale of books to retailers has a higher discount on the RRP attached because the retailer takes full responsibility for the stock. Yet even in this instance if the retailer has experienced lower sales than expected pressure will be placed on the publisher to assist with either a rebate or accepting returned stock. This financial pressure on publishers is a key part of the business environment in which they make decisions about investing in new titles, and more broadly, in potentially risky innovative strategies.

One other development is that some discount and department stores are proposing to develop their own branded book product at cheaper price points in popular categories that fit with the demographics of their customers, such as children's books. This would bypass traditional book publishers for particular product lines (just as DDSs have their own branded products in other categories such as clothing), potentially narrowing the range of books that traditional publishers can place in DDSs.

Bricks and mortar booksellers, from independent stores to retail chains such as Dymocks and Collins Booksellers to discount and department stores, are also exploring innovations to improve their customer offerings and to maintain or increase sales in a highly competitive environment. Activities of

booksellers in their own right fall outside the scope of this study, but the case studies include extensive reference to promotional initiatives with booksellers to support retail activity.

LITERARY EXPERIMENTATION

The changing technology has created new opportunities for literary experimentation, with two types of approaches and some overlap included in this report. The first is the exploration of textual forms and interactions made possible by technological change. The second (perhaps more prosaic, but no less relevant) is the use of technology by specialist literary publishers to enhance their operations. Examples of the first type can be found in the if:book Australia case study, a think tank that is part of the Queensland Writers Centre. Simon Groth, the director of if:book Australia, has managed projects with some of Australia's leading literary authors, initiated collaboration between writers and readers, and between writers themselves drawing on technological developments.

We find a lot of fertile intellectual ground when we hit the boundaries and when we are playing with the edges of what qualifies and doesn't qualify [as a book]. That helps us to extend the discussion around what books are, what they could be and how we can use the tools that we've got available now to do things that we have never been able to do before, still within this idea of books.

Groth's intention is for if:book's projects to remain at the avant-garde of the industry. Groth himself is inspired by modernist writers in the twentieth century. 'Electronic publishing ... has created possibilities to do things with text that some of the experimenters of the 1960s could only have dreamed of doing.' When particular projects, techniques or knowledge become more mainstream they are handed over to the Queensland Writers Centre.

The other specialist literary case studies in this report also contain examples of experimentation with form, and they also highlight the ingenuity applied by the publishers to produce outward-looking, meticulously edited, quality publications that engage with the literary field on very modest budgets. For example, the founders of Seizure, Alice Grundy, David Henley, and Matthew Venables, established their own literary press to create opportunities for experimentation. Alice Grundy, who works as the Managing Editor of Giramondo Publishing in her 'day job', set up a novella competition to challenge convention and to celebrate this literary form despite the perception in the industry that novellas are not commercially viable. She was aware of the need for more development opportunities for editors (a point also raised by Jacinda Woodhead of *Overland*) and also established a competition that attracted interest from a broad range of editors who wanted to gain experience outside their particular specialisation. Likewise, Seizure sets creative challenges, or 'obstructions', for invited authors who are brave enough to take them on.

The editors of *Overland* face a different set of challenges. *Overland* is one of Australia's oldest literary journals, founded in 1954 and it was one of the first in Australia to establish an online presence. There is a risk that *Overland* may be taken for granted, or overshadowed by new literary journals. The editor, Jacinda Woodhead, has revised the pitching process for unsolicited articles which has increased the quality of submissions, and has also experimented with models of commissioning regular contributors. The online journal has included editions of electronic poetry and spoken word. Woodhead believes there is room for all the Australian literary journals and she advocates a collegial, mutually supportive approach among editors. She believes that prominent book authors are interested in publishing in *Overland* (sometimes authors approach her) because the journal provides a platform for writing that may not get the opportunity to be published elsewhere. As such, she believes that Australia's literary journals are an important part of our book culture and an important means of fostering literary innovation. *Overland* is also notable for its successful initiatives to increase subscription rates.

However, changes in the industry have not resolved central dilemmas about the modest size of markets for many literary titles, with publishers and authors experiencing financial constraints. Jeff Sparrow, the former editor of *Overland*, argues that the contemporary marketplace favours the commissioning of accessible, promotable titles which have the potential for a short, intense sales burst over literary titles which may have the potential to sell substantial numbers over a longer period of

time (Sparrow 2012). This issue of shorter-term and longer-term sales cycles is discussed further in the Conclusion of this report.

CHANGES IN EDUCATION PUBLISHING

DISRUPTION IN THE PUBLISHING INDUSTRY AND THE EDUCATION SECTOR

Nearly all of the changes underway in trade publishing affect education publishing but education publishing is arguably undergoing more radical transition because it is affected by disruption in the education sector too. As Chris Gray, General Manager of Wiley Australia notes, virtually every stage of the traditional value chain in educational publishing has been disrupted. He raises the following examples:

An explosion of free content, including MOOCs (Massive Open Online Courses) and other sources of in the content curation and discovery part of the value chain.

A move from print to digital in terms of content curation and discovery.

A diminished role for traditional bricks and mortar bookstore sales at the gatekeepers and fulfilment part of the value chain.

The way people search for and find content has changed as people increasingly search online.

New business models such as education textbook rentals are affecting publisher economics.

Usage has been disrupted. Customised identity and custom behaviour are becoming more and more valuable in this new world.

Education publishers are directly affected by broader challenges in the education sector. David Barnett, CEO, Pearson Australia proposes that, 'The macro issue that the world has with education is that the investment made by countries generally has not delivered educational improvement'. There is lively policy debate in Australia about ways to improve education and employment outcomes, while also assessing that Australia's standard of education remains high by global standards). As Barnett stated frankly, 'The problem is there is no more money to throw at these issues. There are no more big dollops of money.'

The financial constraints for education providers impose a constraint in some ways on education publishers (for example, schools may not be able to afford to order large class sets or more basically, have the technical infrastructure and IT support to use the latest online learning resources) but they also offer opportunities. Schools and higher education institutions are developing strategies to increase their online digital learning offerings, but their capabilities differ. Some well-resourced education providers with knowledgeable leadership have the capacity to make this technological and pedagogical leap themselves, but others are constrained by limited budgets, expertise or time. Education publishers are positioning themselves to bridge this gap.

THE APPEAL OF DIGITAL LEARNING

All the publishers highlight the appeal of digital learning – schools, higher education institutions and education publishers themselves all aim to highlight their online learning credentials. The education publishers all refer to their company's ambitions to increase the proportion of their revenues from digital products. However, Paul Petrusis, Vice President, Higher Education, Cengage Learning, cautions that:

Definition is extremely important here. There are some publishers who record digital revenue when an access code to a website is packed into a book as a digital sale. The majority of teaching in Australia in higher education sector is still blended learning, which means a combination of print and digital formats.

Pure digital sales, as in ebook or digital learning software or access to interactive websites is at a much lower rate, probably closer in the Australian market between 7-8 percent.

David O'Brien, Vice President, Schools, Cengage Learning, estimates that the secondary schools breakdown of formats is as follows:

Print only	5%
Print/ebook hybrid	80%
Digital only	15%

The publishers talk about resistance from schools and universities to digital learning initiatives, and acknowledge that not all innovations have been successful. Peter van Noorden, Managing Director of Oxford University Press believes: 'The ground is littered with the bones of what publishers have tried to push out.' Further, many students prefer print textbooks to ebooks (although they expect them to be accompanied by digital learning resources) although the situation is confusing because publishers are also experiencing lower sell-through rates of textbooks than in previous years and problems with piracy.

David Barnett concludes that:

Ebooks are not solving the major issue that students have. They solve a problem around portability. They solve a problem around search ability, but they don't solve the issue that students find reading slabs of text less attractive than perhaps they did.

All the publishers refer to the different lifestyles of students now compared to when they themselves were at school and university. If education publishers do not successfully meet the demands of contemporary students and engage their interest, their product will fail in the marketplace. Therefore, developing learning resources which engage students is a high priority.

ABILITY TO CATER TO DIFFERENT LEARNING STYLES

All the education publishers discuss the ability of digital learning to cater to different learning styles of students, including visual and aural learners, students who benefit from applied examples of a concept. Peter van Noorden, Oxford University Press:

Imagine a mathematics student in upper primary school or secondary school who wasn't a particularly good one, who may have a teacher that they may struggle to understand or just may struggle to understand the material. Being able to differentiate, by being able to provide different ways to learn something is a wonderful thing because people learn in a whole range of different ways. There are visual learners, there are aural learners, there are students that learn easily, there are students that take some time to learn in specific instances.

We are able now to develop innovative, interactive materials that can teach a mathematical concept in a whole range of different ways. We can give it to students in a gamified way, with online tutorials where they can play with material to try and understand the concept; we can take it back for them in a worked example, working to a mathematical equation where we can break that down and take it slower for some; we can extend it for others. So the beauty of the digital online opportunities is that there is a fantastic differentiation for students because we're not just offering the one thing.

ASSISTING TEACHERS TO MONITOR STUDENTS' PROGRESS

Another advance involves designing adaptable learning resources which can adjust a student's progress through activities based on their mastery of a concept. If students are handling quizzes and activities competently the program will direct them to new areas, rather than requiring them to go

through repetitive learning activities. Publishers are excited about the potential of digital learning products to offer a more personalised and therefore more effective learning experience to students.

Accompanying these developments is the capacity to collect information about students' progress and make it available to teachers, so that they can better assist students who are struggling. Through 'dashboards' teachers can monitor the progress of their class. Peter van Noorden: 'All of the information about the students' use flows back to the teacher.' The teacher can see which students are struggling with particular concepts and which students are not engaged, allowing for targeted intervention to assist students.

A current focus of publishers currently is to simplify their offerings to make the interfaces more user-friendly. Several publishers spoke about the need for simplicity and ease of use of their products by teachers and students.

TESTING TO DEMONSTRATE THE EFFECTIVENESS OF PUBLISHERS' LEARNING MATERIALS

All of the education publishers are placing an increased emphasis on testing the effectiveness of their learning materials. According to David Barnett:

The idea is quite simply that we [Pearson's] want to be able to show that whatever we do delivers measurable improvement to students' learning outcomes in some way. We have said that in 2018 we'll report on about 40 products in as much depth as we do our financial performance. Our [global] CEO has put a very clear line in the sand and has committed himself and the whole company to this transformation. It is a courageous move because ultimately if we can't show that we are helping to make a difference in education why are we here, why do we exist?

This is the most broad-ranging commitment on the part of the education publishers, however they all outline strategies to incorporate testing and increase the learning effectiveness of their products.

A MOVE TO PARTNER WITH EDUCATION PROVIDERS

Education publishers are positioning themselves as service providers working in partnership with teachers and education institutions. Devising and implementing sophisticated, easy-to-use learning platforms is expensive and difficult, and therefore education publishers seek to provide online learning platforms across year levels and subjects in schools and universities. The responses by education institutions have varied considerably. Those with higher budgets and greater expertise may seek to take responsibility for managing online learning platforms internally, while others see opportunities in entering into partnerships with publishers. Pearson has partnered with Griffith University and Monash University to provide back end online administrative services for their distance students, including help desk and IT support.

NON-TRADITIONAL MODELS OF EDUCATION PUBLISHING

SUBSCRIPTION MODELS

Education publishers are moving from one-off sales of print textbooks and associated digital resources to annual digital subscription models with more momentum than trade publishers. At the primary school level, schools meet these costs while the situation varies at the secondary school level and students pay for subscription costs at the tertiary level. One driver for this is the opportunity to recoup investments in digital learning resources with new markets that refresh more frequently. Another reason for this change is the lower sell-through rate for textbooks at the tertiary level along with high rates of piracy. All the education publishers in this report are selling subscription-based products as part of their product mix, with further plans for subscription-based pricing models.

A JOINT SUBSCRIPTION MODEL: LEARNING FIELD



LearningField is an initiative of the Copyright Agency.

LearningField is an industry initiative overseen by the Copyright Agency. It offers school students access to educational content from all the participating education publishers on an annual subscription basis. Many major education publishers in Australia have signed up to license access to their education resources.



An example of advertising material which highlights the choice of educational resources from different educational publishers.

Peter van Noorden, Managing Director of Oxford University Press:

Learning Field is an Australian innovation that has been quite amazing. The Copyright Agency contacted all of the key Australian education publishers and proposed that we provide an online subscription service, a little bit like Spotify, where we could charge a flat fee for teachers and they could access any of the information from any of the publishers and provide it to their students.

I think it has worked effectively because it puts the teacher in charge. They can choose a couple of chapters from an Oxford book, a couple of chapters from a Cambridge book and some from a Pearson book and give them to their students in a curated fashion that is going to suit their particular students.

It took a great level of cooperation between publishers and a leap of faith to support it and get it out to the market and see how it works, but it seems to be very well received.

SERVICES

In addition to the online distance education support discussed previously, education publishers are offering assessment services. The largest-scale example of this is Pearson's contract to administer the federal government's annual National Assessment Program – Literacy and Numeracy (NAPLAN) tests for students in Years 3, 5, 7 and 9. This is one illustration of how far educational publishers have extended the scope of their business by applying their expertise in new ways: this is a sizeable business activity for Pearson.

However, the industry is also facing significant challenges and these are discussed next.

THE GAP BETWEEN SCHOOLS' AND HIGHER EDUCATION PROVIDERS' DIGITAL ASPIRATIONS AND THE REALITY

Although schools and universities want to be seen as being digitally innovative – the education publishers all recounted ways in which the digital learning capacities of these organisations are used in their marketing – most education institutions are unprepared for the level of implementation that is required. In some cases, the technical infrastructure is not in place.

David Barnett: Sometimes that is a problem, because there is typically not the institutional readiness to support the adoption of digital learning products. A lot of schools become quite infatuated with digital. It is a great sell to parents. 'We are using this digital learning platform.' A lot of parents think that is great, because it makes them feel like their school is at the cutting edge and that will be a good thing for their child. But what doesn't happen is the change management, the preparation, the operational readiness to support that learning. We have seen that happen a lot and then schools will back away.

Peter van Noorden, OUP, refers to some schools with limited digital connections that OUP provides resources to them as PDF documents rather than more sophisticated options.

In comparison to Europe we are probably more innovative here in what we do and we have been leading in that regard over the last 10 years, but the technology that supports these programs has much higher bandwidth and speed and gives you more options in Europe than in Australia. That holds us back in terms of innovation here in terms of sometimes having to simply roll out a basic PDF, etc. because of the lesser capabilities of the underlying technology.

Other education publishers agreed.

Chris Gray: Despite a great digital vision, if a school's pipeline is as thin as a straw then they are not going to be able to have a rich digital experience.

In some cases, the schools and universities become frustrated and disenchanted and this leads them to retreat from their earlier ambitions. Wiley has sought to address this by providing a customer support team in addition to a sales team, to assist schools and universities in the transition to higher levels of digital learning capacity.

THE SEARCH FOR NEW BUSINESS MODELS

All the education publishers discuss changing consumer expectations about the products available from education publishers. Consumers now expect that textbooks will be accompanied by extensive digital resources. In effect, under the current business model the sale of textbooks is expected to underwrite their development costs and the cost of digital resources which can include:

- Learning activities for students which teach a concept in multiple ways, for example through case studies, games, quizzes, and other interactive activities
- Teachers' resources, including classroom or lecture presentation materials such as powerpoint slides and videos
- Assessments such as multiple choice tests

David Barnett has argued publicly that the current business model is broken.

The industry, by and large, is very much stuck in the old 'give away the technology for free to support the print product' model and that is a problem for the industry. Strategically it is a mistake because it is not sustainable.

Therefore, publishers are introducing subscription pricing models and ebook sales direct to consumers. However, the transition to new business models is a key challenge that is unresolved.

UNREALISTIC EXPECTATIONS OF DIGITAL PUBLISHING AS A CHEAPER OPTION

All the publishers are critical of the consumer expectation that digital education products should be cheaper than print products. David O'Brien, Vice President, Schools, Cengage Learning:

In secondary school publishing, for example, all the costs of print, stock storage, picking, packing and distribution averages about 17 percent of the retail price across our portfolio. If 100 percent of the market never wanted another print book again, then I would save 17 percent, that's the gross, and then I have got to create masses of amounts of digital material. I have got to create education platforms, software series, gateways, passwords and to provide technical support for people. We save on the 17 percent and it costs us another 25 percent for an amazing amount of extra costs for digital materials. Digital-only products comprise maybe 10 percent of the market currently. We still publish print products so therefore we have the same costs that come with print and extra costs with digital.

In the view of the publishers, digital is not cheaper. The costs are simply different.

A DECLINE IN SELL-THROUGH RATES OF TEXTBOOKS / DIFFERENT BOOKSELLING MODELS

All the education publishers interviewed are experiencing lower sell-through rates of textbooks to both secondary and higher education students, but particularly the latter. The percentages given varied among publishers but to generalise, less than half of the students in a university course are buying the set text in many instances. This is much lower than in previous years and the loss of income is a challenge to the business models of publishers and their ability to reinvest in keeping titles up to date.

Interestingly, the education publishers mention that many high school and higher education students prefer print textbooks (almost all of these are released as part of a hybrid model – print and ebook bundled together for the one price). However, there is little discussion about the role of bricks and mortar booksellers, unlike trade publishing. Many publishers of resources for primary schools sell direct into schools, especially literacy products, which account for over 60 percent of the market spend. Consumable-type textbooks are often purchased through a bookseller.

Publisher sales teams are responsible for informing the vast majority of secondary schools' purchase decisions. Most orders are then placed through a bookseller with a small proportion of orders placed directly with publishers, for example, some digital orders and remote schools which don't seek to have a bookseller relationship. Champion Education is the leading provider of ebooks and pbooks to school students.

Vocational training institutions often buy education products direct from education publishers. There are over 150 university campus bookstores in Australia, and perhaps in anticipation of changes in the market, in 2013 the University Co-op Bookshop changed its name to the Co-op as part of a shift to stock a broader range of merchandise including fashion and homewares.¹⁴

PIRACY

Piracy is somewhat of a problem in high school publishing and a major problem in higher education publishing. Textbook purchases are sometimes 'grudge' purchases. Some education publishers speculate that higher education students who are already paying thousands of dollars in fees are able

¹⁴ <http://www.campaignbrief.com/2013/01/the-university-co-op-bookshop.html>

to rationalise using pirated textbooks. Examples of piracy included a business located near a Sydney university that made print copies of textbooks and sold them to students until they were closed down; PDFs of textbooks that are available online, and US operations that sell cheap, scanned copies of textbooks. All publishers expressed frustration. Barnett makes a distinction between his attitudes to open access materials made available free online (discussed further below).

I'm on the Board of the Copyright Agency and we argue very strenuously about the need to protect commercially produced material. Creativity and innovation cannot flourish without a proper legal regime.

E-FREE

Interestingly, while all of the publishers are aware of developments such as Massive Online Open Courses (MOOCs) in which universities offer course materials free, this does not emerge as a strong key issue compared to piracy. Publishers are strongly resistant to the 'e-free mentality' that all online materials should be free. However, Barnett notes:

Our [Pearson's] experience is that people who have gone away and embraced much cheaper substitutes often come back, because they find that their student results start to suffer. All the support we provide that they probably didn't appreciate at the time, does matter and does deliver value.

As such, education publishers are responding to the plethora of free material available online by developing a more effective learning product.

GOVERNMENT POLICY AFFECTS INVESTMENT DECISIONS BY EDUCATION PUBLISHERS

Education publishers make investment decisions based on the size and stability of educational market segments. Due in part to instability and cuts to government funding for vocational education and training, Pearson withdrew from this sector despite being a market leader. The opportunity cost of maintaining and upgrading learning materials for vocational training was judged to be too great compared to other opportunities such as partnering with universities. (Other publishers have moved to fill the gap.)

Several publishers mention provisions in the Higher Education Services Act (HESA) as a potential barrier to innovation. The HESA provisions preclude higher education students from being charged for assessments (the implication being that education providers must bear these costs). As education publishers devise ever more sophisticated assessment activities, a gap between their potential utility and the education providers' willingness to pay widens.

STAGES IN PUBLISHING A TRADE AND EDUCATION BOOK OR LEARNING RESOURCE

Trade and education publishing are regarded as discrete parts of the publishing industry and their differences are relevant to the innovations in the case studies. Chris Gray, General Manager, Global Education Australia, Wiley Publishing:

The fundamental difference between education and trade publishing is the goal of the end user. For Wiley, the focus is, and always has been, learning. Books were only ever just one medium to achieve that objective.

Therefore, a substantial amount of innovation in education publishing stems back to the core function of enabling learning, which underlies education publishing. Paul Petruilis, Cengage Learning:

An educational product is built to perform a certain function and usually that function of a textbook is to support a course or support a learning pathway... Textbooks are generally built

on a very established pedagogy of taking a reader through a journey of discovery, reflection, context and developing their subject knowledge throughout often a 12-14-week course, sometimes even up to 20-25 weeks. The product is built differently from the very start.

As a consequence, the stages of developing an educational product are different to publishing a trade book. Table 4 sets out the main stages to assist readers who may be less familiar with aspects of trade or educational publishing. A more detailed description is provided in the Appendix.

Table 4. Overview of general stages in publishing a trade and education book or learning resource ^a

Trade Publishing	Education Publishing
Writing a manuscript	
Submission to a publisher (pre-arranged via a publisher's commission or for consideration.)	
Evaluating the market	Evaluating the market
Determining business models & pricing	Determining business models & pricing
	Assembling an overview of the relevant curriculum content
	Defining the desired learning objectives
	Designing the best way of achieving the learning objectives
Commissioning books & exchanging contracts (including rights sales)	Commissioning books/learning materials & rights sales
Editing, design & layout (including obtaining copyright permissions)	Writing the learning materials
	Editing, design, layout, programming (including obtaining copyright permissions)
	Piloting the education materials with teachers & students & making refinements
Printing/epublication	Printing/epublication
Cataloguing	Cataloguing
Warehousing & distribution	Warehousing & distribution
Release & promotion	Release & promotion
Retail	Retail
	Customer service (especially IT support)
	Evaluation

Note: ^a The stages, the order and the nature of their execution vary between publishers and individual projects.

The stages in Table 4 are mentioned at various points in the case studies, which are introduced next.

OVERVIEW OF THE CASE STUDIES

The report opens with three case studies of genre publishers. Momentum is a digital-only epress owned by Pan Macmillan that was set up in Australia with an experimental brief in commercial epublishing. Joel Naoum discusses what he has learned about the market for ebooks and the opportunities for authors to develop international readerships using publication and promotion strategies tailored specifically for the digital realism. Next, Harlequin provides an insight into its changing strategies, including expanding its lists beyond romance publishing. Romance readers embraced online reading communities and ebooks as a way to gain access to romances when many booksellers refused to stock them. Romance writers have also used epublishing as a way to experiment with the genre, and publishers have been leaders in building direct relationships with their readers. Finally, Pantera Press pioneered new models of royalty splits with authors. Its co-founders, Alison and John Green, both have backgrounds in finance and business, and this has contributed to a carefully-researched long term strategy for risk-sharing and profit-sharing with their authors.

Next, the Australian arms of two trade multinationals are profiled. Hachette Australian's joint Managing Directors, Justin Ractliffe and Louise Sherwin-Stark, are re-engineering internal communications and logistics, placing communications with authors on a more systematic basis, and applying consumer insights research conducted in Australia to increase the effectiveness of their book promotion. Simon & Schuster Australia is involved in transmedia publishing and, via their US-based imprint, Atria, learning about a new global generation of digital media enthusiasts who are also consumers of traditional print books. Both of these publishers have built up the size of their Australian-authored lists in recent years and they discuss their strategies and rationale for increasing the presence of these works in a highly competitive market.

Two of Australia's largest independent trade publishers, Allen & Unwin and Hardie Grant Books, then discuss their approaches to growing and innovating in a competitive domestic market and to strengthening their capacity to export the works of Australian authors. Interestingly, both have purchased small UK publishing companies in recent years as a way of achieving a consistent entry-point into the UK market.

At this point we then focus on smaller-scale specialist literary publishers. Spinifex Press is a feminist literary publisher that has also been a leading technological innovator among small, independent publishers since it was founded in 1991. Susan Hawthorne's account provides an overview of the impact of key international disruptions such as the rise of Borders and Amazon in the USA and the closure of US independent bookstores on Spinifex Press's international sales and how the owners have responded. Hawthorne is also a sought-after international speaker and author with expertise on independent publishing. Seizure is a Sydney-based publisher that was established in 2010. From the miracle berries ('It sounds illegal but it's not') served at their launch to the challenges they set for authors, Seizure is combining creative experimentation with the directors' commercial experience in publishing and digital media. Pitt Street Poetry has published some of Australia's leading poets, and its founders, John and Lindsay Knight, discuss their strategies for achieving literary excellence and international reach on a carefully-managed financial model. Jacinda Woodhead is the editor of *Overland*, which is Australia's oldest continuing literary journal. Woodhead discusses the range of ways in which *Overland* is growing the size of its readerships and experimenting with technology in its publications. Finally, if:book Australia, is a thinktank led by Simon Groth. Groth describes mind-bending projects which explore the future of the book. As soon as the projects becomes mainstream they are passed on to their host organization, the Queensland Writers Centre, so that if:book can concentrate on experimental frontiers.

Three scholarly presses are profiled. All were early adopters of open access publishing and ANU Press has achieved remarkably short publication timeframes through the use of technology to streamline its workflow. Re.press was also an early adopter of technology for open access publishing of Continental philosophy as part of the founders' political philosophy that knowledge should be free. Monash University Publishing combines scholarly and trade publishing, experimentation with pricing, print and ebook formats and the use of technology to maintain an impressive publishing list of 20-25 books per year with a staff of less than four full-time people.

The final case studies in Part 1 are profiles of community-based publishers. Many of the case studies in this report refer to strong communities of readers, so this term is not an 'either/or proposition'. (Also, these three publishers operate along traditional lines of printing and selling copies of books to individuals as part of their business model.) Rather the term 'community-based' suggests that there is a spectrum along which publishers are increasingly involved with communities of readers, and these three publishers could be considered as operating at one end where there is a particularly strong emphasis on book publishing as a way to create, celebrate and sustain communities. The founder of the first case study, Malarkey Publishing, John Harms, invited everyday sports fans to write about their celebration of Australia's sports culture, starting with 800-word match reports of Australian Football League games. It's a proudly salty, witty, grass-roots approach to writing and reading about sport which has inspired a US project founded on the same ideals. Harms is considering financial options for scaling up his venture without compromising its egalitarian ethos. Kids' Own Publishing enables children to write and publish books for other children to read. It enables children to be inducted into the world of publishing and for children to direct more control over their own literacy and learning. The We Publish app produced by Kids' Own Publishing was featured by Apple and was

the Best New App in 32 countries. The final case study, Magabala Books, is Australia's oldest Indigenous publishing house. The authors, illustrators, editors and publishers at Magabala Books have developed ways of sharing Indigenous Australia's cultural intellectual property while enabling Indigenous Australians to retain ownership of their cultural knowledge. The innovation in this case does not involve technology, rather it has occurred over time through Magabala Books modelling better ways for collaborative publishing ventures between Indigenous and non-Indigenous Australians.

Part 2 examines educational publishing. As discussed earlier, educational publishing is arguably undergoing more profound structural transformation than trade publishing. Pearson Australia, Cengage Learning, Oxford University Press and John Wiley & Sons are all positioning themselves as education partners by working closely with traditional educational providers; experimenting with new digital products and print/digital combinations; introducing different pricing models; conducting market research to obtain a better understanding of the needs of the students they serve; and are focussing on ways to demonstrate the learning effectiveness of their educational products. While there is a smaller number of educational publishing than trade case studies, there are stronger commonalities and these publishing executives convey a striking sense of the changes underway in this less understood part of the industry.

Part 3 introduces three recent ventures which commenced commercialisation within the last one to two years. The youngest venture in this report, The Author People, was launched in July 2015 by Lou Johnson, a former Managing Director of Simon & Schuster Australia and recent Joint Vice-President of the Australian Publishers Association. The Author People is designed as a deliberately disruptive approach to bringing authors and readers together, with a small, experienced team working with a hand-picked group of authors who seek the benefits of working with an experienced publisher without being part of a traditional venture. Hello Table is another new venture, which combines a traditional cookbook with an easy-to-use app which has won a number of Australian and international awards. Accessible Publishing Systems is a leader in a range of publishing formats including large print, Braille, DAISY, and plans are underway to commercialise a product range in a font which is designed for readers with dyslexia. It has recently brought Readable English to market, using artificial intelligence to mark up books with a phonetic system (also developed and tested by APS) that makes the English language easier to learn. Apps and games are provided, and over 4000 Pan Macmillan titles have been marked up phonetically and are available for purchase as ebooks.

MAINTAINING MOMENTUM IN A CHANGING GLOBAL INDUSTRY

The Australian book industry shows great signs of innovation in order to compete with the rest of the world but the industry itself is not complacent. The opportunities and threats arising from new technology, changing consumer behaviour, competition for consumers' leisure dollars, disruption in the education sector and the impact of recent entrants such as Amazon, Apple and Google all pose continued challenges.

As a mid-sized industry that exists on the margins of the global centres of UK and USA English-language publishing, Australian publishers have been forced to work harder in order to compete. Senior representatives of the book industry have prepared an agenda for reform, identifying initiatives in copyright, data, distribution, export, lending rights, scholarly book publishing and skills development in order to remain globally competitive (BICC 2013).

Joel Naoum and his former line manager at Pan Macmillan, Tom Gilliatt, speculated about the reasons Momentum was established as an experimental publisher in Australia rather than in the biggest English-speaking sales territories, the UK or the US. They concluded that the global market for books is still large and sales by multinational publishers remain high, particularly in the US and the UK. As a smaller player, Australia has to look outwards to secure the future of the industry. 'We needed it more.'

PART 1: TRADE PUBLISHING CASE STUDIES

GENRE PUBLISHERS

MOMENTUM



Type of publisher:	Epress – operates independently, wholly owned by Pan Macmillan
Established:	2012
Based in:	Sydney
Lists:	Broad range of trade titles but focuses on genre fiction
Authors:	Approximately 160 authors (including some deceased, out of copyright) Approximately 280 titles.
Innovation/s:	A digital publisher set up by Pan Macmillan Australia as an R&D experiment to learn about digital publishing.
Other differentiation:	Tends to publish genre titles in series. Willing to publish first-time authors and build the profile of authors over time (which Pan Macmillan also has a reputation for doing) Aims to apply the same level of editorial attention to ebooks that print publishers apply to print books.
Distribution:	Amazon’s Kindle, Apple’s iBookstore, Google Play, Kobo, ebooks.com, Bookish.com and many others. Some print-on-demand books available.
Executives:	Joel Naoum, Publisher + a staff of 1 other editor and 2 marketers
Website:	http://momentumbooks.com.au/

Joel Naoum was interviewed on 5 March 2015.

BACKGROUND

Joel Naoum worked at Pan Macmillan as a general editor working across fiction and non-fiction. In July 2011 he was asked to set up Momentum by Tom Gilliatt (who is now a publishing director at Allen & Unwin).

At this time Naoum was due to visit the UK for three months on an Unwin Fellowship (funded by a trust set up by Stanley Unwin, one of the founders of Allen & Unwin, for research into publishing in the UK and likewise for a member of the UK industry to come to Australia). Naoum had submitted a proposal to conduct research about digital publishing, ‘a happy coincidence’. For three months in late 2011 Naoum conducted interviews in the UK and undertook placements with UK publishers by day while setting up Momentum at night ‘working virtually full-time hours’ in a second job, contacting author, setting up the database and establishing workflow processes.

Naoum returned to Australia in January 2012 and Momentum was launched in February.

THE IDEA BEHIND MOMENTUM

In Naoum's words, Momentum was intended as an experiment.

There wasn't really strict interpretation of what we would do but the idea was that we would have a mix of new titles and previously published books and see, once we were taken out of the fundamental business model of print, whether we could make that work on its own without print.

Initial discussions indicated a period of four years for Pan Macmillan to fund Momentum.

WHY WAS MOMENTUM SET UP IN AUSTRALIA?

Tom Gilliatt and I used to discuss this. I think we needed it more. US publishers in particular, have a massive market for print and for digital. They weren't worried in the same way that we were that we weren't going to find authors and be able to build them over time [using the traditional mechanisms of gaining access to shelf space in physical bookstores].

Naoum characterised Momentum's relations with other parts of Pan Macmillan overseas as 'a lot of interest but not very much control'.

Each arm of Macmillan runs pretty independently in the respective country or territorial areas. It's privately owned as opposed to being floated. But they are all curious to see how we go. Each time we have to report on annual budgets, all that information gets fed back and I get a lot of questions about it.'

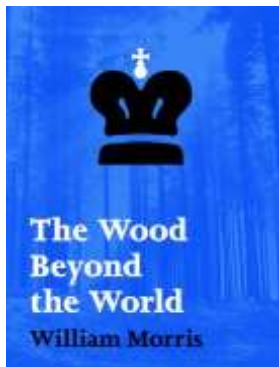
EXPERIMENTS AND CHANGES TO THE MODEL OVER TIME

PREVIOUSLY-PUBLISHED BOOKS

Part of the initial brief was to get the rights to previously-published books and release them as ebooks. This was not particularly successful. Naoum thinks there are a number of reasons:

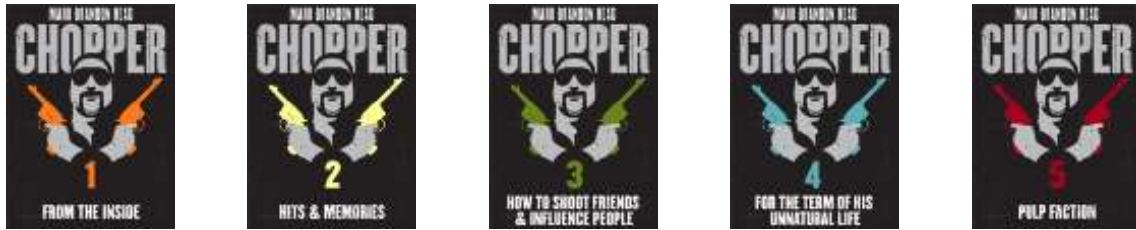
- The author may not be involved in promoting the books. 'The long tail does exist but it needs a current author to enliven the long tail. Otherwise it's just a static book sitting there.'
- If the books are out of print, there may be a reason they haven't succeeded in print and they didn't have a huge audience to begin with.

Naoum also experimented with reprinting classic works which were out of copyright, however sales have been modest.



Literary classics reissued by Momentum.

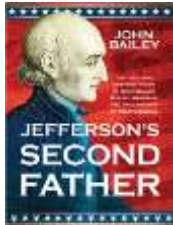
However there have been exceptions. Naoum obtained the rights to books by Chopper (Mark Read) from Floradale Press and they have been very successful as ebooks.



The Chopper series by Mark Read have been particularly successful reissued as ebooks.

Serious nonfiction

One experiment that didn't succeed despite enormous hopes and goodwill was a book by a respected Australian author, John Bailey.



In 2003 [John Bailey] was awarded the Centenary Medal by the Australian Government for services to literature.

Jefferson's Second Father: the life and strange death of Chancellor Wythe, explores the life and murder of George Wythe, signer of the Declaration of Independence. John conducted research for Jefferson's Second Father as a visiting scholar at the Robert H. Smith International Center for Jefferson Studies, Monticello, Charlottesville, Virginia, and at the John D. Rockefeller Jr. Library of the Colonial Williamsburg Foundation, also in Virginia.

Naoum commented as follows:

It is a serious work of non-fiction that is extremely smart and very well researched and very well edited and very well published but ultimately this is not the same audience for a digital book as there is in print. Momentum made the book available in hardcover POD but print-on-demand is difficult on its own. The books that work in POD are books that have audiences in digital that are looking for the book in print or have audiences in print that the author has shifted into digital. None of our books sell more in POD than digital.

BUILDING MIDLIST AUTHORS OVER TIME

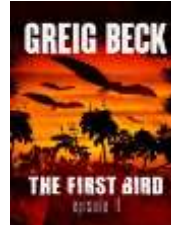
Pan Macmillan has a reputation for building the profile of commercial fiction authors over time, including Di Morrisey and Andy Griffiths. 'These are hugely successful authors now but didn't necessarily start out successful from book one.'

The closure of the Red Group bookstores led the founders of Momentum to consider whether the profile of authors could be built over time online and through ebooks if there was likely to be less shelfspace in physical book retailers.

READERSHIPS

Momentum sells 60-70 percent of its books outside Australia. The US, UK, Canada and New Zealand are significant markets 'but also all over the place' including India and China.

Momentum's biggest-selling genre in terms of the number of books sold is action-thriller. They sell larger numbers of books by a few authors (similar to print). Series are popular. 'People read, finish the book and read the next book in the series.'



Action-thriller ebooks published by Momentum. Action-thrillers are Momentum's most popular genre in terms of sales.

Naoum believes that publishing gives the author more time to establish a following with readers.

When we publish a brand-new book by an author sometimes that book just sits there, it doesn't necessarily sell a great deal in its first release. But if we've got another book coming out we get a second chance to get it out there to people. So we're not necessarily expecting every first-time new author's book to sell in the first month which it has to do in print otherwise it doesn't work because you rely on the booksellers reordering the book.

Momentum has different readerships for the different genres. It has just established Moonlight as a separate platform dedicated to Momentum romance titles. The readers may not read romance exclusively but these books are listed in one place for occasions when they want to purchase a romance title (with the happy ending that is a required part of the genre).



Titles from the new Moonlight platform, a dedicated platform for Momentum romance titles.

Romance readers are very open to reading books by new and unfamiliar authors.

I suspect a lot of the fear of something being wrong or bad is taken away with romance because the tropes are so strong. Which is not to say that there isn't a lot of bad romance and that the readers aren't vocal about them. They are also just voracious readers.

It is not unusual for romance readers to read 20 or more titles in a month.

When you compare that to other types of books, in other genres you have more occasional readers, people who read a couple of books a year and I think that's the way traditional print publishing works to some extent.

Unlike in other genres there is price elasticity with romance books. If you make them cheaper people buy as many as they can get as opposed to other genres where they are not necessarily going to read more books just because you make them cheaper.

Naoum also emphasised that there is 'no collectability, no gifting' with ebooks. People buy them in order to read them and they want them to be an enjoyable, pleasurable read.

The ebook market is to some extent a bit separate from the print market. Different types of books are working in the different markets. Readers themselves move between them but the markets are separate. I don't think we're taking anything away by selling ebooks.

AUTHORS

The majority of Momentum's authors are Australian but they also publish American and British authors. Naoum estimates that the proportion of non-Australian authors who submit manuscripts and are selected for publication is the same as Australian authors.

SALES

Bestsellers: 10,000 – 20,000 copies

An exception is Kylie Scott, whose breakout book *Lick* sold approximately 70,000 copies in the first month.

Scott submitted a manuscript to Momentum's open day when Momentum was still establishing itself. *Flesh* was described by Joel Naoum as 'post-apocalyptic erotic romance'.

He described how Scott became a best-selling author in 'From The Slush Pile to the Bestseller List: How One Author Landed a Global Book Deal' at: <http://momentumbooks.com.au/blog/from-the-slush-pile-to-the-bestseller-list-how-one-author-landed-a-global-book-deal/>



Examples of titles by Kylie Scott.

[From the article by Naoum]

An erotic romance set in dystopian Brisbane between a young woman and the two men who had stepped up to protect her in a world that had lost most of its conventional standards. It was pretty far off the reservation in terms of what I was used to in the world of traditional publishing. But it was compelling – Kylie's voice was light, engaging, funny and authentic. And somehow, in the way it overlapped genres, all of which were having a bit of a moment in the sun, it was exactly what I'd been looking for.

While a third novel in this series (tentatively titled *Bone*) is planned, Kylie told us she wanted to take a break from zombies and try a new adult novel about a rock star. *Lick* went on to become one of the best selling titles on Amazon on release and quickly made it into the USA Today bestseller list, propelling Kylie to her current position – ... a four-book global deal with Momentum's parent companies – St Martins Press in the US and Pan Macmillan in the UK and Australia.

WORKFLOW PROCESS

On Mondays ('Momentum Monday') the publisher accepts open submissions. Numbers range from 6-7 on a slow day up to 20-30. Momentum also receives submissions from agents and from former Pan Macmillan authors. Naoum liaises with Haylee Nash, the commercial fiction Commissioning Editor at Pan Macmillan. (Nash has a background in romance fiction, including working with Harlequin.)

If a manuscript is selected, Momentum contracts for digital rights with an option for print. There are a couple of exceptions where an author has placed their print rights elsewhere but this is unusual.

Momentum has a publishing schedule for the ebooks but Naoum notes that it is easier to make corrections to the book, e.g. to correct typos, after a book has been released.

Momentum runs its own IT system 'off the smell of an oily rag'. Extensive attention was paid to setting up customised systems to refine the workflow (Naoum has a good knowledge of IT).

We set up our own central title database that is quite customised for our needs. We have a custom typesetting portal that runs out of software run from India that holds centralised text. The book goes into the system and then we can produce the formats that we need whether that's POD or ebooks.

Momentum employs two people in marketing roles. The company has found that traditional print marketing in newspapers and TV for ebooks is not effective for their books. Naoum characterises their approach as:

... narrowcasting rather than broadcasting. The marketing strategy is about trying to cultivate relationships with influential bloggers in specific genres. That's what happened with Kylie Scott. One of the bloggers in particular helped push Kylie into the stratosphere. I don't know how many followers she (the blogger) had but I'd say, 50,000 likes on her Facebook page. Scott ended up selling many more copies than that in the first month. But the difference with getting a blogger like that interested is that every single one of her followers will buy the book as opposed to if it is promoted in a newspaper you're broadcasting and getting a much bigger potential audience but a smaller purchasing audience.

Many of the bloggers started because of a passion for a genre, and 'some of them have enough of a readership to make money from advertising, including online sites where they sell merchandise'.

The marketing of ebooks is a symptom of changing behaviour. People started looking online for recommendations for books and interacting socially with people online regarding books and e books are a natural extension of that, as are selling ebooks or physical books online.

PRICING

Naoum agreed that the price of books has dropped worldwide.

I think [the prices of] ebooks probably more correctly reflect the value: the supply of books have gone up, the supply of authors has gone up. It's easier to publish than it's ever been and the price of books has dropped as a result of that. The introduction of ebooks, and the launch of ebooks from Amazon in particular in 2007, uncovered an audience for books that we were never reaching in print, which is people who were willing to buy very cheap books that may not be good or not very well edited, which had a low success rate I would say.

There are people who are willing to spend \$.99 on a book but they'll buy 10 of them and they'll try brand-new author that they've never heard of because they are looking for a particular type of read. Those are the types of readers who weren't previously accessing print books

We've discovered that people don't buy new authors on release. You need to give people time to find those authors in a series. The great benefit of the old model was being about to build an author's career over a number of books. Because you were publishing them into bookstores, people would buy them because they was the only books you could get.

We don't have that luxury anymore but you still need to give people time to discover the books. If they do find them, then they'll go back and buy all of an author's books. But authors still need that time to develop a readership for their series.

With ebooks we often provide the first book in a series free, once we've got a few books out by the same authors to get people starting to read the series and then they'll buy the later books in the series if they like it. Or the first book is priced at \$1, the other books in the series cost more.

We also serialise books where we split a book up into chunks and that way we can make the first episode in a book free, but it's a book-length total rather than multiple books in a series. People have been splitting up or bundling content since content existed. It's just that the technology allows us to do it a bit more quickly and easily and then to distribute it.

Serialising books appeals to both readers' wallets and their attention spans because you can charge less for each chunk. So for very long books it's a great thing you can do to make it affordable for us to publish because the cost of editorial is higher if a book is longer. When potential readers see the ebook in a bookstore they can't tell that it's long. If they look at it, they don't focus on the fact that it's 700 pages long, they just see that it's \$7.99 as opposed to \$4.99. If you divide it up you can make the price higher overall to cover the higher editorial expense and people can buy the full book at the end of the process if they want to. I think it's easier for people to then try the book out.

A series also gives you more presence in ebook stores. A lot of genre readers across a book and will go, 'That's an interesting concept but it's clearly going to be part of a series. I'll come back to this when I hear about the series being good, when it's three books in.' Some of our authors who are three books into a series are only now starting to build a sizeable audience for their books.

DIGITAL RIGHTS MANAGEMENT

In May 2012 Naoum announced that Momentum would drop the use of Digital Rights Management (DRM) systems.

<http://momentumbooks.com.au/blog/momentum-drops-drm/>

'The problem,' said Joel Naoum, Momentum's publisher, 'is that DRM restricts users from legitimate copying – such as between different e-reading devices. We feel strongly that Momentum's goal is to make books as accessible as possible. Dropping these restrictions is in line with that goal.'...

Momentum's director, Tom Gilliatt, comments, 'Momentum was set up to innovate and experiment. The decision to drop DRM is absolutely in keeping with this role, and shows once again Macmillan's global commitment to be at the forefront of digital change and development.'

VIEWS ON INNOVATION

When Naoum visited the UK publishers, he recalled financially disastrous experiments with interactive storytelling in the form of CD-ROMs that occurred a decade earlier.

I went into my Unwin Fellowship with ideas about digital innovation, largely about new formats, because that's the exciting part of publishing, interactive books. And other than a few really notable exceptions to that such as *The Wasteland*, there wasn't much happening that was actually working.

I think the reason is that interactive storytelling already exists in the form of computer games. Publishers are good at telling narrative, and narrative has a beginning, a middle and the end. The bells and whistles don't really matter to readers so I think ultimately the exciting and innovative part about digital publishing is about accessibility, the ease of distribution, being able to buy a book in Mongolia when you're backpacking on holidays. That is what's amazing and we're still innovating in that sphere.

Innovation isn't for me about the suggestions that people were making three years ago. Like 'people aren't going to be interested in linear stories anymore, they're just going to want to choose their own adventure every single time' or they'll want interactive maps. People just don't care about that. Actual readers want to read the book. That's all they want. If there is a new interactive storytelling development, I don't think it will be for books. It's a new category which is developing mostly in the games sphere rather than in publishing. The expertise that we have as publishers is about storytelling rather than finding the next big thing in terms of entertainment.

LONG TERM

Naoum considers himself to be in an unusual situation. He doesn't identify with Indie ebook publishers because of the scale of resources that Momentum has behind them, via Pan Macmillan.

Long-term I hope that we will end up being a sustainable imprint in our own right. We were set up experimentally with a fairly open remit and we are focusing down to things that are working. I think there's always going to be an element of the 'skunkworks moonshot' type of thing that makes us valuable to Macmillan because they can try something out with us that they couldn't risk messing up their own relationships with agents and authors and retailers. So we can try things that the rest of the traditional publishing industry can't try but we are not as limited by the budgets that actual indie publishers have because we have a big publisher behind us.

HARLEQUIN ENTERPRISES (AUSTRALIA) PTY LIMITED



Type of publisher:	Australian and New Zealand arm of the multinational, Harlequin Enterprises
Established:	1974 in Australia
Based in:	Sydney
Lists:	Romance, women's contemporary fiction, non-fiction 800-900 titles per year, thousands of titles in total
Authors:	Bestselling authors include Diana Palmer, Susan Wiggs, Nora Roberts, Robyn Carr, Linda Lael Miller, Mary Kubica, Susan Mallery and Australians: Fiona McCallum, Rachael Johns, Tricia Stringer, Mandy Magro, Melanie Milburne, Emma Darcy, Miranda Lee and Lindsay Armstrong. Over 255 Australian and New Zealand authors
Innovation/s:	A leader in marketing women's titles, including romance and contemporary women's fiction, non-fiction Sales and promotions innovations including romance book subscriptions and promotions with newspapers and magazines to offer a free Mills & Boon ebook. One of the first digital first imprints in Australia (Harlequin Escape) in 2012
Other differentiation:	Mills & Boon imprint The leading global publisher of romance books
Distribution:	Via direct services to readers, Australian bookstores, discount department stores, online book retailers, Amazon's Kindle, Apple's iBookstore, Google Play, Kobo, eBooks.com, Bookish.com and many others.
Executives:	Michelle Laforest, Regional Vice President – Asia Pacific
Website:	http://www.harlequinbooks.com.au/

Michelle Laforest was interviewed on 30 November 2015. This case study also draws upon a prior interview with Leisl Leighton, President of Romance Writers Australia, on 12 December 2014.

BACKGROUND

Harlequin is one of the top 10 fiction publishers in Australia. Mills & Boon was founded in 1908 in England as a general publisher. It specialised in romance after achieving sale success with escapist fiction during the 1930s, the period of the Great Depression. Harlequin was originally established in 1949 in Canada as a paperback reprinting company, but during the 1950s it also achieved significant success in publishing romances, including Mills & Boon romances that were reprinted for the Canadian and USA markets.

In 1971 Harlequin purchased Mills & Boon, and in 1974 an Australian office was established. The Australian arm was initially intended as a base for sales operations in the Asia-Pacific region, however it has since developed as a strong publishing operation in its own right. In 2014 HarperCollins, owned by News Corp., purchased Harlequin. Harlequin and HarperCollins are managed separately in Australia.

Laforest joined Harlequin Australia as CEO in 2001, with a background in retail, consumer and business services industries.

ML: To say we are a romance publisher only is quite a misnomer now. When I started we were 100 per cent romance, selling Mills & Boon in print format, but we have grown into more traditional trade publishing lists. We publish commercial fiction and non-fiction.



While Harlequin is best known for its romances (left), it has also expanded its publishing lists to other forms of entertainment fiction and non-fiction

SUBMISSIONS

The Harlequin website is notably encouraging of submissions.



IF YOU HAVE A STRONG COMMERCIAL WORK OF FICTION OR NON-FICTION FOR EITHER ADULTS OR YOUNG ADULTS, WE WOULD LOVE TO HEAR FROM YOU.

PLEASE SUBMIT ONLY IF YOU HAVE A COMPLETE MANUSCRIPT THAT IS AT LEAST 60,000 WORDS. INCOMPLETE MANUSCRIPTS WILL NOT BE CONSIDERED. [FROM THE HARLEQUIN WEBSITE]

There is a separate submission process to Harlequin Escape, which requires three chapters rather than a whole manuscript.



[from the Harlequin Escape website]

Harlequin receives close to a thousand submissions each year. 'Generally, most Escape submissions are reviewed within two to three weeks of submission for the digital only list.'

The first part of this case study focusses on Harlequin Australia's romance publishing activities (Laforest estimates that Harlequin has a 60 per cent share of the romance category in Australia) while the latter part examines the other trade publishing initiatives.

THE IMPACT OF DIGITAL PUBLISHING ON ROMANCE GENRES

Changes in the publishing industry, especially the rise of digital publishing and self-publishing, have contributed to a change in attitude towards 'branded romances' on the part of traditional publishers. (Many novels contain romantic plots but are not marketed specifically as romance genre titles.) The President of RWA, Leisl Leighton observed that, 'Until recently, few mainstream publishers admitted to publishing romance. Now most of the major publishers have a romance list, especially for their epubublishing operation.' Romance writers have also sought to affirm their standing, and Romance Writers Australia (RWA) has been particularly active in updating public perceptions of romance writing. Further, in recent decades some scholars have argued that romance genres and romance readers should be accorded more respect, and should not be denigrated as some forms of women's reading have been. One particularly influential title was Janice Radway's (1984) *Reading the Romance*. More recently, *Beyond Heaving Bosoms*, by Sarah Wendell and Candy Tan (2009), co-founders of one of the most well-known romance review websites, both celebrates and analyses the genre in recent times. In addition, the *Journal of Popular Romance* supports the cultural and societal value of romance novels by encouraging the academic study of the genre.

The breadth of works includes erotica and erotic genres. Erotica refers to more relationship-based narratives, erotic is more hard-core: romance may not feature and these types of books do not necessarily have a 'happily ever after' ending. Harlequin has a 'heat rating' which goes up to 'scorching' to advise prospective readers of the erotic content of the books.

Leighton noted that there is now much more variety and sophistication in the range of genres. Mixing and matching of genres is occurring in romance just as it is in other book genres, plus film, TV, music etc. The Harlequin Escape lists include: action-adventure, comedy, contemporary, erotic, fantasy, gay, historical, magical realism, new adult, paranormal, romantic suspense, rural romance, science fiction romance, and young adult. These are just some of many other hybrid sub-genres.



Romances come in a range of genres, including (from left to right) The Lost Souls Dating Agency by Suneeti Rekhari, a humorous, contemporary story; Rayessa and the Space Pirates, by Donna Maree Hanson, science fiction; Too Busy for Love by Tamsin Baker, gay romance, and Emma, by Viveka Portman, which is part of a Secret Confessions: Sydney Housewives series.

Laforest agreed.

ML: Like any genre or any lifestyle trend, whether it is in other industries like cosmetics or apparel, you work with particular trends. There was a vampire trend, there has been bondage, and they come and go. We have always catered reasonably broadly to a number of those sub genres, but then we publish more voraciously when we see a trend emerging or hitting.

She also added, 'There are also trends in literature overall, that come to the fore for a period. So this is not unique to the romance genre.'

Many romance genres are cheeky and self-referential in relation to the tropes that form the part of the genre, while still delivering a satisfying narrative to the reader. Leighton believes that self-publishing and digital publishing both played a role in the more adventurous, hybrid-blending range of contemporary romance titles available today.

LL: The move to digital publishing empowered a lot of romance authors. Previously, they were 'at the whim' of a small number of traditional romance publishers. Now authors have a much broader range of avenues for pursuing publication of books that fall outside the parameters of traditional publishers

According to Leighton, 'Harlequin Escape, an Australian operation, has been taking chances on different types of romance books that once may not have found mainstream publishers.' Laforest agreed, 'It has allowed us to expand our range of sub-genres in romance.'

HARLEQUIN ESCAPE

In 2012 Laforest set up Harlequin Escape, the first traditional publisher to establish a digital first publishing arm. It was one of the earliest digital first imprints in the Harlequin group, following a US initiative. The initial testing and rollout informed later developments in the UK, Italy, Germany, Spain and France.



No matter what kind of romance you enjoy, from suspense to sci-fi, new adult to fantasy, adventure, paranormal, erotic, historical, comedy, contemporary romance and more, you'll find it here [from the Harlequin Escape website].

Laforest took the initiative:

...because digital was growing. There was a growing interest in self-publishing. Most importantly, we felt it was a platform where we could take Australian authors to an international sales environment. Those digital first authors go to a global digital audience.

The entire project to set up Harlequin Escape website took 12 weeks. 'We have an amazing team, it was a lot of hard work, and we have been very pleased with the outcome.' After the website went live, Harlequin held a big launch. 'We already had the support of a number of local romance authors'. The launch was also of strong interest to romance readers (discussed next).

ENGAGING WITH ROMANCE READERS

Laforest's experience is that 'Romance readers are pretty particular. They know what they want and what they like. They know who their favourite authors are, and they know what they're doing and reading.'

Romance readers are known within the industry as being voracious readers, with Laforest estimating readers can read an average of four romances each week. Because, in the past, some bookstores have refused to stock branded romance genres, readers have found other ways to form communities. Online and social media have provided enormous opportunities for readers to support their favourite romance authors, assess the work of new entrants, and exchange reviews with other readers.

Harlequin is heavily engaged in social media including Facebook, Pinterest, YouTube (with a dedicated Harlequin TV channel), Twitter, Instagram and blogs. Its website includes links to Goodreads reviews of its titles (both positive and negative) and features a link to an external blog of the month.

Romance conventions are also popular, with hundreds of participants at conventions in 2015 in Australia (e.g. The Australian Romance Readers Association's annual convention was held in Canberra, Readers and Writers Down Under was held on the Gold Coast) plus books signings, awards dinners, film screenings and other live events such as the Naughty Sinners Book Bash by the Beach on the Sunshine Coast. Laforest noted that, 'Romance readers are probably particularly passionate readers and they often do relate to each other about their reading.'



Harlequin sponsors a High Tea event in Sydney, 2016.

Laforest and Leighton both stressed that romance readers come from a range of socioeconomic backgrounds. Laforest gave an example of a busy CEO who is in her early 40's with four children, who reads in print and digitally late at night. As well as these there are many readers from a broad base, 'from real estate agents and teachers to marketing directors and scientists'.

AUSTRALIAN ROMANCE AUTHORS

Prior to the formation of Harlequin Escape, Australia had long established itself as a successful publishing base for Harlequin.

ML: Our Mills & Boon titles are the core of the romance series offerings. They have been locally designed and printed for over 20 years. They are distinctive from any of the other 36 or so languages that Mills & Boon is published in. Some of the series branding is different to suit Australian readers and we highlight Australian and New Zealand authors.

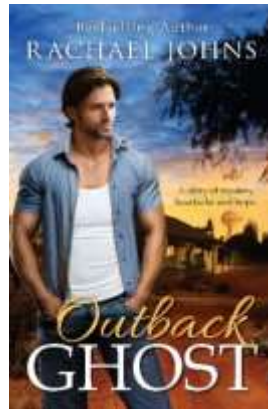
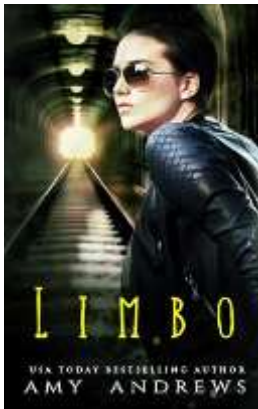
Romance authors are close and collegial. Laforest explained, 'If you think about it in another industry or commercial endeavour, these people are competitors but they work together, help each other, and collaborate as well as celebrate each other's success.'

ML: The authors are a close-knit community, particularly the Mills & Boon authors. They are encouraging of new talent, they are concerned to mentor or assist others and I am very impressed with our author community.

The authors come from a wide range of backgrounds. Suneeti Rekhari is an Australian academic published by Harlequin Escape who writes romance 'on the side'. K.M. Golland studied law and worked as a conveyancer. Robin Tomas worked as schoolteacher, and Rebekah Turner is a graphic designer. Other authors with degrees in anthropology or archaeology bring these interests to their writing.

Australian romance authors have achieved considerable international success, selling their work into the USA, Europe and Asian countries, the latter where they are also published in manga form. Rachael Johns, who lives in Goomalling (population: 500 people) about 45 kilometres east of Perth, has signed a three book deal with Harlequin Enterprises in the USA.

ML: Emma Darcy has sold over 100 million copies worldwide of her various titles. Her sister, Miranda Lee, has sold nearly 35 million copies. Another notable author is Lindsay Armstrong who has sold nearly 13 million copies now and she is still writing. Amy Andrews has sold over 1.6 million copies internationally.



Best-selling Australian romance authors include Amy Andrews, whose book Limbo is shown left; Rachael Johns, whose book Outback Ghost is shown centre, and Miranda Lee, Taken Over By The Billionaire is shown right.

Laforest emphasised that this level of success is hard-earned and is difficult to achieve, with many authors taking years to publish their first novel. ‘Becoming a romance author is not a quick and easy route to being published.’

The next part of this case study examines Harlequin’s other trade publishing initiatives.

EXPANDING HARLEQUIN’S LISTS

Since Laforest joined Harlequin as CEO, she has broadened out Harlequin’s lists to include women’s contemporary fiction and non-fiction that fits with Harlequin’s readerships. Currently, around half the publishing program is Mills & Boon. Laforest has expanded the lists based on a close knowledge of the readers’ interests.

ML: We are very close with our consumer and our reader. That is something that traditionally other trade publishers haven’t been, although certainly with the advent of digital there is a lot more consumer insight research.

Laforest became interesting in expanding the lists after reading a USA title that she thought would resonate with local readers. ‘I read one of the North American thrillers that we had, Alex Kava, and thought that would find a great audience here in Australia, and would also resonate with our retail partners.’

The success of introducing other forms of entertainment fiction was followed by further expansion.

ML: We have aligned with that readership and expanded it into non-fiction and teen books as well. I also felt that it was important to have local Australian authors from a broader genre base represented in our publishing list.

Laforest identified two main areas for growth in non-fiction: (1) health and wellbeing; and (2) psychology, self-help. ‘These fit not just with a female audience but are read by males as well.’

Examples of non-fiction titles include *Live What You Love*, by Naomi Simson, which reached #1 on the Business Book Charts (pictured earlier in this case study). Simson is successful businesswomen who has appeared as a judge on the Channel 10 TV program, Shark Tank.



Harlequin also publishes a range of non-fiction titles including (from left to right) Born to Fly by Ryan Campbell; Rescu Me: The Makover Guide, by Bahar Etminan; Mother Zen, by Jacinta Tynan; and Gene Genius by Dr Margaret Smith

INNOVATION IN PROMOTION AND DISTRIBUTION

Harlequin was an early leader in adopting above the line advertising (e.g. mass media including television and radio advertising, print as well as the Internet) and investment in catalogues to drive sales. Laforest outlined other ways in which Harlequin has been a leader in promotional initiatives:

E-subscription model

Harlequin has had particular success in the industry with direct-to-readers sales models. Harlequin was the first publisher to launch an e-subscription service, three years before Scribd/Oyster startups went to market. The Mills & Boon Series e-subscription model commenced in December 2011. A range of Mills & Boon subscription packages and Harlequin books are delivered under a direct marketing model. Subscribers receive the new titles one month in advance and postage is free. Subscribers also receive special offers and a monthly newsletter. Digital subscribers receive ebooks sent directly to their inbox.



Harlequin offers print book and ebook subscription packages of Mills & Boon titles.

Investment in social media marketing vs. traditional channels

Harlequin was an early investor in developing strong social media channels, which Laforest describes as 'crucial in engaging target audiences with our titles and authors.' Facebook is a primary channel and Harlequin are across twitter, Instagram and YouTube.

Laforest also nominated GoodReads (now owned by Amazon) is another book specific social media channel which is primarily reader focused than publisher led. 'We encourage readers to review and share our titles through this platform.'

Harlequin one also one of the first publishers to work closely with book bloggers who are 'super fan' advocates for their authors and titles. (Likewise, romance authors are particularly likely to call on 'street teams', that is, online teams of loyal readers, to promote their new books using their own social media networks. Often, members of street teams will receive free copies of books in advance and other promotional items.)

Emphasis on metadata for marketing and discoverability on ecommerce sites

Harlequin is constantly looking at ways to optimise metadata to drive discoverability of its vast catalogue across etailers. Like other publishers, Laforest observed that 'metadata' is a term that wasn't in publishing lexicon five years ago. 'The better the metadata, the easier it is for etailers to promote our books.'

Seasonal campaigns built around digital content

As well as Amazon-style product pages, Harlequin aims to generate engagement and awareness for consumers of their titles around seasonal promotional periods.

An example from Christmas 2015 can be seen here, a gift choosing mini app, at <http://www.harlequinchristmas.com/>



'Freemium model' strategy used with ebook series

The 'freemium model' is used in a similar manner to in-app purchasing on smart phones. An ebook novella is offered free to drive sales to rest of a series. Harlequin started with YA genre titles in 2010 and is now using this strategy to introduce readers to a series in other genres such as romance, women's contemporary fiction and non-fiction.

Media partnerships for content sampling and promotion

Harlequin is working with newspaper and magazines to sample and promote their author brands. 'One recent example is six week Super Sunday promotion with News Ltd Sunday papers. Each week readers can download a free Mills & Boon ebook to read.'

TRADITIONAL PUBLISHERS, BOOKSELLERS AND PRINT FORMATS REMAIN IMPORTANT

Harlequin's digital strategies have not led to the displacement of traditional methods of selling books. Laforest observed that, 'In an interesting upshot, a number of our bestselling Harlequin Escape (digitally-published) authors have now gone back to print as their second format. So it is like a reverse disruption.' Harlequin aims to grow the brand of these authors in digital and print channels.

Both print and digital retail channels are important. Laforest estimates that ratio of Harlequin's print to ebook sales in Australia is approximate 75 percent print and 25 percent ebooks.

Further, despite the success of Harlequin's direct sales to readers, booksellers remain important. 'We have a diverse multichannel approach, so our aim to provide our books everywhere that a female would want to find a book, from digital to retail channels.'

ML: We have a vibrant bookstore channel. I think all publishers would want to maintain that as strongly possible and support bookstores. Essentially, when consumers want to buy a book as a gift for Christmas, Mother's Day, Father's Day, other key events, they are probably not going to buy an ebook for someone.

The death of the print book is no way imminent in my sphere of entertainment fiction; there are many hybrid readers – those who enjoy both print and ebook reading.

Laforest is developing strategies to work more closely with book stores, with some key announcements due to be launched in 2016. 'We enjoy working with retail partners and bookstores to collaborate on promotional and sales opportunities and expect these to continue to grow.'

And despite the rise of self-publishing, which was one of the factors that motivated Laforest to establish Escape Publishing, traditional publishing remains attractive to authors.

ML: There are some great success stories but that is all we have heard about. We haven't heard about the thousands of self-published authors who are making nothing on that endeavour. So the view around that is a little imbalanced. But self-publishing romance has been big, and there are a number of authors that have done well.

A number of successful self-published romance authors have since contracted with Harlequin.



K.M. Golland (left) is an example of an author who achieved success through self-publishing and who now publishes with Harlequin. The cover of Temptation (right), by K.M. Golland.

ML: K.M. Golland, and a few other authors including TJ Hamilton who have been highly successful self-published have come to us because we provide editorial oversight, sales and marketing, author care, and publicity. It is that commercial and professional approach, knowledge of the reader in particular, and also our access to all of those channels of distribution. These make publishing with us a valuable proposition.

CHALLENGES AND OPPORTUNITIES

Like other publishers in this report, Laforest is aware of the range of leisure and entertainment options that compete with reading books.

ML: One of the key challenges for publishers in general is that when people have time for leisure they might be on Facebook, or Instagram, or multitasking between watching Netflix and on Facebook. We need to be cognisant of a whole competitive field that we operate in, which is not just books. People are becoming increasingly time poor. So that involves understanding the opportunities that brings.

However, Laforest is optimistic.

ML: I think it is great to have new opportunities. For example, the advent of ebooks has been fantastic in a sense of bringing new dynamics to the industry, which I think was needed. It was not always embraced generally, but we embraced digital and took it on board very early. The advent of social media has been another opportunity and should be viewed as such.

I like to think we are a nimble publisher and that we respond quickly to opportunities. My aim is to be swift to look at trends and react to them, and transform disruptions into new opportunities to grow our business.

PANTERA PRESS



Type of publisher:	Small, independent press
Established:	2008, first books published in 2010
Based in:	St Leonards, Sydney
Lists:	Popular fiction including young adult, thriller, crime, fantasy, Indie, romance, and commissioned nonfiction
Authors:	16-20 authors including Sulari Gentill, political journalist Simon Benson, B. Michael Radburn, Wanda Wiltshire, J.M. Donellan, Melanie Casey and Graham Potts.
Innovation/s:	Dual purpose business model for both social and financial benefit with regards to Australian writing culture in the core business (and social benefit/impact for the Pantera Foundation) 50/50 profit sharing model with authors
Other differentiation:	Pantera Foundation – to promote literacy and reading. Strong focus on philanthropic activities in education. Strategy to identify and nurture a select number of handpicked previously unpublished Australian authors and develop their careers long-term, investing heavily in building the brand of each author and promoting their books. At the 2015 Australian book industry awards, Pantera Press was shortlisted for the Innovation award, and Sulari Gentill's <i>A Murder Unmentioned</i> was shortlisted for the Small Publisher's Adult Book of the Year Award. Pantera Press has twice been shortlisted for the Small Publisher of the Year award.
Distribution:	Bloomsbury Australia (includes independent bookstores, chains and DDSs)
Executives:	Alison Green, CEO and Co-founder John Green, Co-founder and author
Website:	http://www.panterapress.com.au/

Alison Green was interviewed on 23 January 2015.

BACKGROUND



Pantera Press positions itself on the strength of the storytelling in its books.

Pantera Press was started in 2008 (coincidentally, during the beginning of the global financial crisis) to find and nurture the careers of new Australian authors writing commercial and popular fiction and non-fiction.

John Green (Alison Green's father) was both a fiction author and a former business commentator with a background in business working at Macquarie Bank. John Green signed his first manuscript of a novel to an international agent relatively quickly (a rare occurrence) and through this he became engaged in discussions with other authors and publishers about the state of the industry. He came to hear how difficult it was for first-time authors to have their work considered by publishers, particularly in Australia where there were few agents accepting new authors in genre fiction, and most publishing houses were only considering agented submissions.



Examples of titles by John. M. Green, author, business analyst and co-founder of Pantera Press, and a photo of the author (right).

Alison Green was studying towards a master's degree in business strategy at the time and was 'naturally interested in discussion of any gap in a market'. She had always been an avid reader. The family discussed whether there was an opportunity to create a business.

We wanted to build a company that was almost a social enterprise model, where we could try to nurture the next generation of readers and writers through the core business as well as through philanthropic activities. We knew that if we wanted to find and invest in and nurture new authors that we had to do things quite differently.

Alison and John Green spent two years researching the book industry, talking to anyone 'from designers to typesetters to editors to people who worked in independent publishing houses in Australia, the big publishing houses in Australia, booksellers, printers, distributors, and international publishers and agents.

We heard anecdotally about publishers who had taken on new authors, be they debut Australian or international authors, and in many cases the investment for these new authors with regards to marketing or publicity was minimal. If an author miraculously takes off, and

there's cases where that's happened, then often a publisher will sign on the author for more books and they'll start investing in them. But it's a catch-22, because if no-one's hearing about the author the chance of him or her taking off is slim.

We realised that we needed a business model where we could take a measured risk on new authors in a way that also allowed us to invest in authors up-front. That's a capital investment basically with no return in the initial period because we needed to effectively and strategically build author brand.

From that we worked out very quickly, it needed to be a long-term relationship so the notion of signing an author for a one or two book deal, which is quite traditional in Australia, would not work for us. There would be no point finding someone, investing in them – be it with training, editorially, money-wise, marketing and publicity – and for them to be on the cusp of taking off and then for them to go off to another publisher.

The Greens prepared a major strategy document with a ten-year plan, drawing on John Green's experience as an investment banker and Alison Green's expertise in business strategy.

PROFIT SHARE MODEL

We came up with a 50/50 profit-share model. The 50/50 represents to us a partnership, because it means that all parties are equally invested and incentivised (although all costs are covered by us. The authors does not contribute financially). It is a big percentage as a royalty, it's much more than you would see normally in publishing, however, it is money that is coming later.

Pantera Press paid a signing bonus, a non-refundable payment against the book. A payment upfront is symbolically important to the authors. 'It's to say, congratulations, you're an author.'

Our model is a longer-term model so from our perspective that works well because although we're making a small payment upfront, we're not paying royalties for every book while the book is losing money. Instead it allows us to spend that money by heavily investing in the author, their brand and the book in terms of design, editorial, marketing, publicity, involvement in festivals, all those kinds of things, and then when the book does start to make money we split everything 50/50.

In the past few years some of the authors have also been offered an advance against their subsequent books.

We called it a nominal small advance because that's what we thought that it was. However, it seems that our advances are on par with some standard publisher advances (often between \$1,000 - \$3,000). Since we started other publishers and imprints seem to be experimenting with different royalty agreements with authors where the advance might be smaller but the royalty might be higher or vice versa or the royalty increases when you get to a certain cap. Some people in the past four years have been even more experimental.

RESPONSE FROM BOOKSELLERS

Getting booksellers to take up large orders for Pantera Press books was initially difficult.

It was a struggle for a while because we'd pitch the work of an author and booksellers would say, great, their last book from you guys sold quite well but because they are new, I don't want to take too much of a risk so I might just buy two copies just to see how it goes. It was hard for them to get their heads around the fact that even those these were debut authors or emerging authors, we were trying to flip the notion of a debut author on its head. That we were committed to our authors long term even though they'd been seeing the proof of what we were

trying to do. In their experience, many commented that a publisher committed to an author for a one or two book deal. Some booksellers would respond in the early days, it's great what you say you're doing but I'm not going to take hundreds of copies of this book because you'll likely stop investing in the author or they'll move elsewhere, we'll just do a little bit and see how we go.

We had great positive industry support on what we were trying to achieve, but we still came up against trying to break people out of these traditional ways of thinking about publishing.



A Pantera Press display at a trade fair.

BUILDING THE BRAND OF AUTHORS

Pantera Press would not sign on an author who was resistant to the concept of working with PP to build their brand.

We have lengthy meetings and discussions with potential new authors before signing them because enjoying their work and seeing potential and thinking that they're a great writer is only one small part of the relationship. We need to make sure that we have the same vision, and that they are excited about our strategic plans and enthused by the financial arrangement we offer. Some people are very excited by that, some people are hesitant. That's fine – but equally it's someone we would not pursue a partnership with.

Green emphasised that 'marketing and publicity is very important to us' and that their approach 'is very book-dependent.'



Building the brands of Pantera Press authors: (left to right) J.M. Donnellan, Sulari Gentill and Graham Potts

With *The Trusted*, a commercial thriller, we did a lot of bus back ads and airport billboard advertising.

With *Killing Adonis*, a quirky indie read, we developed an app online <https://www.panterapress.com.au/synaesthesia> which we marketed heavily – in the book one of the main characters has synaesthesia (where they see colours and sounds when they hear words). We tried to create a virtual experience, giving users a shareable way to create their own synaesthesia-inspired message to send out.



An app based on synaesthesia proved very popular with YA readers in a promotion for *Killing Adonis*, by J.M. Donnellan.

Another online campaign was for a 1930s historical crime novel series by Sulari Gentill (pictured below). We ran a quiz to excite people interested in the themes of the book and draw their attention to the world of Rowland Sinclair. www.PanteraPress.com.au/quiz



A promotional award for marketing materials PP put together for a series by Sulari Gentill (pictured left with A Murder Unmentioned). A guerrilla campaign on Tinder for Akarnaë by Lynette Noni (right) was an effective initiative.

A recent campaign was for *Akarnaë*, a young adult novel set in a fantasy world. We launched a guerrilla marketing campaign via Tinder (an online dating app) where we set up a profile for the book encouraging people to ‘fall in love with sparkling conversation and magical friends in the world of Akarnaë’ – we’ve had a great viral response from this and continue to engage.

Within the last two years Pantera Press analysed its expenditure on advertising campaigns for authors and their books. They found that their expenditure was on a par with what other ‘publishers were spending on some of their biggest authors, which was quite interesting for us to see and realise.’

SUBMISSIONS

Pantera Press encourages submissions on its website, and is actively seeking them.

We receive around 30 new manuscripts a week. Historically we have published at least one new author a year. Last year we signed three new authors. To put these numbers into context, we receive a lot of submissions that do not meet our criteria. We do not currently publish photographic books, poetry, travel, self-help, and also many submissions are from authors who have one book in them. We are looking for authors who are after a writing career, authors we can invest in and continue to grow, so for us it is important that they are passionate to continue writing Pantera Press Foundation

Alison Green has volunteered for literacy programs since she was a teenager. Further, her family is strongly involved in philanthropic organisations, for example, currently Green and her brother are members of Philanthropy Australia’s New Gen Group, and were both recently selected as 2 of the top 20 young philanthropists in Australia to go on a study tour to the UK and Switzerland.¹⁵

Green explained that Pantera Press sees its ‘social enterprise’ approach as two-fold:

1. Finding and developing new authors – a contribution to Australian writing culture.
2. Investing in projects and programs around literacy and encouraging the joy of reading.

‘Good books doing good things’ was the philosophy behind their business approach. In 2015, this approach was formalised via the establishment of the Pantera Press Foundation, to enable a more structured in their approach to philanthropy.

¹⁵ <http://www.philanthropy.org.au/about-us/new-generation-of-giving/>

LET'S READ

In May 2010 Pantera Press announced its support for Let's Read (<https://www.panterapress.com.au/news-and-events-tsf-may>).

Let's Read is a national, evidence-based early literacy initiative that promotes reading with children from birth to five years. Let's Read was developed by the Centre for Community Child Health at the Murdoch Childrens Research Institute and The Royal Children's Hospital. The Murdoch Childrens Research Institute (MCRI) and The Smith Family (TSF) have partnered to implement Let's Read with communities across Australia <http://www.letsread.com.au/About/Research> .

Pantera Press has supported 14 new Let's Read communities across Australia.

MISFIT AID

In 2014 Pantera Press announced support for Misfit Aid, which is run by the not-for-profit arm of Sydney based surfboard manufacturer Misfit Shapes. 'Since founding in 2010, over 70 Misfit Aid volunteers have assisted communities in countries including Chile, Peru, Samoa, Fiji and Mexico.' (<http://misfitaid.org/about/about-us>) This charity was selected by Pantera Press because Tori Swyft, who is the main character in John M. Green's latest thriller, *The Trusted*, is a surfer.

We teamed up with Sydney's No.1 FM radio station, Triple M, and sponsored Misfit Aid's Tommy Herschell's twice-daily Surf Reports plus a host of community service spots promoting Misfit Aid. <https://www.panterapress.com.au/donate/2831/misfit-aid>

Green also noted that Pantera Press has a long partnership with Sydney Writers' Festival supporting their week long workshops program (which provide new and established authors with writing tools.

We've been sponsors of many writers' festivals including: Griffith Readers Festival, Sydney Jewish Writers' Festival, Murder in the Mountains, Byron Bay Writers Festival and many more.'

MOVE TO LARGER PREMISES

In early 2015 Pantera Press moved from a small office in Neutral Bay that initially housed the two person team of Alison and John Green to larger premises in St Leonards.

Our team has expanded significantly, with about 12 of us in house. We have grown our editorial team, with three people curating the submissions we receive. We have a head of marketing and publicity, a head of social media, and someone working across both digital and marketing communications. One of our directors works closely with these specialists on our marketing strategy. We recently hired a rights manager who is representing us at book fairs, and has already successfully secured rights sales and film options.¹⁶ We are fortunate to have some great interns as well.

Having lots of thinking and creative space was important to us. So we had this in mind when finding our new office space. We have a designated reading area, a relaxing space where anyone (mainly members of the editorial team) can sit and read manuscripts. Our office reflects our personality and corporate culture – we are creative, like to have fun, a little bit

¹⁶ Subsequent to this interview, in December 2015 Pantera Press announced the sale of North American rights to *Killing Adonis* (J M Donellan) and the first seven books in the 'Rowland Sinclair Mysteries' (Sulari Gentill) to Poisoned Pen Press. The deal was made at the Frankfurt book fair.

cheeky but very passionate and focussed on smart thinking. So we have an ‘outdoor’ garden theme inside the office with lots of hedges and AstroTurf, and a ping pong table as a board table.

ONGOING COLLABORATION WITH AUTHORS

Pantera Press has not had any major issues with their authors. ‘We haven’t come to that point. Although it is still very early days for us.’ However, Green stressed that contractually they have set up their partnerships so that if there are any major problems (e.g. with sales), they will have extensive discussions with the author and experiment with new strategies in collaboration with the author.

We are very collaborative with our authors every step of the way, be it their involvement in cover design as well as our expertise and in discussions about editing. We will make suggestions but say, the reason we are suggesting this is because x, y and z isn’t working. Is there another way we can fix x, y and z if our solution isn’t the right one?

Honesty is crucial. If something is not working in the marketplace we discuss why and whether we want to try pitching their work in another way, or do they want to try writing something for a slightly different audience. There are a lot of opportunities before we would ever get to a point where we say, this isn’t working.

Green is optimistic about the future of book publishing. ‘It is an ever changing landscape in terms of retail behaviour, however, at the end of the day – everyone loves a good story’. She concludes, ‘Pantera Press is committed to publishing the latest “unputdownable” stories from our existing and new talented authors.’

Postscript: As part of their commitment to ongoing innovation, two Pantera Press executives attended a week-long Leadership Strategies in Book Publishing course at Yale University in July 2015.

A Murder Unmentioned's promotional campaign won the Australian Promotional Products Award (APPA) Platinum Award for Excellence in August 2015.

MULTINATIONALS

HACHETTE AUSTRALIA



Type of publisher:	Australian arm of the multinational, Hachette Livre
Established:	1971: Hodder & Stoughton Australia founded; 2004: Hodder Headline acquired by Lagardère for Hachette Livre; 2004: Hodder Headline Australia is renamed Hachette Australia
Based in:	Sydney
Lists:	Broad range of trade titles
Authors:	Has published thousands of titles. Approximately 70 titles by Australian authors each year.
Innovation/s:	Shift from a sales-oriented corporate culture to a marketing culture.
Other differentiation:	The publisher of many international bestselling authors including David Baldacci, Gillian Flynn, Stephen King, James Patterson, Jodi Picoult, Nicholas Sparks, Donna Tartt, Nora Roberts, and Patrick Rothfuss. Hachette is building up its Australian lists, including some literary authors.
Distribution:	Via Australian bookstores, discount department stores, online book retailers, Amazon's Kindle, Apple's iBookstore, Google Play, Kobo, eBooks.com, Bookish.com and many others.
Executives:	Justin Ractliffe, Managing Director: Marketing, Publicity & Australian Publishing Louise Sherwin-Stark, Managing Director: Sales, Product & New Zealand
Website:	https://www.hachette.com.au

Justin Ractliffe and Louise Sherwin-Stark were interviewed on 13 May 2015.

BACKGROUND

Hachette Australia is owned by Hachette Livre, one of the world's largest English-language publishers. Hachette Australia reports to the Hachette UK head office. The staff at Hachette Australia were profoundly affected in 2014 by an accident which took the life of their CEO: Matt Richell died in a surfing accident in Tamarama, Sydney in July. Justin Ractliffe and Louise Sherwin-Stark were subsequently appointed as joint Managing Directors later that year.

Justin Ractliffe (JR) was recruited to Hachette in 2013 from Random House Australia. His experience at Random House included a variety of managerial roles responsible for sales and marketing, with the most recent being Head of Digital Marketing. Louise Sherwin-Stark (LSS) has worked with Hachette 'off and on' for 13 years. Her work experience includes Hodder UK in London, Sales and Marketing Director for the Hodder division in Australia, and positions with Bloomsbury and Google Play.

CHANGES TO THE SALES AND MARKETING OF BOOKS

Sherwin-Stark believes that the biggest change affecting sales and marketing strategies is the changed nature of the Australian market. 'Twenty-odd years ago the Australian subsidiaries of British publishers were expected to sell whatever they were sent'

LSS: We've effectively gone from a closed market which meant we could take our time and select a publication date that worked for the books. So, for example, if you had a big Stephen King book and you thought it would be better for Father's Day, you could move the release date to September for Father's Day. Those days are gone. Offshore online retailers are selling books directly into our market so we effectively have to match US publication dates on every book we publish. Getting stock into the market on time is much more of a priority. That means we're better organised, we're slicker, we're much less complacent as an industry.

Justin Ractliffe highlighted the impact on publishers of shifting from a business to business (B to B) model to also incorporate business to consumer (B to C) capacity. LSS: 'Hachette and the industry as a whole has been historically very good at putting books on bookstore shelves and not necessarily as good at getting them off shelves.'

JR: Publishers are getting much better at talking directly to readers and understanding their wants and needs and the benefits they seek from books. The question then is how you use that information to help you make decisions about what you publish, how you publish it, how you position it and how you communicate your product to prospective readers. We work very closely with booksellers and build 'buzz' around our books, but we've also put a lot of energy into building our own platforms and talking directly to readers.

Ractliffe observed that in the last ten years publishing has reconfigured itself to focus more on understanding their customers. 'Jobs exist now such as content managers, consumer insight researchers, and social media managers that ten years ago didn't exist.' In addition to social media, newsletters and traditional channels of communication, Hachette uses Google analytics and social media metrics 'to examine how the books have been received and to make adjustments to position them better or to segment the market for their readership better'.

LSS: We have thousands of brands under our umbrella brand so you're not just talking to one big amorphous group of readers. We are talking to lots of different segments. We are talking to Stephen King fans, Nora Robert fans, Patrick Rothfuss fans etc., and to do that effectively is a huge undertaking.

Hachette Australia restructured internally as part of a shift from a focus on product to a focus on its customers (businesses and readers) 'which is probably no different to change that's been going in all the other large publishers'. For example, Hachette has invested in a new ECRM [electronic customer relationship management] platform and an existing role has been expanded to include consumer insight, working closely with the consumer insight department in the UK 'which has only been around for two years'. Most multinational publishers in Australia have access to consumer insight data from the US or the UK market, but few commission research in Australia (discussed further on). Hachette believes they are the only Australian publisher with access to research commissioned from Australian and not UK and US readers.

The next parts of this case study are organised according to some of the publisher roles of commissioning books, author care, printing and distribution, and promotion; however, as the discussion makes apparent, in practice these are closely linked.

INCREASING THE SIZE OF AUSTRALIAN-AUTHORED LISTS, INCLUDING LITERARY WORKS

Based on sales data available domestically (i.e. not including offshore sales to Australian consumers) industry estimates are that approximately 33-36 percent of book sales revenue comes from publishing local authors.¹⁷ Hachette's proportion has traditionally been below this level.

JR: That's a legacy issue. How do we reconfigure our business to publish more local books and to make a profit out of them? That's something that we're wrestling with at the moment.

LSS: The right local publishing list is a big part of how we can effectively market ourselves to consumers because it's easier to market a book when there's an author in Brisbane than, say, when there's an author based in Seattle.

Sherwin-Stark emphasised the importance of publishing 'big commercial successes' ('Stephen King sells a lot of books') which allows Hachette Australia to invest in literary writers 'that probably are going to sell 2000 – 3000 copies. We don't often make a great deal out of small but important books, but that's not necessarily why we're taking them on.'

JR: We want to contribute to Australian culture. We think it is important that Australian publishers do that, and we see it as our core mission to either curate books that Australian readers will want to read or to publish Australian stories. That's not only important commercially but it gives everyone here a sense of purpose and a sense of passion. We want to take our place as an institution that contributes to Australian culture, and literary fiction is one of the key ways of doing that.

Part of that involves seeking out new writers, and often they're literary writers, working out how best to publish them and how best to launch them. We see it as culturally as well as commercially important.

LSS: But we're disciplined. We only want to take on new voices that we believe have big potential in terms of literary acknowledgement (including awards and prizes); not necessarily sales but also books that we feel passionate about. Even if a book is extremely good if we all don't fall in love with it we don't necessarily think we can do the best job for that book. That's a big part of our acquisition process.

Hachette headhunted a Sales Manager from Allen & Unwin, Chris Sims, who had a high profile in the independent booksellers sector, which sells a higher proportion of literary books.

LSS: We started publishing the right books for the independent sector, which we traditionally hadn't done. There was a big change in the way that we acquired new literary voices. We're now working with all the major writers' centres in the country, developing a mentoring program for new writers. We are developing a reputation for breaking exciting debuts.

Last September we had every single book on the front cover of the independent booksellers reading guide, and I think that surprised a lot of industry people. Sometimes there's an indie perception that multinationals don't know how to publish literary books, but of course we do, and we read and love them as much as independent publishers.

¹⁷ This estimate was made by several publishers during this research but it has not been independently verified using sales data. The percentage varies each year depending on the proportion of best-selling Australian titles and the price points.

Hachette took a risk by signing to a three book deal a widely published author of literary short fiction, essays and poetry by an Australian writer, Maxine Beneba Clark, who had a relatively modest public profile. Beneba Clark is also an acclaimed performance poet whose work has been featured in poetry festivals across Australia. Her first book with Hachette, *Foreign Soil*, subsequently won Literary Fiction Book of the Year in the 2015 Australia Book Industry Awards and the Indie Book of the Year Debut Fiction Winner (it has also sold in higher numbers than many debut literary titles).¹⁸



Foreign Soil (left) by Maxine Beneba Clark (pictured, centre) won the Indie Book of the Year Debut Fiction award and the Literary Fiction Book of the Year at the ABIA awards in 2015.

COMPETING ACROSS 'THE AUSTRALIAN PUBLISHING SPACE'

Literary fiction comprises less than an estimated 5 percent of trade sales in Australia, so it is logical that large publishers must publish across a range of genres. 'Some of the big international books sell in numbers that we can perhaps sometimes only dream of for an Australian writer.'



Cookbooks published by Hachette Australia (from left to right): Karl Stefanovic, Julie Goodwin, Adam Liaw

JR: We're trying to compete more in the lifestyle space and cookbooks that all publishers fight tooth and nail over, but we're also looking at needs that aren't being met by existing publishing.

¹⁸ As at January 2016, *Foreign Soil* has sold just under 7,000 copies in print, and over 1,000 digital copies, which Sherwin-Stark describes as 'a great success'.

LSS: We want to be playing in the whole of the Australian publishing space, so this year one of our biggest books is going to be from a UFC (Ultimate Fighting Champion) fighter. He's a cage fighter essentially and we know that his book has potential to reach people who are our not usual readers. He's got a massive profile and he's got an amazing story.

Fantasy series are very popular, including books by Australian writers such as Trudi Canavan who is 'huge internationally'.

LSS: Publishers are doing a massive disservice if they are not offering a wide variety of books. I'm a massive believer in commercial fiction. I think we should be publishing what people like to read. The publishing industry has traditionally been quite inward looking, but we're not competing with other publishers, we're competing with social media, we're competing with Netflix, we're competing for people's entertainment or leisure time.



Two books by Trudi Canavan (left) and the author (far right).

LSS: If you consider established series, there was a time when publishers could spend six or seven years investing in a crime writer. Establishing a crime series now is much harder now because retailers have more sales data. If a book in a series doesn't work first time around, book two is a really hard sell and so is book three. Publishers don't have the years to grow an author's readership. It's challenging.

Hachette Australia is also planning to build up its children's list.

Licensing is very key to children's publishing now: you just have to look at the book sales for Frozen and Minecraft. We've just acquired the Thunderbirds license for Australian and New Zealand, so that's going to be a big move for us into a non-traditional reading market, catching young boys who are not heavy readers with great activity books and pop-up books to get them engaged with books.

AUTHOR CARE

There has been considerable online discussion among authors about the level of support and acknowledgment received from their publishers, and this has been another area of reform in Hachette Australia.

JR: Key to any publisher is how you do you continue to add value to an author when they can self-publish, or go to Amazon? We've spent a lot of time thinking about how we structurally plan author care as part of the business. All new authors get to meet every member of the team who are working on their books. We're just about to institute an author handbook that every new author and existing author will receive which outlines what we'll do for them.

LSS: Publishers and editors need to ring an author with good news and bad. It has to be about good communication. Writing books is a very solitary pursuit, and we want our authors to be well informed about everything that's going on so that nothing is a surprise. If bad sales are the result at least they know we've put in as much effort as we can. They know that they've had a marketing campaign, they know that they've had these reviews, they know everything that we've done and sometimes it's just in the lap of the consumer gods.

PRINTING AND DISTRIBUTION

Books distributed by large publishers in Australia are often printed overseas, which then incur air freight or shipping costs. Further, Australian consumers generally don't like waiting for a paperback edition of a title to come out after the hardcover edition has first appeared.

LSS: When Netflix was launched in Australia, we saw ebook sales dip because 25 percent of Australia's broadband network was used by people streaming from Netflix. Australian consumers gorged themselves on Netflix and stopped doing anything else, and it absolutely had an impact on sales of ebooks.

What that says about Australian consumers is that we are desperate to get our hands on good content, wherever it comes from. We want big international books to be available on the same day that they are available anywhere else in the world, and we hate the idea of missing out on a big cultural event in the US and in the UK. We hate missing out on Booker prize winners and Pulitzer Prize winners and the next watercooler book. It's about speed to market, it's about making sure consumers don't pirate books because they don't want to wait. I don't think our consumers should wait, so that's a big challenge

Many larger publishers in Australia are reviewing their printing policies to move printing locally on a carefully managed basis. This is also seen environmentally responsible by saving 'book miles'. However, distribution is a major challenge for 'a massive country with a small population'.

LSS: There are additional challenges for Australian publishers and booksellers. Offshore online retailers can sell books to Australian readers GST free, and in some instances postage free.

Further, Hachette's analysis found that approximately one-quarter of their Australian sales are from the long tail, 'books that are only selling up to 500 copies per annum'. If they are not able to provide copies of these books quickly, consumers will buy them from other sources such as offshore online retailers. 'Freight, distribution, returns, and pulping' are not high profile aspects of the book industry, but improvements will contribute to Hachette's bottom line and internal reforms are underway.

AMAZON, GOOGLE, KOBO, APPLE

The international nature of online and ebook book retailing has had an important impact on the Australian book industry. Sherwin-Stark's role at Google in London involved merchandising in their British and Australian stores, 'picking the books that went on the home page, picking the books that would be pushed through social media'. She commented that the large technology companies 'don't think about content' in the way that book publishers do.

First, the merchandisers who choose which ebooks to feature on their Australian sites are not necessarily located in Australia. With the best will in the world these merchandisers cannot have a strong understanding of the local culture.

Second, the online retailers can be more interested in marketing their technical platforms than in promoting individual books or authors, which is a challenge for publishers trying to connect new authors with readers.

Therefore, even large multinational book publishers face the challenge of discoverability for their titles on these international platforms, especially for Australian titles.

LSS: Booktopia, and Bookworld (Australian-based online book retailers) promote Australian authors brilliantly, which is great for Australian readers shopping in the online space.¹⁹

If we were in a digital-only market that was controlled by merchandisers based other parts of the world, how would Australian readers learn about local breakthrough titles? Publishers wouldn't be able to run the kind of campaign that is successful now, which is built around hand selling in bookstores with booksellers and readers falling in love with an Australian book and spreading word of mouth.

Sherwin-Stark speculated that as device sales level out, technology companies may shift their strategies to promoting content more, however this would not necessarily be favourable for promoting greater coverage of Australian books.

THE IMPORTANCE OF THE INDEPENDENT BOOKSELLER SECTOR IN AUSTRALIA

Independent bookstores in Australia comprise approximately 30 percent of 'bricks and mortar' booksellers, which is substantially higher than in the UK or the US. Independent booksellers are particularly important for hand selling new titles by emerging authors and literary books, especially Australian authors. The change to the UK retail make-up has been damaging for new British literary authors.

LSS: Instead of thousands copies of a new literary novel, publishers may only be able sell 500 hardbacks. That's a really dangerous place for literature.'

Because nearly 30 percent of the retail bookstore market in Australia is independent, and independents pride themselves on supporting Australian literary work, it means that publishers can invest in literary voices.

STRENGTHENING RELATIONSHIPS WITH INDEPENDENT BOOKSHOPS

Traditionally, Hachette has not had strong relationships with independent booksellers, but one of their strategies over the past two years has been to change this. In addition to recruiting Chris Sims, discussed earlier, and developing new lists of Australian titles, Hachette Australia is also finding other ways to add value to and support independent booksellers, for example, making space available in its head office to host the Indie Awards (annual industry awards by independent booksellers).

¹⁹ On 3 August 2015 – subsequent to this interview – the CEO of Booktopia, Tony Nash, announced that the company had acquired Bookworld from Penguin Random House.



The winners of the Indie Book Awards are announced at the annual Australian Independent Booksellers' conference.

JR: Another example is last year at the Leading Edge (independent booksellers) conference Louise and I talked about our consumer insight research into their customers and how they might use that.



LSS: Usually publishers are pitching books to booksellers and what we're also trying to do is also share our expertise.

IMPROVING COMMUNICATION WITH ALL BOOK RETAILERS

Hachette Australia has also improved communication with all its booksellers, including sharing findings from its consumer insight research.'

LSS: One of the things I learnt while I was on the other side of the fence at Google was that a lot of publishing buzz stays within the four walls of the company. As a publisher I always thought we were generating so much buzz around books, and then I realised that retailers were only catching snippets of that buzz. Hachette has worked hard in the last couple of years to communicate more effectively with our retail partners, giving them updated publicity and marketing campaigns before a book has reached the store so they can order more copies if there are promotional events coming up, and they're working less in a 'silent vacuum'.

CONSUMER INSIGHTS RESEARCH

Over the last two years, Hachette Australia and Hachette UK have commissioned a study that segments readers according to readers' preferences rather than traditional demographic segmentation (e.g. age, gender, income). This has provided new insights into readers and their preferences when buying books.

JR: Those insights inform how we acquire books, what we acquire, how we target them, how we position them, our metadata, our covers, our key lines, the key words that we use in our metadata and our digital marketing. From two years ago we've come a long way.

While the consumer research is commercial in confidence, Sherwin-Stark and Ractliffe gave two examples of its practical application in promotional strategies.

WILLIAM MCINNES

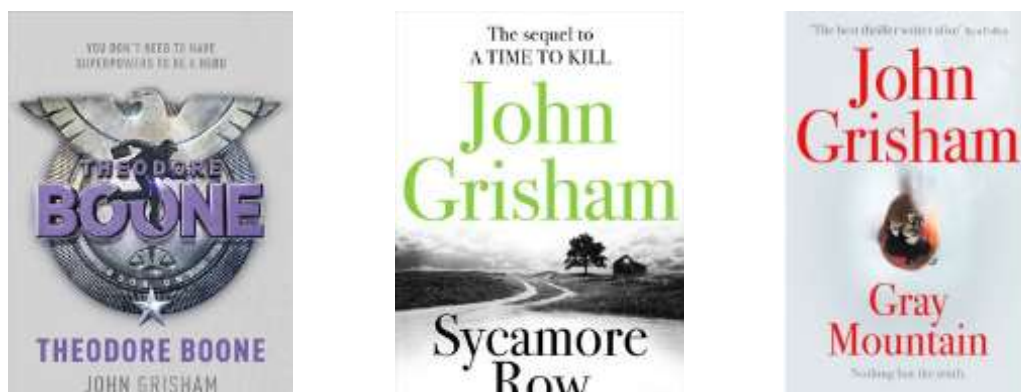
LSS: One of my favourites was the consumer insight research we commissioned on writer William McInnes. We found that he's very well known for being a TV star and an actor, although he is less well known as an author, despite his significant sales. His customer base is older and a bit more traditional. So we realised that we have to have a picture of William on every single one of his books. We need to make sure that potential readers recognise him when they come into the bookshop. Going forward, we will always put him on the cover thanks to that insight.



Books by William McInnes (left to right) including his most recent work published in 2014 (far right).

JOHN GRISHAM

LSS: What we learnt from our consumer insight research is that everyone's heard of John Grisham and many people have read a John Grisham book, or they know of someone who has read one, but we haven't been gaining new readers. Grisham's readership is an older readership, a more conservative readership. What we've discovered is that when someone reads a John Grisham for the first time their response is, 'He's much better than I thought – I will start reading him.' Based on insights from our research, Hachette developed a digital sales strategy to increase his readership. We did a series of promotions to attract new readers and we had 50-60 percent growth in sales of his new book in digital form. And this year we will be publishing his new book in a more accessible print format.



Hachette Australia's research is informing strategies to attract new readerships for John Grisham's books.

BOOK REVIEWS AND READER BLOGS

A number of traditional media outlets for book reviews are still influential in terms of sales, including broadsheet and tabloid newspapers, *Women's Weekly*, *Who*, and women's magazines in general. Sherwin-Stark and Ractliffe observed that bloggers don't have as developed audiences in Australia as they do in other countries, but they identified Goodreads and the Reading Room as important. Young adult (YA) blogs, however, are better established in Australia.



Photos from the YA blogger night hosted by Hachette in 2014. For an account of the event by one of the bloggers see: <http://www.pixelski.com/2014/09/recap-hachette-ya-blogger-night-with.html>

LSS: Last year Hachette hosted a YA blogger night, which was so much fun. There was no alcohol, it was all soft drinks and lollies, because many of the bloggers were still at school. We had a photo booth, so the bloggers could get dressed up, and we introduced them to a famous YA author Laini Taylor (she was touring and we managed to make her a special guest).

Two of Hachette's youngest staff members presented; Kimberley, who is a YA blogger, and Ashleigh. It's the only time I've sat in a presentation where for every slide that went up, the YA bloggers took a picture and then posted it on social media. It was absolutely gorgeous.

There were also a good number of bloggers in their early 20s, university students who were passionate about dystopian literature, and all the commercial books such as those by John Green. They also discuss book boyfriends (debates about which book character would make an ideal boyfriend – see #bookboyfriend for a flavour of the discussion). YA wasn't big until quite recently; as a kid there weren't really YA books for me to read. I was reading Wilbur Smith and Jane Austen. YA bloggers championing YA books is exciting.

BRITISH VIDEO BLOGGERS (VLOGGERS)

One consequence of the internationalisation of media is that Australia's market for books (and other items) is affected by the popularity of overseas celebrities who may be broadly unknown in Australian mainstream media.



The British vlogger, Zoella (Zoe Elizabeth Sugg), is also popular in Australia.

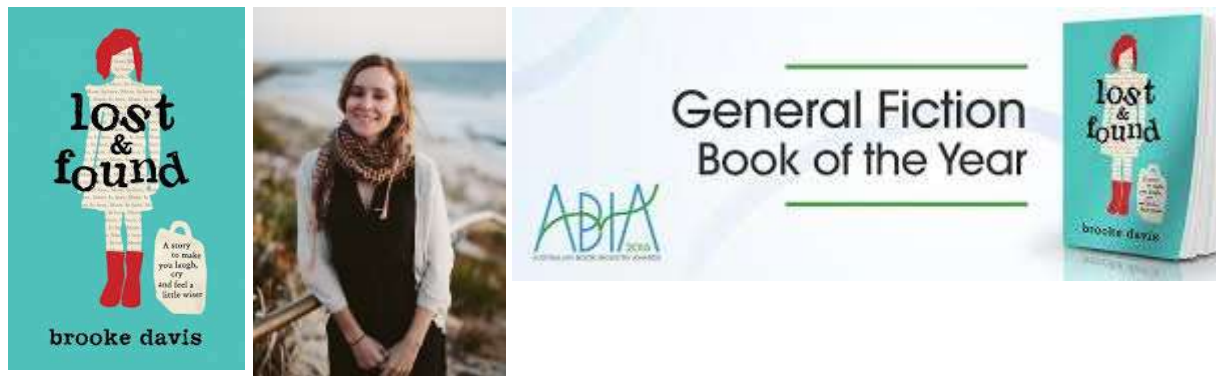
An article in the Huffington Post about vloggers opened with:

Without a doubt, 2014 has been the year of the YouTubers. From number one UK vlogger Zoella's first novel selling more copies than Harry Potter in its first week of sales (amid much controversy) to BBC Radio 1 hiring the popular vloggers Tyler Oakley, TomSka and (obviously) Zoella to present shows in a bid to cling on to younger listeners, it seems these youthful YouTubers have tapped into an incredibly lucrative audience.²⁰

Zoella's novel, *Girl Online*, was published by Penguin in the UK and Australia. It sold nearly 80,000 copies in its first week in the UK²¹, and has sold over 45,000 copies in Australia since its release, making it a local bestseller. One of the challenges for Australian arms of multinationals is to work out which of the international vloggers will succeed in the Australian market, when the bloggers may have minimal mainstream profile in Australia.

HACHETTE'S CAMPAIGN FOR LOST AND FOUND

Despite the challenges discussed in previous sections, in 2014 Hachette Australia successfully launched a new Australian author whose book, *Lost and Found*, went on to sell over 50,000 copies and which won General Fiction Book of the Year in the Australian Book Industry Awards in 2015. This next section provides an overview of that campaign.



Lost and Found by Brooke Davis was a best-selling first novel by an Australian author, supported by a promotional campaign by Hachette.

Sherwin-Stark says, 'We publish thousands of books a year, so how do you make one stand out? How do you make so much noise that readers slog off Facebook and pick up a book?' The staff at Hachette 'loved' Brooke Davis's first book manuscript, *Lost and Found*, but what also motivated them to elevate

²⁰ See Samuelson (2014).

²¹ See more in Press Association (2014).

the marketing campaign in Australia was ‘that it was picking up so much international interest. It’s ended up doing 26 deals internationally, which is amazing.’

LSS: Brooke’s novel was discovered by our account manager in Western Australia, Todd Griffiths. Brooke was a bookseller in Perth and they were quite good friends. Brooke gave him the manuscript and although Todd was nervous about reading it he fell in love with it, sent it to Vanessa Radnidge at the Sydney office and we made an offer within days.

As part of the promotional campaign, Hachette created a story around the way they found the manuscript and they communicated that story with booksellers. Davis is a ‘completely charming person’ and booksellers responded very positively to her. Davis wrote the novel after her mother died in an accident and there was a strong personal link for her to the story.

LSS: We toured Brooke before publication, which is quite unusual, because it’s expensive. We took her to the Leading Edge (independent booksellers) conference in Melbourne and a couple of hundred booksellers got to meet her and hear her story. Then we took her to Brisbane and Sydney. On publication Brooke toured the east coast.

All in all, about 300 or 400 booksellers were encouraged to read the novel before it was launched. Davis appeared at more than 80 events and appeared on Australian Story.²²

JR: We did a lot of social media around the book. We targeted every major bookseller on Twitter and said, ‘Have you read this; it’s great?’ We took 500 copies of the book and ‘lost’ them around the country in cafés, in phone boxes, in shopping centres. We had a note in it that said, ‘Congratulations, you found this book. It’s been lost. Send us in a picture.’ I’m not sure how well it worked in terms of actually selling more books and pushing it out there, but it was an idea to raise the profile of the book.



A bookstore window display featuring Lost and Found (left). The opening frame of the book trailer for Lost and Found (right) https://www.youtube.com/watch?v=KFLcM_dsbYo

LSS: The booksellers liked the campaign, because ultimately it ended up being a massive hand sell by booksellers, supported by all the noise we created and every fun thing we did. For example, when Readings had reached sales of 1000 copies we sent them a big framed pair of oversized knickers (a reference to an event in the book) and they posted it on social media. We

²² According to the interviewees, there are now fewer TV programs with the capacity to influence book sales: Australian Story, 60 Minutes, the Graham Norton Show. Ray Martin’s lunchtime TV program and Michael Parkinson’s series are missed in this regard. In the UK, the Richard and Judy Show, Jimmy Fallon, Jonathan Ross can also sell books. Other examples in the US include Oprah Winfrey, Stephen Colbert and Jon Stewart.

kept creating a story around the book, around the success of the book for booksellers to buy into so every time someone walked in their store and said, 'I want something good,' they handed them *Lost and Found*.

JR: We kept the publicity going all year. We saved money to keep running ads. The book got only one bad review, which was in the Fairfax papers. I took out a full half page ad in all the Fairfax papers the following weekend, with excerpts from all the fantastic reviews we'd had and foregrounded one which said, 'If you don't like this book your heart must be a cold ocean'. People loved that and that created a bit of talk as well.

In summary, a number of factors contributed to the novel's success, including the manuscript itself, Hachette's commitment and strategies, the appeal of the author and, importantly, the support of booksellers around Australia.

CONCLUSION

Hachette UK is very supportive of the Australian operation. JR: 'That comes right from the top down.' However, the increased challenges facing the industry mean that the Australian operation draws more on the resources of its overseas offices.

JR: There's a lot more leverage in the strengths of the group than there used to be. We're more integrated than we used to be and we use their resources. We have more communication with them across all areas of the business than we used to.

LSS: If great content has been created why pay for it twice? For someone like Stephen King, where you need to get everything signed off by Stephen King, you might as well be consistent. Also, we are living in a global media space now, and there's a great argument to have the same book cover on books all around the world. We're some way off that but on the big selling books it makes sense. In contrast to Australia, UK and US publishers work in closed markets. They don't have offshore online retailers trying to sell in a different edition of a book into their market; we do. We are already operating in a global market place. Our consumers are much more actively engaged on US social media sites or UK social media sites, so there is an argument for being more consistent with the way we package books for a global audience. Australian publishers are driving for global publication dates and consistent global campaigns because we're already operating in a global market place. UK, US publishers are not.

Ractliffe and Sherwin-Stark view the disruption occurring in the book publishing industry in the context of other industries built on paid content, including news media, free to air TV and music. In Sherwin-Stark's view, book publishers learned from mistakes made in the music industry and moved more quickly to engage with digital media.

JR: There's no doubt that publishing is a legacy industry that is facing huge challenges and threats of disintermediation and disruption. I think we've done a good job of keeping ourselves relevant and working out ways that we can meet those challenges.

Publishers are exploring ways to leverage the content in books across other media platforms and products, but it's complicated to assess and develop opportunities that are likely to be profitable while managing daily business operations.

LSS: You can be as innovative as you like, but if you lose that general focus on story-telling then what value are we bringing? What's different about the content that we produce? It's well curated, it's well edited. We can't lose sight of the core strengths of our industry while reaching more consumers and persuading them to log off Facebook for an hour to read a book.

Hachette has worked hard to attract quality staff and to promote a strong company culture.

LSS: Having the best staff means that we pick out the best books and acquire them, which means we effectively sell more.' JR: 'Publishers take for granted that people who work in the industry are very passionate, but we've thought hard about how we institutionalise that and how we get buy-in across all areas of the business and how we use that to build a more viable business.

In summary, Hachette Australia has restructured and introduced new internal systems and platforms, it has strengthened its ties with independent bookselling, it has strengthened its associations with digital booksellers, it has institutionalised better processes for author care and communication, it is building up its list of Australian authors, including some literary authors, and it is reviewing its print and distribution logistics.

JR: Our three key strategies are: 1) grow local publishing, cost effectively and viably, which is harder than it sounds; 2) grow our children's publishing both locally and exports; and 3) continue our change to a company that is an effective marketer and not just a marketer in terms of serving ads or putting posters into stores but really looking at marketing as a business function rather than as a department.

LSS: One of our plans in the coming year is looking at everything we do and saying, does that work, why do we do it that way? If it doesn't work let's fix it, if it works well, how do we make it better?

Postscript: In memory of Matt Richell, Hachette Australia and the Richell family have established the Richell Prize for Emerging Writers in partnership with *The Guardian Australia* and The Emerging Writers' Festival.

SIMON & SCHUSTER AUSTRALIA



Type of publisher:	Australian arm of the multinational, Simon & Schuster International
Established:	Founded in the US in 1924. Simon & Schuster is now part of the CBS Corporation. Simon & Schuster Australia was established in 1986.
Based in:	Sydney
Lists:	Broad range of trade titles. Imprints include: Aladdin, Atheneum, Atria, Fireside, Free Press, Howard, Little Simon, Pocket, Scribner, Simon & Schuster, Simon Spotlight Entertainment and Touchstone.
Authors:	Has published thousands of titles. Approximately 70 titles by Australian authors each year.
Innovation/s:	Experimenting with global, digital only marketing campaigns and multi-platform projects.
Other differentiation:	<p>The publisher of many international bestselling authors including Isabel Allende, Rhonda Byrne (<i>The Secret</i>), Hillary Rodham Clinton, Jackie Collins, Posie Graeme-Evans, Sir Ranulph Fiennes, Kris Jenner, Kim Kardashian, Lynda La Plante, Martin Cruz Smith, Graham Swift.</p> <p>Simon & Schuster recently established Australian-authored lists and is now increasing the number to 30 Australian titles per year.</p> <p>A US division, Atria, is a market innovator in terms of tapping into new markets of book buyers via YouTube followers.</p>
Distribution:	Via Australian bookstores, discount department stores, online book retailers, Amazon's Kindle, Apple's iBookstore, Google Play, Kobo, eBooks.com, Bookish.com and many others.
Executives:	Dan Ruffino, CEO
Website:	http://www.simonandschuster.com.au/

Larissa Edwards, Head of Publishing, was interviewed on 12 August 2015.

BACKGROUND

Simon & Schuster is part of Simon & Schuster International, 'a big New York-based, American publishing house' which is owned by CBS.

CHANGES IN THE RETAIL MARKET OVER THE PAST DECADE

Larissa Edwards reflected on changes she has experienced in the retail market.

The market has changed dramatically. The most obvious was that REDgroup Retail went bankrupt in 2011 so the big megastores of Borders and Angus & Robertsons disappeared. I don't think that their sales automatically went to other bricks-and-mortar retailers so that was a very tough time and a lot of very good people lost their jobs. Also, we got to a point that there were towns that didn't have bookshops. Both of these were very concerning developments.

Since then, discount department stores – primarily Kmart, Target and Big W – have increased their ranges of books and these outlets are for many people the first port of call for books, and they are cheaper. That is servicing the market, which is great, but in terms of depth and range they are not going to take smaller print run specialist books so we need to find another place for retailing those.

The strength of the Australian market lies with the independent booksellers and chain booksellers, if they weather the storm. They are very strong and they are tastemakers; you can launch authors via the independents and chains. There is a finite amount of shelves or shelf space in a physical store and maybe 400 key titles come out each month. The bricks-and-mortar stores are performing an act of curation and editing because they can't stock everything so they need to know their readers. Good booksellers know what their customers want. I have seen people working in independent bookstores when new books come in. 'I know who will like that,' and they will put a book aside and phone the customer, 'I've got a book I think you might like. Do you want to come and have a look at it?' That is good book selling, that is curating.

There are now less retail linear metres of book shelving so every account needs to be addressed very particularly, and the booksellers are probably more disparate than they have ever been before because of the rise of online retail. A huge amount of our books come into Australia by Amazon and the Book Depository, which is not good for local booksellers.

The challenges for publishers have increased.

We as a publisher have to be in all these markets. From a personal perspective, I have realised that I don't mind where people buy books, I don't mind what they are reading, and I don't mind what form it is in, I just care that they are reading. All I want to do is get my authors' stories to their readership in the simplest way possible.

CHANGING RELATIONS WITH READERS

Publishers are also experiencing changing relations with readers.

I feel liberated by the market as it is now because we have the opportunity to speak to readers via social media. We have had bloggers reveal book covers of our new titles to their readership. NetGalley is a hugely popular platform whereby bloggers can review books.

From the NetGalley website:

Do you love to discover new books? Do you review and recommend books online, in print, for your bookstore, library patrons, blog readers, or classroom? Then you are what we call a 'professional reader,' and NetGalley is for you. Registration is free, and allows you to request or be invited to read titles, often advance reading copies, on your favourite device.²³

Edwards is still coming to terms with the implications of these changes but she can see potential.

We are talking directly to the readership here. There is no mediation at all via the retailers. The authors are speaking directly to their readers and we are included in the conversation. NetGalley reviewers, for example, are getting excited about our books before they come out. These are people who have dedicated followings so this is an exciting time to be around. That has never happened before in terms of the book industry, and I say this as an ex-bookseller. That is great but it is also a challenge.

²³ <https://s2.netgalley.com/tour>



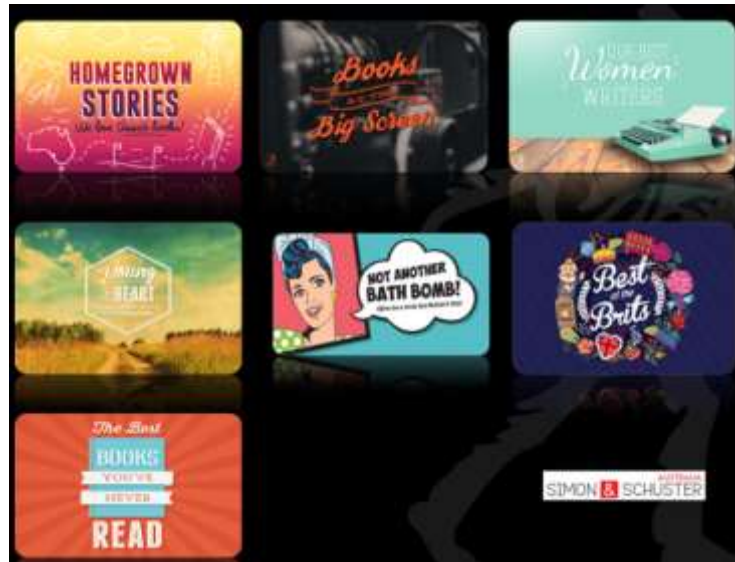
Romance readers are particularly engaged in online and social media communities.

You need to corral and talk to people who share a particular readership. So we will get people talking together in our Racy Hearts community, they are the erotic books. We actually have a chilli rating, and this is raunchy stuff for young women, basically.



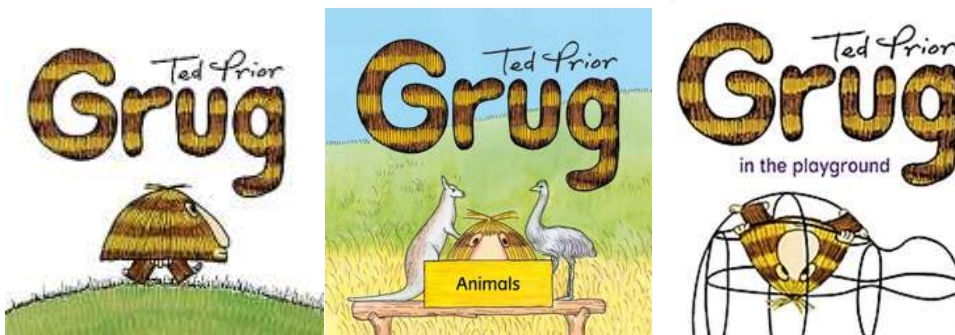
A (one chilli rated) romance title published by Simon & Schuster.

The readers could be women who work in a range of occupations but they love these kind of books. They self-select by the genres that they are interested in. They come to us from those communities. It is not like saying to people, do you like fiction? Okay, what kind of fiction do you like? It is not that kind of way of finding them, they are already there.



Simon & Schuster reader communities

Another example of an engaged digital community is based around Grug, a children's brand. 'The author, Ted Prior, is the books' illustrator and he is a great bloke.'



Examples of titles by Ted Prior, author of the best-selling series of Grug children's books.

If someone makes a birthday cake of Grug and we put up a photo it will be shared 1000 times, that is how much people love the character. If you are authentic in social media you can speak to people quickly and directly.

THE CHANGING ROLE OF AUTHORS

Edward's view is that authors should be active on social media for longer than the usual period that a book is on a retailer's shelf. 'Authors need to be connecting with their readership before the book comes out, during its time on the shelves and the longer they speak to people and help with sales, the longer it stays on the shelves.'

I know of big brand-name authors in the Australian market (with other publishers) who have someone else write their social media posts. We pride ourselves on an authentic voice in social media, so there is no-one doing it for someone else. We help authors and they only do as much as they feel comfortable with. We have some authors who do blogging tours and have guests blogging on their sites, so we have very engaged people.



Posie Graeme-Evans (left) and some of her books.

For example, Posie Graeme-Evans lives in Cygnet, Tasmania, living the most beautiful bucolic, idyllic life. She is the creator of McLeod's Daughters (the TV series). Posie is totally engaged with her readership via social media. Many of her readers loved McLeod's Daughter's so she will put up pictures related to her writing and then another picture from McLeod's Daughters.

ESTABLISHING A NEW PUBLISHING LIST

The Australian arm of Simon & Schuster does not have a long tradition of local publishing. Edwards was recruited about four years ago to start up a local publishing division for Simon & Schuster.

The then managing director, Lou Johnson, believed it made a point of difference in the market for Simon & Schuster to have a local list so that they were not just distributing international books from other companies in the group. In times where there are fluid borders in terms of stock coming in from overseas, it is important that you also have a local publishing division that is producing content here.

Prior to her current role Edwards worked at Random House for 11 years, including in publishing, sales and inventory management roles. Before that she worked at Dymocks and Angus & Robertson 'so I was a bookseller'.

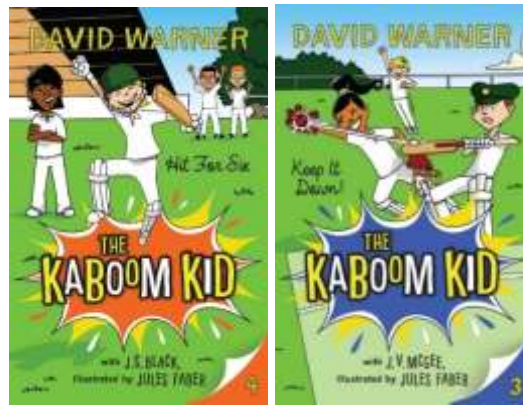
The good thing is I have had retail and sales and publishing experience. I understand the split between international and local books and how this works in a big publishing house.

Edwards explained that there are three ways to build a new publishing list.

You can build your own lists from nothing, which is the hardest way but often the best one long-term. You can poach a very expensive author who is dissatisfied in their current publishing house, which can be expensive but is something that people often do because they need to bring in revenue, or you can grow the authors that you have already so you can increase their reach. Other than some key authors like Posie Graeme-Evans, we didn't have that third option so basically we have grown the list from nothing.

Edwards gave an example of a concept for an Australian series that is generating revenue and helping to grow the list.

In addition to growing local adult fiction, we have developed a children's sports series called *The Kaboom Series* starting David Warner, the cricketer, as a boy. We based it on a sport that was loved, a batsman who is loved by kids and we commissioned the illustrator of the Anh Do *Weirdo* books, Jules Faber, so kids know his work.



Titles in David Warner's *Kaboom Kid* series (above) and an example of a promotional initiative (below).



These have gone unbelievably well. They are the market leaders. We have sold nearly 140,000 copies into the market of the first four books and we have another four titles coming: two for this Christmas and then two for the following year. Imitation is the best form of flattery so now everyone is doing more sports kids' books.

That is how you can start from scratch, you can actually be very profitable and have good sales. The advantage that we have that other major publishers don't is that we are lean and small and nimble, but so incredibly experienced. We can give whole-of-company attention by some very smart people to a small list. The big publishing houses have to publish a large amount of titles to maintain their infrastructure. We are smaller in the market so when we publish a book in Simon & Schuster everyone here meets the author, knows the author, has a commitment to them, so everyone is involved with the process.

Edwards has been increasing the size of the Australian-authored lists. 'We started off doing 15 books a year, it's going to be closer to 30', to the point where they are responsible for approximately 20 percent of Simon & Schuster Australia's revenue.

CASE STUDY: ANN TURNER'S THE LOST SWIMMER

Edwards was introduced to the manuscript of *The Lost Swimmer* by the Managing Editor, Roberta Ivers, who had previously worked as a freelance editor. The author, Ann Turner, had commissioned Ivers to structurally edit the draft.

Roberta brought the manuscript to me and said, 'I've got this book,' and I said, 'Right, don't show it to anyone else.' So I read it.

I have to become the evangelist for a new book internally, that is the first point. You can't manufacture the buzz outside of the company if you don't have it inside, and this is again where a small company works. Rather than pitifully walking through the halls of a company that is publishing 150 new titles a year saying, 'Please take some notice of my new title, my

debut author,' I get everyone in the room whose role is related to it. I pitch to them and I get them excited. They read the book and we talk about it. Then we fly the author up if they are not Sydney-based, and we have cake and we have fun and we have lunch. My job is to make the members of the staff feel like they are in a relationship with the author. My job is to seed the enthusiasm internally first. That is the hardest part of my job, and it is also the most fun.

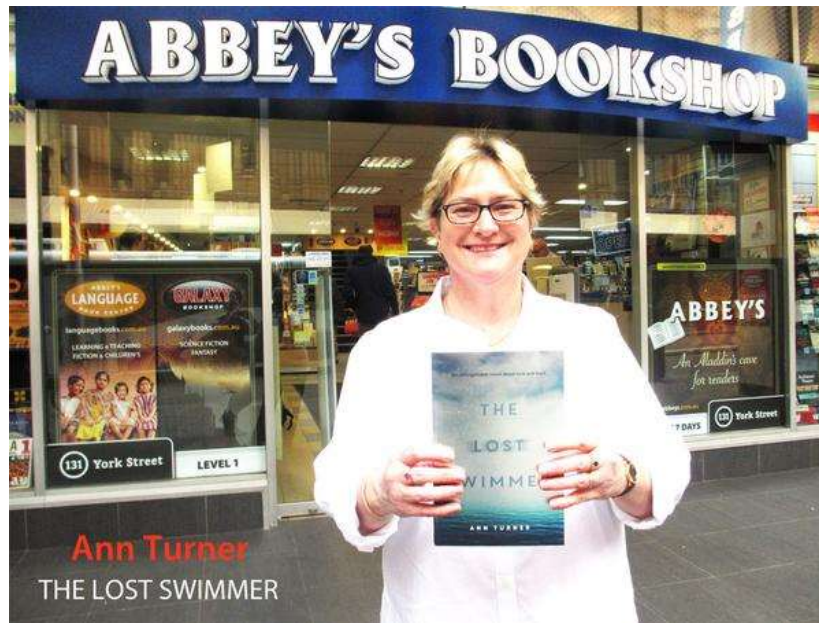
In terms of discoverability, it is about creating a buzz early. You have to think very carefully about each book. We do it together as a team: marketing and publicity, sales and me right from the start. As soon as the book is acquired we have a positioning meeting. Who is the readership, how are we going to speak to them? Everyone comes with an idea about how we are going to do it and where we think we are going to place most of the stock. All of that is thought about very, very early on and the look of the book is developed according to what the book is about and what is going to garner the most interest in its various retail forms.



The cover of The Lost Swimmer (left) and author, Ann Turner (right).

In the case of *The Lost Swimmer*, that book has been described by many people as glowing on the shelves, it has leapt out and said, 'Hello, come and have a look at me.' I spend a lot of time working on covers. Often in discount department stores that is the most important marketing tool because there may not be staff around and if there are, in general retailers they are not going to advise which book you should read next. The other thing with a cover is it has to thumbnail as well so it needs to work big in the physical world and little in the digital world.

I love communicating the joy of books, stories to people. Once you do that, then you have all of these representatives who then go, 'Well, what can we do to maximise this?' In the case of Ann it was take her to meet key independent retailers and have dinner, because she is amazing. She is educated, articulate, urbane, a great writer, a film-maker, she has stories to tell, the book is filmic in the way that it reads, so it is pretty easy to sell her. She charmed them, so then they feel they have a connection with her.



Ann Turner outside Abbey's Bookshop in Melbourne, one of many independent bookstores which played an important role in the high sales achieved for her book.

So of the 400 new books that have come in each month to bookstores, this one starts to rise further up because the booksellers know who she is. We also pitched her to writer's festivals. That also increases an author's readership by talking to people who are engaged with ideas and books.

We created a video of Ann talking about the book.²⁴ We used it for multiple reasons. It was public for people to look at but it was particularly useful for sales representatives, they had it on their laptops. Or, when we do telesales, if a rep is doing a phone conversation with a customer they can watch that first. That is an investment in the author but you enable them to speak directly to the camera and it is lovely, they get to read a bit of the book and talk about why they wrote it.

The other thing we did for Ann was to produce bespoke advanced reading copies (ARCs) of the book. Often ARCs look very similar to the actual book. We put cover quotes on it and it was used as a marketing tool. Obviously, also, the marketing and publicity people send out review copies. It got great reviews, which can be used as well.

We also had Ann attend bookseller conferences. She was on stalls talking to booksellers – again, it is the personal connection and it worked. This book has done well, it is heart-warming in the way that it has succeeded. It is hard yakka, you can't manufacture that success; you have to actually do the groundwork.

The book has been sold to Simon & Schuster's parent company in the UK and the film rights have been sold. The UK arm was contacted 'relatively early' about the manuscript.

Once it had been edited we knew that it was great. They got on board pretty early because in the reading of it is where the success of the book is. They signed a two-book deal with us for *The Lost Swimmer* and Ann's next book, *Out of the Ice*.

²⁴ <https://www.youtube.com/watch?v=BAX92tMdWDo>

KEYWORDS PRESS

Edwards discussed a new development by Judith Curr, President and Publisher of Atria, one of four Simon & Schuster divisions in the US. The divisions are run as separate publishing houses. 'They keep their own integrity, they have their own lists and they compete against each other.'

Our colleague, Judith Curr (an Australian) runs Atria. She has realised that YouTube is a very interesting and lucrative market. These kids, these young people, have a cult following. The authors she has signed include: Shane Dawson, Connor Franta, Joe Graceffa, Miranda Simms and Tyler Oakley. She published Zoe Suggs in the US (known as Zoella, who is published by Penguin in Australia). It is funny speaking to people from Generation X and older about them because we are saying, 'Who are these people, I don't understand.'

These people are in their bedrooms talking to millions of followers on YouTube. They are loved for their distinctive voice so they need to deliver a voice in their book that is like the YouTube experience. The kids who are reading the book have a very good ear for this stuff. It has to be authentic.



Books published under the Atria imprint by first-time authors who have achieved a following on YouTube.

NEW YORK (May 22, 2014) –

Atria Publishing Group, together with United Talent Agency, is launching Keywords Press, a new imprint specifically created to publish digital influencers, it was announced today by Judith Curr, President and Publisher of the Atria Publishing Group. Keywords Press will offer these authors new business, creative development and marketing models designed in recognition and celebration of the unique relationship between digital stars and their global networks of hyper-connected fans. In launching the imprint, Keywords Press also announced that it will publish original works by five of today's most popular digital personalities, with books to be released in late 2014 and early 2015.²⁵

One of the authors, Connor Franta, came to Australia. I thought there was going to be a riot, there were so many people wanting to buy his book. There were maybe 2000 people who turned up at the Hordern Pavilion in Sydney. The people who are buying the books are teenagers usually, into their 20s.

I have nieces and nephews and step-kids of this age. When I say, 'We are publishing Shane Dawson's book,' 'Oh, my God, can I please have one?' Their parents are going, 'Who is Shane Dawson?' There is a parallel universe going on here.

The most amazing thing that Judith has done in terms of innovation is that we have a highly educated, voracious market who fall in love with these content producers in a digital world via YouTube and yet they want a physical book. The most interesting thing about this has been

²⁵ See: [cloudfront.net/press_releases/%20-%20Press%20Releases/KeywordsPress\(May22Final\).pdf](http://cloudfront.net/press_releases/%20-%20Press%20Releases/KeywordsPress(May22Final).pdf)

convincing retailers, who are Generation X or baby boomers, that the younger readers are buying these books. But these are hitting the best seller lists.

This is fantastic, and it is so funny. This is why I will never be a doomsayer about the market because, to me, these are young people beside themselves about purchasing a book.

A book that we are publishing soon – in the US and Australia – is by the Janoskians, they are Australian comedians.



The Janoskians.

The Janoskians (Just Another Name of Silly Kids in Another Nation) are a popular Australian YouTube group comprised of five best friends, including Beau Brooks, Jai Brooks, Luke Brooks, Daniel Sahyounie, and James Yammouni. They are known for their comedy-driven YouTube channels, which attract millions of subscribers, and their pop singles, including Set This World on Fire and This Freaking Song, and their EP, Would You Love Me.²⁶



Fans of the Janoskians queuing to see them in Times Square, New York on 22 February 2014.

²⁶ <http://authors.simonandschuster.com/The-Janoskians/501481678>

The Janoskians went to America and thousands of people turned up in Times Square to see them. These are kids who have had no traditional marketing behind them at all. They have bypassed the normal traditional media. They are getting media and traditional publishing attention now but they make their fame completely in a parallel universe. A lot of publishers are mining the YouTubers for exactly this reason.

There is an element of risk in signing up these authors on the basis of their YouTube followings. 'We will trust Judith because that is her role, to make a book.' The authors themselves are enthusiastic about books as a medium.

When these YouTube kids want to do a book, they want it to be a lovely book. [Edwards gestures towards examples of books...] We have photographs in here, we have flaps on this one, that is a hardcover.

The kids want to have something that is tactile and beautiful. So the love of the book is back, the physicality of the book is important again and this has been generated out of a phenomena that exists only digitally; I find that amazing. It blows my mind but it is an optimistic and positive development. I don't know how long it is going to last, I have no idea.

The physical books don't have QR codes that link back to the digital world.

There is no need because the readers of this book have done all that digital interaction, that is how they came to this book in the first place. Ebooks sales of these titles have been negligible. The buyers only want the physical books. Plus, if the author is appearing at a live event, they want to get the book signed.

Edwards has reflected on whether the rise of YouTube authors is different to other media celebrities who then sign a publishing deal, in part because of their public platform.

The initial contact on YouTube is a personal one, so even though it becomes a celebrity phenomenon the first contact is very much like reading a book. You read a book at home by yourself and it is an author speaking to you. It is from their interior life to yours, it is a very personal experience. The consumption of YouTube is often on the same terms. The authors are talking about being gay, being bullied, fashion, all sorts of stuff, but they are having a one-on-one relationship, they are talking straight to the camera. They become celebrities but they become celebrities because of the personal relationship that the viewers have with them.

GLOBAL DEMAND, SIMULTANEOUS RELEASE DATES

Like other trade publishers, Edwards referred to internal logistical improvements that have been made to meet consumer demand.

The important point is that we are operating in a global market. The people who read our books do not understand territorialities so Connor Franta, Shane Dawson et al. are beloved and cherished by kids in Australia because the Internet is global. And the Janoskians are huge overseas. We as publishers need to take advantage of that.

You have got to be on your toes to be able to deal with that demand straightaway because readers get cranky if they don't get their books. We published Kris Jenner's book a couple of years ago and there was instantaneous desire to have it here. We have simultaneous release dates with the US, generally speaking.

It involves difficult supply chain management. We work very hard to make the books available when they are needed. New adult readers, for example know exactly when a book is available and they will ask questions. 'So if it is due 13 October in the States, what date will it be

available in Australia?’ If we answer, ‘13 October, they will respond ‘Yes, but that is not technically the same time zone’. These people are very, very excited.

MIKE JONES

In the last part of this case study we consider a project which was brought to Edwards by one of Simon & Schuster’s Australian authors, Mike Jones. ‘Mike Jones is a writer of screen, page & digital interactive media and a well-regarded expert in dark narrative genres and episodic storytelling.’²⁷ Jones has worked in story and script development across film, TV, games and other media platforms in Australia, the UK and the USA. He has won an Australian Writers’ Guild Award and lectures at the Australian Film, TV and Radio School.

Mike has been a guest at the Byron Bay Writers Festival talking about writing, he runs scriptwriting courses at the Film School at Potts Studios and he has run master classes for the Sydney Writers Festival about script writing.



Transmedia author and interactive story-teller, Mike Jones.

Jones is interested in the literary history of gothic, horror and other dark genres.

Mike can discuss Poe and Henry James, and we have big discussions about Dickens’ novels and Miss Havisham and all sorts of classic books and writers. He comes knowing about this legacy and he wanted to venerate that. He said he wants to liberate horror from slasher movies for teenage boys.

Mike came to me with a visual pitch for *The Mothers*. It looks like a movie pitch. He found images that tell a story about how the main character, Rosanna, gets on a boat to Tasmania and follows the story through to the end. He had the images on his laptop screen in a café and he presented it to me. No-one has ever pitched a book like this to me before.

²⁷ <http://www.mikejones.tv/about/>



The three titles in the Transgressions Cycle series by Mike Jones. Jones has created the stories from inception for development across multiple media platforms.

The Mothers is the first of three short novels targeting the supernatural in the gothic-horror space. He is emulating small books that Stephen King did. However, this is the first time we took on a project where we signed right from the start that it would be developed across all media platforms. They are written concurrently with development towards a feature film series and an interactive media form.

The most important thing about this for us as a publisher is that we have total world rights. We made a choice to exercise the world rights from here so we can see everything that happens.

We are doing a trilogy of three short stories published over three months. By releasing them one month after each other it is a nod to Wilkie Collins' and Dickens' writing. If you look at the American Horror Story Franchise and the rise of Netflix, this relatively quick release of parts in a series is becoming more common.

I wanted to make the trilogy work as an ebook, as a business model. We got a designer of the three covers to create a look for us rather than treating them individually so we have a very strong look. We wanted to have a very strong logo for the cycle so they called it the Transgression Cycle and the series has a motif. Because they are ebook only to start with it is important that they be legible in an ebook store. We needed to spend a lot of time thinking about the fonts and the 'creepy' cover photographs.

This manuscript has to go through a normal editorial and layout process even though we are not printing it. It has been edited, it has to be typeset and then it gets converted into an ePub file so that it can be sold as an ebook. All books get to this point and then they either go to a printer or they get converted to ebooks so the work behind them is the same regardless. We did a lot of planning so that down the track we may decide to do a bind-up and sell one book with all of the stories together.

The marketing plan identified the primary audience as:

Fans of horror and paranormal

Women and men aged 18+

People with an interested in pop culture and gaming.

A microsite was launched at: <http://www.thetransgressionscycle.com/>

Jones created a series of YouTube trailers which he produced (his wife is a video producer), e.g. <https://www.youtube.com/watch?v=-JsZOqM7Cl8>

A YouTube advertising strategy was developed to target key YouTube horror channels, including Cyriak (540,000 subscribers), Horror Addict (170,000 subscribers) and Strange Mysteries (170,000 subscribers).

Paid advertising was planned on Facebook, targeting fans of horror on Facebook pages, e.g. fans of Stephen King – who has 4.5 million likes – will have advertising for the trilogy in their feeds.

A special promotion campaign was developed with Apple, including provision of a free sample chapter and a Halloween promotion during which the first book in the trilogy would be free. ‘The buyer at Apple is stoked. He thinks the book is great because he used to be a book buyer for a traditional book-buying group.’ *The Mothers* has since been selected as one of Apple’s best books of the month.

Jones was also booked in to speak at the SupaNova Sydney (pop culture expo), the Byron Bay Writers’ Festival and the Melbourne Writers’ Festival.

We are not pitching him to go to these festivals, the organisers want him. We keep saying, ‘You know he won’t have a print book there, don’t you?’ They don’t care. Interestingly, a completely digital product has currency in writers’ festivals that are traditionally about physical books. It is important in our industry that we see if you can do these things. This is my experiment. We are going to see how it works.

An app which allowed readers to take their own photo and ‘turn it into a Victorian photo and it scratched out your own eyes out in the image’ (a theme of old photographs in the first book) was released in conjunction with SupaNova. Edwards observed humorously, ‘These readers love this stuff.’



The Project factor is a partner in developing the Transgression Cycle in interactive storytelling forms.

The other media components of the project are financially separate to the ebook series but have planned from the novels’ inception.

We are working with Guy Gadney at the Project Factory in Surry Hills, Sydney. Guy was involved in developing the Sherlock app that went with the Benedict Cumberbatch TV series. It was one of the most successful apps of that year. Mike and Guy are pursuing making games and apps to amplify the stories in the trilogy. You will find in each of these stories the concept of a maze, and that is why on the logo there is a maze on each of the covers.



The motif of a maze hints at the multiple levels of storytelling both within the ebooks and across media platforms.

A maze is pretty standard in a game. You are trying to get out, there are bad things happening, you have to run, you have a chase, whatever. Right from the start the stories are set up to do that but Mike had to write a book that held people's attention as a story. But from their inception we have set up the novels to be able to be used in multiple ways.

Guy came in and we three talked a lot at the beginning about, this part of the story could be used for Guy, how do you think it works here, it is important that this element is in the story. Mike knows what kind of material can be used in different ways. For me it was important that the process wasn't reverse engineered. Mike was smart, he put in the elements as he went instead of trying to bolt them on afterwards.

The timing for the apps and games is all funding-dependent. Guy and Mike have been pitching to film and TV companies and there are other possibilities as well.

This is not high risk in that it has been very tightly managed financially and everyone has worked very, very hard.

It is quite probable that these three ebooks will look like a print book in 18 months' time but we will have tested them as ebooks first. We will see how many gothic-horror readers there are in Iceland and all sorts of places. The exciting part is that we can focus everything on digital marketing and don't have to produce physical marketing collateral. We can talk to the readers and see what they want and if this is what they want, and we will go from there.

I don't know what the outcome will be. I have done it because it is important that we test it and see if we can do it. If you put all of our book experience in the room together [from the Simon & Schuster team working on this trilogy] you are talking about 120 years-worth of book experience. Experience helps but you are still tap dancing as fast as you can, going, 'I hope it is all okay.' It will be because it financially makes sense, and then once we generate income and turn a profit, you are free to go and do more.

CONCLUSION

After a period of years during which Edwards was deeply concerned about disruptions taking place in the book industry, she has reached a point of optimism.

I think that we should take the opportunity to investigate different forms of stories. I think that is the way forward.

I am totally optimistic about the industry because it is about stories and readers. That is what I have realised. I am quite agnostic about what gets published. I think we should publish all types of books. This comes from my experience as a bookseller. I have sold *The Baby-sitter's*

Club, Wilbur Smith, Bryce Courtenay and Dick Francis. I have sold Andre Brink, Isabel Allende and Alan Hollinghurst. The most important thing is that people want to buy books and read them. So as long as they are reading, I don't care what they are reading.

Once I got to that point of realisation, then for as long as I am the closest that you can be to the creators of new work, I consider that a privilege. I want as many people as possible to read their books as they can. From there it is pretty straightforward, it is back to first principles.

LARGE AUSTRALIAN PUBLISHERS

ALLEN & UNWIN



Type of publisher:	Large, independently-owned Australian publisher
Established:	Publishing operations in Australia started in 1976 as part of a UK company, Allen & Unwin. In 1990 the Australian directors undertook a management buy-out and the company became fully independent.
Based in:	Sydney
Lists:	Broad range of titles including literary and commercial fiction, non-fiction, children's, academic and professional books. A strong focus on Australian-authored books plus the representation of international publishers including Bloomsbury, Canongate, Quarto, Faber & Faber, Granta, Portobello, Icon Books, Profile, Serpent's Tail, and Nosy Crow.
Authors:	Publishes approximate 250 new books each year. Hundreds of authors.
Innovation/s:	An overseas acquisition strategy to strengthen Allen & Unwin's ability to sell Australian books into overseas markets, especially the UK, and to bid for the UK Commonwealth rights to international titles.
Other differentiation:	The largest Australian-owned publisher, with size and scale on a par with the Australian arms of multinational publishers. Each year Allen & Unwin publishes the winner of The Australian /Vogel's Literary Award.



Distribution:	Bookstore chains – Dymocks, Collins, QBD & Readings. Independent booksellers and discount department stores – Big W, Target & K mart. Ebook distribution – Kindle, Apple, Google & Kobo.
Executives:	Patrick Gallagher, Chairman Robert Gorman, CEO A full list of the executives is at: https://www.allenandunwin.com/about-allen-and-unwin
Website:	https://www.allenandunwin.com/

Jim Demetriou, Group Sales & Marketing Director, was interviewed on 31 July 2015.

BACKGROUND

Allen & Unwin Australia was formed in 1976 when Allen & Unwin UK set up a subsidiary operation in Australia. It was a period when many UK publishers were establishing Australian subsidiaries to strengthen their position in the Australian market, which is the largest overseas market for books by UK publishers. Jim Demetriou, Group Sales and Marketing Director:

Allen & Unwin UK was a prestigious publishing company that had been established nearly a hundred years prior (John Ruskin was one of the original backers). It published J.R. Tolkien, Bertrand Russell and Roald Dahl, among others.

Following its establishment in Australia, about 25 years ago, a considerable amount of consolidation in the global English-language book publishing industry was underway. Rupert Murdoch bought Collins Publishers in the UK and Harper & Row in the US, to form Harper Collins and then in 1990 they purchased Allen & Unwin. In a move that has become part of Australian book publishing lore, the Australian managers negotiated to buy the Australian business. They bought the Allen & Unwin brand and started publishing books as Allen & Unwin Australia.

This year (2015) is the 25th anniversary of Allen & Unwin Australia as an independent publisher. Allen & Unwin is well-known for its commitment to Australian publishing.

We are one of the biggest publishers of Australian books in this market. That is our bread and butter. Over 70 percent of our business is selling Australian content, so it is very important for us.

This proportion of sales is perhaps double the industry average for sales of Australian-authored titles compared to imported titles within the major publishing companies. (Industry estimates are that 30-36 percent of all trade books sold in Australia are Australian-authored, although this varies according to definitions of Australian content and book sales fluctuate slightly from year to year.) According to Demetriou, in the last three years Allen & Unwin has published 141 Australian debut authors.

ALLEN & UNWIN'S KEY STRATEGIES IN RESPONSE TO CHANGES IN THE INDUSTRY

Allen & Unwin has initiated a number of significant changes in its business strategies in response to changes in the industry. First, although Allen & Unwin publishes academic and tertiary education books, over time the proportion of this activity has declined as academic publishing has become more polarised. 'It's still a very important part of our business', but the share of our trade publishing has increased.

Another development is an increase in the number of publisher representation deals to supplement local publishing. Important long term partnerships with Bloomsbury, Faber & Faber, Profile and Icon have been supplemented with Canongate, Nosy Crow and Quarto over the last few years.



Allen & Unwin published the Harry Potter series in Australia. A substantial proportion of the profits were reinvested to strengthen Allen & Unwin's Australian-authored publishing.

Partly due to the sales success of the Harry Potter – Bloomsbury, series, Allen & Unwin became a major player in the Australian publishing industry, with an estimated 7.5-7.7 percent share of trade publishing market share (making it the fourth or fifth-largest trade publisher). In comparison, according to Demetriou, ‘the largest independent book publisher in the UK holds an estimated 2 percent market share and in the US the biggest independent publisher probably has 0.5 percent market share’.

The sales of Harry Potter helped solidify our business although we knew the Harry Potter days weren’t going to last forever. That was a significant period for Allen & Unwin because the three owners of the business at the time decided to reinvest much of the proceeds into Australian publishing. Australian publishing became a much bigger part of our business as the Harry Potter sales dipped, as they were expected to do so.

Another significant development was the purchase of Murdoch Books in 2012. Murdoch Books was experiencing financial difficulties following the closure of the Borders and Angus & Robertson bookstores, which were important retail outlets for illustrated lifestyle books for adults (e.g. cookbooks, gardening books, art and design books, ‘big books with colour’).



Allen & Unwin strengthened its market presence in illustrated books through the acquisition of Murdoch Books.

We bought Murdoch Books for a number of reasons; one, a quick way to add revenue and two, it was also a way of getting into illustrated books – an area where we did not publish. The third reason was it gave us an opportunity to gain access to international markets particularly the UK and US. Murdoch also had a UK presence with an office, which we continue to run and has enabled us to leverage that presence with our Allen & Unwin Children’s books.

In its next move, in 2014 Allen & Unwin increased its shares in a UK publishing company, Atlantic Books, to a controlling stake. ‘We now have a much bigger presence in the UK. We see opportunities to sell a lot of our Australian books in the UK market through Atlantic Books.’

Ownership of Atlantic Books also enables Allen & Unwin to bid for international rights to other titles.

Many authors and agents who sell their books to UK publishers want to sell what they call UK Commonwealth rights under one agreement. When we were only primarily an Australian publisher we couldn’t generally make the UK offering as part of that agreement. We are now in a better position to make UKComm offers so it makes us a more viable option, particularly for international agents. Already, we’re buying books by international authors that we would not have even been offered. We can also buy UK rights to Australian books, which we’ve done for Jo Moon’s *The Chocolate Promise*, and Nicole Trope’s titles, who we now publish in the UK.

In the last three years, the UK publishing arm has sold \$6.9 million worth of Australian books into the UK market, including:

- *Autumn Laing*, Alex Miller
- *Australians*, Tom Keneally
- *Sheila*, Robert Wainwright
- *Anzac Girls*, Peter Rees
- *Foal's Bread*, Gillian Mears
- *Simply Good Food*, Neil Perry
- *Clan*, Greg Barrett and Stephen Page
- *Sepia*, Martin Benn
- *Australian Coastal Gardens*, Myles Baldwin
- *Organum*, Peter Gilmore

Demetriou characterises this sales success into the UK as a combination of Australian literary fiction, contemporary women's fiction and children's books. He observes that in general, Australian non-fiction does not travel well because of its domestic subject matter. He also notes that some types of genre fiction (such as crime) can be difficult to sell overseas, because Australian authors are competing with well-established UK authors.



Examples of Australian-authored books published by Allen & Unwin in the UK.

The success of Allen & Unwin's international rights sales hasn't changed their acquisitions strategy for new titles, however. A book has to be commercially viable in Australia and New Zealand, 'that is our primary market'. Information provided by the company about its achievements included:

In the last three years Allen & Unwin have finalised over 500 rights deals, including 220 translation deals across 39 different languages. These include *The Secret Keeper* by Kate Morton, translated into 30 languages, plus UK and US deals; *Autumn Laing* by Alex Miller, sold into 14 territories, and translated into 12 languages; and, *The Keepers* series by Lian Tanner translated into 9 languages plus UK and US deals.

ALLEN & UNWIN'S CHANGING MARKETING & PROMOTION OF BOOKS

BRICKS AND MORTAR BOOKSELLERS

Demetriou observes that harnessing 'bricks and mortar' booksellers in Australia is still the most effective way of promoting a book. 'It still has a huge effect on the success of a book if we can get every bookseller in Australia to take up one of our books.' However, the company has changed its promotion strategies in many other respects.

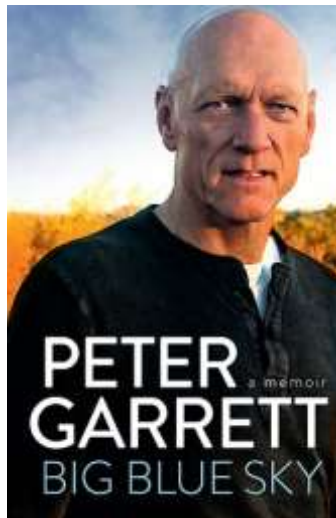
MEDIA

The media landscape has totally fragmented in the last ten years. The way people consume media and news and information has changed. Then there is the rise of social media. The other change is in referral sites, particular through online booksellers – be they Amazon, Reading Room, Better Reading or Goodreads – and then the rise of bloggers.

So you have this vastly different way people are consuming information, including finding out about books. Where before we had about four or five levers, now we have a hundred levers to pull. Which levers should we be pulling and how hard should I pull that one and what effect is that one going to have? That is the challenge of promoting books these days – where should I be investing my time and money and effort, given there is so much fragmentation. I don't think any publisher has yet to find the solution.

We are all still learning how to use social media successfully to promote our authors. Some authors use social media well, they have an engaged audience and you can see how it effects sales particularly when a new book comes out. What we have learnt is that social media is not to be used as an advertising tool because that turns people off, so it is about using the right voice and tone, keeping people interested and engaged and some authors can do that better than others.

An innovative promotional campaign is planned for the October 2015 launch of Peter Garrett's autobiography.



A question and answer session online that involved partnerships with the Indigenous Literacy Foundation, Australian Conservation Foundation, Seven Network and Midnight Oil was part of the promotion strategy for the launch of Peter Garrett's memoir.

We are going to get Peter to do a live book launch online, so we are partnering with a number of organisations and we are asking people is to send questions to Peter that he will answer live at a certain time on 25 October. This is a first for Allen & Unwin and we see it as a way to reach Peter's different audiences, those who are interested in Peter's activism, music and politics.

ONLINE BOOKSELLERS & REFERRAL SITES

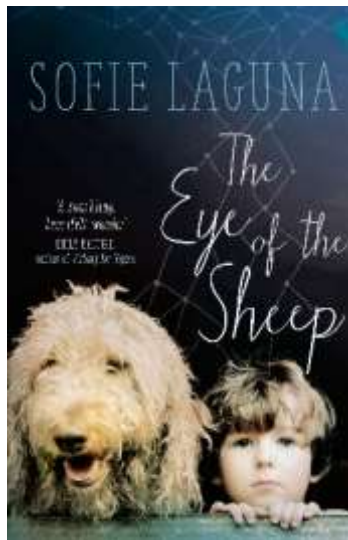
Allen & Unwin works with online bookselling sites to provide content to promote titles, including chapter samplers, exclusive content, and access to authors. 'We also work with Amazon, Reading Room, Better Reading and Goodreads –referral sites – to help amplify our message online.'

METADATA

Allen & Unwin invests considerable time and energy in fine-tuning the metadata for its titles.

No-one knew what the word 'metadata' meant five years ago, now every day we talk about metadata. It's a driver for the online discoverability of books. An example is the subtitle of a book or the words that we put on a book. If it is a health book and the health buzz words are paleo, whole foods, kombucha, and the book contains some of those elements, we make sure that is somewhere in the metadata, so when someone is searching on Amazon or on Google, for paleo or kombucha it is there and it is discoverable.

Another example is when we won the Miles Franklin Award this year with *Eye of the Sheep*, the next morning we made sure the metadata reflected the prize. People don't necessarily remember the name of the author or the book title. 'Miles Franklin? Oh, yeah, I heard about it last night.' So we make it easier for them to find our prize winners.



The Eye of the Sheep, by Sofie Laguna, won the 2015 Miles Franklin award.

READERS

One of the key changes in the industry over the last decade has been the development by publishers of direct relationships with their readers.

Ten years ago we didn't have a direct relationship with our readers because we relied on third parties such as booksellers to sell our books. In many cases they were the main promoter of our books to the end consumer. Most effort went into publicity – still does, above line advertising and co op. You could judge what effect different promotional campaigns had on books and it was reasonably straightforward. You would run advertising, publicity, an author tour and then the bookseller was the intermediary that was helping and selling the books.

Now there is a need and the ability to have a direct relationship with consumer as traditional promotional activities lose their effectiveness. We are setting up our own databases and using social media to engage directly with our audience.



Examples of Allen & Unwin promotional campaigns direct to readers.

ONLINE RETAILING OF PRINT BOOKS AND EBOOKS

Australian online retailers have about 7 percent of market sales in Australia, which is a small proportion compared to the dominance of Amazon in the UK and the US. Allen & Unwin has been less affected by Australians' take up of Amazon than some other large publishers because many of their Australian titles are not available in the US and the UK. However, they observe an effect on sales of titles which are available from US and UK-based online retailers.

About 30 percent of our business consists of books that we sell on behalf of international publishers. That part of our business is affected by online retail as consumer now have the ability to shop around online and take advantage of often cheaper overseas editions. Obviously major international publishers are more heavily exposed to this than Allen & Unwin.

Ebook sales have eaten into physical book sales particularly in genre fiction to the tune of about 20 percent. For our local titles this is not an issue as we receive all the revenue for the ebook sale however on international titles where we do not receive the ebook revenue this obviously impacts our overall sales.

PROMOTING LITERARY AND GENRE FICTION TITLES

Allen & Unwin is known in the industry for its success in promoting literary and genre fiction titles. In this next section, Demetriou explained how Allen & Unwin is changing its strategies.

LITERARY TITLES



Examples of literary titles published by Allen & Unwin.

Demetriou notes that 'literature, generally, has a smaller readership so the print runs are smaller', often 3,000-5000 copies. Distribution is key.

We make sure that the books are in the appropriate place to reach readers of literature. We rely heavily on booksellers to help promote those books, so we do a lot of work with them to become advocates for our books to their customers through hand selling and other promotions – whether it is on their website or through other forums.

With literature each one of the authors' books is a usually different – theme, characters, plot etc. to the previous book, so you have to sell the concept and the idea behind each individual title. Our sales people play an important role in communicating that to their booksellers who can then on-sell that story to their customers. The promotion effort is more publicity driven and a lot of it relies on authors. Most of our authors are Australian and they play an integral role in helping promote their books to the literary media, touring and attending festivals.

Many authors have a social media platform and we work together incorporating our own social media to help promote their book to the right audience.

Reviews – both professional and reader, become an important part of the promotional process which is heavily referral based.

The cover relies heavily on conveying emotion as much as the storyline often accompanied by a conceptual line or quote.

GENRE FICTION



Examples of genre fiction titles published by Allen & Unwin. Generally, these are marketed differently to literary fiction titles.

The marketing and promotional strategies for genre fiction are different, overall, according to Demetriou.

These are all generalisations but genre fiction is sold to a much broader audience. The packaging needs to be more obvious. It is more about people identifying a particular genre; 'I read crime, that's a crime looking book, I'm more inclined to buy that.' You don't have to worry as much about conveying emotion. We are less reliant on reviews and more reliant on endorsements from authors who are popular in the same genre. So the critical elements are a great book, the cover, price point and positioning in the marketplace. The promotion will be more advertising led as you garner less mainstream publicity and referral based promotion is more problematic as many sales occur at discount department stores.

We do a lot of promotional activity with ebooks, for example, short term promotions of ebooks at discounted prices. The reason is to increase traffic to get the book on the front page of the retail website. With ebook promotion – and we will use Apple as an example – if you are not on that front page or not on their promotional tablets, your sales diminish dramatically. So unless we are actively involved in those promotional activities, the book sales are reduced. Amazon works differently. Although there is a lot of promotional activity on Amazon, people will search and buy specific titles.

CASE STUDY: *THE TEA CHEST* BY JOSEPHINE MOON

Josephine Moon is an Australian author whose first book, *The Tea Chest*, was launched by Allen & Unwin in Australia and the UK. She writes contemporary women's fiction.



The author Josephine Moon (left) and two of her titles. Bricks and mortar bookstores played a key role in the sales success of these titles in Australia.

Allen & Unwin spent a year designing a campaign for the launch of Moon's first book.

With a big book debut like this we needed to develop the appropriate campaign. We can do that with two or three debut authors a year on that scale. We worked 12 months ahead and with all of these big books we work on a multilevel promotional campaign.

We start with an internal campaign for our company, where we have to sell the concept and the vision to our own staff. So the publisher starts that conversation and whole company gets behind the book and the author – that starts very early on.

The next level is the booksellers. Early on we had bookseller tea parties (in keeping with a theme of the book) around the country with the author. We flew Jo to major capital cities to meet as many booksellers as possible and make them feel part of the process of building an exciting new author. This is nine months before the book is published.

Then we run a campaign for the media – new Australian author, Australian voice, international sales potential, and rights sales. You are building up her profile.

Then there is the consumer campaign. That starts four months before the book goes out where we are feeding information to all of those intermediaries such as Amazon and Goodreads. You are working with booksellers to get to their readers, doing a lot of pre-order activity and pre-publication activity.

Then you get to publication date and on top of everything else we start an above the-line advertising campaign – magazine, outdoor display, bookseller catalogue support, social media campaigns and implement an SEO strategy. It is a big 12-month build-up and fortunately the readers came and we sold lots of books. We sold over 20,000 copies which is fantastic for a debut author.

CASE STUDY: BUILDING THE PROFILE OF KATE MORTON AS AN AUTHOR



Kate Morton is one of Australia's highest-selling authors internationally.

Kate Morton writes historical fiction, often in a combination of Australian and UK settings. Allen & Unwin published her first book and saw the potential to build her profile for a number of reasons, including the quality of her writing 'it's fantastic', the international crossover appeal of the settings in the books, and the polish and appeal of the author. Demetriou explained that the campaign for an author's first book is now critical.

It is very important to establish someone early on so the first book is critical. If the first book struggles the next book becomes difficult. So we put everything behind Kate's first book and it became an instant best-seller.

We have a book every two years or so from Kate and we have built her sales book after book after book. Once you start to have that success it makes it a little bit easier when you are trying to sell international rights.

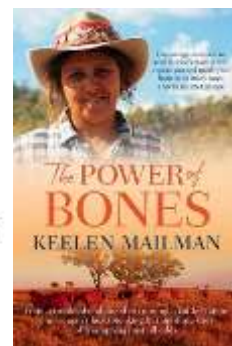
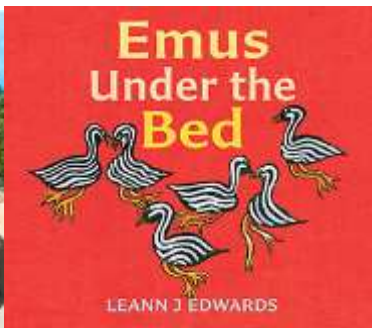
It went from there and just snowballed. The Spanish publisher had instant success with Kate. I went to Spain a couple of years ago and her books are everywhere, I was amazed. She travels to Europe, America and Canada to promote her books which has been enormously helpful in establishing her worldwide.

Morton has sold 10 million copies of her books around the world. She is one of Australia's largest-selling authors internationally.

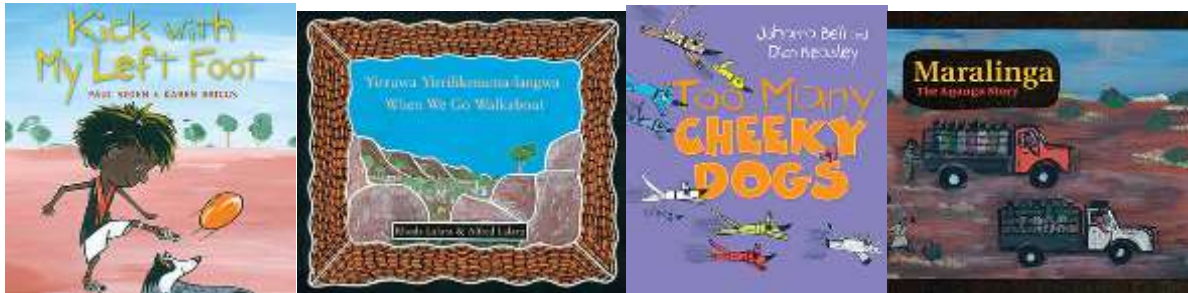
INDIGENOUS PUBLISHING

Allen & Unwin has a long history of publishing books by Aboriginal and Torres Strait Islander authors and illustrators. Books published within the last three years include:

- *Welcome to My Country*, by Laklak Burarrwanga, Sarah Wright, Sandie Suchet-Pearson and Kate Lloyd
- *Emus under the Bed* by Leann J. Edwards
- *Come Count with Me* by Marika Wilson
- *The Power of Bones* by Keelen Mailman
- *Kick with my Left Foot* by Paul Seden
- *When We Go Walkabout* by Rhoda Lalara
- *Too Many Cheeky Dogs* by Johanna Bell
- *Maralinga, the Anangu Story* by Yalata, Oak Valley Communities with Christobel Mattingley



(From left to right) *Welcome to My Country* by Laklak Burarrwanga, Sarah Wright, Sandie Suchet-Pearson and Kate Lloyd; *Emus under the Bed* by Leann J. Edwards; *Come Count with Me* by Marika Wilson; *The Power of Bones* by Keelen Mailman



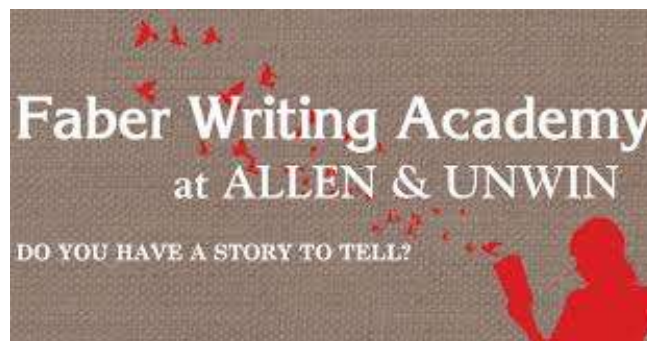
(From left to right): *Kick with my Left Foot* by Paul Seden; *When We Go Walkabout* by Rhoda Lalara; *Too Many Cheeky Dogs* by Johanna Bell; *Maralinga, the Anangu Story* by Yalata, Oak Valley Communities with Christobel Mattingley

In a recent initiative, Allen & Unwin partnered with The Little Big Book Club to identify, mentor and publish four previously unpublished Indigenous authors through the Emerging Indigenous Picture Book Mentoring Program, with support from the Australia Council for the Arts.

THE FABER WRITING ACADEMY

In 2010 Allen & Unwin established the Faber Writing Academy, based on the successful Faber Academy in the UK. Faber & Faber's books are distributed and promoted in Australia by Allen & Unwin.

Faber & Faber were keen to launch the Academy here and we thought it made sense in terms of our profile within the Australian author and writers' community along with being a commercial proposition. We also felt we could find and nurture new authors which we may want to publish and it would be a nice brand extension for Allen & Unwin and Faber & Faber in Australia.



The Faber Writing Academy is based on the successful Faber Academy in the UK.

CONCLUSION

Demetriou reflected on Allen & Unwin's position in the Australian industry.

Allen & Unwin has a great reputation within the publishing community – agent, author, publisher, media and bookselling. We are seen as fiercely independent and strong supporters of Australian authors and illustrators. Although we are traditionally noted for our strength in publishing and promoting local and international literary authors – giving us a great affinity within the independent bookselling channel, we are seen in much broader terms today with a

reputation for delivering books across the whole spectrum of genres across adult and children's books.

Allen & Unwin is a strong, passionate publisher and promoter of Australian books. Being independent is important as it gives us more flexibility in what we do. We value our reputation in the industry and we are very protective of it. We want to be seen as an innovative, strong supporter of Australian writing and hopefully that flows through to the consumer.

Information provided by Allen & Unwin summarises their achievements in publishing Australian books:

In the last three years, we sold over 10 million Australian books, paid over \$22.1 million in royalties to our Australian authors and generated over \$220.8 million in sales for Australian booksellers.

Demetriou sums up Allen & Unwin's commitment:

The proportion of Australian books sold in Australia is significantly high as a proportion of all books sold, this reflects the fact that people want to read Australian stories, they want to consume Australian content and they want to hear Australian voices. It is also important for the community both culturally and financially. We believe Australian books matter.

HARDIE GRANT BOOKS



hardie grant media

content | strategy | print | digital

Type of publisher:	Large, independently-owned Australian publisher
Established:	1997
Based in:	Melbourne plus a Sydney office
Lists:	High-end illustrated non-fiction books for adults, sports, children's, young adult, reference
Authors:	James Halliday, Luke Nguyen, Margaret Fulton, Bob Brown, Tim Costello, Greg Malouf
Innovation/s:	Subscription-based websites built from book titles, including the <i>Wine Companion</i> and <i>Cooked</i> . An overseas acquisition strategy to strengthen Hardie Grant's ability to sell Australian books into overseas markets. Diversification across a range of businesses beyond traditional book publishing (although related to publishing activities)
Other differentiation:	One of the larger independent Australian publishers A 'middle-sized' publisher in England
Distribution:	Amazon's Kindle, Apple's iBookstore, Google Play, Kobo, eBooks.com, Bookish.com, and many others. Some print-on-demand books available. Distribution to independent bookstores and chains Dymocks, Collins, ABC, QBD; Department stores Myer, David Jones; and Discount Department Stores Kmart, Target, Big W International – UK, US, NZ, Asia, South Africa
Executives:	John Gerahty, Chairman Sandy Grant, CEO A full list of the executives is at: http://www.hardiegrant.com.au/meta-data/footer/the-board
Website:	http://www.hardiegrant.com.au/

Julie Pinkham, Managing Director, Hardie Grant Books and Director, Hardie Grant Egmont, was interviewed on 13 August 2015.

BACKGROUND

Hardie Grant was founded in 1997 by five people: Fiona Hardie, Sandy Grant, Julie Pinkham, Penny Rankin and Fran Berry. The founders deliberately established the company with a broad publishing brief.

Our approach was to secure our future by doing projects that would create income instantly, while we could then build up our stakes and take risks with other ventures. We initiated the business with a custom media path where if we could secure clients, we would have fixed income from those clients. This was an area of expertise of Fiona Hardie's. That gave us an income stream. We were contracted to clients to produce publications for them, and those financials allowed us to go out and publish into the consumer market, which is much more risky because you have to back what you think might sell and then find out if it does sell.

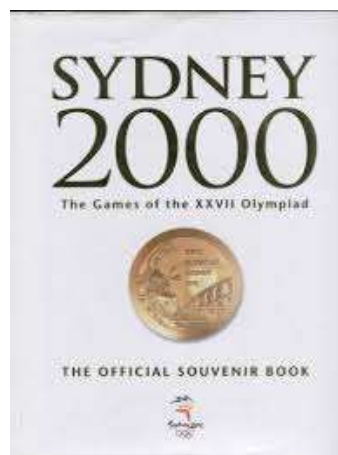
The other thing that we deliberately did from the beginning was to work with overseas publishing partners to represent and distribute their books in Australia, because you receive a stream of books from other publishers that you can offer to the market without having to incur all the expense in getting those books into the market. We worked with partners whose books would eventually pair up nicely with ours and complement each other.

We decided we wouldn't pursue fiction because it was too competitive and very cash heavy. The whole marketplace of paying advances to secure winning authors was risky, and there are also very good publishers working in that area in Australia. We decided we would pursue non-fiction and look to create value in illustrated projects. That area wasn't as much competed in. So we would try to find a little spot for ourselves really.

This was also the beginning of the Australian public's appetite for food books with high production values. In the years prior to the founding of Hardie Grant Australian illustrated publishing had been successful internationally; it seemed that designers and graphic artists were coming into the world of book publishing, that there was a distinctive or identifiable Australian style that was tracking well globally. We thought it was a good time to capitalise on that and to think of a way to create books that would find their way into a marketplace and be welcomed not only here but overseas.

In the late 1990s:

There was a lot of noise, but not much action about digital and ebooks and we decided to stake a claim in the 'real book' world then as a point of difference. One, because we didn't have any IP to exploit and move into ebooks, and two, we were backing our own craft skills and the craft skills of designers and illustrators.



One of Hardie Grant's first books was a souvenir of the Sydney 2000 Olympic Games, published through an agreement with the Herald and Weekly Times.

We partnered up with media entities in the early days to do things that would be difficult for traditional publishers to do. We created an agreement with the Herald and Weekly Times (owned by News Corp Australia) to publish a book as a souvenir of the 2000 Olympic Games in Sydney. The book came out roughly two weeks after the games ended, so it was an absolute feat of production, design, scheduling and documentation, but because we had the energy and drive, and possibly not much else on the schedule, we delivered it. It was amazing to have a finished book out two weeks after the Olympics. That was a real feat and it sold well over 100,000 copies. Pairing with the marketing power of News Corp didn't hurt. That put us on the landscape as a publisher who would do things differently and that distinguished us for quite a while.

The custom media division has grown since then to include *Bride Magazine*, *Beautiful Accommodation*, travel magazines and a range of magazines for clients including Mercedes-Benz.



Two magazines published in the custom media division of Hardie Grant.

SPORTS BOOKS

Sandy Grant is a massive sports fan including cricket and AFL football. We started our sports publishing by securing the rights to the Wisden Cricketers' Almanac, which is a rarified annual almanack that has been published in England for over 100 years. We also published some interesting books written by the likes of Malcolm Knox about the Australian cricket team and that era of sports.

If a publisher is closely engaged in an interest they work out which are the right books to do, so these lists were led by Sandy's interest. Publishing the Wisden Cricketers' Almanac also fed into an interest in reference books at the time. We went on to other different projects, more about Australian sports heroes. That's what people want to read about and it's reasonably cost effective to publish. You need a good writer to help the subject of the book. You can't say 'I'll put someone's name on the cover,' you need them to tell a good story. And frankly, we also need to persuade them and their agents that it's not just another cereal box merchandising opportunity. Sports stars are offered a lot of commercial deals. We have to get them to engage with us. So there is an art to it, but it remains a popular area.



Sports non-fiction are popular Hardie-Grant titles.

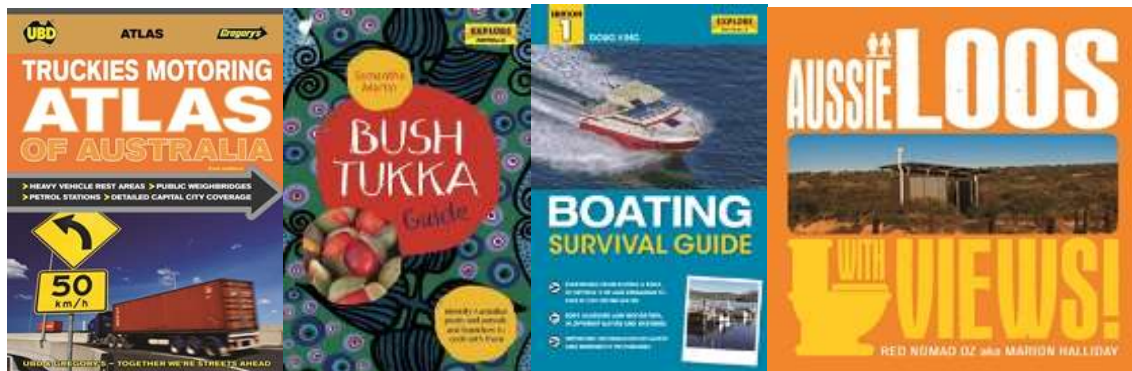
ANNUAL REFERENCE GUIDES

At the very beginning we thought we could carve out a place for ourselves doing annual reference guides. We published the SBS World Guide, which is an almanac of world facts, the Wisden Cricketers' Almanac, we created our own Australian Sports Info, and food reference books. Our aim was to physically publish a book and have an accompanying online life that could perhaps develop into a subscription. We did some good publishing and we didn't do badly, but it was very hard to maintain the demand for physical reference books in bookshops, so we realised that we needed to focus on reference works that we could invest in that were online first or online equal.

It is something that we have pursued less as the appetite for physical reference books has diminished and people have turned to online sources.

MAPS, DIRECTORIES, CUSTOM MAPPING

Hardie Grant publishes UBD and Gregory's street directories.



Hardie Grant has developed a series of print guides, ebooks, apps and custom mapping services based on its acquisition of UBD and Gregory's street directories.

UBD and Gregory's street directories were part of an independent publisher that was purchased by Telstra. About ten years ago Telstra were divesting it and we purchased it. Because the mapping is used by Telstra later there were opportunities to sell back the data to Telstra, and to other clients.

Through the cartography and IP, we have a lot of ownership of incredibly detailed mapping. We can create bespoke mapping products – print or online – for councils, state government departments, or commercial clients that want a branded local maps.

Hardie Grant has an unusually broad range of business activities.

That's because of the way that we have pursued different businesses where they are not just dependent on the traditional book trade. As it turns out traditional books are where we started from in our careers, that's what we all love, but the range of activity has given us significant underpinning opportunities to think about publishing opportunities and to pursue them.

CHILDREN'S PUBLISHING

Having started the business in adult non-fiction and custom media services, next the founders considered an opportunity to enter children's publishing. This came about through contact with an industry colleague of Pinkham's and Sandy Grant's who was returning to Australia after working in England for Egmont. Egmont is a Danish children's not-for-profit publisher, which purchased the Methuen imprint.

Methuen was a classic English children's publisher who published *Wind in the Willows*, *House at Pooh Corner* and all the A.A. Milne books, *Thomas the Tank Engine*, and other titles; a heritage brand. Egmont bought that entity from the Reed group.

Sandy and I knew the list well; we knew it was a successful list. We'd even managed it in Australia when we both worked at Reed. Because there was an open dialogue, we knew that Egmont was interested in investing in local commissioning in Australia. That's how the joint venture with Egmont started.

We determined that our unique selling point for that children's list would be that they would have their own specialist salespeople.

Pinkham described the process that applied several years ago when a publisher's sales representatives visited bookstores with the publisher's latest list of titles.

First you'd sell the high profile titles and authors (the fiction authors), then you might sell some non-fiction or some illustrated books, and then at the very end you'd sell the children's books. *Harry Potter* changed that, but before then children's books were underplayed and undervalued although there were always people who are passionate about children's publishing.

To make sure it was perceived as important in the marketplace, especially given that we would be commissioning titles, we decided to have champions of the children's list at front and centre in the bookshops, in the marketplace, talking to the media and doing marketing, wholly focused on children's publishing. I think that give the lists a really good kick-start and it gave us a lot of energy. They have done very well.

In addition to the heritage brands and the new titles from English, Pinkham highlighted the Early Reader series developed in Australia.

One of the big successes in the early days was the Early Readers series. There were a number of series launched, and of these three have been huge in terms of sales.



Titles from the Zac Power series for early readers. The Early Readers series were developed in Australia.

One is a series called *Zac Power*. Another very successful series is *Go Girl*. ‘A couple of very talented publishers’ came up with concepts and then a number of authors were commissioned to write books for the series.



The Go Girl Early Readers series was developed in Australia.

A more recent series is *Billie B Brown*, which have sold over a million copies since their launch (approximately two years ago).



Titles from the Billie B. Brown series of children’s books, one of Hardie Grant’s best-selling series.

Billie B Brown is a collaboration between our publisher and a very talented author, Sally Rippin. They’ve become cherished Australian children’s books.

These have been mainly marketed to children and 'home buyers', but Sally Rippin is now making school visits and Hardie Grant is involved in more initiatives with schools. Hardie Grant have also entered some merchandising agreements based on children's titles with approval from the illustrator or author. 'We've made tins and rulers and purses and pencil cases. Some of them have been for sale but most of them have been what we call in the trade, 'gift with purchase' (of a book).

Another recent success is with the Minecraft books, based on the famous computer game.



Minecraft books are based on the Minecraft computer games.

We were in the right place at the right time.

Egmont heard about a Swedish website called Minecraft and secured the rights to publish four books from the creators of the game, a group of Internet IT dudes from Sweden called Mojang. Mojang created an awesome website that children and adults loved. (Mojang has since been sold to Microsoft.) Egmont approached them and it was the luckiest licensing deal because it was massive. It became worth much more than any of us had ever anticipated. There are four published guides to Minecraft. The authors at Mojang were incredibly interested in production qualities and quality control and they were very careful about their marketing. Their control was probably a big part of the success of the series, and also Egmont's management. The Minecraft books were responsible for a very large part of the revenue for Hardie Grant and Egmont in 2014. The books had their sales pinnacle last year, but we've updated the four guides.

ILLUSTRATED BOOKS

Hardie Grant is well known for its illustrated books. A recent example is *The Food of Vietnam* by Luke Nguyen.



Author and chef, Luke Nguyen (left) and his book, The Food of Vietnam.

The Food of Vietnam is a large illustrated book that charted the whole of the region of Vietnam, as told by Luke Nguyen, who is a TV presenter on SBS. That was a pretty bold book to do, an expensive book. The Washington Post said it was one of the top food books of 2013,²⁸ so that was certainly a good benchmark.

Another example that Pinkham gave was of books by Greg and Lucy Malouf. Greg Malouf is a chef of Lebanese parentage who draws on Middle East and North African culinary influences. He trained in Melbourne, France and Hong Kong. Lucy Malouf is a food writer, recipe tester, journalist and food editor.

When Hardie Grant published the first book, *Moorish*, which was co-authored with Lucy Malouf, 'he was known in the industry but not widely known by consumers beyond Melbourne'.

We published the first book, *Arabesque*, as a modest reference work with some recipe photographs. We did sell it to a number of publishers internationally which developed an international reputation for Greg.

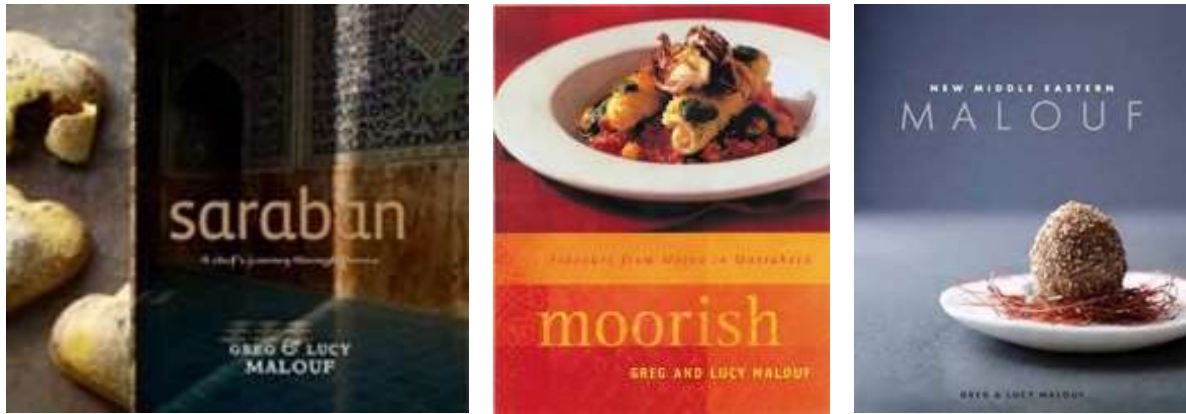


When Hardie Grant published *Arabesque* (left) by Greg and Lucy Malouf, he was not widely known publicly beyond Melbourne, although he had established a reputation among chefs.

We identified that Greg's unique point of view and the subject was good; a Middle Eastern heritage but Australian-raised chef. We have gone on to publish three epic culture and food books: *Saha* on Lebanon and Syria, *Turquoise* on Turkish food, and *Saraban* on the food and heritage of Persia that have sold in multiple languages. We have also published an early book of recipes, *Moorish* and a more opulent opus of his food called *Malouf*. The most recent book picked up on the current trend of vegetarian food, *New Feast*. Greg and Lucy now live away from Australia: Greg in Dubai, running the restaurant Cle, and Lucy in England. We have, together with them, created a global audience for their work.

These books have won a number of awards, including: Best Food Book and highest overall Grand Prix prize at the Gourmet Media World Festival 2006 (for *Saha*); Best Designed Cookbook at the Australian Publishers Association Book Design Awards 2007 (for *Arabesque Deluxe*); and Best International Book at the International Association of Culinary Professionals Awards (IACP) 2008.

²⁸See 'Washington Post's Best Cookbooks of 2013': https://www.washingtonpost.com/lifestyle/food/washington-posts-best-cookbooks-of-2013/2013/12/09/8074boba-5c36-11e3-be07-006c776266ed_story.html



Hardie Grant has published a number of award-winning books about food and culture by Greg and Lucy Malouf which have found international readerships.

The price of high-end illustrated books can be up to \$70.

There is a lot of market pressure about price, but you have to do the best you can with what you're investing in and try to boost the perceived value of books. When we talked to Kmart, for instance, they want books to be priced at \$5, \$10 and \$15; it is not possible for us to invest in books at that retail price point.

We're increasingly aiming our books at a more appreciative audience and not looking for volume through mass market channels.

HARDIE GRANT'S GLOBAL STRATEGIES

For a fair while we have been realising that there's a consumer market of like-minded people globally; market trends are global. We've been thinking about how to get to those like-minded people in different geographical markets.

One of the traditional methods for a small publisher from Australia is to try to sell rights to an overseas publisher. We did that and we sold quite a few different books to different partners, but at the end of the day they ended up being one-offs. You could sell one or two or three titles each season, but you couldn't publish your list or offer to your authors the opportunity that 'we're pretty sure we can give you sales in England'. It would be quite chancy.

We set up our own little business in England – it was tiny. Sandy Grant had run a large business in England, and he had a lot of contacts there. We set up our own little business trying to resell the books that we published in Australia and to do some commissioning, and that grew. We ended up having about five staff about two-and-a-half years ago – that was starting to be quite successful.

We worked out that to grow in the UK we needed to have a more sizeable business there. We had worked with Quadrille for a long time and they were for sale so we bought that business. That gave us the opportunity to have our own sales force, because as a tiny publisher we were using someone else's sales force, and you get so much better intelligence from doing your own selling. That's been in effect for about two years now. That's made us a reasonable middle sized-publisher in England.

In America we created a relationship with Rizzoli Publishers. We distribute for them here and they sell our books in America – not our whole list but 40 books a year are sold now into the American marketplace.

These developments have given us different markets and offset the investment that we've made.

One thing that's important for us is to be able to build authors' careers globally; that's something that we can offer in a competitive landscape that not every publisher can achieve. Not that we can achieve it all the time either, but it's a bit of a unique selling point. We have our own businesses there, and yet we're not the big corporates where often you'll find that it's quite difficult for an Australian publisher to get their books sold by their corporate parent in America or England.

RETAIL STRATEGY

As an aggregate, the independent book sector is very important for us. They are people who are owner/operators who hand sell books. The book chains are important because they're heavily invested in books as their main product. The discount department stores are not as important unless we have a mass market title.

Increasingly, the international marketplace is where we aim to create our books for. What we're trying to do these days when we publish is to ask the question, can this title travel? We want to sell and publish Australian authors, but we're certainly not making decisions based on are they famous enough here; it's really about, will this subject travel to another market place? We have the same sort of market channels overseas: independent booksellers, book chains, and we also have a team of sales people who go into what we call 'non-book accounts'. These include gift markets, apparel stores and other outlets that sell books that are incidental, but they can sell good volumes of books. We're supplementing the traditional book markets by honing different channels where the books get appreciated.

I wouldn't deny the importance of social media in getting the word out about a book, but in terms of physical books you want them to be available on shelves, on tables, in book stores. The most persuasive way for a bookseller to support your titles is as a result of being visited by a sales representative who tries to impress upon them the reasons to stock the books.

It sounds antiquated and it is antiquated but it gives us incredible feedback for our publishing to have that direct relationship. If, for instance, you're a publisher being sold by a different sales force, you end up being a bag of books on a very long order form, and there are more degrees of separation between the book seller and the publisher in feedback.

Independent book sellers are very much aware of what's going on and they can champion your book through their own networks and give it a head start if you're delivering to them the right information about what it is that makes your book good.

Hardie Grant publishes three distinctive, successful websites built from book publishing IP.

EXPLORE AUSTRALIA



<http://www.exploreaustralia.net.au/>

Explore Australia is a free website.

It has backing the brand of Explore, which is well honoured as a brand of reliable, excellent cartographic information about Australia.

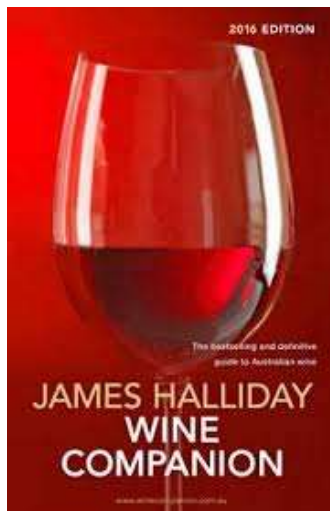


Screenshots from an Explore Australia camping app.

A camping app, based on the website, has recently been released.

Explore is our most successful in terms of visitors and hits and planning for holidays; it has strong peaks when people would be planning their holidays. Over 500 000 copies of Explore Australia publications are sold every year. It's not monetised in the same way that our other two websites (discussed next) are set up to be commercial.

WINE COMPANION



A cover from the 2014 edition of the Wine Companion by James Halliday.

Wine Companion is a subscription-only membership website built around James Halliday's annual *Wine Companion*.



The book comprises over 4000 tasting notes that are released annually based on James Halliday tasting the wines and writing the notes. The website ended up being like a wine buying guide; then a mobile version of that would be really handy, less cumbersome, more accessible.



Hand-held devices are a popular way of accessing the Wine Companion website.

Pre-dating our association with James, he had set up a business with his old mate, the legendary Len Evans who has now passed away. The business was called Wine Pros, an online wine business about their tasting notes. They tried to sell wine as well, and that didn't work, so we came to James with a proposal to do the tasting notes and commercialise that as an ancillary market for the key buyers of the *Wine Companion* in print form. It wasn't about trying to sell wine, it was about making that unique information accessible. We did it in a way that made it much less cumbersome.

We hoped that it would be successful, but it just seemed to be easily successful. The website has over 10,000 subscribers.

We haven't plateaued, but we've got a very stable market, and we are working with James to think of the next stage. We've been online and now we're going offline and running events alongside the *Wine Companion*. We're very lucky to have such a brand with such integrity and respect; that helps a huge amount.

For the last three years, on the eve of the book coming out we have organised a wine industry awards event. It's a paid event with sponsors. The winners of the winemaker of the year, the wine of the year, the value wine of the year, etc are announced and people, who have bought

tickets get to taste an embarrassing number of award winning wines. There were something like 48 wines we had to taste at the last event, so it was rather taxing!

Now we're thinking about creating an event based on the award winners that could be held in Sydney or Adelaide or other cities, all anchored on the judgement by James of those award winning wines. That came out of our understanding of what the members of the Wine Companion wanted. They're feverish to understand which wines are coming out, how they're rated – they are rusted on collectors. It's been interesting for us to learn what's possible from understanding what these members want to do. We hope to take that back to our publishing, too, through our publishing we can better understand what it is that people engage with.

COOKED

We have been probably egged on by the fact that the Wine Companion has been commercially successful. That gave us the impetus to be bold about food and to develop the Cooked website. I think possibly that willingness also comes down to Sandy Grant being prepared to take some sizeable risks.



Cooked was an idea that came to us based on the success that we'd had with *Wine Companion*. Given we are quite well established in food publishing, and we have some fantastic authors, is there an opportunity to use those brand names and their excellent recipes? Is there an appetite – to use a bad pun – with consumers to seek out and have access to those recipes online?

We started to think about it from a utilitarian point of view. Is there a need for it, is there an opportunity, is there a market, is there a consumer who could think that it would be a good way to access what would be their information?

We worked out that our point of difference was that we had these high end authors with reputations and that would take people there. That was the potential for us to actually charge money for it as opposed to Taste website, because you can find excellent recipes on Taste but it's not the same. Our whole intention was that it was a curated place that could be a club for people who care about their food and who are interested in the latest food trends.

Then we went about securing the rights from our authors to participate. They get a royalty share of the revenue, so it created an income stream for the authors. I had to do a lot of explaining with some of the authors. They were intrigued and I think a couple of them were wary. But we've got some significant and somewhat high profile authors from Luke Nguyen to Greg Malouf to Margaret Fulton. They've all participated and they have done very well out of it. Not necessarily commercially yet, but in terms of interest and involvement it's become a good place for them to have audiences find their work.



The website took a year to develop. That shows the detail required and all the testing that was involved. Despite our efforts, we made quite a lot of changes in the first six months because the way people were using it wasn't exactly as we had thought. We had to make the navigation a lot more accessible and understandable.

Cooked is on its way to being successful but it's nowhere near as established or successful as Wine Companion. It's not as unique an offer. While it's growing, it works as a marketing tool for us as well. It's early days, it's just a year old and we have a good number of subscribers, but we're still working on it. We've gone on to do a joint venture in London between ourselves and with Bloomsbury for a UK Cooked website.

It's not possible to cover all the areas in which Hardie Grant is involved (for example, they have recently made a successful entry into publishing Young Adult Fiction), however, at its core Hardie Grant maintains a strong commitment to high quality illustrated print books.

We're maintaining our commitment to non-fiction. Our commitment now is to create the most distinctive books for a consumer market that is interested. Not books of commodities or fodder, but books as physical objects on subjects that people are deeply interested in.

SPECIALIST LITERARY PUBLISHERS

SPINIFEX PRESS



Type of publisher:	Independent feminist and literary press
Established:	1991
Based in:	Melbourne
Lists:	Over 200 titles, including Australian and international authors. Particular strengths in works about Indigenous Australia, writing from Asia and Africa, lesbian books, women's health, violence against women, racism and cultural opportunism, ecology and economics, war and exile, debates about prostitution and pornography.
Authors:	Includes Dale Spender, Finola Moorhead, Melinda Tankard Reist, Nawal El Saadawi, Vandana Shiva, Kathleen Barry
Innovation/s:	One of the earliest small publishers to have an export manager (in 1993) and a very active export programme The first Australian publisher to offer a web-based catalogue, in 1995 The third Australian publisher to have its full catalogue available for purchase from the Spinifex Press website, in 1995 The first small press in Australia to release ebooks through an ebook store attached to their website, in 2006 The first publisher to set up an <u>interactive site</u> based on a book, in 1996
Other differentiation:	Susan Hawthorne is an advocate for independent publishing and the author of <i>Biodiversity: A Manifesto for Independent Publishing</i> (2014). Extensive international feminist networks, including in the USA, Canada, Latin America, Europe, Africa, and Asia
Distribution:	Independent Publishers Group
Executives:	Susan Hawthorne and Renate Klein
Website:	www.spinifexpress.com.au

Susan Hawthorne was interviewed on 25 November 2015.

BACKGROUND

Prior to establishing Spinifex, Susan Hawthorne worked as a senior editor at Penguin.

I had been very involved in advocating for the publication of lots of interesting and exciting and some subversive books. I pushed for Marion Halligan's *The Hanged Man in the Garden*, a collection of short stories. I had heard Marion at a reading in Canberra and I thought, definitely this woman should be published. I had also pushed for Amy Witting's book, *I for Isobel*, Mark Henshaw's *Out of the Line of Fire*, and writers like Andrea Goldsmith, Finola Moorhead, and Ruby Langford. All of those writers went on to win prizes, most of the books sold extremely well and some of them became household names in terms of Australian literature. Pretty much everything that I had advocated for did well in at least one of the areas of awards or sales (sometimes both). So sometimes a book would win an award but it wouldn't sell quite as many copies, other times a book sold in large numbers but didn't win awards. I felt confident about my ability to pick good books.

The first of Hawthorne's years at Penguin coincided with a period when Brian Johns was the Publishing Director.²⁹ Hawthorne characterised this as a period when the enthusiasm – or the 'bounce' – of the editor was a key factor in gaining approval to commission new books. In Hawthorne's word, 'If you bounced high enough, basically it would happen. If you felt really passionate about something, and you could convey that passion and that enthusiasm, mostly a book would make it through the commissioning process.'

The company's attitude to risk changed with the onset of the recession that Australia 'had to have' in the early 1990s. Hawthorne returned to Penguin after a period of nine months' leave in the USA and found 'the whole atmosphere had changed'.

When I came back there were a number of books offered to Penguin which I thought that six or twelve months earlier would have made it through the commissioning process and they were just killed – there was no way they were going to make it through an editorial meeting.

There are two different kinds of ways of publishing; one is the editorial way, which is to say this book is different from anything else that has ever been published. That is how an editorial person looks at a book, and for that reason, it should be published. Whereas in the sales and marketing area, people say how is this book similar to our last success? Once I realised that, I was able to use that approach on a few occasions where a book got through because they compared my proposal to the success of an earlier book, even though they were not entirely the same.

Another development also influenced the decision to found Spinifex Press. Hawthorne and her partner, Renate Klein, an academic specialising in Women's Studies, became concerned about theoretical developments which 'linguistically weakened' and dissipated the political energy of social movements such as feminism.

We noticed that more and more so-called feminist books that began to be published in the early 1990s were based on the ideology of postmodernism and post structuralism, movements that we felt were changing the political nature of feminism. I think that postmodernism has been a big part of the backlash against feminism. It has depoliticized the movement. It has meant that you don't know who your allies are, you also can't name your oppressor anymore because it all depends on your subject position. Also, suddenly we had a celebration of 'the author was dead' (in theoretical importance) – just at the moment when books by women and by feminists were making inroads. So suddenly, the author was irrelevant. This was anathema to us as we have always maintained that the author is incredibly relevant.

²⁹ Johns was Publishing Director at Penguin Books Australia from 1979-87.

These are some of the reasons why we wanted to start Spinifex. On our summer holidays up at Kakadu, we sat down in the hotel and said, should we set up our own press? I said, why not? At Penguin, I'm obviously not able to get any titles through that I think are really good anymore, so what's the point? Renate was also very keen and so we went ahead.

MISSION

Hawthorne and Klein resolved that 'At Spinifex we would publish books we feel passionate about'.

Our mission statement is to publish controversial and innovative feminist books with an optimistic edge. We always intended our books to be as radical as possible. We also intended them to be accessible so that they were not postmodern texts. We also wanted them to have a sense of optimism. We know that not every book can be a 'happy' book but if we publish a book that is profoundly upsetting (like our books against prostitution and pornography) then we try to publish books that are less daunting (like our animal books *A Girl's Best Friend*, *Cat Tales* and *Horse Dreams*).

In 1991, Hawthorne and Klein funded the new press themselves. 'How we raised the funds was that I left Penguin and Renate kept her job as an academic at Deakin University. We didn't have a business model. We just threw ourselves in at the deep end and went for it.' Hawthorne was able to draw upon years of experience as a senior editor in fiction and poetry and Klein in academic feminist publishing.

I knew the Australian publishing landscape, I also knew the areas of fiction and poetry very well and had been instrumental in pushing for a Penguin Poetry Series which began with Lee Cataldi's book *The Women Who Live on the Ground* in 1990. [Hawthorne is an accomplished poet, whose work has been shortlisted for a number of Australian and international awards.³⁰] Renate knew people internationally in publishing and academia. She had worked as an external editor, a series book editor and been a journal editor. Renate's international reach is extended because she speaks five languages fluently. She had a huge international network and her contacts were mostly in non-fiction publishing.³¹ Between us we had a pretty good network of people to draw on if we needed it.

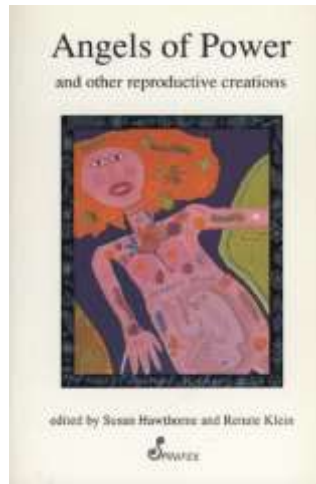
The two women worked out of their living room for the first six months. They were 'ahead of the curve' technologically, because they used computers and floppy disks, and they were one of the first independent publishers in Australia to publish ebooks (discussed further on).

EARLY SUCCESSES

The first book published by Spinifex Press was an anthology called *Angels of Power*.

³⁰ Hawthorne is a distinguished poet, whose work has been shortlisted for the Kenneth Slessor Poetry Award, the New South Wales Premier's Literary Awards, the Audre Lorde Lesbian Poetry Award (USA), and the Judith Wright Poetry Prize. Her novel, *The Falling Woman* (1992) was selected as one of the Year's Best Books in *The Australian*.

³¹ Renate Klein has been an international Women's Studies scholar, book series and academic journal editor since the early 1980s and was Associate Professor of Women's Studies at Deakin University until 2006.

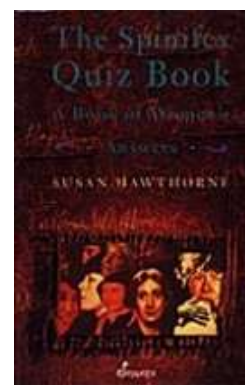
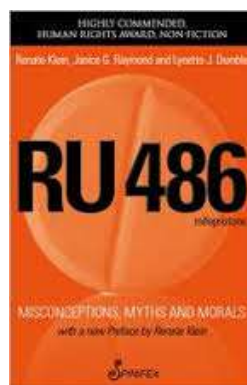
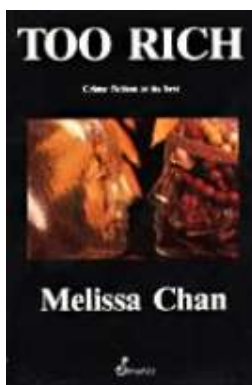


Spinifex's first title was available in the USA within six months of publication.

We had been approached by a friend, Sandra Shotlander, who had written a play called *Angels of Power* about reproductive technologies. That was the starting point for thinking, let's do an anthology comprising stories, a play, a film script, and some poems. Renate was very knowledgeable about that field, she had worked in the field of reproductive technologies for years. My specialty was fiction and poetry so we were bringing those two things together. The book did quite well. We printed 1500 copies in our first run, and we reprinted at the end of the first year. It was also the first book that we sold overseas and we had that title in feminist bookstores in the USA within about six months.

The next titles published by Spinifex Press were: a crime novel, *Too Rich*, by Melissa Chan; a co-authored book by Renate Klein, Lynette Dumble and Janice Raymond on *RU486: Misconceptions, Myths and Morals*; and, *The Spinifex Quiz Book* by Susan Hawthorne that featured women's achievements. *Too Rich* featured Francesca Miles, an independent feminist detective investigating a case in Sydney. RU486 examined the history of the French abortion pill, RU 486 (mifepristone) and drew on extensive studies to challenge claims that it is safe and effective. The authors argue that chemical abortion is 'ill-conceived and unethical' and that other methods of abortion are safer for women. *The Spinifex Quiz Book* tapped into the popularity of quiz books at the time and drew attention to the achievements of women:

Who invented hieroglyphics? Who did Einstein's mathematics? Who led the defence of Viet Nam in 40 AD? Who invented the first computer? Who built the pyramid at Giza? Who developed the merino sheep? Who was the first writer in the world? Who invented the wheel? All were women. When the next person asks: Where are all the famous women artists / inventors / architects / writers / scientists – this book will make it easy to find their names. [from the publisher's website]



Early titles published by Spinifex Press included (from left to right) Too Rich by Melissa Chan; RU486 by Renate Klein, Lynette Dumble and Janice Raymond; and, The Spinifex Quiz Book by Susan Hawthorne

These books were also successful in Australia and internationally. They were shortlisted for awards and Hawthorne and Klein were able to negotiate deals for translations of all three titles.

Too Rich was translated into German. *RU486* was short listed for a Human Rights Award and was translated into German and also published in Bangladesh. The second edition of the quiz book in 1993 was short listed for an Australian Educational Publishing Award and was published in German and Spanish. So we had very good success with our first four books.

ACHIEVING INTERNATIONAL SUCCESS EARLY ON

Spinifex achieved rapid success in taking their titles into international sales territories through networks of feminist book publishers, bookstores, and academics who prescribed their books on university courses.

Our success was due to our established networks plus the fact that there were a large number of booksellers out there who were interested in what we were publishing.

I learned a lot about how to sell rights by going to feminist book fairs. I had no idea what I was doing the first time. I was representing a Penguin young adult novel and managed it successfully. I also made a lot of contacts and it meant that I knew who to talk to about Spinifex projects. Renate had been one of the organisers of the First International Feminist Book Fair in London (1984), and together we had gone to the Montreal Fair in 1988, the one in Barcelona in 1990, Amsterdam in 1992, and we presented the bid and did the organisational footwork for the 6th International Feminist Book Fair which came to Melbourne in 1994.

We also regularly went to the National Women's Studies Association conferences (NWSA) in the United States and we would sometimes go to other women's studies conferences (e.g. in NZ and Germany) and set up a book table. In this way we got our books out and we always took our trade books as well as our academic titles.

It was extraordinary, as well, that there were so many feminist bookstores at the time so we were able to get out to our market immediately. It was possible in America to sell almost immediately into between 100 and 200 feminist bookstores.



Betty McLellan's Help! I'm Living with a Man Boy often attracts the interest of overseas publishers when Hawthorne and Klein display it at book fairs.

Another publishing success later on was Betty McLellan's book of practical advice about relationships, *Help I'm Living with a Man Boy*, first published in 2000. It has been translated into Arabic, 'Simple Chinese', Estonian, German, Greek, Japanese, Korean, Italian, Latvian, Polish, Spanish, Slovenian, Russian, Turkish, and Vietnamese.

Hawthorne and Klein were delighted by the early success of Spinifex Press.

We were surprised that our first books did so well. We continued to be surprised for a few years because almost everything that we did went out well and sometimes we managed to sell overseas rights or we published co-editions with feminist publishers in other countries. But then all of a sudden, the tables turned.

THE RISE OF BORDERS AND AMAZON

Spinifex Press, like the vast majority of the feminist presses in North America, was badly affected by the rise of Borders in the USA, and then by the rise of Amazon. 'Effectively, Borders killed off large numbers of independent bookstores and publishers in the USA.'

Between 1995/96 and 2000 things started to take a dive. The feminist bookstores died off in the USA because there was unfair competition put in place by Borders setting up stores close to, just around the corner, right next door to good feminist book shops. I saw it happen. There are now only about half a dozen of these independent feminist bookstores left.

Hawthorne also witnessed the bankruptcy of independent publishers in the USA.

The reason why that happened was that Borders was ordering lots of stock at the beginning in order to compete with the feminist bookstores and put them out of business. When these stores went out of business, Borders ceased to order as many copies, but prior to that they would over-order. Over-ordering means that not all the books sell, and then they go back to the publishers as returns. The publishers thought that their books were out of print because they were all out in bookshops, and then suddenly they get a huge return. Returns were a massive problem in the US in the late 1990s. The rate went up to between 30 and 50 percent at one stage, just enormous. No publisher can survive using returns as currency, especially if they have just re-printed because they thought they were out of stock. Suddenly they have too much stock in the warehouse and they can't sell it.

Book distributors also went bankrupt.

Some of the distributors who had been distributing for the feminist publishers also went out of business. We had a few years where we 'distributor jumped' from one to another to another and eventually we found IPG (Independent Publishers Group) in 2003 with whom we are very happy. But between 1998 and 2003 it was terrible.

Borders then entered the Australian market with a similar strategy.

They did exactly what they did in the States, but they did it less successfully because they didn't know the Australian market. They set up shop opposite Readings in Melbourne and very close to Gleebooks in Sydney but fortunately those two book sellers have survived them.

The next blow to Spinifex Press came from the rise of Amazon, because Amazon also took away business from a major independent feminist bookstore in the USA.

Amazon took the name of the Amazon feminist bookstore in Minneapolis, which was one of the key bookstores in terms of drawing feminist networks together. That store closed down in 2012. Also important was Feminist Bookstore News coming out of San Francisco and run by Carol Seajay which was incredibly helpful in terms of getting word out about our books so we

advertised in there quarterly. We knew the newsletter was going to our immediate customers so it was great for us.

As independent feminist bookstores closed in the USA and other sales outlets could not be found, Hawthorne and Klein responded by reducing the Spinifex Press publishing schedule.

[Because of these changes] every now and again we would have a year where we would slow down. In 1998 we published four books, after the previous year in which we had done many more titles. We have done that a couple of times. Because we are small, we can make decisions that this year we are not going to release as many books– we are going to instead advertise our backlist.

Another factor in the survival of Spinifex, according to Hawthorne, was summarised as the founders' 'pigheadedness': 'We kept publishing the books we thought important. We always had wonderful employees who we consulted in our decisions.' Although the ultimate decisions remained with Hawthorne and Klein, Spinifex' success was also due to 'great team work'.

EARLY ADOPTER OF TECHNOLOGY

Spinifex Press was an early adopter of technology. Hawthorne and Klein became regular users of email early on during its appearance in Australia. They were the first Australian publisher to have a web-based catalogue and the third Australian publisher to have their titles available for purchase direct from the Spinifex Press website, both in 1995. One year later, they were the first publisher to set up an interactive site based on Suniti Namjoshi's book *Building Babel* (in 1996). In 2006, they became the first small press in Australia to release ebooks through an ebook store attached to their website.

We went into ebooks in 2006 because we thought that when books get digitised, feminist books would be at the end of the list. We thought we had to have our books already in digital format so that that wouldn't happen.

BUSINESS MODEL

Hawthorne does not pay herself a salary or fee from Spinifex Press. 'Occasionally someone pays an airfare for me, or something like that, or I get a grant to go somewhere that allows me to be paid my airfare.' Spinifex Press does not pay rent for their premises as 'we own the building'.

The average size of first print runs has changed significantly over the years.

In our first year we printed 1500 of all our titles. For the next fifteen years or so we mostly had print runs of 2000 copies, but 3000 was not unusual and sometimes we hit 5000. Since the cost of producing short runs has come down we sometimes print 1000 copies, more often 500 and for poetry titles 300-400.

Authors are paid an advance on royalties, which is calculated on the size of the print run. 'Initially most advances were between \$1000 and \$2000. Due to a drop in print run numbers, our advance has also dropped a bit.'

Approximately 60-70 percent of Spinifex Press sales are Australian and 30 to 40 percent are overseas. Sometimes the Press is successful in gaining external funding towards international travel.

We consistently go to the Frankfurt Book Fair. Some years we get funding support and some years we don't. I went to Turkey earlier this year for a publishing meeting in Istanbul. I did get some funding for that. Next year, I will probably do two overseas trips. I hope that at least one of them will be supported.

RIGHTS SALES AND TRANSLATIONS

Hawthorne and Klein travel internationally at least twice each year, and this travel is a key factor in the substantial number of international distribution and translation agreements for their titles.

It mostly starts with a relationship with the publisher because we meet other publishers at international events such as the Frankfurt Book Fair or in early days the Feminist Book Fairs. We talk about the different books we each have coming up and occasionally we take on an overseas title. Sometimes we do co-editions as part of the International Alliance of Independent Publishers and we have done co-editions as well with publishers whom we have come to know over a number of years. Our original feminist network has changed over the years but it still continues to be relevant.

In addition to the Frankfurt Book Fair which we do every year (we have missed only a couple due to ill health), we have also been to fairs in London, Bologna (during our short-lived experiment with children's fiction), Tokyo, BookExpo America (BEA) and in early 2016, I will be part of a delegation going to India, supported by the Australia Council. We have also regularly participated in the VIP meetings at Sydney Writers' Festival and Adelaide Writers' Week. We have regularly attended the World Women's Congress which occur every three years and these have taken us to Ireland, Adelaide, Uganda, Korea, Spain, and Canada.

Spinifex has distributors in North America and the UK. Since it was founded, Spinifex Press has achieved rights sales and translations in a wide range of countries.

Yesterday I did a quick count of rights sales, either territorial or translation. We have done at least 75 (probably a few more). We have sold territorial rights to the USA, Canada, South Africa, New Zealand, UK, India, and Bangladesh (the latter rights were donated). We have bought territorial rights from all these countries too, mostly ANZ rights, occasionally more. We have sold translation rights into German, Spanish, French, Turkish, Arabic, Korean, Simple Chinese, Japanese, Latvian, Slovenian, Tamil, Estonian, Greek, Polish, Italian, Russian, and Vietnamese markets. We have translated books from Swedish, Norwegian and German.

In addition to gaining international exposure for Australian authors, Spinifex has also enabled its international authors to contribute to public debate in Australia.

With regard to the acquisition of international rights, we have had quite a lot of success in getting our international writers on to Australian writers' festival programs and even Q&A (ABC TV program). For example, Suniti Namjoshi, Gillian Hanscombe, Gail Dines, Unity Dow Sefi Atta, Vandana Shiva, Anne Ostby, Fethiye Çetin and Kajsa Ekis Ekman have all been guests of festivals. Gail, Sefi and Kajsa have appeared on Q&A, as has our Australian author Melinda Tankard Reist.

POETRY PUBLISHING AND FICTION

Spinifex is committed to publishing poetry and every year or two the press publishes a collection. 'It is a small but an important part of our overall publishing program.' Spinifex has published thirteen authors and more than twenty collections, as well as publishing many more poets in a number of anthologies.



Poetry and literary fiction titles by Spinifex Press include (from left to right) *Parachute Silk*, by Gina Mercer; *Travelling Alone Together* by Miriel Lenore and Louise Crisp; *Fish-Hair Woman* by Melinda Bobis; *Wave*, by Hoa Pham; and *Bite Your Tongue*, by Francesca Rendle-Short.

Fiction is also an important part of Spinifex's lists.

We publish mostly Australian fiction, but now and again an author or a book comes along that we love. *Haifa Fragments* by Palestinian Israeli author khulud khamis is an example of that, as are the novels of Sefi Atta (Nigeria), Suniti Namjoshi (India) and Unity Dow (Botswana). Within Australia, we have a strong literary list including writers like Merlinda Bobis, Hoa Pham, Francesca Rendle-Short, Lara Fergus, Emma Ashmere, Finola Moorhead, as well as several New Zealand writers (Beryl Fletcher, Cathie Dunsford, Renée, Pat Rosier) which is unusual in Australian publishing.

Hawthorne believes there is evidence that Spinifex' publishing programme, which seeks to be ahead of its time, comes to be appreciated more fully over the long term.

I have noticed that there is a call for an 'intersectional' analysis ('race', ethnicity, class, sexuality) of feminism and for multicultural works to be recognised. We have always done that because it is an essential part of our understanding of feminism.

A DECADE-LONG TIME FRAME FOR FEMINIST BOOKS TO CONTRIBUTE TO CHANGE

Hawthorne's philosophy of publishing is also discussed in *Wild Politics*, which was based on her PhD and was published by Spinifex Press in 2002.

In *Wild Politics*, I bring together many ideas developed over thirty years of feminist theorising and activism; key among them is the contention that the inheritors of western culture need to think in much longer time frames than we do; that western culture needs to move away from the profit motive as the be-all and end-all; and that we need to base policies on the goodness of people wherever they come from.³²

Wild Politics is a critique of globalisation, power and knowledge. Later, in 2014, Hawthorne wrote in *Bibliodiversity*:

The 'multiversalist', in contrast to the 'universalist', recognises that universals tend to work against the most dispossessed members of society since they deny the worth of the knowledge of the dispossessed. The multiversalist, by contrast, recognises that there are many different ways of organising knowledge, and that those who live close to the biophysical world have the best knowledge of, and are well-versed in, the local conditions; likewise, that the poor, women,

³² See Hawthorne (2002) p. 2.

and people marginalised for a multiplicity of reasons have a great deal to offer with their perceptions and understanding of the world.³³

Hawthorne advocates for a global system that:

... depends on connection, on sustainability over a very long period of time, and one that recognises that each person, just like each plant or animal or micro-organism in an ecosystem, is an integral part of a web of relationships. I propose a system that has biodiversity at the centre; one in which epistemological multiversity recognises the specialness of everyone wherever they come from ...³⁴

As such, Spinifex Press has a long-term agenda for promoting social, economic and political change that values particular types of knowledges that are often marginalised – while simultaneously operating as an independent publisher in a commercial industry.

I think that feminists have changed the nature of public discourse; mostly it takes about a decade to change, so that is a difficulty for us, because we publish a book and then a decade later somebody else publishes a book that covers some of the same ground, we think probably not as well, and then they hit the curve for getting the credit for it and the sales. So what to do? We can't really say 'Hey, we already said that'. It is very frustrating. On the other hand, it says that what we are doing is right. We have changed the debate and we have contributed to some important social changes to come about, even if few people realise.

Hawthorne discussed three areas in which Spinifex Press has made important contributions to debates over time: books about Indigenous Australia, prostitution and pornography, and ecology.

EXAMPLES OF BOOKS CONTRIBUTING TO CHANGE: INDIGENOUS AUSTRALIA



Titles about Indigenous Australia include (from left to right): Trauma Trails: Recreating Song Lines by Judy Atkinson; Kick the Tin by Doris Kartinyeri; The Seven Sisters of the Pleiades by Munya Andrews; and Ngarrindjeri Wurruwarrin: A World That Is, Was, And Will Be by Diane Bell.

Trauma Trails, Recreating Song Lines was written by Judy Atkinson about trans-generational trauma in Indigenous communities.

The publishing we have done in the Indigenous area has been important. When we published *Trauma Trails* the topic of intergenerational trauma was barely discussed. It was obviously talked about in Indigenous communities and by some feminists, but it was not known more broadly. Judy Atkinson was Professor of Indigenous Studies at Southern Cross University when we published her book in 2002. It was her PhD originally and when we publish PhDs we try to make them into books for the trade market. This book has been reprinted seven times.

³³ Hawthorne (2014) p. 24.

³⁴ Hawthorne (2002) p. 368.

It has gone onto university courses and we constantly sell copies overseas. Canada is a particularly good market but it is not the only market. It is one of those books that has moved centrally into public debate although there wasn't strong public interest initially. Several years after it was published in 2002, Judy Atkinson was interviewed on TV on several occasions during the federal government intervention in the Northern Territory in 2007-2008, so she was able to get her message out then.

Munya Andrews wrote a book about the stories of the Seven Sisters of the Pleiades, drawing on myths and legends from around the world. Doris Kartinyeri wrote her autobiography *Kick the Tin* which was part of the stories of the Stolen Generation. We contributed to debate around the Hindmarsh Islands issue through *Ngarrindjeri Wurruwarrin*, written by Diane Bell who had the support of the Ngarrindjeri people in South Australia. With many journalists being sued when they wrote about Hindmarsh Island, this was risky publishing. Not all of the writers have been Indigenous, but if they haven't been, then they have been feminists who worked over long periods of time in Indigenous communities, including Diane Bell and Zohl dé Ishtar.

EXAMPLES OF BOOKS CONTRIBUTING TO CHANGE: PROSTITUTION AND PORNOGRAPHY

Spinifex Press has been a strong contributor to debates about prostitution and pornography, as well as to ecological debates. The publishers challenge neo-liberal regulatory 'harms' reduction approaches to prostitution. For example, *Not for Sale* is an international anthology that draws together research, personal stories, and theory to argue strongly against the sex industry.



Spinifex Press titles about prostitution and pornography include (from left to right) Not for Sale by Christine Stark and Rebecca Whisnant (eds.); Making Sex Work by Mary Lucille Sullivan; Big Porn Inc by Abigail Bray, Melinda Tankard Reist (eds.); and Pornland by Gail Dines.

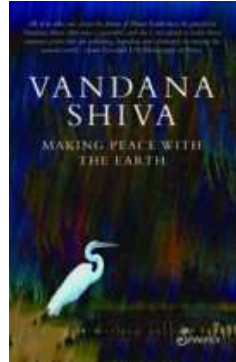
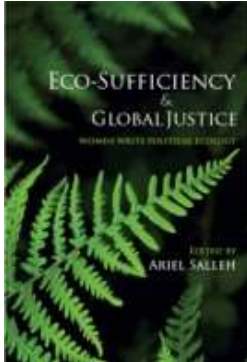
Hawthorne is proud of the long-term contributions these titles have made to these debates.

Not for Sale, which we published in 2004, has two American co-editors. It keeps selling through university courses. Then there are authors who are fantastic promoters of their books, like Melinda Tankard Reist who has done extremely well with *Getting Real*, *Big Porn Inc*, and *Defiant Birth*, because she speaks to big audiences very frequently and sells a lot of books. But these sales don't show up on the Nielsen Bookscan figures because the sales occur at events rather than through traditional book retail outlets.

One of the big issues at the moment is prostitution and the fact that it should not be legalised because by legalising it one is just increasing the size of the industry. There has been a big battle over the last two years or so, about Amnesty International wanting to decriminalise prostitution and legalise it, instead of following the Swedish, Norwegian and Icelandic model in which the sex buyers are criminalised, but not the prostituted. Korea and Scotland have adopted the model and Ireland is close. In various Australian states there is interest in this

model. A world without prostitution is possible. Our 2016 book *Prostitution Narratives: Stories of Survival in the Sex Trade* will show the way.

Hawthorne is also proud of the Press's contribution to debates about ecology, through publishing the work of authors including Margaret Somerville, Susan Hawthorne, Ariel Salleh, Merlinda Bobis, Vandana Shiva, and Maria Mies. 'A number of these titles deal specifically with climate change, well ahead of the current debate.'



Ecological books include (from left to right) Eco-Sufficiency & Global Justice edited by Ariel Salleh; Making Peace with the Earth by Vandana Shiva; Coral Battleground by Judith Wright; and The Subsistence Perspective by Veronika Bennholdt-Thomsen and Maria Mies.

PROMOTION

Hawthorne promotes Spinifex Press titles as part of their participation in feminist debates.

Our Facebook page is very active. We have become a feminist news service as well as letting people know about our books. That is an important mix – people buy our books because they are interested in the subjects, they don't buy a book because it has hit number one. At the moment there is a lot of discussion about violence against women. We have been publishing in this field for many years and we are able to bring our backlist into that discussion as well as some recent books. Sometimes a topic comes up and we have to remind ourselves that actually we have published in that field many years ago ... and so now there is another way of talking about our backlist. That is how we use Facebook.

We don't use Twitter as often. I would like to know more about how to maximise it but I don't like Twitter much. On Facebook you find out interesting things from other people and there is a bit of content, whereas for me Twitter is almost content-less. That makes it harder for me to get enthusiastic about it.

THE ECONOMICS OF PUBLISHING 'SLOW BURN' TITLES

Hawthorne is deeply concerned that 'books which take off slowly but have long lives, the books that change social norms, are less likely to be published'.³⁵ Therefore, independent publishers play a vital role because they 'publish the risky, the innovative, the marginal and the imaginative voices'.³⁶ However, a key challenge is that 'organic publishing takes time' although she believes that this ultimately produces better books.³⁷

³⁵ Hawthorne (2014) p. xi.

³⁶ Ibid p. 46.

³⁷ Ibid p. 67.

In addition to the other titles in this case study, Hawthorne gave an example of a book published by Spinifex Press which made an unexpected impact over time.



Poems from the Madhouse by Sandy Jeffs, achieved sales of over 6000 and played into Australia's cultural life in unexpected ways. Hawthorne believes that many books take years to make a cumulative impact, which can be challenging for a publisher's business model.

In 1993 we published Sandy Jeffs' *Poems from the Madhouse*, which was a collection of poems about schizophrenia. It was one of two poetry collections published in one book, so there were two authors – each end of the book had a series of poems. We then republished Sandy's part of the collection because she became involved with SANE Australia and presented at a lot of conferences with doctors and other clinicians. Then, Catalyst (an ABC TV program about science) ran a whole program devoted to her. Andrew Denton interviewed her on his program about mental health. She has also had an opera called 'Mad' written about the poems, which had a work in progress version performed at Brisbane Festival. That book has sold 6000 copies. We have reprinted it on a number of occasions. That was an incredible surprise because it was way outside our expectations.

Hawthorne is aware that the economics of publishing titles which take years to make a cumulative impact are challenging.

I think it is possible for these titles to be self-funding, but the social curve is much slower. I think that there will come a time when radical feminism is a hot topic again. It has become already so to some extent – although the 'liberal' version is what the mainstream likes to hear about. We want to be around to ride the next wave of groundbreaking social change. That is my optimistic outlook on it.

Spinifex Press has been the recipient of grants from the Australia Council for the Arts and other funding bodies. 'We are very grateful for every grant and use every dollar assiduously.'

Spinifex Press continues to publish books about controversial topics.

We have remained at the cutting edge. In November 2015, for example, we published a book on adoption called *Adoption Deception. A personal and professional journey*. The author, Penny Mackieson, had a 'good' adoption but she also worked as a social worker and in intercountry adoption and became more and more critical of the whole industry which is geared toward the parents – not the children. She now advocates Permanent Care Orders in which the child retains her name, connections to the birth mother and identity.

BIBLIODIVERSITY

In 2014 Spinifex Press published a book by Hawthorne called *Bibliodiversity: A Manifesto for Independent Publishing*. In it, Hawthorne argues that, 'A publishing industry that is sustainable is one in which books have more than three months' shelf life.'



Bibliodiversity by Susan Hawthorne, argues that independent publishers play a crucial role in bringing to publication 'books that take off slowly but have long lives'. Agreements are in place for the book to be translated into a number of languages including Arabic (right).

Hawthorne emphasises the broader 'ecology of publishing', arguing that bibliodiversity is based on the idea of biodiversity.

While megapublishing will entail more and more mergers, increased digitisation, convergence of book retailers and book publishers, and massive multilingual homogenised publishing, at the other end will be the small-scale publishers: independents and self-publishers (p. 65).

Hawthorne's manifesto has resonated with independent publishers internationally. Canadian, Arabic and French editions have been published in 2015, with Spanish and Portuguese translations due for release in 2016. In summary, co-editions will be published in Canada, Africa, the Middle East, Europe and South America. Hawthorne has used the book's release to suggest ways of promoting the viability of independent publishers, for example, initiatives to have a table with books of Australian independent publishers at the front of bookstores rather than stocked out of sight at the back.

THE FUTURE FOR INDEPENDENT PUBLISHING

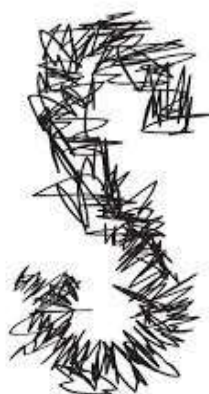
Hawthorne is optimistic.

I think independent publishing is thriving in a lot of countries. In India there are fabulous feminist publishers, for example. I have come to meet a lot of independent publishers working in Middle Eastern countries, in Latin America and in Africa. They are doing fantastic work. Our odds are tiny by comparison to theirs. We are struggling against different things, but when you discover that in Iraq in order to publish a book it has to go through two series of censors and you never really know if the book is ever going to happen, that is really tough.

In *Bibliodiversity* she concludes:

I have no doubt that independent publishing will continue even in the face of global corporatisation and megapublishing. Like the fungi that grow in a circle around the roots of old tree- rising, falling, regenerating, creating necessary micro-organisms which sustain the soil – small and independent publishers will go on publishing risky, innovative and long-lasting books out of passion for literature. Books from now for the future (p. 75).

SEIZURE



Type of publisher:	Small, independent press
Established:	2010
Based in:	Sydney
Lists:	Literary fiction and nonfiction, experimental writing and poetry: six editions of a print journal with a different theme for each issue, several books, articles on the Seizure website
Innovations:	<p>Founded by 'a small band of frustrated creatives', exploring short-run print and online literary publishing. A 'place for play' for professionals in the industry.</p> <p>A novella competition with the prize of editing and publication for the winning entry. (The novella is seen overall as a non-commercial form in publishing.)</p> <p>A competition for editors, with the winning editors paid \$1,000 to edit a novella manuscript of their choice under professional oversight through to publication.</p> <p>Live events programs from launches to events in collaboration with the City of Sydney Libraries and Musica Viva.</p> <p>Development of a YouTube channel with content relating to literary experimentation.</p> <p>Crowd-funding over \$5,000 to set up the Seizure website.</p> <p>An emphasis on providing training and development opportunities for new entrants to the book industry, especially for editors.</p>
Other differentiation:	Staffed by volunteers who work in professional roles in the book industry in their day jobs, and graduate students looking to get into the industry.
Distribution:	<p>Via NewSouth Books – into bookstores around the country.</p> <p>Ebook formats on Amazon, Apple, Kobo, Google etc</p> <p>Website hosted by Media Temple</p>
Team:	<p>Alice Grundy, Editor-in-Chief</p> <p>David Henley, Art Director + Producer</p> <p>Portia Lindsay, General Manager + Online Editor</p>

Emily Stewart, Commissioning Editor
Justin Wolfers, AltTxt Curator
Fiona Wright, Poetry Editor
Thomas Wilson, Emily Meller, Lily Mae Martin Flashers Editors
Lucy Faerber, Round Up
Matthew Venables, Creative Director and Photographer

Website: <http://seizureonline.com/>

Alice Grundy was interviewed for this case study on 4 March 2015.

BACKGROUND

Alice Grundy has worked as assistant to the CEO of Allen & Unwin, as an editor at Murdoch Books, and is currently the Managing Editor of Giramondo Publishing.

Seizure started as a 'place for play' for 'frustrated creatives' who were working in the book industry.

We had a lot of ideas that we wanted to try out that weren't possible in the trade publishing environment (because they were seen as less commercial). Also, the way that publishing works is that you have to earn your stripes before you do the interesting literary stuff because there are so many people who want to do it so you have to be around for a long time before you even get a look in.

Grundy had attended Penguin Plays Rough (<http://penguinplaysrough.com/> 'new, imaginatively wild short stories') and Story Club and was inspired by performance nights when people told stories, 'often true, sometimes fiction'. She saw a 'goldmine of content that wasn't being mined' through being recorded or published.

Grundy and David Henley were cofounders of Seizure. David Henley's company, Xoum, (<http://www.xoum.com.au/>) funded initial print runs of the Seizure magazine 'as an R&D cost' to support experimentation.

SEIZURE MAGAZINE

Six issues were produced over two years. Each issue was themed differently with a view to attracting different readers. The first issue was called 'Food'.



Seizure's first issue came out in disguise and found its way into the cookbook section where it then leapt at readers and surprised and amused all who were lured by its beautiful exterior. Then readers were shocked and confused by the strange and succulent morsels about dinner-party prep going wrong, a morbid parody of the Sydney fine-dining scene and deep and meaningful ruminations on ramen. Food set the tone for Seizure's future, a place where writing with humour could find its home and pieces that would make you look and think twice.

(from the website:
<http://seizureonline.com/magazines/>

The launch was catered by Christopher Thé (who is behind BlackStar Pastry in Newtown and a former dessert chef at Claude's and Quay).

At each of our launch events we wanted to do more than a book launch with readings. We wanted it to be an experience, something people can talk about on social media, something people can blog about, something that has an impact and that people can remember rather than just blending in with all of the other launches that happen.

Christopher Thé (who is a friend) did the catering. We had something called a miracle berry. It sounds illegal but it's not. It changes the way that your taste buds detect sweetness – hit completely cuts out sour and bitter and cuts down on spice. All of the food was designed for people who had taken one of these miracle berries during the evening.

'Food', was sold through bookstores and the Seizure website for \$14.95. The following magazine themes were Sci-Fi, Style, Music, Crime and Sport.

All contributions to the first four issues were voluntary. The Australia Council for the Arts provided funding for writer contributions through a program for literature journals for the fifth and sixth issues.

Seizure found it difficult to persuade bookstores to stock the magazine and it was in the context of some bookstores closing down during that time. The executives decided to shift strategy and take the content online, 'where the audience is' and there were no gate-keepers to sharing their content.

CROWD-FUNDING

Seizure set up a crowd-funding campaign to raise \$5,000 to build a website and within one-two months after opening the appeal they had met their target.

We developed a campaign program that would help us get interest. We had rewards for different levels of support, including book packs from publishers that they had donated and cakes from BlackStar.

David Henley, a professional designer, did the design work on a voluntary basis and the \$5,000 was used to pay for coding.

The new website was launched in January 2014.

SEIZURE WEBSITE ([HTTP://SEIZUREONLINE.COM/](http://seizureonline.com/))

The idea behind the website was to have different columns with different kinds of content, almost like a newspaper and that showcased the writers and editors of each different project.

Seizure is experimenting with a paywall model. They have found that people are willing to pay for professional development content for writers and editors but are less willing to pay for online fiction, although they will read the content when it's free.

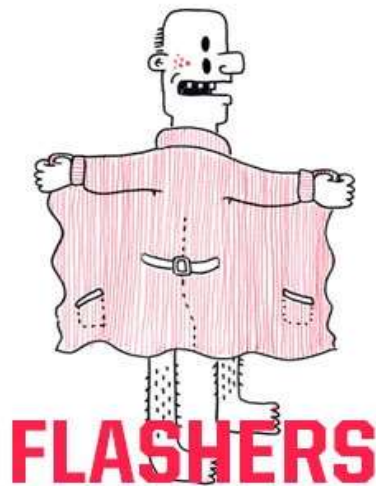
They also found a reluctance by people to buy online subscriptions to the website at writers festivals and zine fairs, 'you are selling air', so when they took up a stand at National Young Writers' Festival in 2014 they prepared lolly bags in colours toned with the Seizure colours and a business card attached (the cost was approximately \$2 per bag) and found that people were much more willing to buy an online subscription if they got something tangible with it.

TRAINING AND DEVELOPMENT OPPORTUNITIES

We recognise that in publishing there aren't a lot of professional development programs for staff and it's really hard to have your career progress. Profit margins in publishing companies are generally quite slim. The other aspect is there is a philosophy in trade publishers that they generally don't promote from within. They say, go get a job somewhere else and learn what you can from within their business. If you really like our company you will come back once you have all that insight and those new business practices and ideas and you have developed and then we will give you a promotion that way. People seem to move around a lot, professional development is not high on the agenda. Some publishers are better than others but that is a generalisation.

Seizure was constantly approached by publishing graduates seeking experience to help them gain experience in order to enter the industry. They offered voluntary positions editing flash (short) fiction.

The reason why flash fiction is ideal is because it is quite short, it is much more manageable. I could oversee it and give the editors feedback on their edits before they went to the author to make sure everything is being done properly and to give them the training in what are and aren't appropriate things to say, how to phrase that and how to give feedback to authors.



'Short fiction
nuggets to go with
your coffee'

READERSHIPS

The website gets 2,500-3,000 unique visitors each month (as of June 2014). Subscriber numbers are modest, in the hundreds. (By way of comparison, *Meanjin* subscriber numbers are under 1500.)

Seizure's largest readership is NSW-based, 'which we hadn't anticipated', although they have readers from other parts of the world. It's generally a young readership aged 16-35 but with older readers as well, for example, one reader/contributor is living in a nursing home.

Grundy is pleased that the readership extends beyond the 'inner Sydney literary community. I think it's more interesting if it is more diverse. One of the things that we've butted up against is that it feels as though there are more writers than readers at the moment. And it feels as though we need to shift that a little bit.'

BOOK PUBLISHING – VIVA LA NOVELLA COMPETITIONS



Grundy and Henley love novellas but this form is seen as non-commercial within the industry, ‘not very good value propositions’.

We had also heard anecdotally that a lot of successful writers had novellas that aren’t being published because their trade publishers weren’t prepared to invest in it.

In 2012 Seizure announced a novella competition, with a first prize of \$1,000 and publication by Seizure. They received over 100 entries including from established names in the Australian literary scene. The winner, Jane Jervis-Read’s *Midnight Blue and Endlessly Tall*, was announced at the Emerging Writers Festival in 2013. Cate Kennedy launched the book in Melbourne and it received two reviews in print press and on some blogs. Sales have been modest but encouraging and by using print-on-demand costs have been kept manageable.

Next, the focus of the competition was shifted to reflect Seizure’s interest in developing editors. A successful application to Copyright Agency Limited funded a program called Stepping Stones. Four editors were selected through a competitive process. They were awarded \$1,000 each to fund their editorial work on a novella of their choice which they selected in the novella competition.

They would read the submissions, they would choose the book that they wanted to release, they would work on the editorial, they would help with the cover brief and then the marketing and publicity side of things at the other end.

We were genuinely amazed by the applications that we received. We had applications from people who had worked in publishing for 20 years and never had a chance to work on a fiction book.

Seizure received about 60 applications and in Grundy’s view, any one of the top 15 applicants would have been suitable.

We generally went with people who were earlier in their careers because we saw the projects as a way that people could get a step up in the industry rather than fulfil a long held desire to work on a certain kind of book, but there is definitely room for a competition that did that kind of thing.

Seizure also asked Rod Morrison, one of the directors Xoum, to assist with oversight of the editors and their editing process. Morrison has worked at HarperCollins and Picador as commercial and literary publisher.



The covers were designed by Dr Zoe Sadokierski, who lectures in the School of Design at UTS, where she oversees 'a research studio investigating the evolution of books in the digital age'.

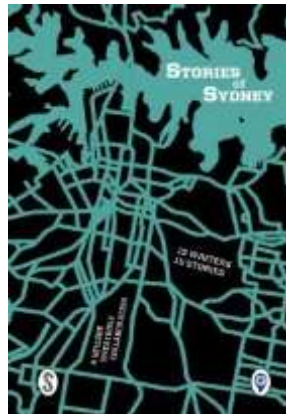
Sadokierski agreed to design the covers on the basis that she was given creative freedom. She spoke about the design process at the 2014 Small Press Network Conference in Sydney.

<http://www.zoesadokierski.com/Viva-La-Novella-Book-Design>

In 2015 the competition will be funded by a private donor, Pamela Hewitt, who has over 20 years' experience of editing. There will be three editors instead of four and the winners will be announced at the Melbourne Writers Festival. This year there were about 130 novellas submitted. (As a point of comparison, Allen & Unwin usually receive around 200 submissions for the Vogel Prize.)

STORIES OF SYDNEY – A SEIZURE/SWEATSHOP COLLABORATION

Sweatshop is 'a movement devoted to empowering Western Sydney communities through literacy and critical thinking'. (<http://sweatshop.ws/movement/>)



Grundy knew two western Sydney writers involved with Sweatshop, Luke Carman and Michael Mohammed Ahmed, because they are published by Giramondo Publishing. The proportion of writers in *Stories of Sydney* includes ten writers from Western Sydney and five writers from inner Sydney to more accurately reflect the distribution of the city.

With this collection Seizure has begun to fill one of its founding goals, that of reaching and connecting to a broader community that more accurately represents our country.

Stories of Sydney was published in 2014 and 'the response has been lovely. We've had a lot of people proudly saying, 'I'm from the western suburbs,' when in the past it's been seen as a bit of a shameful thing. Extra money was spent on production, for example, there is embossing on the cover, an example of attention to detail and an indication of respect for the project. This project has almost entirely sold out its initial print run of 1000 copies.

EVENTS

In 2014 Seizure started a regular events program in collaboration with the late night libraries program run by the City of Sydney. Six events were held at the Haymarket library, including an AltTxt evening with experimental writing, a collage poetry evening, a rant evening ‘where our favourite writers stood up and let fly’ and others.

Between 40 and 50 people attended each evening.

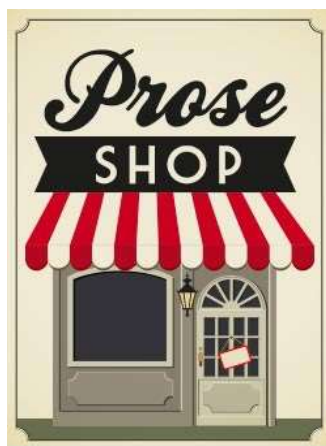
My favourite thing about that was we had such a diverse range of people. Haymarket library has a strong focus on Mandarin speakers; we had lots of people for whom English is a second language, we had students from UTS, we had library regulars, our age range was from about 18 to 85. It was great to see all those people together in one space and being friendly because it is a relaxed atmosphere people were talking to each other who wouldn’t normally talk to each other.



The next events program was at Customs House in collaboration with Musica Viva.

Our first event is called Crossmedia Jam. There will be a video artist, a musician and a writer-performer who will almost work in a circuit. There will be three segments to the evening with each artist starting a piece of work that is supposed to kick off the others to respond. It is the first time we have run it so we don’t know how it’s going to go but it should be good.

DIVERSIFICATION – OFFERING SERVICES



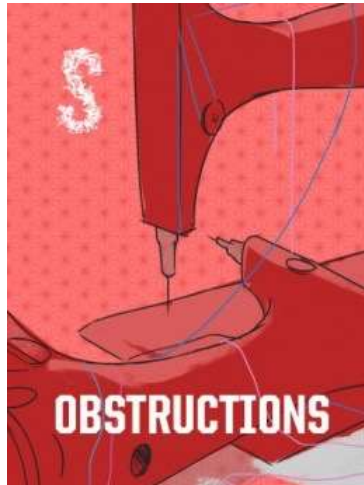
To explore another possible income streams, Seizure ran a writing course in the first half of 2014. Classes were held once a month for six months and writers submitted 1000 words before each class. Grundy and Henley gave feedback on the drafts. The class was very successful but Grundy thinks they underpriced the service and ‘should have charged double’ given the amount of work involved.

YOUTUBE CHANNEL

Seizure is developing a YouTube channel. It is currently in preproduction for a series of segments.

If we want to reach the audience we have to go where they are, which was part of the idea behind the online publishing strategy. This is another experiment with the potential to be sustainable. If we can garner a sufficiently large number of subscribers to the channel and the advertising revenue comes automatically.

David Henley and Matthew Venables have experience in making and editing videos for corporate clients and musicians.



Some of the early content to be produced for the channel will be videos to accompany the 'Obstructions' project, inspired by a Lars von Trier film called 'The Five Obstructions'. Von Trier gave his favourite filmmaker and mentor, Jørgen Leth, the challenge to remake a particular film with five obstructions, e.g. the first obstruction was to remake the film in Cuba with no shot lasting longer than 12 seconds, and to answer the final question posed by the film.

The Obstructions are projects tailored to fit a specific writer. We look over a young writer's back catalogue of work, pinpoint areas for development and then set creative challenges designed to help them overcome their difficulties.

Obstructions was previously carried out by Seizure with Sam Twyford-Moore, who didn't get all the way through the five iterations due to work demands of becoming the director of the Emerging Writers Festival. The next writer to undergo the Obstructions is Rebecca Slater, who won the Monash University undergraduate creative writing prize, has worked with Seizure as a Flashers editor and had her work published by Seizure.

Other planned programs include a 'one syllable review' of a book.

We will get maybe 60 people to each give a one syllable review that will come together. I think we will be able to make it quite musical.

Another plan is for blind date dinners with authors.

There will be a host who will have the same set of questions every time and they don't know in advance who the author will be. [If the host hasn't read the author's work] that will be a problem. And it could potentially antagonise the writers but it might make for good TV. They won't be book reviews in the traditional sense but there will be discussions related to books.

FUTURE OF THE BOOK INDUSTRY

Grundy is optimistic about the future of the industry.

Publishing companies still make a profit. They might complain that margins are down and about not making budget but it's just a smaller profit than they would like. It's actually an industry that is still performing quite well compared other industries.

I think that book publishing can continue on quite a stable trajectory. It's just that there are some parts of the business that have had to shift.

There are so many people doing publishing postgrad degrees. The more competitive it is, the better the quality of employee generally. So if all of these smart, talented, hard-working people are getting into the industry, and are working hard to do so, then I think that speaks well for the future.

LONG TERM GOALS

Grundy hopes that Seizure will become self-sustaining in time, 'when we've developed all of these strategies and when we are able to implement them', however she sees a role for ongoing experimentation by Seizure.

One of the things we want to do is to figure out how publishing can survive and not just support biographies and other popular genres, but how literary communities can survive. We want to have the audience that is open to different kinds of writing and to introduce writers to them and that way we can build the culture. We say to people, 'We want to be a kind of Triple J for writers.'

In terms of being a training ground, every one of our team members who came on as a graduate now has a job in publishing or in a related field.

I think we have done good work in raising the profile of editors. There is more to do but more recognition is needed that it is quite a creative job, that it's challenging, that the pay is bad but that there are other rewards that are not connected to finance.

Grundy would like to see start up capital for experimental projects in the book industry made available to encourage innovation and experimentation.

I would like people in the book industry to be a bit more experimental because it is an industry that people go into because they love it. I think they become ground down by the work and the pay and the conditions. There is so much untapped potential. It is all there, and I don't think it is being exploited as it should be.

Postscript: At the end of 2015 Seizure was one of a number of literary journals de-funded by the Australia Council (the list includes *The Lifted Brow*, *Kill Your Darlings* and *Mascara*). Other organisations similarly hit by major cuts to Australia Council funding – prompted first by Senator Brandis' National Program for Excellence in the Arts which has been replaced by Senator Fifield's Catalyst – include youth theatre organisations, festivals and visual artists. This major shift in the funding landscape has prompted a significant reworking of Seizure's strategy, and we will be developing a new plan for 2016. That said, although this change in circumstance will hinder some of our plans, we will forge forward building on the work we have done over the past five years.

PITT STREET POETRY

PITT STREET POETRY



Type of publisher:	Independent poetry press
Established:	2012
Based in:	Sydney
Lists:	Australian poetry – 21 books
Authors:	Emerging and eminent Australian poets
Innovation/s:	A successful new poetry press in a period when mid-sized and large publishers have ceased publishing most forms of poetry
Other differentiation:	Publisher of <i>Drag Down to Unlock or Place an Emergency Call</i> by Melinda Smith, winner of the 2014 Prime Minister's Literary Award for Poetry A commitment to support and publish selected poets throughout their career.
Distribution:	Pitt Street Poetry via their website, specialist bookstores in Australia and in poetry bookstores in key international cosmopolitan cities
Executives:	John and Linsay Knight
Website:	http://pittstreetpoetry.com/

John and Linsay Knight were interviewed for this case study on 15 May 2015.

BACKGROUND

Poetry publishing in Australia has changed. Previously, larger publishers had poetry lists, for example Les Murray was a poetry editor at Angus & Robertson. As these publishers were acquired they ceased their poetry lists and smaller poetry publishers took their place, however some of these smaller publishers have also reduced the size of their poetry lists. Linsay Knight: 'If you look at the spread of smaller publishers over the last 10 years, a lot of them have come and gone because it is so financially precarious.'

Pitt Street Poetry was formed by John and Linsay Knight, who are a husband and wife team. John Knight is a medical specialist who has also completed degrees in literature at the University of Sydney and Macquarie University, as well as a Master of Business Administration. Linsay Knight has over thirty years of experience in children's book publishing, primarily with Random House, bringing to their new venture an extensive network in publishing, an understanding of how the industry works, experience in author care, and dealing with buyers in bookshops.

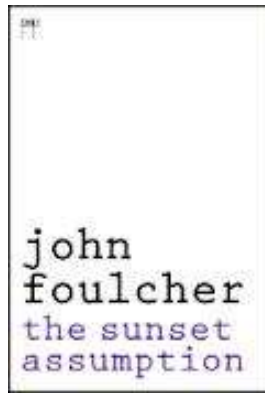
Linsay Knight (LK): I like the idea culturally of a smaller publishing house where you can nurture people. You can take them on and be as holistic as you can be in a relationship like that. It is not always possible in a big publishing company. We can also be very lean and mean, we can make instant decisions about what we are going to do. We don't have to go through a committee which is what these big organisations are faced with. It is not their fault, it is just the way a big organisation has to work. It also means that we can change and morph as we see fit.

The Knights are close friends with John Foulcher, a highly regarded Australian poet and editor whose work has been widely anthologised and studied as part of high school curricula. Foulcher was awarded an Australia Council Residency at the Keesing Studio in Paris in 2010-11, during which he composed a volume of poetry called *The Sunset Assumption*. John Knight: 'It is about an Australian's experience in Paris, but also about the revolution and about the churches of Paris. It is a lovely book.' Foulcher's former publisher, Brandl & Schlesinger, had ceased publishing poetry. Foulcher's last four books had been published by four different publishers, 'which is very common in the poetry world'.

John Knight was attending a medical conference in Canberra, which is where Foulcher lives,

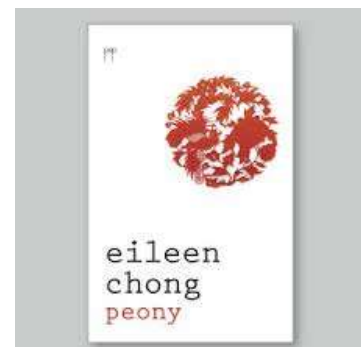
John Knight (JK): We got together in the Hotel Canberra and had a beer or two. He was saying, 'I don't know who I should approach with this book.' I said, 'Linsay has just retired from Random House and she knows about publishing. We are looking for projects to do together, why don't I talk to her and see if we can publish it.' I thought he might dismiss the idea, but he absolutely leapt at it, so I had a chat to Linsay.

The Knights were looking for a new project to do together which drew on their complementary skills. They published the book in three formats; a hardback, paperback and ebook.



The Sunset Assumption by John Foulcher (right) was published simultaneously in limited edition hardback, paperback and ebook formats (covers shown left and centre).

JK: It just so happened that Jean Kent had occupied the Keesing studio in Paris immediately prior to John. She produced a book and was also having difficulty finding a publisher, so we ended up doing the two as a pigeon pair, matching hardbacks. From then on we were poetry publishers. People approached us and opportunities arose.



Eileen Chong, whose work was shortlisted for the Prime Minister's Literary Award for Poetry, approached the Knights to publish her work.

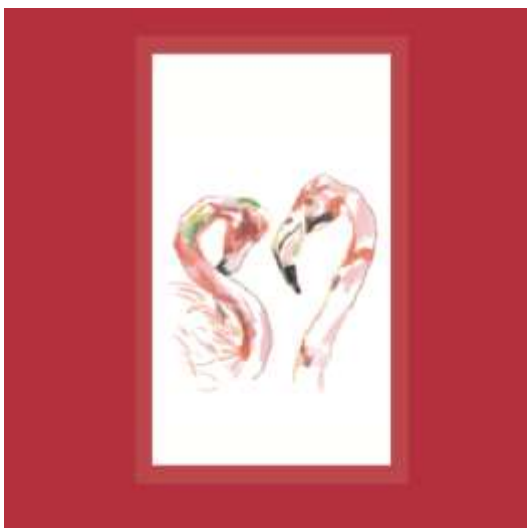
The Knights were approached by Eileen Chong, a poet who had been shortlisted for the Prime Minister's Literary Award for *Burning Rice*. The work had been published by Australian Poetry (a professional association for poets) in small format, and their philosophy was to do one print run and not to publish reprints. It was now out of print and Chong asked the Knights to produce a second edition quickly because of anticipated interest arising from the shortlisting. *Burning Rice* is still selling well for Pitt Street Poetry. John Knight: 'In poetry terms there is strong demand for it.'

Several more of Australia's leading poets approached the Knights to publish their work, including Mark Tredinnick, Peter Goldsworthy, and Chris Wallace-Crabbe. John Knight: 'We went from a gleam in my eye in a bar in Canberra to having our own place in the Australian literary scene within about an 18-month period.'

BUSINESS MODEL

JK: It is a labour of love. We didn't decide to do it to make money, we wanted something Linsay and I could do together that used our skills that we could do into our 70s and 80s if we stayed well. I was keen to set it up so that it at least broke even and wasn't a big drain on our finances. Analysed narrowly, it does break even and the books pay for the publishing and the distribution costs. If we choose to travel to literary festivals or to London to launch a book, obviously the books can't pay for that, but we would be probably travelling and going to literary festivals anyway for pleasure, so we account for that separately. But in the strict sense of the books paying for the publication and distribution costs and the royalties to the poets, it breaks even. It doesn't yet make a profit, but it might do that.

Pitt Street Poetry pays a small cash advance to poets or offers an alternative of providing additional copies of their book, which many poets prefer. A poetry book is usually 60-70 pages, perhaps up to 80 pages. The first print run is usually 300 copies. Of these, about 50 are allocated as complimentary copies: 10 go to the author as part of their contract, and then another 40 reserved as review copies. If the publishers sell 250 copies they cover the printing costs 'because we use digital printing'. Linsay Knight noted that 'the name of our company is Entirely Beautiful Books' and they are committed to producing books that are beautiful aesthetic objects. 'It is always a balancing act between the price you are charging, the amount it is costing and how many you are going to sell.'



The covers of Travelling with the Wrong Phrasebooks by Jean Kent (left) and Cranes Falling in Unison by Jesse John Brand (right)

The size of reprint runs is 100 copies, and nearly all of their titles have been reprinted at least once. Linsay Knight: 'Probably on average we've probably sold about 500 copies of most of our books.' John Knight: 'It is not like trade publishing where six months later the book has essentially vanished. So the economic story is still to be played out in terms of the long tail of sales.'

Pitt Street Poetry has also received two grants from the Australia Council for the Arts.

Initially, the press was based in an office in Pitt Street, where John Knight had a medical consulting practice. After he moved into medical research and closed the office, the press was relocated to their home. In both instances the press effectively operated rent free. The downside is that the press has had several approaches from people enquiring about internships and they haven't been able to accommodate them, nor to consider taking on a part-time employee.

International sales comprise less than 5 percent of their business but the Knights are passionate about stocking their books in specialist bookstores in key cities internationally. These relationships have been developed by walking into the bookstores and establishing personal relationships with the manager, often while travelling internationally for other reasons.

JK: Even though it is cost neutral or probably runs at a bit of a loss, we try to make sure – with varying degrees of success – that our books are available in New York, London, Paris, Beijing and in Singapore. Perhaps we will add in Tokyo. There are only one or two bookshops in each city that are specialist poetry bookshops, even in London. People will be able to find our books and our poets as well as the local poets. That is a source of great satisfaction, the thought that someone could walk into a bookshop in Beijing tomorrow and buy a copy of Chris Wallace-Crabbe's latest book.

While the two hardback publications have been very successful, high quality paperbacks are their most successful format, with ebooks comprising a fraction of their sales.

JK: We learnt a lot because there was a limited edition collectable of signed and numbered, illustrated books and we learnt that price was no barrier. People didn't blink about paying \$50 for a book that they could have got for \$20 in paperback or for five dollars if it was an ebook. We are on the lookout for other opportunities, but it would have to be something special. The upfront costs are probably 10 times higher, so you have to be sure that you are going to get your money back.

The proportion of sales is roughly one third through the website, one third through bookstores and one third through launches.

EDITING, DESIGN AND PRODUCTION

John Knight is responsible for close editing work with the poets. He taught himself how to use InDesign software.

JK: I'll get the InDesign final files and I will go through the poems with the authors and query certain words and phrasing and also the physical layout of the poem on the page. If it is a two page poem, whether you have to turn over to read the second page or whether you have it in a double page spread and all the punctuation – a micro level of attention. One of the most enjoyable episodes for me was working on Chris Wallace-Crabbe's book. We had two three hour sessions on the phone with the book on our screens. He read every poem out loud and we discussed every punctuation mark in every poem. It was absolute micro editing, but it made the book much stronger and it was also very rewarding, enjoyable and interesting to get into the mind of the poet and learn about the way they think about their poetry. Sometimes I would suggest a change and he would say, 'That is much better,' and other times I would suggest a change and he would say, 'No, can't possibly do that, terrible.' It is very rewarding.

Next, a physical proof is produced (one copy of the finished book) and then Linsay Knight goes through that. 'She invariably picks up things that both I and the poet have missed.' Because the workload falls on the two Knights, they are strict about how many new projects they will take on.

A slightly unusual project is a new edition of *Creating Poetry* by Ron Pretty, who is an academic and a poet. 'It is a how to book for university students and probably the upper end of high school.' Given that it is a prose book of 250 pages, an external copy editor has been engaged. John Knight: 'It has been said that more people write poetry in Australia than read it. There are lots of poetry writing workshops in libraries and writers' centres and we hope that they will find this textbook useful.'

DISTRIBUTION

Pitt Street Poetry distributes their books to six to eight bookshops in Australia 'that are serious about poetry' and the books are available from their website. Many of their poets sell copies of their work at literary festivals. The cost of postage in Australia is 'absolutely crippling' and compares unfavourably with other western countries, where books are mailed at a discount known as the printed matter rate.

JK: This is why you can order a book from Amazon or from the Book Depository in the UK and you will see that it has cost them three or four pounds to post it to you in Australia, whereas if we post an identical book back to the UK, it is going to cost us 15 or \$20.

The publishers sometimes receive orders from the US, UK and Europe and the cost of postage is an issue given their tight breakeven model.

THE MARKET FOR BOOKS OF POETRY IN AUSTRALIA

The market for poetry in Australia is 'tiny'. 'It is often said, not just by us, but by our fellow publishers, that a bestseller of modern Australian poetry, a collection by a single poet, is about 300 copies.' Libraries don't buy much modern Australian poetry, and even major literary bookstores in Australia find that it doesn't sell compared to other genres. The Knights are aware of other poetry movements, including performance poetry and bush ballads, but they are not in a position to estimate the size of their following. Bush ballad festivals also feature live country music, 'I'm aware that is a flourishing subculture within Australian poetry. And the other one which is fantastically popular and growing, which we have been a little bit a part of, is the poetry slam movement.'



Pitt Street Poetry has agreed to publish the winner of the Word Travels Poetry Slam competition, which is run by Miles Merrill. The winner gets to read their work at the Sydney Writer's Festival, the Byron Bay Writer's Festival, the Bookworm International Literary Festival in China and the Ubud Writers and Readers Festival in Bali. While the quality of the poetry is variable, the best work is by poets who have gone on to become the younger generation's rising stars of poetry, including Nathan Curnow (who was shortlisted for the Peter Porter poetry prize), Zohab Zee Khan and Omar Musa. Printed poetry is called 'page poetry as opposed to spoken poetry' by poetry slam poets. The Knights wonder whether the popular interest in poetry slams can be a way of capturing a broader enthusiasm for written poetry.

Interestingly, the winner of the 2014 poetry slam, Zohab Khan, chose to self-publish his work.

LK: We had a number of meetings with him, he is an interesting guy. He looks at his whole life as a work in progress and he wants to be in charge of it. I can completely understand that and I think it was the right decision for him. I am sure he will be very successful.

Apart from that, larger publishers tend to publish anthologies of poetry with an emphasis on classic (out of copyright) poetry and attractive illustrations. (The rate set by the Australian Society of Authors for the use of a poem by a living Australian author is \$70, which is relatively modest, however when multiplied by 100 poems the costs become prohibitive given the small market for Australian poetry.) Part of the value of anthologies is that these are curated collections, even though many of the individual poems are available free on the Internet.

Children's poets who visit school classrooms to bring their work alive are another way of creating readerships for poetry. 'Steven Herrick is very vibrant, he is great. He has always written very accessible, very lively, in your face collections of poetry, particularly for boys.'

John Knight identified two practices that are damaging to the market for poetry in Australia.

JK: One is that teachers rarely require that school students buy a book of poetry. Rather, teachers will choose an individual poem from an anthology and make 30 photocopies. Even teachers of English, who you would think would understand that writers need to be paid for their work, don't see that as ripping off the poet. They see that as wonderful for the children to have access to the Australian poet. As a result, high schools rarely buy books of poetry for their libraries. University lecturers are more likely to prescribe an anthology rather than collections of a single poet set as university text, so apart from poets whose work is set for Year 12 English, there is little demand generated from the education sector.

The Knights also noted the Australian Poetry Library, a website of thousands of poems created by the University of Sydney. 'They have basically scanned the whole backlist of living poets and made them available free.' (The website states that 'Readers wishing to download and print poems may do so for a small fee, part of which is returned to the poets via the Copyright Agency.'³⁸) Some poetry publishers are unsure about the effect of this initiative on the backlist market. At the same time, the Knights acknowledge that the collected works of many of Australia's finest poets are out of print. They have been in discussion with the estate of one poet about reprinting their work but sometimes estates request a large upfront payment, which is unrealistic.

The Knights are planning an anthology of poems by John Foulcher, who has chosen ten poems from each of his ten books plus an additional poem. 'Black Inc. is publishing 100 poems by Les Murray, we thought we would go one better and do 101.' (The Foulcher book is contracted on a standard advance from PSP. The project is feasible because many of Foulcher's books are out of print and the rights have reverted back to him.)

PROMOTION

The choice of venue for a launch is very important.

JK: A bookshop will take 40 percent of the revenue from book sales and often charge you a venue fee as well. Often you will walk away at the end of the night having sold 50 books and only just broken even... or you might not have broken even. Whereas if you use a non-bookshop venue then you keep 100 percent of the cover price and if you sell 50 books at \$25 each then you've made some money, so there is a huge difference. In Melbourne there is the Wheeler Centre, but in Sydney there is nowhere. One of the pressing needs for launches in Sydney is a non-bookshop venue where you could do literary and poetry book launches that is available at a very low cost.

³⁸ <http://www.poetrylibrary.edu.au/about-us>

Although Pitt Street Poetry have held a number of launches in bookstores, they are also now looking to libraries, particularly if they are located conveniently to a shopping centre and carpark. Lindsay Knight noted that they often have more than one launch covering different locations, 'because it is one of the best places to sell perhaps 20, 30 or 40 copies'.

John Knight has built websites for a number of the Pitt Street poets. 'For the first two poets we built them a website in lieu of an advance, which was a bargain for them really.'

JK: To start with I was very ambitious. I thought it would be good to have a website for each poet and to film the launches with a static camera and put them on YouTube, and to put half a dozen sample poems up and have the author reading those poems, so you could click on a button and hear their voice when you visited the website. It is fun but it is time consuming and as the imprint has grown and as I have had some developments in my other (medical) career the time required to do that has not been available.

Jean Kent's husband has taken over running her website, which has been very successful. Now the Knights provide a page (or several pages) on the Pitt Street Poetry website for each poet, including reviews or excerpts from reviews, sample poems and readings and a selection of videos. The Knights are about to outsource the website maintenance due to a lack of time

Facebook is a popular form of communication about poetry in Australia. 'Most of Australia's leading poets are on Facebook and use it daily.'

JK: If you want to take a snapshot of this very vibrant Australian poetry subculture, which is not large in numbers, but the people who love it really love it, just friending the 200 or 300 people who post all the time about Australian poetry is a great way to make a map of what is happening in Australian poetry. All the events go up there, the readings, the launches and very often photos of the launches will go up accompanied by comments about the launches. I would say Facebook is the leading social media outlet for Australian poetry. People do tweet, English poets tweet a lot, but Australian poets only tweet a little bit.

The Knights try to maintain a Twitter stream for Pitt Street Poetry, but Twitter mainly used by members of the poetry community for tweeting at conferences and festivals. 'There will be a gang of tweeters tweeting the events at the Queensland Poetry Conference, for example.'

Pitt Street Poetry also has an email list with about 500 names, plus a list of reviewers who receive a copy of the book. The Knights highlighted the limited opportunities for poetry reviews as a key challenge. 'The daily newspapers no longer review poetry as a generalisation, except for the most famous poets. But a first poetry collection – Melinda Smith, who won the Prime Minister's Award – didn't get reviewed anywhere in print really.'

JK: We have published a first collection of rising stars in poetry. The ones I am thinking of are Melinda Smith and Jakob Ziguas, both of whom were later nominated for the Prime Minister's poetry prize. That means that the panel members, which included Les Murray, thought they were in the top five in the country. You would expect one good review somewhere for what in many cases might be five or six years of work concentrated into one book.



The covers of Drag Down to Unlock or Place an Emergency Call by Melinda Smith and Chains of Snow by Jakob Ziguras.

After Smith won Prime Minister’s Literary Award for poetry John Knight contacted the major newspapers again and was told it was too late. ‘What we are learning is that poetry runs below the radar in Australia.’ The editors of the book review sections have had their space substantially reduced over the past years, and are constantly making difficult decisions about coverage.’ The Knights also conjectured that academic journals are more likely to review poets associated with the university in which they are based, and ‘because we’re not a university press we feel that we miss out’.



Three online poetry journals that are particularly important for Australia’s poetry culture (from left to right): Australian Poetry Review, Cordite Poetry Review and Rochford Street Review.

Online poetry review sites are important. Australian Poetry Review is run by Martin Duwell, a poetry academic at University of Queensland. Duwell reviews one book in depth per month, often an essay of 2000 - 5000 words. ‘It is definitive, literary, academic and often profound – so that is 12 in a year.’ (PSP has had three of their books reviewed by Duwell. ‘In each case we were overjoyed that he had picked them.’) Cordite Poetry Review is run by Kent MacCarter in Melbourne. ‘It is marvellous. It tries to do at least a short review of just about everything and then longer reviews of selected works.’ Rochford Street Review is edited by Mark Roberts and Linda Adair, based in Chatswood, Sydney. ‘Those three sites are very important, without them there would really be no poetry reviewing in Australia of any substance other than bloggers writing that they read the book and they loved it.’ (The reviewers themselves are often tutored and mentored within literary studies and creative writing disciplines in universities.)

The Knights also observed that writers’ festivals are allocating less time to poetry and some festivals have no sessions about poetry, with notable exceptions such as the Newcastle Writer’s Festival and the Adelaide Writers Festival.

JK: It is just the way things are. Poetry, for whatever reason, is off the agenda of mainstream Australian cultural practice, but there is a thriving subculture.

LAUNCH OF PITT STREET POETRY COLLECTIONS IN LONDON



The cover of Etruscan Miniatures by Tim Cumming.

In May 2012 the Knights launched a new book by Tim Cumming in London. Cumming is an eminent English poet whose UK publisher, Salt, moved to publishing deceased poets only. The connection came about because John Knight came across a Twitter comment by Cumming, and initially they agreed to publish *Etruscan Miniatures*.

In 2014 Pitt Street Poetry launched Benedict Andrew's *Lens Flare* at the Young Vic where he was directing *A Streetcar Named Desire*. 'This was the first book launch the Young Vic had ever had.' A third UK book launch was in June 2015 at the London Review Bookshop near the British Museum. The book launched was Tim Cumming's new collection, *Rebel Angels in the Mind Shop*. Two other Pitt Street Poetry poets, Jakob Ziguris, who was visiting from Poland, and Benedict Andrews, who was directing a film in London, did readings alongside Cumming. The London Review Bookshop stocks Pitt Street Poetry titles as does the Saison Poetry Library on Southbank.

PRESERVING AUSTRALIA'S LITERARY TRADITION OF POETRY

The Knights are passionate about helping preserve Australia's literary tradition of poetry from the late 50s, early 60s, and particularly 'the huge flowering of Australian poetry in the 70s and 80s when Les Murray was at Angus & Robertson and there were single volumes of Australian poetry being published all the time. Most of those books are now only available in second hand bookshops or rare book dealers and some libraries.'

JK: There is a generation of excellent poets currently writing who, because of the changes in the book industry, don't have an outlet and will not be published. We can help a little to plug that gap by publishing four, five, six books a year. If we do that and half a dozen like-minded small press publishers can identify those poets, take them under their wing, publish not just one book and then move on, but nurture them through a career then it is a chance to celebrate and preserve an art form which has become, for whatever reason, deeply unfashionable and neglected, but which we care about.

LK: I am interested in the idea of curating because the Internet is a wilderness. It is powerful but you have to have people who know and care and put poetry in a form that makes sense and is saying something and might be controversial or make people think. We are trying to take people's work and put it in a form that we think people will love and respond to and because we do. Because we have both been so passionate about literature and we have gained so much from other people's writing, this is an opportunity for us to give back in a small way.

OVERLAND



Type of publisher:	Small, independent literary journal
Established:	1954
Based in:	Melbourne at Victoria University
Lists:	<i>Overland</i> quarterly printed journal, daily online magazine, special digital fiction and poetry editions
Innovations:	Initiatives that have contributed to growing subscriber rates Literary experimentation e.g. electronic poetry editions, spoken word editions Diversification of funding
Other differentiation:	Literary journal with a strong commitment to progressive politics Live events Prizes
Distribution:	By subscription, online and in selected independent bookstores
Team	
Editor:	Jacinda Woodhead
Publisher:	Alex Skutenko
Fiction Editor:	Jennifer Mills
Poetry Editor:	Peter Minter (Toby Fitch in 2016)
Deputy Editor:	Stephanie Convery
Associate Editor:	Bec Zajac (has since left)
Consulting Editor:	John Marnell
Contributing Editor (Fiction):	Clare Strahan
Website Producer:	Benjamin Laird
Graphic Designer:	Brent Stegeman

Jacinda Woodhead was interviewed on 7 April 2015.

BACKGROUND

Overland's website introduces the publication as follows:

Overland, the most radical of Australia's long-standing literary and cultural magazines, celebrated its 61st year in 2015. *Overland's* mission is to foster new, original and progressive work exploring the relationship between politics and culture, especially literature, and to bring that work to as many people as possible. *Overland* values:

- the wide dissemination of new, challenging and progressive ideas about politics and culture, showcasing Australia to the world and the world to Australia;
- participation in political and cultural debates and controversies, with an interventionist rather than passive orientation;
- aesthetic excellence, encouraging contributors to achieve their best;
- democratisation of politics and culture, providing room for diverse and marginal voices alongside the established and the authoritative;
- social justice, in the broadest sense of that term, applied to both the cultural and political spheres.

PUBLISHING PHILOSOPHY

Jacinda Woodhead, the Editor, estimated that *Overland* published 450 writers and artists in 2014. She described *Overland* as having a unique position among literary magazines in Australia.

We engage with politics and culture and literature in a way that other journals don't necessarily. When *Overland* was founded the editor saw the intersection between literature and politics as very important and now that that has extended to an emphasis on politics and culture in general. We're a journal of published polemics and we make intentional interventions in public debates. We're also interested in the dissemination of ideas so even though we have a commercial imperative with *Overland*, we also believe the access to these ideas is as important as the debate.

We support marginalised and emerging writers, by which we don't necessarily mean new and emerging writers. Right now there are a number of emerging writers who are in their 50s and 60s.

An example of a recent intervention by *Overland* is an essay published by Brendan Keogh, a PhD student at RMIT, called 'Hackers, gamers and cyborgs'³⁹.

This essay had thousands of readers and it caused great furore on the internet. Brendan examined the masculinist culture behind Gamergate and argued that it was time that they embraced feminism, basically. He then became the target of a number of Gamergate fanatics. Jason Wilson wrote a piece for us about something similar that was happening on Wikipedia and now I'm commissioning a piece about the Hugo Awards where there is the same kind of dynamic. So there's a theme about right-wing misogynistic world views creeping through these different cultural areas.

Another example of a big debate on the *Overland* website relates to comments initially made by Roxane Gay, a Haitian-American writer and feminist commentator in the USA who visited Australia.

Roxane Gay sent out a tweet asking are there any black people in Australia and it caused a huge controversy. She said, 'No, I didn't mean Indigenous people, I meant black people.' An author sent us a piece arguing that she thought it was a valid question because she is African-Australian and she was born here. There's always an assumption that she's a migrant, and people don't know the history of Africans in Australia. She feels erased from the Australian black experience because this is a term that's used for Indigenous Australians to the exclusion of other people. Then other readers were upset about this piece, particularly a number of Indigenous writers. I think it can be quite a confronting issue because it brings up all kinds of questions about identity.

³⁹ <https://overland.org.au/previous-issues/issue-218/feature-brendan-keogh/>

Following that a doctor sent us a piece that he'd written partly in response about how he is also African-Australian and why he thinks we do need to reserve this term for Indigenous Australians. It was a passionate and persuasive argument, well articulated and not at all personalised. That piece was widely read and widely shared. This is a debate about the many kind of experiences of a black Australian or somebody who's black in Australia and what that might mean. There are so many different perspectives and that's not something you would see happen at any other publication.

Overland also contributes to debates about the politics of the Australian book industry.

For the last year we've published articles about how to navigate the writing industry, and about the politics behind that industry and what that means to you as a writer. We've just published a piece about writers and envy and how it's quite normal but it is also something you have to harness.

Before that we were very involved in the Pay the Writers campaign. Bec Zajac and I were quite involved with that campaign last year. I interviewed a number of authors and we published quite a big essay in *Overland* and ran an industry forum at the Emerging Writers Festival on next steps.

BUSINESS MODEL

Overland's main sources of funding in addition to print subscriptions, sponsorships and fund-raising are the Australia Council for the Arts, Creative Victoria and, at times, the Copyright Agency.

We have almost 1900 subscribers for the print magazine, so that means it's very healthy. We've been growing, at a rate of between 6 percent and 10 percent a year for the last few years.

We haven't found a way to monetise the online site but I don't think other editors of online journals have yet either.

All the writers are paid, through funding from the Australia Council for the Arts and Creative Victoria. Writers who are published on the *Overland* website receive a lower fee than those who are published in the printed journal, although Woodhead would like to find ways to increase this. VU provides in-kind support through the provision of office space; the university also contributes to the editor's salary and sponsors the VU Short Story Prize.

Overland also has a lot of support from volunteers, such as the fiction readers. Woodhead reflected, 'I think that because *Overland* is seen as a political and cultural project, it means that people are willing to give, possibly because they are working on something bigger and more collective.'

ANNUAL SUBSCRIBER-THON

Overland runs an annual subscriber-thon, based on the model used by community radio station, Triple R.

We try to get everyone to come to the website for this one week and we basically flood their email boxes and their social media accounts with reminders that we rely on them for survival. That is now the number one source of our renewals and our new subscriptions.

ONLINE LITERARY MAGAZINE

Overland investigated developing an ebook version of their print journal, but they found it would be 'quite expensive' and there hasn't really been a demand for it. However, these investigations led to the

development of the online magazine, which publishes on the same kind of subjects as the print magazine as well as featuring events and prizes.

Overland was one of the first journals to move online, in 1999.

The people involved were quite adventurous. They were thinking about what this medium might mean for writing. Following that some poets became involved with *Overland*, running the website.

In 2009 I was made the online editor and I changed the approach. We advertised for a number of writers to become regular contributors by writing a fortnightly blog (unpaid). After a while we recognised that it was too much of a commitment so we recruited more writers so they could write less frequently. That lasted for a couple of years but these things go through cycles and they evolve into something else.

We moved to paid writers and now we have a daily online magazine which publishes commissioned and uncommissioned writers. We've started a pitch list. Once a week we put up a list of topics for pitches⁴⁰ and the quality of submissions has risen, because writers are getting to know the kinds of pieces we're interested in. It's not always that the pieces submitted are on those topics but people think more about the pieces that they're sending.

Recent special issues have included online fiction and poetry issues.

Some of the issues experiment with the digital form itself. We've had electronic poetry editions with videos, interactive poetry sites and audio recordings. I like people to see possibility for different kinds of publishing. I've also run spoken word editions with Soundcloud audio recordings and a couple of YouTube clips.

The online fiction issues have been a chance to support emerging writers and also to support emerging editors. I don't think we realised how many people wanted that kind of experience.

The website is optimised for mobile devices including iPads and iPhones. Woodhead has applied to a philanthropic organisation for funding to redesign the website to make it easier to read and for some redesign, such as making it easier to navigate between articles in an online edition (the application was unsuccessful, but she's reapplied for 2016). Also, older readers have provided feedback that some striking design features may get in the way of readability.

READERSHIPS

Many of *Overland's* readers are writers who are interested in progressive politics.

We started as a literary journal. Interest in literature and literary studies has been on the decline in the last couple of decades but creative writing has been on the increase. The last time we did a reader survey was in 2011 or 2012. Some 82 percent of our readers identified as writers and 90 percent identified as left-wing.

Woodhead described other types of readers as long-time subscribers, perhaps since early editions, current and former political activists, some academics 'and we have a lot of publishing industry workers' and writers.

In the past 12 months, the *Overland* website has an approximately 500,000 unique visitors.

The most-visited item was by the former editor, Jeff Sparrow, who wrote one of the first pieces about the 2014 siege at Martin Place in Sydney⁴¹. It had 45,000 visitors. Another popular article is by Morgan Godfery, a young New Zealand Maori writer. He wrote about Eleanor

⁴⁰ See: <https://overland.org.au/submit/pitch-to-overland/>

⁴¹ See: <https://overland.org.au/2014/12/on-martin-place/>

Catton (author of *The Luminaries* and winner of the Man Booker Prize)'s comments at the Jaipur Writers Festival⁴², which had created a huge storm in New Zealand. That had 10,000 readers.

WORKFLOW PLANNING AND MANAGEMENT

Woodhead and Alex Skutenko, Publisher, are employed four days per week. The Associate Editor is employed one day per week. At the time of the interview there was an intern working two days per week, since replaced by a permanent Deputy Editor, a two-day per week role. Woodhead notes that it was logistically difficult to run an internship program. *Overland* advertises 'emerging editor' positions for their online editions, and applicants have included working editors who are attracted by the creative scope of the position. Editors of each journal are paid a \$500 fee.

We open submissions specifically for that issue and the emerging editor reads those submissions and then chooses four stories. Then we give them some feedback on the stories and they liaise with the authors to bring the story to publication. They also write an editorial. It's a very similar model to what we do with the print magazine but for the online publication.

Each edition, we publish at least eight pages of poetry, and around three fiction pieces (or twenty pages). While all of the nonfiction selection, editing and copyediting is done in-house, *Overland* has external fiction and poetry editors – satellite offices, if you will, in the Blue Mountains, where current poetry editor Peter Minter is based, and country South Australia, where fiction editor Jennifer Mills lives (though she is temporarily based in Beijing). These editors are responsible for commissioning works for the print magazine, and for reading through the many fiction and poetry submissions *Overland* receives each year. Jennifer Mills has an established team of readers – around 30, located across Australia. They help her to assess the hundreds of submissions and find the kinds of stories Jen sees as excellent, yet also uniquely suited to *Overland*. It is actually quite hard to get a story into *Overland*'s print magazine: outside of competitions, we only publish around nine stories a year. It also means that submitters may have to wait a few months before hearing back, as stories will go through a number of readers before being accepted or rejected.

This kind of national approach is enabled by Submittable, our electronic submissions system, which allows people to submit or read wherever they have an internet connection, and has also allowed *Overland* to involve volunteers across the country in the magazine's publication cycle in various ways.

The whole print publication cycle is actually very long and labour-intensive. Each edition probably takes about four months in total, from commissioning to publication and promotion, so we're always wrapping up one issue as we begin another, as well as working on the online magazine and our various other projects. There is now rarely a quiet time of year.

I do all of the commissioning for the print magazine and most of the editing, with a good deal of assistance from our copyeditor John Marnell, who now lives in Johannesburg. Again, this is something technology has enabled: until the layout stage, we use word files and track changes, which we transfer simply via email (for back and forth with the author) or Dropbox, for staff. At the typesetting and layout stage, files are transferred to InDesign, which is the format we ultimately deliver to the printers.

SOCIAL MEDIA

The editors are currently working on a new social media strategy. According to Woodhead, Facebook has changed its analytics 'so it means that our material is not being shared as widely as it was.' This could potentially have a negative affect on traffic to the website.

⁴² See: <https://overland.org.au/2015/01/on-the-attacks-against-eleanor-catton/>

Twitter and Facebook are both companies that are looking to make a lot of money. We're having to constantly find loopholes and ways around them not sharing our readers' information, which is their inclination because they want you to pay for the advertising.

We use them to promote our posts and our online publications. We have started sending out an e-bulletin every week that includes certain sections from the online magazine as well as writing opportunities and other news from *Overland*.

Woodhead uses Campaign Monitor to analyse the e-bulletin links that are clicked on by readers, and also Twitter and Facebook analytics. She has found that if significant new posts are accompanied by Twitter feeds early in the morning they have a better chance of being noticed and retweeted, leading to higher readership rates.

PRIZES

Overland offers a number of prizes:⁴³

***Overland* NUW (National Union of Workers) Fair Australia Prize** (four x \$5000 prizes: short fiction, essays, poetry and graphics or cartoons). The kinds of questions entries should engage with:

- How does insecure, casual, precarious work affect a person and their community?
- What do you think a fair Australia looks like?
- How can we change Australia together?

Story Wine Prize (\$4000 winner + 2 x \$500 runner up) The winning story will be published on the label of a Story Wines vintage.

***Overland* Victoria University Short Story Prize for New and Emerging Writers** (\$6000 first prize + 2 x \$1000 runner up)

***Overland* Neilma Sidney Short Story Prize** (\$4000 first prize + 2 x \$500 runner up) Short fiction themed around 'travel'.

***Overland* Judith Wright Poetry Prize for New and Emerging Poets** (\$6000 first prize, \$2000 second prize, \$1000 third prize) to foster poetry by writers who have not yet published a book of poems under their own name

Nakata Brophy Short Fiction and Poetry Prize for Young Indigenous Writers (\$5000) Sponsored by Trinity College at the University of Melbourne and supporters, this prize recognises the talent of young Indigenous writers across Australia. The prize is \$5000 and a three-month writer's residency at Trinity College. (The competition alternates annually between short fiction and poetry.)

The shortlisted writers are promoted along with the winner, and many of the winners have gone on to other publishing success. The winning entries are published in the *Overland* print magazine and the website. The competitions are popular, with the *Overland* Victoria University Short Story Prize for New and Emerging Writers attracting approximately 850 entries. Woodhead gave the example of the 2015 winner of the Nakata Brophy Short Fiction Prize for Young Indigenous Writers, Marika Duczynski, who heard about the competition from her lecturer at the University of Sydney. Duczynski won against entries from well-established writers.

⁴³ See: <https://overland.org.au/prizes/>

OVERLAND'S ARTWORK



Cropped detail from the cover of Overland issue 218, by Lily Mae Martin

According to Woodhead, ‘most of our subscribers are literary people and the book is still an important object’. Lily Mae Martin created the artwork featured on the cover of Issue 218. She was invited back after illustrating a winning short story the previous year. Another artist mentioned by Woodhead is Megan Cope.



Cover artwork by Megan Cope

An upcoming issue of *Overland* has a New Zealand theme, with guest editors from NZ and cover art by a well-known New Zealand artist, Marian Maguire. Woodhead also sources copyright-free images from an archive of old images on Flickr commons for use in the online magazine. While the print magazine’s design is by Brent Stegeman, Woodhead does much of the online graphic design (despite limited skills).

EVENTS

Overland is involved in a range of events. It has a long association with the Melbourne Writers Festival and over the past years has cultivated a relationship with the Emerging Writers Festival. Woodhead tries to design events where the audience members and writers can mingle.

With a publication like *Overland*, one of the major pressures is to constantly be seen to be involved in the literary community because there are a lot of publications around and it is easy to seem to 'disappear', or be less visible or active. It can be a hard ask with so few staff and a demanding publication schedule.

In 2014 *Overland* ran events at the Sydney Writers Festival and the Melbourne Writers Festival based about World War One poetry and letters.

Judy Davis and Colin Friels came and read poetry as well as Omar Musa, Tony Birch, Maxine Beneba Clarke, Jennifer Mills and Antony Loewenstein. It was an amazing event. About 150 people attended. It was magic because everything coalesced in that moment – Judy Davis and Colin Friels gave amazing readings; it really shows what actors can do when they meet literature. Tony Birch read a letter he had found in one of the Aboriginal archives about a community who sent more Indigenous soldiers to the front than most of Victoria combined – and yet their children were still being taken away, even while their soldiers were fighting. It was the most heartbreaking letter. There was not a dry eye in the house. That was a powerful, unrepeatable event and it's so unfortunate that it wasn't recorded.

To have Omar Musa and Maxine Beneba Clarke read also transformed the idea of what that war meant to Australian writers. At the Melbourne event, Alison Croggon read a poem by a poet who was a German counterpart to Wilfred Owen and the poem was stunning, but also obscure – most people there would never have heard of him.

There was something about the performativity of those events that readers don't get to experience very often.

This year I'm excited about the Emerging Writers Festival event, which promises to be a swanky affair. It's going to be at Metropolis Book Store in Swanston Street, a beautiful book store. It's quite different to any other Emerging Writers Festival events, as there'll be free wine. We'll also be launching a bottle of shiraz that features Leah Swann's winning short story and announcing the opening of the competition for this year.

Trivia nights are also organised as fundraising events. The new board of *Overland* is examining ways of diversifying income and funding.

OVERLAND AND THE AUSTRALIAN BOOK INDUSTRY

Woodhead sees an important relationship between *Overland* and the Australian book industry, through the common engagement with ideas and culture.

We are a part of the industry. We certainly publish a lot of writers; we support people that are either already authors or will be authors.

However, Woodhead notes that she has found it difficult to run book reviews 'because it's a quarterly journal. When a review comes out, the book has already dated', and reviews on the *Overland* website don't attract many readers. 'I don't think people come to *Overland* for reviews, particularly when there are other alternative publications like the *Sydney Review of Books*.'

We're in an in-between place at the moment where we feel like we owe the book industry because we're part of that literary ecosystem but I'm not sure what to do about it. It's a bit of a quandary.

Overland has also run a project lasting four years, funded by the Copyright Agency, to enable writers from a range of marginalised backgrounds to produce a full-length essay with extensive editorial support. The last piece was a lead article by Khalid Warsame about being a black writer in Australia.⁴⁴ Warsame will be the fiction editor for an upcoming online fiction issue.

Woodhead agrees with recent comments by Stuart Glover⁴⁵ that organisations within the Australian literary sector should support one another 'and to recognise that they're part of the same ecosystem'.

The journals have different audiences and there's space for all of us. There does need to be more kind of collaboration and being open to ideas, so we're not seeing each other as competition.

She gives as an example a recent collaborative event in which the editorial staff from *The Lifted Brow*, *Meanjin* and *Kill Your Darlings* participated. 'Lots of people attended and it was a very festive atmosphere. That was an example of something that's possible when we combine forces and audiences.'

Woodhead has also thought about the reasons that successful authors are still willing to write for *Overland*.

I think you [as an author] get to explore a subject in a way that you wouldn't get to do elsewhere. Maybe you don't have the resources or the interest in doing a book-length project on an idea, but writers are keen to make interventions sometimes. Justin Clemens has written a piece on torture based on the US Senate Select Committee on Intelligence's report into the CIA⁴⁶ and that's something he approached us about. He's a busy well-published man. He doesn't have to write for us. But our authors have that same desire to be part of a public discourse and in a more topical way that you can't necessarily do in a book.

We believe that writers write and editors edit and publish not just solely for money. That's why these interventions in the public discourse are important. We provide an opportunity for authors to say something in a space that maybe they wouldn't get to say anywhere else.

But it's not just a space for established writers: *Overland* strives for the democratisation of politics and culture for all contributors.

⁴⁴ <https://overland.org.au/previous-issues/issue-217/feature-khalid-warsame/>

⁴⁵ <https://overland.org.au/previous-issues/issue-218/when-they-come-to-save-books-what-will-they-save/>

⁴⁶ <https://overland.org.au/previous-issues/issue-218/feature-justin-clemens/>

IF:BOOK AUSTRALIA



Type of publisher:	Not for profit think-tank, part of the Queensland Writers' Centre
Established:	2010
Based in:	Brisbane
Lists:	Literary fiction and nonfiction, experimental poetry
Innovations:	Literary experiments involving collaboration amongst authors, authors and readers, pushing authors' comfort zones, experimenting with technology, exploring 'what is a book?'
Other differentiation:	The Institute for the Future of the Book also has branches in New York and London. The books resulting from one if:book Australia project have been exhibited at the National Gallery of Victoria and at the International Symposium of Electronic Art in Vancouver
Distribution:	Order online from if:book website
Team:	Simon Groth, Manager
Website:	http://www.futureofthebook.org.au

Simon Groth was interviewed on 31 March 2015.

BACKGROUND

The former CEO of Queensland Writers Centre, Kate Eltham, formed the idea for an Australian Institute for the Future of the Book (if:book) through her association with Bob Stein. Stein, who has a successful commercial background in publishing and technology, founded the first Institute for the Future of the Book several years prior in the United States. Simon Groth explained, 'Bob Stein's ideas of the future of the book are way ahead of anything even I can conceive of. He is a pretty amazing guy.'

Stein wanted to create a space in a non-profit environment to allow ideas about the future of the book to grow and to generate and without the pressure of having to come up with big, saleable products. It is purely an exercise to explore.

Eltham applied successfully for funding from the Australia Council for the Arts and then approached Groth to manage if:book Australia. According to Groth, the level of public knowledge has advanced quickly since it was founded in 2010.

When we started if:book Australia, we were running serious public discussions about, 'what is an ebook?' The level of understanding from the general public has come along extraordinarily quickly. Having said that, at the higher level we are still grappling with this conceptual idea of exactly what is a book? How do you put boundaries around that? We find a lot of fertile intellectual ground when we hit the boundaries and when we are playing with the edges of what qualifies and doesn't qualify. That helps us to extend the discussion around what books

are, what they could be and how we can use the tools that we've got available now to do things that we have never been able to do before, still within this idea of books.

THEORETICAL DISCUSSIONS AND EXPLORATIONS IN PRACTICE

The founders faced a choice between promoting discussion about the future of the book (Groth: 'which is a perfectly fine and valid way to explore that space') or 'do we get our hands dirty and try to demonstrate some of the ideas'. They chose the practical path, and according to Groth, 'Every time we have done a project, it has prompted a set of ideas that then feed into the next set of ideas that we start to explore'. Groth's philosophy is that:

The book is a relationship that happens between writers and readers. The medium is important but it is not the 'be all and end all', it can happen in any number of ways. Some of our most successful projects have gone to the heart of the relationship between readers and writers and been able to do things in that relationship that have been impossible up until the last couple of years. We are always discovering new things about how books work.

Following is a discussion of some of if:book Australia's projects.

24 HOUR BOOK (CALLED WILLOW PATTERN)



The title of the book created as part of the 24 Hour Book project is Willow Pattern.

If:book's first seminal project was the 24 Hour Book in 2012: a book called *Willow Pattern* was conceived, written, edited and published in print and digital formats within a single 24 hour period. Groth noted that this wasn't the first 24 hour book project but 'we were bringing in Australian writers and editors and introducing them to these ideas. Secondly, as far as we know, we were the first to go to print within 24 hours.'

We had a wonderful reaction to this project. We managed to convince some absolutely brilliant writers to get involved including Nick Earls, Stephen Amsterdam, Krissy Kneen, P.M. Newton, and Chris Currie. That helped because we captured the interest of their readerships as well.

Nine writers, ten editors and a support team were involved. The writers tag-teamed to write chapters based on story ideas containing characters and ideas that were brainstormed and written up on a story wall as part of the process.⁴⁷



Some of the 24 Hour Book authors in action.

Because the authors were writing directly to a modified blogging platform, readers could leave comments. It created an interesting back and forth between the writers and the audience while the work was in progress. There were lots of suggestions about whether we should have a webcam set up. I was against it because I thought nobody wants to watch nine people hunched over a keyboard, but weirdly enough one of the ideas that came out of 24 Hour Book was exploring the back and forth between author and reader and the idea of an audience being able to influence a work that is in progress. That led to another project which is called Memory Makes Us [discussed further below].

Groth and his team use some disparate technologies ‘that had never been put together in that order before’, most notably Pressbooks, a variation of WordPress (website software)⁴⁸ linked with an Espresso Book Machine which can print a bespoke book in about five minutes. The only Espresso Book Machine in Australia was ‘being mothballed’ so Groth arranged for a PDF to be sent to a staff member waiting at the Brooklyn Public Library. An if:book collaborator who is an amateur photographer happened to be in New York at the time and photographed the appearance of the 24 Hour Book.

DIFFERENT FORMS OF PUBLISHING

Groth’s interest in what is possible with the medium of the book led him to think about the format of the output.

We opened up the entire database of edits of the 24 Hour Book up and it sits as its own website where you can explore how the writers worked during the day. You can download the data, you can muck around with it, play with it, or you can just explore the website to see what’s there. We created graphs and mathematical analysis from that data, we turned the data over to a group of poets who created works in response – not to the finished article, but to the numbers, to all of the data that went into its creation. Then something grew directly out of this idea of exploring the data and how much work goes into creating a fairly slim book comprising 150 pages.

⁴⁷ The authors’ accounts of their experience are at: <http://www.futureofthebook.org.au/news/2012/06/24hb-a-bower-bird-summary>

⁴⁸ The web based platform enables the production of ePub and print ready PDF files with formatting.

Groth wanted to bring this extended material into a physical form, 'to represent it in a way that was quite visceral'. He came up with the idea of printing the entire database, thinking it might extend to three or four volumes.



The printed set of the 24 Hour Book volumes containing all the project edits has been exhibited in museums.

The next stage was, if we are going to do this, let's make it as beautiful an object as possible. The set of volumes is printed in hardcover. Internally it borrows more from sacred texts than anything else. The text is presented in columns, chronologically ordered. Every time an author hit 'save', we have a snapshot of the work in progress and that is what you see inside. For each hour of the 24 hour project, the books are colour coded, so you can stand back, look at the entire project and see what was done when, how much we were all working on. There is a distinct progression that you can see where the authors were pushing to finish their drafts, then the editors take over, and as you get to the wee hours of the morning that trails away and then the work kicks off again as we are preparing it for publication.

The books' original cover designer, Benjamin Portas, and Groth worked together to devise a continuous spine design that harks back to the original book cover of *Willow Pattern*.

It was the first time that we had looked at creating a book that wasn't intended to be read essentially. No-one is going to sit down and read this. It is designed for you to pick up a volume and flick through it and see what's inside it. It is not a 'do not touch' kind of exhibit, rather it was exploring space where readers can choose how they want to experience a book, in print or electronically. Both are equally valid. If the reader's choice is print, you have to consider the possibility that it is for reasons other than to read because books have other symbolic purposes. They are trophies, they are markers of identification, 'this is who I am'. So it is playing in that space, which is an unusual space for us. We had never done anything that was a visual artwork.

The 28-volume collection was exhibited in May 2015 at the National Gallery of Victoria and has been selected as an exhibit by the 2015 International Symposium of Electronic Art in Vancouver. 'That is a space that I never would have expected if:book to start exploring. But it was a consequence of a germ of an idea that started in 2012 and we followed the idea where it wanted to go.'

MEMORY MAKES US



Memory Makes Us is a live writing event. The writer works in a public space in front of an audience.

I had previously said that no-one wants to watch somebody hunched over a keyboard. Now I am sticking writers in front of an audience. It continues to astound me that I convinced people to do this. The writer is working live and the aspect that fell into place for this project was thinking about the kind of mechanism we could use to encourage interaction with readers.

The writers go in to the Memory Makes Us project with a vague idea that they will write about the topic of memory and they deliberately don't have anything prepared. They are looking for inspiration in the form of contributions from the public. If you go to members of the public and ask for inspiration, that is not an easy thing, suddenly people feel pressured. Instead, we asked for a memory. No-one can say a contribution is good or bad, it is a piece of you. Anybody could contribute. Also, it made the project intensely personal, and it ramped up the emotional content.



In Memory Makes Us, members of the public write about a memory and offer their page to authors by hand. The authors' drafting is available on large screens and online for everyone to see.

If:book ran a pilot of Memory Makes Us in 2013 with Kate Pullinger and then refined it. In 2014 they took it on the road to the Melbourne Writers Festival, Word Storm in Darwin, Brisbane Writers' Festival and the Perth Festival of Ideas, and in September 2015, to the Decatur Book Festival in Georgia, with an Australian and a US writer participating.

It has been an incredibly successful project on many different levels. We always get lovely feedback from participants and from the writers involved. There is often a pattern of

behaviour, people stand back and they will look at the writer curiously, maybe ask what is going on, and then they might reluctantly sit down and begin to offer a memory.

You could submit a memory online, but we had to come up with a way to create that interaction if you went to the event where the writer is working live. I wanted to use that physical space. We ended up using manual typewriters. The authors work on laptops and their work is beamed straight up to the project website, every keystroke is visible to the world, but the physical interaction in that space is between the author and the public is completely manual, completely analogue.



Participants writing about their memories as part of Memory Makes Us.

The typewriters proved to be a drawcard. Groth says people fell into two categories: those who 'hadn't used one for years' and people who'd never used a manual typewriter.

It is a link to the past so you are recording a memory on a machine from the past. It is something that is of the moment, so you are there – you are recording your memory, it is a physical thing that you have created and when you offer it to the writer, you physically have to walk it over and hand it over. Often the writer will stop and chat about it and when someone has left a memory like that, you can see the writer as they are beginning to work, it becomes intense, it becomes important to finish this idea and get it down. And often, when a member of the public hands their memory over, they want to talk about it, to say why this is important or it's silly or it is funny or that it is just something random and I don't know why this one occurred to me, but here you go.



An author and offerings she has been given in Memory Makes Us.

The writers aren't required to use all of the memories they receive, 'they would be working for ever if they had to', but if they use a memory it's an intense experience for audience members to see their own memory incorporated into somebody else's work. It is also intimate because no-one else knows that it is yours.

The audience becomes very emotionally invested and the writers become extremely emotionally invested. Pretty much every writer ends the day exhausted because they're basically working for six hours. I keep telling them to take breaks and they keep forgetting. But they come out elated because of the intensity of that relationship. They experience a connection with readers that is a supercharged version of what happens all the time when people are reading but writers don't get to see it or experience it. That has been an important exploration of that space and a potent area to explore.

Memory Makes Us is a live event, the emphasis is on it being ephemeral. We are exploring a print version and a digital version of those ideas. Making something ephemeral in digital format is bringing to light this idea that we use digital as a great way to access archival material, but we don't necessarily know that it's going to be a great medium in the long run for storing all of this information. We are exploring that space a little by deliberately corrupting the data. If you go to the Memory Makes Us website, all of the pieces from the Memory Makes Us event in Darwin have been corrupted and there is gobbledygook text in place. That is gradually going to go through each of the digital records of Memory Makes Us events.

I wanted to explore the same concept in print. How can we do something in print that is guaranteed to be ephemeral? I was hell-bent on trying to create something with vanishing ink. It has been done before; there was a project in Argentina, in Buenos Aires, that deliberately explored this for different reasons. They were exploring that if the work of writers is not read then they vanish, which was a beautiful way to express that.

We were thinking about how we archive things and the role that memory plays. In particular, the work that gets remembered over centuries is not just because it is archived, it is because it is repeatedly referenced and reiterated. There is probably fantastic material in our archives that we don't know about because it is not being discussed and referenced in our culture.

Subsequent to this interview, a print edition of Memory Makes Us was released as part of if:book's first international version of the event at the Decatur Book Festival in Georgia, USA in September 2015.

RUMOURS OF MY DEATH

Each new idea has its roots in some of our previous work. Each project prompts a new set of questions, a new way of thinking about things, and then we explore that.

Following on from *Memory Makes Us*, Groth conceived of *Rumours of my Death*. 'Let's have a look at our own archive and see what we have there.'

If:book paired three contemporary writers with three writers from the public domain (deceased writers).

We are creating remixed works from lesser-known Australian work in the public domain. This year we are running a pilot, and we will establish a set of rules around an approach. The focus this year is first to establish how it works. Then we can bring in other writers and explore some of these ideas in more detail: there is all sort of potential, for example, ideas about where Australia was in the 19th century and how far or how little we have come since then, depending on what particular aspect the writer is exploring.

(Since Groth was interviewed, two of the three *Rumours of my Death* projects have been completed and the third is due for release in January 2016.)

LOST IN TRACK CHANGES



The cover of Lost in Track Changes.

Lost in Track Changes is a remix project. If:book has initiated considerable investigation around remixing.

Remixing has become more interesting recently as writers become more used to digital culture. For me, the remix is a kind of 'born digital' form. You can reinterpret a work without digital tools but you are not really remixing because remixing requires a certain amount of cut and paste, it's a form that has emerged in response to the word processor as a tool, in the same way that remixing in music is a digital editing experience. Although it was around before that period it came into its own as electronic tools became available to musicians. I see remix in literature as being the same kind of thing.

Lost in Track Changes came out of an idea from an author, Krissy Kneen. Kneen's idea extends back to the surrealist tradition of taking a work and modifying it again and again in a series of remixed works. Groth was intrigued by Kneen's suggestion to start the if:book project with a short piece of memoir.

This had a similar kind of deliciousness to it as *Memory Makes Us*, because it is one thing to offer a creative work up to other people to remix but it is quite a different thing when it is a little piece of yourself.

Groth approached five literary writers who either were experienced with writing memoir or who had a connection to remixing: Krissy Keen, Robert Hoge, Fiona Capp, Ryan O'Neill and Kate Kennedy. They all accepted.

Ryan O'Neill had previously worked on a project published by Seizure in which he remixed Henry Lawson's well-known short story 'The Drover's Wife' repeatedly.



The Drover's Wives is a project by Seizure (a publisher which is also profiled in this report)
<http://seizureonline.com/about-the-drovers-wives/>

O'Neill's work on *The Drover's Wives* is fantastic. Most of the remixes are hilarious. He has remixed it into Amazon customer reviews and part of the fun is just seeing what form he is going to choose for the next one.

In if:book's project, the five writers each produced a brief memoir. Over the next four weeks, each work had to pass through writer in series, with the order mixed up. Everyone had a weekly turnaround. 'We'd carefully worked out the timing so that the authors had enough time to give their draft a bit of polish, they didn't have to rush it, but they essentially had to go with their first instinct, their first idea.'

Groth was fascinated by the reactions of the writers.

For Ryan O'Neill, the most difficult part was his very first piece. He had never written a memoir and there was some kind of block for him because it was real. He was much more comfortable when he was messing around with his imagination.

It was great to see Fiona Capp's transition over each week. I think her first remix was quite timid in some ways. It is exploratory in that sense. Fast forward to the final week and she is completely rewriting a work from the perspective of another character – from the perspective of a cyclone, an inanimate object in the story.

The path that each of the stories took was interesting. Krissy's story changed a lot by the end but everyone was quite respectful of it. Whereas Rob's story is like a rollercoaster ride. Rob has prosthetic legs and the story was about his prosthetic legs. Kate then took it and set it 50 years in the future, and it was a crazy sci-fi story about people wanting cosmetic prosthesis. Then Fiona took it and set it five years later and explored what the consequences of that were. Then Ryan flipped the whole thing around and wrote an entry for the Australian Dictionary of Biography for an imaginary writer who wrote the previous piece and he was this awful, horribly gross racist author and horrible person and then subtly he introduced this idea that he wasn't actually the author, that it was somebody else, and a beautiful story came out of that. Then Krissy wrote a poem based on the dictionary entry – I don't think a single word of the original story remained in the final text. So the transmission for each of the stories was fascinating as well.

Although many of if:book projects entailed text being published live, in *Lost in Track Changes* the authors' entire work was completed before publication. 'That was to help the writers out. When we published it to the website, we published the current work, the previous week's version of the story, and the track changes in between, so you could see the transitions.'

Groth then questioned, 'If we went to print, what would that look like?'

More importantly, how can we take this to print in a way that embodies the best qualities of print, things that you can do only in print. We published *Lost in Track Changes* on wire spiral binding with massive white margins. In the introduction, I say to the reader this is your book, we expect you to make your own notes. If you don't like something, cross it out, make notes in the margins. It is a book that's actively encouraging you to create your own versions. We produced a limited number: 100 copies.

The electronic edition of *Lost in Track Changes* is a completely different book. It has same content but all of the track changes in the versions of the stories, are present. In the print edition you can see snapshots of the works in between, but we didn't put in all the changes because it doesn't work for a print edition. They exist in full in the electronic edition and there are buttons throughout so you can jump from story to story, you can turn track changes on and off, and you can make your own path through the stories. It is a book that is designed for you to get lost in.

In the print version of *Lost in Track Changes* we questioned whether people wanted to see those ugly purely electronic track changes. The solution was that the text of the changes is tiny and it only runs across one page. You are not expected to peer in and look at every single word but you can look at it overall and see how much was changed and then you move onto the next story. Whereas in the electronic format you can look at the changes in much more detail but you can also fast forward past them in a way that you wouldn't be able to do in a print edition.

PARTNERSHIPS

We have partnered with publishers (e.g. with Editia for the Noobz Essay Series⁴⁹) and we have had support from QUT. We would love to partner with more publishers in the same way that we partner with authors. Because we exist in a non-profit space, we get to explore things that publishers working in a commercial environment don't have the capacity to do. We are open to anything from anywhere by anyone.

⁴⁹ 'Change your tools for storytelling, change your routine, learn a new form, engage with parts of the wider industry you have never had to previously. See what happens and report back. This was the challenge taken up by contributors to *The Noobz: New adventures in literature*, a joint project between if:book Australia and digital first publisher Editia.' <http://www.futureofthebook.org.au/#/the-noobz/>

GROTH'S ACADEMIC INFLUENCES

Groth is part-way through a PhD, exploring the importance of order in storytelling. He has developed an appreciation for late modernist experiments in form.

There seems to have been a hotspot, around the 1960s, where there was tension between modernism, post-modernism, structuralism and post-structuralism. There is a rich body of work that is messing around with the form of the book. It goes through removing the binding from books, or using computers to create books that the instigators then couldn't publish because there was no means to be able to do that at the time. Then the experimentation goes quiet. In the last five to ten years it has exploded again because the parallel histories of traditional publishing and HTML/electronic publishing have converged. That has created possibilities to do things with text that some of the experimenters of the 1960s could only have dreamed of doing.

THE AMPLIFIED AUTHOR



The Amplified Author is a course run by if:book that started in 2010. The initial idea was to bring authors who were at a range of stages in their careers together to become familiarised with the cutting edge of the industry, and to encourage people to think about the role of the author 'a little differently'.

It is slightly inspirational. Here is some interesting stuff that people are doing, here are the broad strokes of how the industry is changing and where the role of the author fits in, going from a fixed chain through to a kind of network of contacts, how you get your book out there. There used to be basically one way that an author reached an audience, now there is any number of different ways. We are trying to recast the author-reader relationship and open that up to not being necessarily a one way relationship, but being more back and forth.

Between 100-200 authors have completed the course. It was toured by if:book in 2011 in partnership with the Australian Society of Authors and because it was so labour intensive to deliver, the content has been moved online. Over time as much of the material has become relevant to 'the present of the book' if:book has passed it across to Queensland Writers Centre for their training courses. QWC also hosts the Australian Writers Marketplace, a directory of industry. According to Groth, it is also a community of authors and he sees the Amplified Author content as being a good fit with the Australian Writers Marketplace. 'As our ideas become more mainstream, we can pass them along and have them proliferate almost of their own accord. That enables us to stay thinking about bigger picture.'

ATTRACTING HIGH CALIBRE WRITERS

Groth believes there are a number of reasons that high calibre writers have been willing to collaborate on if:book projects. First, the writers are paid using support from the Australian Council for the Arts. 'I am also aware that when you get that email invitation from me, it is not a normal request, it is going to be something weird and a little bit strange.' As such, Groth believes that good ideas exert their own appeal. 'If I get a great response back from writers then I know this is a good idea, it is a good project

to get involved in.’ He also plans to carefully to provide support for the writers during the experimental process.

A lot of writers will say yes to my invitation and then think about it a bit more closely and start to panic. We are taking people out of their comfort zone and putting them in strange situations, so my approach is to make sure that we have set clear parameters. We rarely give people open slather. We normally set up some fairly strict rules and that’s more about making sure that the writers feel comfortable with what’s required of them.

INNOVATION

I will use the word ‘innovative’ or that kind of language if I am talking to funding bodies, but I don’t use that as a general descriptor of what we do. There is no idea that is new under the sun, you’re always standing on the shoulders of the people who have come before. So innovation for me is not a lone genius coming out with the light bulb moment. It is a series of very small iterative steps that happen gradually over time, that you can only appreciate in hindsight.

We want to explore how people read and why should a digital book be a straight facsimile of a print book? Why can’t the digital book do something interesting or unusual that can only be done on a screen? I am not talking about jamming a video in, to me that kind of stuff is less interesting, partly because I think when you start to introduce more and more multimedia into books, into long form text, you are starting to create a new form, it is starting to become something different. It is great and it is fantastic and I am glad that it is happening but it is becoming something a little different.

Our projects are heavily textual because we keep coming back to the primacy of text. Reading is an incredibly immersive experience. If you can tap into that immersion, it is still powerful. The means by which that text gets to a reader is important but it is not the be all and end all of that relationship, it is just the vehicle and it is usually at the reader’s discretion how that takes place.

I think we have come a long way because when we talk to publishers and to writers, they are keen, they want to explore this space. They want to do interesting stuff. Publishers are working under incredible constraints: financial constraints, artistic constraints, expectations from their audience, all of those kind of things play into their decision about whether they want to get involved in any book, let alone something that is really out there. We are existing in a different kind of space to commercial publishing and that is what our role should be.

SCHOLARLY PUBLISHERS

ANU PRESS



Type of publisher:	Small, independent academic press
Established:	2002, originally called ANU E Press, now ANU Press
Based in:	Canberra at The Australian National University (ANU)
Lists:	50-60 titles per year, over 600 titles in total
Innovations:	A hybrid business model: ebook formats are available free as part of the open access movement and the same titles in print formats are available for sale Workflow reengineering with the time to print as low as one month from the receipt by ANU Press of a manuscript (usually a three to four month turnaround)
Other differentiation:	Publishes the scholarship of ANU academics and affiliates
Distribution:	Google, Amazon, ANU Press website, ebook formats, JStor, OAPEN, DOAB (Directory of Open Access Books), Thomson Reuters, EBrary
Team:	Lorena Kanellopoulos, Manager, heads a team of 4.6 staff (three full-time, two part-time)
Website:	http://press.anu.edu.au

Lorena Kanellopoulos was interviewed on 17 April 2015.

BACKGROUND

In 2002 ANU E Press was established with funding of \$1.2 million from the then Vice Chancellor, Prof. Ian Chubb. Lorena Kanellopoulos, explained that there had been an ANU press previously, which was closed in 1987 because of the cost of operations. In early 2002 the university librarian and a number of senior academics wrote a paper arguing for the establishment of a new press, particularly to serve as a publication outlet for specialist social science and humanities scholarship. These books were part of a niche market, with print runs of 200 copies or less and were not commercial propositions regardless of the high calibre of the academics' work.

Kanellopoulos applied for the position of Implementation Manager of ANU E Press and was appointed in November-December of that year. Prior to this, she had worked as the electronic publishing coordinator in the ANU Library. She managed the implementation of ANU E Prints, an institutional repository of ANU research output. She was also part of a project team that made available Australian PhD theses online in digital format.

In 2003 Kanellopoulos recruited an information editor and a desktop publisher, making a team of three staff in the first period of the press's operations. Later, in 2014, the name was changed to ANU Press. 'Now digital publication has become the norm across publishing, the Press no longer needs to

set itself apart as a digital publisher, and so has taken the traditional academic publishing name of ANU Press.⁵⁰

BUSINESS MODEL

Kanellopoulos explained that the norms for university presses in Australia are different to those in the USA. ‘In the States a university press does not publish the work of its own academics, whereas in Australia academic presses tend to concentrate on scholarship from their own institution.’

ANU Press is situated administratively as part of the ANU library. The Press is considered a core business of the university and is not required to cover its costs or return a profit but it is expected to operate extremely cost-effectively. The business model proposed was radical: an electronic press with the ebooks available free as part of the open access movement. The university was committed to the notion of the public good, i.e. that Australian taxpayers had paid for ANU’s research and that it should be available to the public freely. Print format copies could also be purchased with the Press using print-on-demand technology to meet demand.

The print books are priced very competitively. ANU Press sets prices to cover each book’s production and distribution costs and to provide a small margin. Kanellopoulos gave one example of a book that is over 600 pages, with colour, priced at \$40.

Our average book costs \$30. It is ridiculously low but in a good way. People are more than happy to pay that amount. They can download a PDF free and print it themselves but they factor in that they will not have a perfect bound copy, they won't have a cover and they are aware of the amount of printer ink that they will be using.

ANU PRESS AND THE OPEN ACCESS MOVEMENT

Adelaide Press and ANU Press are the only two Australian academic presses that are fully open access. Kanellopoulos commented that ANU Press books that may have sold 200 – 1,000 copies in print format have been downloaded up to 25,000 times.

Below is a summary of 2014 download statistics.

ANU Press Titles

Total downloads	814,052
Total visits	679,192

ANU eView Titles

This imprint publishes online the work of ANU students in undergraduate journals.

Total downloads	132,419
Total visits	123,890

ANU eText

This is a new a textbook imprint which started in 2014 with 3 textbooks.

Total downloads	511
Total visits	403

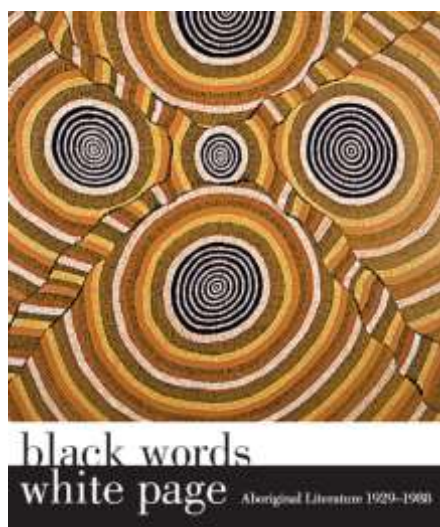
The top 10 most downloaded titles in 2014 indicate the large readerships that can be attained through open access in a single year.

⁵⁰ From the ANU Press website. <http://press.anu.edu.au/about/>

Table 5. The top 10 most downloaded books from the ANU Press catalogue in 2014

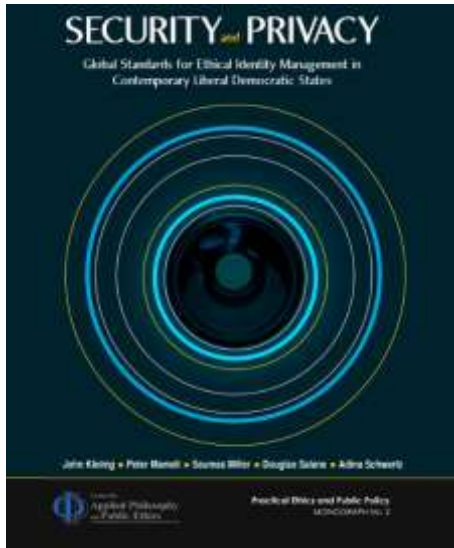
Title	Author/Editor	Number of Downloads
<i>Black Words White Page</i>	Adam Shoemaker	20352
<i>Aboriginal History</i> Volume 33	Peter Read (Ed.)	14716
Security and Privacy: <i>Global Standards for Ethical Identity Management in Contemporary Liberal Democratic States</i>	John Kleinig, Peter Mameli, Seumas Miller, Douglas Salane and Adina Schwartz	14124
<i>Australian Chamber Music with Piano</i>	Larry Sitsky	13113
<i>Dictionary of World Biography</i>	Barry Jones	10956
<i>Passionate Histories: Myth, Memory and Indigenous Australia</i>	Frances Peters-Little, Ann Curthoys and John Docker (Eds.)	10840
<i>State and Society in Papua New Guinea: The First Twenty-Five Years</i>	Ron May	9646
<i>Interpreting Chekhov</i>	Geoffrey Borny	9048
<i>The Curious Country</i>	Leigh Dayton (Ed.)	8488
<i>Black Gold: Aboriginal People on the Goldfields of Victoria, 1850-1870</i>	Fred Cahir	8074

Further information about some of these books is provided below:



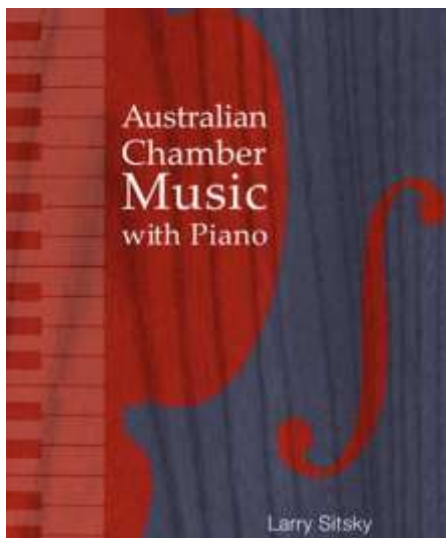
Fifteen years after its first publication, *Black Words White Page* remains as fresh as ever. This award-winning study – the first comprehensive treatment of the nature and significance of Indigenous Australian literature – was based upon the author’s doctoral research at The Australian National University and was first published by UQP in 1989.

http://press.anu.edu.au/titles/bwwp_citation/



This study is principally concerned with the ethical dimensions of identity management technology – electronic surveillance, the mining of personal data, and profiling – in the context of transnational crime and global terrorism. The ethical challenge at the heart of this study is to establish an acceptable and sustainable equilibrium between two central moral values in contemporary liberal democracies, namely, security and privacy.

<http://press.anu.edu.au/titles/centre-for-applied-philosophy-and-public-ethics-cappe/security-and-privacy/>



This book represents the first critical survey of a section of a rich Australian corpus of chamber music. The author has included various instrumental combinations with piano as well as vocal music with piano. The survey is chronological, as well as by composer.

http://press.anu.edu.au/titles/chamber_music_citation/

WORKFLOW PLANNING AND MANAGEMENT

ANU Press uses a centralised – decentralised model. The press has 27 editorial boards comprising of five to eight members each. The editorial boards are the first point of contact for authors. The boards make decisions about which submissions will be published. ANU Press provides guidelines to the editorial boards but the editor does not attend meetings. ‘They are the experts in the field and they know what should be published and what shouldn’t.’ If a manuscript is of interest, the editorial board sends it to two reviewers, one of whom is required to be external to the university. The process is double-blind. The editorial board then considers the reviewers’ comments.

After the author has complied with feedback from the reviewers to the satisfaction of the editorial board, the author obtains two quotes for copy-editing and makes a decision on which copy-editor they would like to go with. The cost of copy-editing is covered by the author. Once the manuscript has been professionally copy-edited, files are supplied to ANU Press. If the author chooses to incorporate an index, that cost is also borne by the author. (ANU provides a publication subsidy to assist early career researchers. Up to \$2,500 is available to assist with copy editing, indexing or copyright, fees or permissions or images, however this subsidy doesn’t include cover design or typesetting: these costs are covered by ANU Press.)

A streamlined model of operation keeps costs down. Initially the Press used XML and then style sheets to render the outputs. Now In Design and their own in-house XML are used.

We have a stable of copy editors who know our template and our styles, and that makes our production workflow much more streamlined. There is a bit of to-ing and fro-ing between the copy editor and the author and once the files are completed, they come to our office. ANU Press also provides details about formats for the provision of images etc., to the author.

We handle everything from converting the file from Word to XML, XML to In Design, and In Design to the four formats that the book is published in. We organise ISBNs, CIPs (Cataloguing in Publication records), distribution, uploading to Google Scholar and Google Books. We tweet, we host the books on our server, we archive the books, we handle all the ordering.

The timeframe between ANU Press receiving the final copy and publication can be as little as one to two months if the author is energetic and responsive in checking proofs (there are three sets of page proofs), with the usual timeframe being three to four months. 'I'm hoping in the future we can use XML within In Design, which means the time required for the conversion process will halve.'

The academics love it. They have found our process much quicker than traditional academic presses, obviously but the benefits have been much greater. They have had emails from people all over the world thanking them for having the book available online free. They have had invitations to present at conferences or to contribute towards a book. A lot of our authors get Copyright Agency payments as their book has been used so much and cited so many times because it is available online.

PROMOTION, DISTRIBUTION & ORDER FULFILMENT

As is the case for many other publishers, book launches are now symbolic occasions and celebrations rather than opportunities to sell copies of a book.

Not a lot of sales happen at book launches anymore. It is more about having some nibbles and a few speeches and saying how wonderful everyone was in the whole process and having a glass of wine.

Some of the authors are IT-savvy and adept at promoting their books on social media. Others are not. ANU Press focusses on twitter more than Facebook, as does the library and other marketing activities within ANU. The result is that ANU Press tweets are retweeted within the campus, with increased potential for external retweets.

The Press also ties in promotions with other events, such as tweeting about their books on the Asia Pacific during Asia Pacific week. 'People are already involved in coming to lectures and conferences about different parts of Asia so we tweet about our books.'

ANU Press has systematic and sophisticated mechanisms in place to promote the discoverability of its titles, especially by scholars.

There is a huge discovery mechanism for our books globally with a focus on academic research processes.

ANU Press has a close relationship with Google, and through careful use of key words, the books rank highly on the Google search engine. ANU Press books are available on Amazon. They are also located in other distribution channels including JStor, Thomson Reuters, OAPEN Library, EBrary, and the Directory of Open Access Books. The books are catalogued through the Australian National Library, which means the books are available through World Cat (worldcat.org which states that it is 'the world's largest library catalog[ue]') and Libraries Australia.

The academic authors also promote their books via their own scholarly networks. 'They have mailing lists within their colleges that sometimes consist of thousands of people.'

ANU Press designs cover in-house, however, sometimes academics also have a designer in mind who is a friend or relative ANU Press staff are also learning about the type of covers that attract attention

online, 'brighter colours, more graphics'. Sometimes this leads to a difference of view with older, more conservative authors. 'It is hard, because some academics have a particular vision of what their book needs to look like. Then we find that a lot of people don't go and click there because it is not that exciting.'

Order fulfilment has become much more efficient due to improvements in technology.

'Back in the day' we didn't have an online shopping cart because that didn't exist as such in a university context. We would ask the customer to download an order form and fax that order form to us. That order form would then go to the Finance department, Finance would then process it, then they would send us a receipt. We would then ask the printer to print the book. The book would then come back to us. The book would then be dispatched.

In 2005, we implemented a shopping cart. The customer could enter their credit card details through the system, their order would come through to us and our printer would dispatch the book on our behalf. It took a few years for that process to be streamlined but we got there in the end.

The streamlined ordering process led to an increase in orders. It also enabled the development of a database of sales information for analysis by ANU Press staff. Later, when tablets, iPads and other reading devices entered the market, ANU Press quickly instigated research to find out the cheapest way to deliver ebooks in these new formats.

DECLINING DEMAND FOR PRINT-ON-DEMAND BOOKS

Kanellopoulos has experienced declining demand for POD books of about 20 percent, 'and every year they decline further as younger generations read ebooks, even academic works'. Kanellopoulos's view is that older generations want to use a copy of the physical book while younger generations are satisfied to download it.

Despite this, when an ANU author has a new book published, 'the author always wants the printed copy' regardless of their age. An author receives three complimentary copies if they are a single author, and two copies if a book has more than two authors. The authors usually order an additional 10-20 copies of the print version, for family members, friends and colleagues who have assisted on the book.

ANU E-VIEW

In 2009 the press established a second imprint called 'ANU e-View' to publish the work of students in undergraduate journals. (This imprint does not qualify for HERDC payments.) There were also some brief scholarly monographs published under that imprint.

E-TEXTS

In 2014, as part of ANU's entry into MOOCs, Professor Marnie Hughes-Warrington, the Deputy Vice-Chancellor (Academic), approached ANU Press to publish open access e-textbooks. The e-textbooks are funded by other parts of ANU, with the relevant Dean giving assurances that they will be used for learning and teaching.

From 2014 three open access e-textbooks have been published and more are planned. The first three are on Sanskrit (containing audio and video pronunciation guides, this e-text is restricted to the iPad format); *Plant Detectives* is a science-based text; and, *Migration Law*. Some e-textbooks are linked to a MOOC. ANU now has four MOOCs available on topics including India and astronomy. The MOOCs are operated by EDEX, an online course with content from MIT, Harvard, Berkeley, UT and other universities.

CO-PUBLISHING

Prior to the establishment of ANU Press in 2003, a review found that there were approximately 20 small publishing houses located in different parts of ANU. The ANU Press website provides links to other ANU publishers⁵¹ and in addition it has developed a range of co-publishing arrangements within ANU. Arrangements and responsibilities vary within the co-publishing agreements, for example, these include Asia Pacific Press (under the agreement APP is responsible for print publishing and ANU Press for ebooks) and Pandanus Press. 'We are now republishing some of their titles as both Presses have closed down.' Other co-publishing arrangements include Aboriginal History Incorporated (ANU Press publishes four to eight titles of their titles each year in print and ebook formats); and the Australia New Zealand School of Governance (ANZSOG: with its own commissioning editor).

JOURNALS

ANU Press publishes eight journals. Although the founding focus of the press was on monographs, a number of academics approached the press asking if they could take over the publication of journals. The same mechanisms and workflows apply as for books.

SUPPORT WITHIN THE UNIVERSITY

Everyone mentions that the ANU Press is regarded quite highly in scholarly publishing and so we are getting quite a good reputation in that way. It is hard because it is not like academic journal publishing, in that they have a list of A-grade publications and your B-grade publications. Academic book publishing is different. Reputation is more about how long the press has been around. I think ANU Press will be ranked as highly as those older, prestigious presses but you have to give it a bit more time.

ANU Press is located on the organisational chart within Scholarly Information Services, which is the library. The Manager reports to the university librarian and the university librarian to the Executive Director of Academic and Planning (a relatively unusual reporting line for a scholarly press).

Kanellopoulos appreciates the strong support for the press among the university managers.

I think we have been very fortunate because we had Pro Vice-Chancellors, Deputy Vice-Chancellors, university librarians and other Deans of Colleges support us from day one. Our founding Vice-Chancellor, Prof. Ian Chubb, was very fond of the press and always promoted it wherever he went. Prof. Ian Young, the new vice-chancellor, was briefed about the press and he was more than happy to give speeches at our launches and to encourage ANU academics, 'Have you thought of publishing with the press?' That support is what has made us successful, and this is why we continue to strive.

The distributed model is one of the keys to our success. We have top executives support us and we have a great team that is happy to chip in and work crazy hours if we have to do that to get the work done. We are here to publish the ANU's scholarly output. When we finish a book and we see it, 'Wow, we were part of that.' That makes me happy coming to work every day because there is a tangible contribution behind it. That is why I have stayed in publishing for so long.

⁵¹ <http://press.anu.edu.au/other-anu-publishers/>

THE FUTURE

Kanellopoulos is conscious of the need to keep up the press's profile among ANU academics.

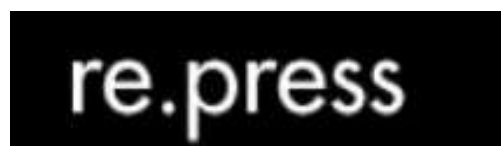
At the start it was very difficult to persuade academics to publish with us because we were a new press and we were a bit radical because our books were available online free. But we are finding now that the academics encourage their newer colleagues to think of the Press as a publisher of their research.

A key part of her strategy is to keep up with changes in technology. She plans to research ways the Press can streamline their ebook workflow.

Kanellopoulos sees the Australian university presses as having a 'tight-knit communication flow' although she observes a slight division between academic presses with only scholarly output and those that have large trade (consumer) lists. She keeps across developments in scholarly presses at MIT, Cambridge, Harvard, Yale, and Oxford.

I think it is imperative that presses evolve with publishing. You constantly need to know what is going on out there, are there other particular formats that are about to go live? When iPads and tablets were introduced no-one knew anything about those and we quickly needed to provide a downloadable format that was readable and scalable on those devices. That is what I mean by you have to evolve, because if not – your doors may close.

RE.PRESS



Type of publisher:	Small, independent academic press
Established:	2006
Based in:	Melbourne
Lists:	Continental philosophy, theoretically-influenced fiction and poetry
Authors:	About 20-30 books on the list.
Innovation/s:	One of the first open access publishers in the humanities, especially philosophy. Re.press is an open-access academic press that aims to model an alternative way of contributing knowledge and publishing that does not rely on global academic publishing corporations and that publishes books fuelled by the demands of the philosophy itself rather than the needs of academic institutions.
Other differentiation:	<p>Interested in the book as an aesthetic object and an entity in its own right. Re.press collaborates with Melbourne artists who themselves are interested in theoretical issues to provide images of their work for the book covers.</p> <p>Undertakes virtually no marketing apart from the re-press.org website and the Editorial Director tweeting/emailing about new titles. Has a global niche group of readers (academics interested in philosophical and theoretical debates) who follow the publication of new titles.</p> <p>Sell their books almost entirely to individuals rather than to university libraries.</p>
Distribution:	Print-on-demand books available for sale, PDFs downloadable free, from the Re.press website. Stocked in some bookstores in Australia, the US and Europe.
Executives:	Paul Ashton, Editorial Director
Website:	http://re-press.org/

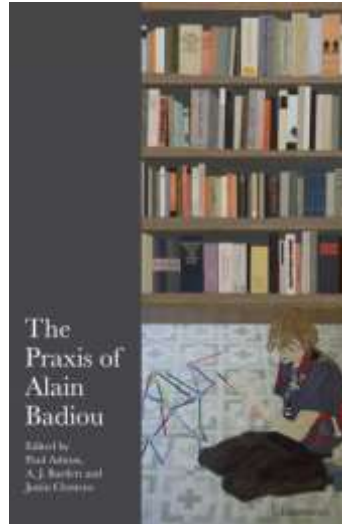
Paul Ashton was interviewed on 17 March 2015.

BACKGROUND

According to Paul Ashton, Re.press was founded due to two main influences. The first was the development of print-on-demand book publishing technology, such as Lightning Source, that made it possible for the founders to enter the market as a publisher without a large amount of capital or significant industry networks. 'You can produce a book and have it distributed globally on websites.' The second factor was that Ashton and a colleague, Claire Rafferty, were involved in setting up *Cosmos and History*, one of the earliest open access journals. 'We were influenced by a relationship to knowledge that argued that knowledge itself is public, so the way we publish and distribute that knowledge should also be public.' Ashton and Rafferty were then joined by Justin Clemens and Adam Bartlett in setting up Re.press.

Ashton described the founding of Re.press as a spontaneous development rather than as an initiative that was carefully theorised. ‘There were opportunities, we said let’s do something and see what happens. It just happened but it was connected to a politics of knowledge as well.’

RE.PRESS’S FIRST BOOK



The first book published by Re.press was The Praxis of Alain Badiou, a collection of essays edited by Paul Ashton, A. J. Bartlett, and Justin Clemens, it was well-received internationally.

The first book published by Re.press also influenced its agenda. It was a collection of essays on Badiou that includes a translation of one of his essays, called *The Praxis of Alain Badiou*. At the time in 2006 Badiou was dominant in French-language philosophy and there was a handful of publications available in English translation, but he was largely unknown. The reception to a new Badiou publication by Re.press was very positive among English-language networks of philosophers.

This book tapped into a growing interest in the work of Badiou and a series of theoretical questions that tied in to what we were doing with Re.press. There were a lot of theorists around the world (and locally) who were thinking in similar ways about publishing, knowledge and ideas who were also interested in this contemporary theory. The theory and the practice came together.

The reception of *The Praxis of Alain Badiou* was ‘very, very good’. Further, ‘the character of the content of that book meant that it gained global recognition among a particular group of thinkers. It was an extremely limited sphere, however, within that space recognition came quite quickly.’

PUBLISHING MODEL

Re.press receives no external funding support. It operates on a breakeven model. When it was founded the partners each put in ‘a few hundred dollars’ which was recouped ‘more or less at the first book launch’.

Ashton estimates that Re.press publishes one in thirty manuscripts submitted, and in some years it would be one in fifty. All publication decisions are based on editorial passion and conviction rather than financial viability. It is recognised that some of the better-selling titles will contribute more to the ongoing operational costs and will carry other titles.

Authors are not paid advances. They have the option to tick a box saying that they do not wish to receive royalties (about one tenth of authors tick this box). After initial experiments, the current system is that authors are paid royalties after 500 copies of their book are sold. Tracking and

calculating the royalties is a huge administrative burden on Ashton because Re.press does not have a sophisticated backend computer system.

We sell into many different territories and all those territories sell into many different currencies and those currencies are converted into English pounds and then they are converted into Australian dollars. It is an extremely complex process managing and distributing royalties that are often very modest.

Ashton observed that royalties are important to many of their authors. 'They attach a sense of their identity as an author to the idea of receiving a royalty. So the royalty is very important in informing that identity.'

Ashton believes that if Re.press doubled its publication output and chose to concentrate on better-selling titles they could generate a modest salary for one person, but the founders don't have the time and this is not the philosophy behind Re.press. 'We didn't want to make any editorial decisions based on financial viability. Now it chugs along and it more than adequately covers its costs, excluding labour costs.'

WORKFLOW PLANNING AND MANAGEMENT

Re.press will not accept manuscripts that require a structural edit. Authors are asked to submit manuscripts that are publishing-ready as 'an ambit claim'. Ashton reviews the submissions and if there is any potential he sends the manuscript to the editorial board of three people (Ashton plus two others). If the board is interested, one person will read it in more detail and send out the manuscript to external assessors. If the manuscript is accepted Ashton may carry out a light edit, but the focus is on copyediting.

When the manuscript is ready for publication, Ashton lays out the text using Microsoft Word and a style template system based on a previous publication. Then he imports the document to Indesign, which becomes the basis for a print-on-demand format via Lightning Source, and a PDF for open access downloads.

Re.press does not publish epubs for two reasons. The first is that the publishers are interested in the book as an aesthetic object so it is about the book as a form. A PDF captures that form in a way that allows the ideas to be available freely as digital objects while still maintaining the form of the books in its own right. The second reason is that Re.press would need to reengineer its entire workflow processes, probably incorporating XML at the beginning of the process, which would be a massive undertaking.

Ashton also noted that humanities texts are usually less complex to lay out because they don't have as many diagrams and technical illustrations as other types of scholarly publications. This makes their production and design viable for a financially-constrained press such as Re.press with limited time and resources available.

COVERS

Re.press has linked up with Melbourne artists who 'engage with theory and ideas and they are part of a broader philosophic engagement with the world'.

Artists are not paid for use of the images although they receive complimentary copies of the book.



The work of Melbourne artists is used on Re.press book covers.

The above books, for example, feature the following artwork (from left to right): Bill Sampson's Trophy of the 51st Attack, photographed by Bill Bachman; Masato Takasaka's I like my old stuff better than your new stuff, photographed by Andrew Curtis; George Egerton Warburton, Hamishi Farah and Helen Johnson's Build a Context Around Yourself and Renovate it When You're 55; and, an image by Greeninger from a collection in Fictional Hybrids, photographed by Vera Möller.

PROMOTION

During the first few years of Re.press's operation Ashton sent out global emails to lists of people about each new release and blogged on the Re.press website. He has stopped 'because it makes no difference'. Now, he tweets about new titles and sends out a targeted series of emails. Re.press has about 1,000 followers on Twitter and Ashton's tweets are retweeted heavily in continental philosophy circles. The lack of financial expenditure on marketing is another reason that Re.press's business model works.

However, Ashton has observed that authors with a profile in social media or traditional forms of media may be associated with higher sales numbers.

READERSHIPS

Re.press's readers are academics who are interested in continental philosophy published in the English language. The USA is the largest market and Europe is significant but 'nowhere near the same scale'. Australia is also significant because Re.press is integrated into philosophy networks in Australia. Re.press books are also downloaded in the Middle East and Asia.

SALES

Ashton indicated the following sales ranges for Re.press titles:

1,000-3,000 copies – a book that sells well (very few of our titles)

200- 500 copies – the majority of books sell in this range

1-200 copies – low sales

In addition, thousands of copies of Re.press titles are downloaded free as pdf files through open access. Ashton estimates a 5,000 to 1 open access to print ratio. Further, Re.press books are also available on pirate networks so he suspects that in some cases the Re.press website may not be the main source of open access downloads.

ACADEMIC REVIEWS

Re.press books are reviewed in academic journals.

One thing that is interesting is that in all our books that have been reviewed in academic journals, I have never seen one of those reviews refer to the fact that it is open access. So when people are receiving and interpreting the book and making sense of it, they are making sense of it very much as they would any other book and they are not making sense of it as an open access object. I am very surprised by this every time I see it.

RESPONSES TO OPEN ACCESS PUBLISHING

The responses of established academics within the discipline of philosophy to Re.press's open access mandate was ambivalent 'because they were already profiting very heavily from the established system for academic publishing, and the rankings and the profile that came with that system'.

Younger academics were more positive. Their response was, 'here is an opportunity to be read and through people actually taking up ideas we can enter into the field of philosophy.'

We at Re.press were trying to demonstrate a model that other academics could apply, in a non-institutional way, to produce their own scholarly output, so that a disciplinary field could produce its own material, including books, rather than an external partner. Not many of the authors we publish are really on board with that approach. Most of the authors, I would say, see instrumental benefits in the distribution networks that come with open access but they are still rather traditional in the way they conform to models of recognition.

We did not want to be thought of as a publisher providing a service for authors, despite this, the reality is that many authors do see us in that way. However, some of our authors understand what we are trying to do and support this.

DISRUPTING CONVENTIONAL MODELS OF ACADEMIC AUTHORSHIP AND PUBLISHING

There is a different corporate logic to large-scale academic publishing. According to Ashton, if a major publisher has, say, 50 books coming out on Deleuze, 'they function with a different logic':

.... Not that they are not great books, I am sure that they're all interesting books and they have a lot to offer, but their primary function is not to alter the way we think about the world. Rather, this kind of publishing is part of a broader academic system and the demands that it creates for individuals.

If you look at the academic journals from the turn of the last century you will see that all the big journals were run by university departments. Now all those journals have been co-opted by huge global publishers.

There is no reason, given that those departments and those academics still do all of the work to create them, except to continue to maintain the toll to access to the content, that we couldn't go back a situation where departments publish their own journals, and for that matter, their own books. That is what I think needs to be done. So rather than independent people like me doing it, university departments and libraries are actually a good site for this. That is what I would like to see.

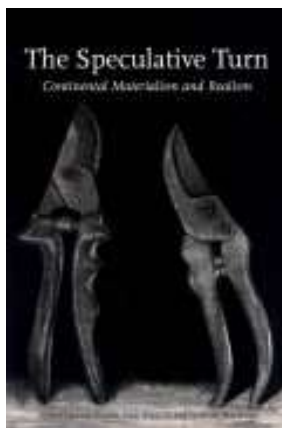
Re.press has contributed to legitimising the open access model of academic publishing. 'Re.press has also made available some important books to the world.'

The Praxis of Alain Badiou was important in opening up Badiou's work to the English-speaking world. 'One minute after we published it, every single person in the world who is interested in it in that topic can have the book and I think that is still pretty important.'

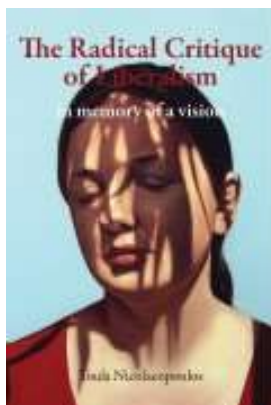
Other important books published by Re.press include:



'It is like no other book in the area. It is completely unique.' Ashton



'*The Speculative Turn: Continental Materialism and Realism* was a very important book. It was the first real book of that particular mode of theorising which has come to dominate continental philosophy over the last five or six years.' Ashton



'There are books that couldn't be published in other models. *The Radical Critique of Liberalism* is an extremely dense book that is fairly long and thus unattractive to other publishers. The book falls between theoretical traditions so it would have been more difficult to find a series that it could go into. It is long, detailed, it doesn't fit into the market very well but it is a very important work.' Ashton



Ashton says, '*Cyclonopedia* was basically unpublishable in terms of the contemporary book trade and the criteria they use'. It is 'a theoretical-fiction novel by Iranian philosopher and writer Reza Negarestani. Hailed by novelists, philosophers and cinematographers, Negarestani's work is the first horror and science fiction book coming from and written on the Middle East.' [Re.press website].

'It has probably been our most successful book in terms of sales. 'We are an outlet for good books that aren't really publishable using conventional measures.' Ashton

REFLECTING ON THE AMBITIONS AND ACHIEVEMENTS OF RE.PRESS

Despite the considerable achievements of Re.press, Ashton believes there is one area in which the publisher has not made the hoped-for impact, namely, 'shifting thinking about books as a coherent entities that intervene in the world in meaningful ways that are determined by their philosophic import and not how they fit into the academic publishing machine'.

One of the things we have failed to do in Re.press that was a goal, was to take publishing projects back to the ideas. To position the ideas in the book—as a set of coherent arguments in a series of chapters—as an argument in the world that needs to be taken seriously as a work of philosophical thinking. Not surprisingly, we have not been able to shift that thinking at all.

Ashton is measured when he discusses the impact of Re.press as an alternative publishing model.

I think there is an established academic culture that has a series of rules about getting ahead. Those rules are much more important than the medium through which a book comes into publication.

Unfortunately, even though Re.press is an attempt to encourage scholars to publish works for their own sake, its activities are still completely determined by the traditional system that revolves around scholarly publishing. Everyone wants to be part of those output channels. People receive the material that other scholars write in those terms and our books are no different, I think. For the current site of philosophic production it seems impossible to receive the unique, everything is translated into what is comprehensible.

THE FUTURE FOR RE.PRESS

A generation of people with new ideas is needed to further develop both the ideas and practices of Re.press. The commitment required is too great given what the university system requires of new entrants. 'I think that the people who are most interested in Re.press are the older people who are at the end of their career and can see the potential outside of everyday survival.'

Despite this, Ashton acknowledged that Re.press is well-regarded and that some academics are very enthusiastic about what it stands for:

... Re.press provides knowledge for the world. Everyone can engage with this knowledge in a completely free fashion (if they have access to technology and the education system). You can also realise that ideas are not just information but they are a physical, aesthetic intervention into the world.

MONASH UNIVERSITY PUBLISHING



Type of publisher:	Small, independent academic press
Established:	Monash University ePress was established in 2003 as a publisher of academic journals It was relaunched in 2010 as Monash University Publishing
Based in:	Melbourne at Monash University
Lists:	Scholarly titles with some trade crossover: 20 – 25 books per year
Authors:	Noam Chomsky, Tim Fischer, Peter Fitzpatrick, Meredith Fletcher, Rai Gaita, Carolyn Landon, Marian Quartly
Innovations:	A hybrid business model: open access scholarly titles plus commercial, crossover and academic books
Other differentiation:	Strong but not exclusive connection with the scholarship of Monash University
Distribution:	Australia – NewSouth, North America – International Specialized Book Services, Europe & other territories – Gazelle Books Services Ltd
Team:	Director and Publisher: Nathan Hollier

Nathan Hollier was interviewed on 8 April 2015.

BACKGROUND

Monash University ePress was founded in 2003 and commenced publishing in 2005, initially with a focus on academic journals. Nathan Hollier joined the press in June 2009 as Manager following an external review of the ePress which encouraged the university to consider opportunities arising from new technologies and new models of book publishing.

Immediately prior to taking up this role, Hollier taught literary studies and professional writing at Victoria University of Technology but had been involved in academic publishing over the previous decade and brought a combination of academic and management experience to the role.

I thought that we could add more value to Monash University by focussing on books rather than journals. Some other university presses in Australia had moved away from academic publishing and were concentrating more on commercial and trade publishing. There was an opportunity for us to move into that academic gap.

Monash University had a great reputation and a great brand so I wanted to build on that to publish books that would make an impact: impact being something separate and distinct from either sales numbers, readership numbers, or revenue. The impact that matters is cultural impact. I wanted us to be a traditional scholarly press in the sense of adding prestige to the university by publishing important books that looked good and were distributed in the retail sector and I thought that that was what academic authors wanted. I still think that was right.

In 2010 the press was relaunched as Monash University Publishing (Monash UP). Although a number of journals are still published, the main priority is now on books. It has grown to the point where it has 3.8 full time staff.

POSITIONING

Monash University Publishing has established research strengths in Australian studies and history, Asian studies, politics, education and biography. Hollier is conscious of Monash UP's positioning in relation to other Australian university publishers. Melbourne University Press and University of Queensland Press are more commercially focussed. UWA and UNSW publish a combination of academic and trade books but also have a stronger commercial focus. ANU and the University of Adelaide Press only publish books if there is a connection with their host institution. Hollier sees Sydney University Press as quite similar to Monash UP although SUP doesn't have professional distribution into the trade retail sector. There is a 'bit of a divide' between the library-based and the trade-oriented academic presses. Hollier also noted that Monash UP has collaborated on projects with ANU Press and Sydney University Press.

BUSINESS MODEL

Monash University Publishing is located administratively as part of the university library. It is not expected to make a profit or to cover its full costs. Rather, it is seen as part of the services provided to the university.

The library had an early interest in open access publishing. 'There was an attitude that we should explore what technology can do in terms of sourcing content and then in planning our workflow to get the metadata about our books out there and aid discovery.'

Hollier believes that open access works best for 'material that is more or less straight content, data'. His philosophy is that the data should be shared freely, but not the aesthetic form of the book.

The open access movement has an emphasis on removing barriers. It is one thing to remove barriers and say 'Here is a manuscript and we're going to put it online', but publishing is a lot more than that. The publisher adds value to a book – including its own IP – through the editorial process, curatorial work, design and marketing. Where a book is an object of beauty, if somebody wants to own it as an object I think that's fair enough for it to be sold.

At a recent Australian academic publishing seminar, the publishers estimated the cost of publishing a new title at \$10,000-\$12,000. Some university publishers ask for a contribution of \$10,000. Hollier has not mandated co-contributions, 'there's not a blanket rule on it', but he is interested in developing more 'partnership publishing'. An alliance with an organisation that commits to a bulk sale for a particular title can be a way of meeting costs.

In Hollier's view, people in universities often don't understand the costs involved in publishing books:

Someone has to pay to produce new books. The work involved in publishing includes selecting manuscripts, refereeing, editing and design. Those costs need to come from somewhere. If you are partnering with other parts of the university this often needs to be explained. Universities are odd places because they have different cost centres within them that vacillate between competing against and helping each other.

Hollier is conscious of budgetary pressures:

I would like to reduce our overall reliance on the university's budgetary subvention over time. If the university wants me to reduce that reliance more rapidly then I need to do business in a different way and I can't publish titles that aren't commercial propositions. We have always wanted the university to see the investment in Monash UP in a broader context. There probably isn't a university in the top 100 in the world rankings that doesn't have its own

publishing company. We bring an enormous amount of media exposure: that is not money in the bank but it is a contribution. We also probably publish a higher proportion of Monash authors than we would if we were a straight commercial operation and that has implications for the Monash University bottom line through the HERDC payments⁵².

Hollier is developing relationships with commissioning editors and series editors to help attract top quality scholarship. One example is the Investigating Power series, with Clinton Fernandes of the Australian Defence Force Academy as series editor, who brought Noam Chomsky into the press's list of published authors (*Peace With Justice: Noam Chomsky in Australia*, 2012).

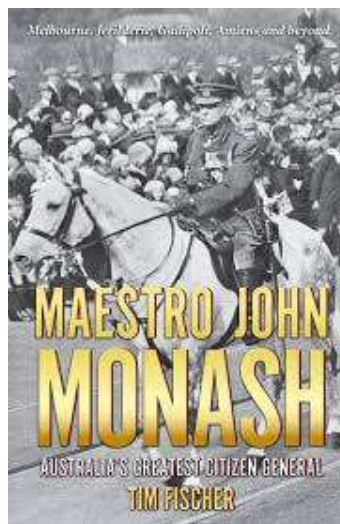
Hollier is also conscious of whether a prospective author has an established public profile.

Craig Taylor came to us with a collection of essays on Raimond Gaita. I thought, this is a figure that we would like to be associated with, given that we are a new company and we want to establish our credentials as a serious publisher.

For many of the specialist books written by academics, Hollier has sales expectations of 300 upwards. Sales are mainly to other interested scholars, a 'tiny' amount in the trade (consumer) market, plus libraries. The USA is their most significant overseas market.

We publish about 15-20 academic books per year which we expect to make a loss and we try to get a little bit back from the author or from their institution through a financial contribution but I probably need to get a bit more back from them than I do. And then we have five or six books we try and get behind and try to generate some revenue through those to make up for the losses, to head in the right direction financially.

As such, a small number of best-sellers helps to subsidise the operations of the publisher. A recent example is Tim Fisher's *Maestro John Monash: Australia's Greatest Citizen General*⁵³ which has now 9,500 copies in print. Hollier edited it and he is very proud of its success:



Maestro John Monash, by Tim Fischer, is one of MU Publishing's best-selling titles.

This book put forward important arguments which mean a lot to a lot of Australians. It opened up the press's identity beyond a more narrow intellectual and political identity that it was in danger of having.

⁵² <https://education.gov.au/higher-education-research-data-collection>

⁵³ <http://www.publishing.monash.edu/books/mjm-9781922235596.html>

WORKFLOW PLANNING AND MANAGEMENT

When manuscripts are submitted they are given an initial assessment then either rejected or forwarded to series editors or editorial boards or straight to readers in some instances. If a series editor or editorial board is interested in the work it is sent to readers (generally at least two) for scholarly assessment. Assessors can recommend rejection, major changes, minor changes or acceptance with minimal changes. Authors are then asked to respond to the assessors' reports. Once the manuscript is in an acceptable condition the author is given a contract, and structural and copy-editing stages and proof-reading can begin. The press outsources most of this work. Authors are required to come with copyright permissions for images though in the case of image-heavy works and independent scholars, a negotiation of these costs is possible. The book is designed and typeset in-house, in most instances, with covers also being done by the in-house designer. Printing is mostly done in Australia. From submission to publication usually takes a year and can take longer; though a considerably quicker turnaround is possible for more time-sensitive works.

The relatively large publishing schedule for a small publisher like Monash UP has impacted negatively on their capacity to bring out digital versions.

To get an ePub or a HTML version doesn't take a lot of resources but when you are doing 20- 25 books each year with 3.8 full-time staff your focus is on upcoming book launches and the potentially tragic situation of a launch with no books.

Hollier has tried to address this issue in part through a relationship with Google. A representative from Google approached Hollier to negotiate rights to Google Books and Google Play. Hollier provides a PDF and 'a heap of metadata' and retains control of whether the publication is open access or not. For commercially focussed books the publisher or the author may be opposed to open access publishing indefinitely or for a certain period.

A small proportion of Monash UP books are published as ebooks. Given the limited resources and the heavy publishing schedule, other aspects of the business have taken priority.

Ebook resellers and aggregators always tell you that their system is very simple and you only need a little bit of metadata. Those assurances need to be taken with a grain of salt. Then there are contractual and reporting issues and relationships with distributors and how to divide up the revenues ... In practice it's quite a headache for small amounts of money and that's why we've been slower moving into it.

DISTRIBUTION

The majority of the book sales occur in Australia through retail outlets. In 2014 Monash University Publishing recorded a 47 percent increase in retail sales numbers. Independent bookstores such as Readings in Melbourne and Gleebooks in Sydney are key accounts. Trade titles are sold in most major retailers including Dymocks and sometimes ABC Books.

There is always a 'chicken and egg' discussion that goes on with a distributor. The retailer generally looks at the list and says 'We'll have two of this and three of that and four of that', whereas we try to convey we have some titles which will sell more than that. When the retailer hasn't ordered enough, that can be a challenge for everybody. The retailers get grumpy because they haven't got enough copies and we say 'well, you could have ordered more', the distributor gets grumpy because they're getting chased for stock. I get grumpy because I haven't got the stock. We all rely on the printer to do it as fast as they can.

'Our titles are sold as ebooks in the USA and Canada and we are just moving into selling them in other territories'.

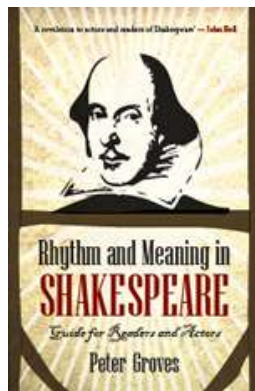
SOCIAL MEDIA

Hollier tweets about book launches and reviews. When Julian Burnside launched *Sri Lanka's Secrets* (discussed further on) he tweeted about the title to his nearly 10,000 followers and 'that was quite a big deal. People will come to your event, they'll buy more stock from your website.' Hollier also keeps up a Facebook presence but sees this as a rather limited involvement due to time constraints on his part.

RICH TEXT CONTENT

Early on there was also an interest in rich content publishing through adding extra audio or visual files or hyperlinking to enable new forms of reading.

However, in practice rich content projects raise technical issues and financial challenges. Hollier gave as an example a recent publication called *Rhythm and Meaning in Shakespeare* which contains sound bites throughout.



'Dr Groves' intensive and illuminating study demonstrates how an appreciation of Shakespeare's use of metre, stress and rhythm, along with many attendant subtleties, will inform actors' understanding of a text and allow them to soar beyond the bounds of mere 'naturalism', to delight the ear as well as the intellect of an audience.'

John Bell, Bell Shakespeare [from the publisher's website]

Rhythm and Meaning in Shakespeare, by Peter Groves, provided an opportunity to incorporate digital sound files.

In the case of *Rhythm and Meaning in Shakespeare* its rich content capabilities were highly relevant to the subject matter, however Hollier observed that these types of scholarly projects are not likely to be profitable because of the niche subject matter and the extra costs of production.

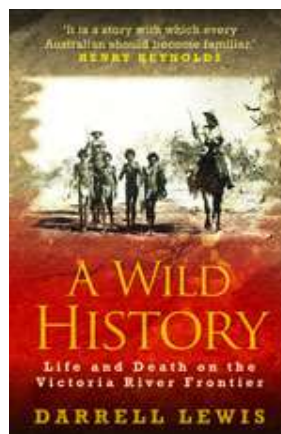
He also noted that after years of disruptive technology he doesn't see dramatic transformation in the short or medium term coming about from technology.

SIGNIFICANT PUBLICATIONS

In 2012 Peter Fitzpatrick won the National Biography Award for *The Two Frank Thrings*⁵⁴ and Darrell Lewis's *A Wild History: Life and Death on the Victoria River*⁵⁵ was a joint winner of the 2012 Northern Territory Chief Minister's Award for History. A number of other titles have been shortlisted for literary awards.

⁵⁴ <http://www.publishing.monash.edu/books/thrings.html>

⁵⁵ <http://www.publishing.monash.edu/books/awh.html>



The Two Frank Things (left) by Peter Fitzpatrick and A Wild History by Darrell Lewis, both won literary awards in 2012.

The National Biography Award was a massive achievement for a book published in our first full year of operation. I thought of those prizes as very important for us as a way of showing to the university that this validates what we're doing.

Another title that Hollier considers important is *Sri Lanka's Secrets: How the Rajapaksa Regime Gets Away with Murder*⁵⁶ by Trevor Grant and with a foreword by Geoffrey Robertson.



Sri Lanka's Secrets, by Trevor Grant, is considered by Hollier to be an important book although sales were modest.

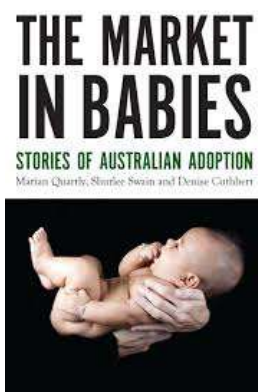
This book was published in the context of people including Bob Carr saying that there is no evidence of ongoing persecution of Tamils, so that was why it was necessary for us to publish a book which contained a lot of fairly gruesome material. Testimony with people saying this is what's happened to me, my wife and family, verified by doctor's reports. I think a lot of people found the subject matter too challenging, too confronting to allow themselves to dwell on the torture and persecution and the Australian government's complicity with that regime. Australians, like anybody else, don't like to confront those facts a lot of the time.

There are some books which need to be published regardless of whether they are going to make you a dollar or not.

Hollier referred to the university's expertise in Asian studies and he is examining ways of strengthening the publisher's Asia series, which he supports strongly. 'However, it's a tough area to publish in. Few people want to buy those books in Australia and it's hard to get distribution in South East Asia but we're persisting with that.'

⁵⁶ <http://www.publishing.monash.edu/books/sls-9781922235534.html>

Another recent title highlighted by Hollier is *The Market in Babies*.

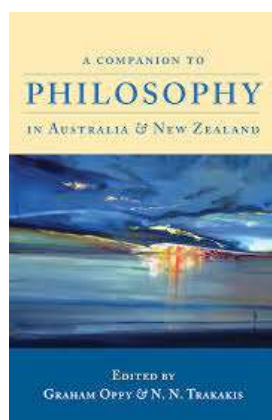


The Market in Babies, by Marian Quartly, Shurlee Swain and Denise Cuthbert, is a book that Hollier believes may come to be regarded as a classic.

Since that book has come out there has been more and more discussion about regulating Australian travel to South East Asia and elsewhere to pursue surrogacy arrangements. The book opened up questions which are difficult to answer and I think it will be looked back on as something of a classic.

OPEN ACCESS DOWNLOADS

Overall readership of the open access online titles was over 200,000 in 2014. They come from (1) North America (2) Australia and (3) China. The most popular title has been *A Companion to Philosophy in Australia and New Zealand* by Graham Oppy and N. N. Trakakis (Eds.).



A Companion to Philosophy in Australia & New Zealand is the most-downloaded MU Publishing title via open access.

In general, publishing open-access on the web or in e-versions is the way to maximise readership and to obtain readers in areas of the world where print distribution is not strong.

THE FUTURE OF SCHOLARLY PUBLISHING

Hollier believes that ‘the future of an academic publishing operation depends considerably on the priorities of the university and those might change with the appointment of a new Vice Chancellor or other members of the senior management team.’

A lot of my director colleagues, not just in Australia but internationally, feel as if they are doing what they think is best but they are not entirely sure whether their strategy is accepted

by the powers that be within their university. I think there wouldn't be many of us in Australia who feel like the university is absolutely behind you come what may.

However, Hollier praised the nature and extent of collaboration across Monash University that has supported the press.

Different areas of the university all have their own pressures, time pressures, cost pressures etc. Nonetheless there's been enormous support given to the press from people for whom this is outside their central set of tasks: finance people, administrators, IT people, academics, and other members of the library who are very positive about having a press. So while it's been the most challenging professional environment that I've worked in, it's also gratifying.

There has been extensive industry commentary on the financial pressures facing academic presses.

A lot of people don't understand the industry. Rather, they leap to the conclusion that you're not sufficiently competitive. University senior administrators across the board probably need a clearer understanding of the costs, risks and tradeoffs involved in university publishing. You appreciate buy-in from senior management who have an interest in what you're doing, know what you're doing and why you're doing it and who, if they don't agree with what you're doing, will tell you to do something different.

While universities and university presses are collegial when it comes to discussions about the challenges faces scholarly publishing, Hollier does not expect the current economic constraints to change.

Realistically, I don't see a great will within the overall academy to get together and find a financial and other resource base to continue to advance scholarly book publishing irrespective of market dynamics.

Nor does he believe that a single model will emerge that meets all the goals of academic publishing. Rather, different models will support different publishing priorities.

Publishing is ultimately a qualitative task. The essence of publishing is in that selection, editorial process, adding value in that way. Good publishers know the difference between good books and bad books and that's why ultimately it's qualitative. I don't get as obsessed as some others do with technological solutions or with added value through technological aspects of the workflow. I appreciate important books and helping those books to be what they can be through what we can add to them intellectually, aesthetically, and administratively.

As of 2016 Monash UP will be focussing exclusively on book publishing, with its final journal, *History Australia*, moving to Taylor & Francis. Sales in 2015 have increased significantly and the press's budgetary reliance on Monash has decreased. Monash UP has shifted to NewSouth as its distributor for Australia and New Zealand (from Footprint) and is now selling ebooks around the world via that partnership with NewSouth.

Postscript: In 2014 the Monash University Publishing team (Sarah Cannon, Kathryn Hatch, Nathan Hollier and Joanne Mullins) was a recipient of the Vice Chancellor's Award for Exceptional Performance by Professional Staff.

COMMUNITY-BASED PUBLISHERS

MALARKEY

The Footy Almanac

Sport. Write from the heart.

Type of publisher:	Small, independent press
Established:	2007
Based in:	Melbourne
Lists:	<i>The Footy Almanac</i> (published annually), local sports team histories, social histories and yarns about Australian sport, memoirs by sporting figures and sports lovers, especially about AFL football. Quarterly e-journal called <i>Long Bombs to Snake</i> . Weekly email newsletter.
Innovations:	Sports fans write their accounts of games and the broader culture around sporting life. A non-corporate celebration of Australian passion for sports.
Other differentiation:	Supporters include professional footballers, journalists and other professional writers. \$20,000 raised in early 2015 through crowd-funding. The publisher raises revenue through memberships, sponsors and advertising on the website. The Almanackers – a community of writers, artists, musicians, business people and other sports-lovers who get together for lunches, dinners and other events held around Australia.
Distribution:	Dennis Jones & Associates, a private book distributor
Team:	John Harms, Editor David Wilson, Mark Schwerdt and a team of volunteer assistant editors
Website:	http://www.footyalmanac.com.au/

John Harms was interviewed on 8 April 2015.

BACKGROUND

In the words of John Harms, the Editor of Malarkey:

I have problems with the voice of contemporary sport. My argument would be that Fairfax and News Limited are stakeholders in professional elite sport. Largely, the newspapers do well when football is doing well (although there are investigative journalists who expose matters, and are advantaged by the intrigue of controversy) and that has been going on in Victoria since footy started in the 1860s.

They serve each other well but increasingly, the commerce and the politics of football is becoming part of the coverage, all those things that Manning Clark would have described as mammon. It so dominates the coverage that the voice that I am looking for is quite shut out. My idea was to create a platform where that voice of the fans is freely heard via the writing of everyday people. Our voice would be seen as radical, critical, eccentric, and different.

I am a grass roots person. I am genuinely interested in the stories of ordinary people, in a way that I think mainstream media is not. Les Murray has a great expression, 'every life has its own quiddity, its own truth' and that's how I see it. My interest is in meaning generally as a writer and a historian and I am interested in why people are so attracted to the things they are attracted to.

After working as a high school teacher (in history, English and maths) John Harms completed a Masters of Australian studies at the University of Queensland with Prof. Geoffrey Bolton as his research supervisor. Harms is a 'mad keen' Geelong supporter. He started a PhD on football in the community using Geelong as a case study. 'The thing that most interested me is why people go so nuts over football and why it is so meaningful to them.'

Harms met Gideon Haigh at an academic conference where he presented a paper on Cricket and Federation.

Gideon and I got on very well. He said, 'You're a storyteller. I like your academic paper but maybe you could think about writing more broadly'.

That led to Harms writing some non-academic articles which led to a sports column called 'In Harms Way' in *The Australian* written from the perspective of a fan. Next Harms wrote three books about sport in four years that were published by Michael Heyward at Text Publishing: *Confessions of the Thirteenth Man*, *Memoirs of a Mug Punter* and *Loose Men Everywhere*, 'by which time I had given away my PhD in history'.

After Harms married he and his wife, a medical specialist, moved to Melbourne where he wrote a weekly column about sport for *The Age*. 'Some editors thought my stuff was worthwhile, others thought, 'What is he writing about that for? Why would people be interested in what a fan has to say?' but there was definitely an audience there.' Harms also wrote *The Pearl: Steve Renouf's Story*, a biography of a Queensland Aboriginal rugby league footballer.

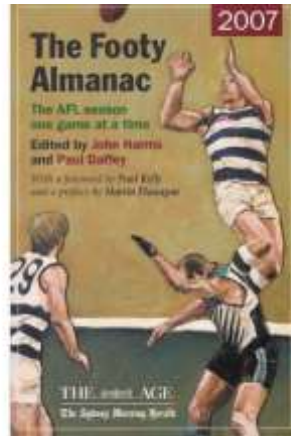
I thought there should be a lot more fan writing than there is. Paul Daffey (a sports journalist at *The Age*) and I started *The Footy Almanac*, which was initially a print book. We got together some mates and said 'Do you want to go to the footy on Saturday and write about North Melbourne versus Hawthorn, and you can do Collingwood versus Essendon, and you can do...', and so we had 34 writers in that first year.

If you had gone to see Geelong versus Collingwood we wanted to know why you barracked for Geelong, how you experienced the game and the story of the game. Sometimes you might do a report where you weren't even at the game, you were at the North Fitzroy Arms and so and so walked in and so it is about a community of football participation.

Harms described it as a 'huge administrative job' to coordinate 200 games of football and 34 writers, which was a deterrent to prospective publishers. After pursuing a sponsor for the project did not prove fruitful either, Harms created an entity with some friends from university days.

All together we put in \$70,000 and created a little publishing company called Malarkey Publications.

In Harms's words, 'it was friendship that led to the money coming together.'



The cover of the first Footy Almanac (artwork by Martin Tighe).

Fans who wrote an account of a football game were paid \$50 for each piece and they received two books for each match account published. The book ran to 540 pages and the writers acted as a network to sell the book.

The Australian Football League and the football clubs themselves were not interested in becoming involved with *The Footy Almanac*.

The league didn't seem interested; the clubs weren't interested, even though here is a book which is a game by game account of the year, 800 words per piece, per game, so a nice report, but with the fan as part of the story.

We published the first *Footy Almanac* book and it did pretty well. The reviews were quite good, although there weren't a lot of reviews. *The Age* and *The Sydney Morning Herald* were mentioned on the front cover because, although they didn't sponsor the book, they gave it a bit of promotion. We had a commercial arrangement with them that they received a royalty for sales which it wound up being tiny but we sold about 4,000 copies.

Harms commissioned a painter for the cover each year, with the first one painted by Martin Tighe.

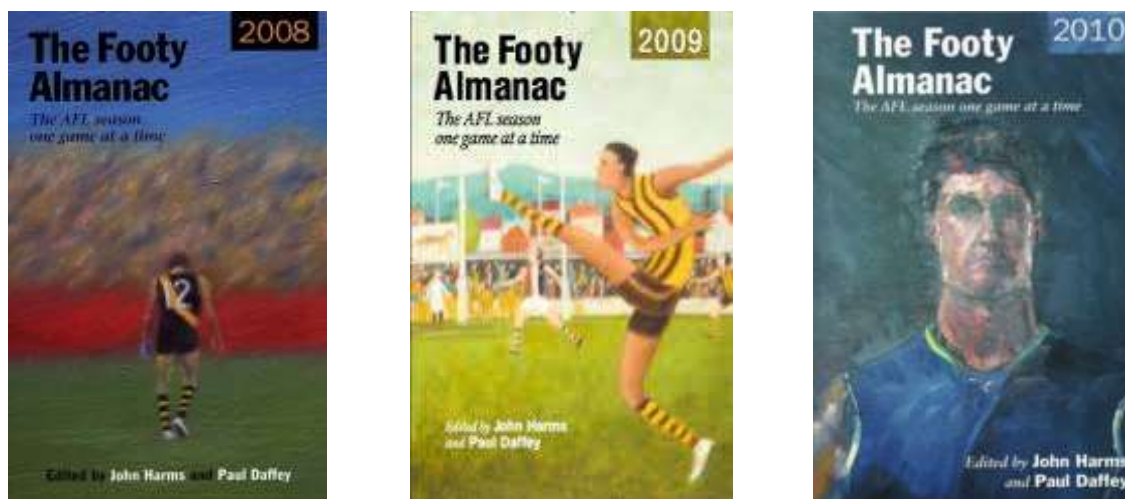
We always commission a musician to write an essay about the love of football in the introduction. The first one was written by Paul Kelly. He loved the democracy of it.

A notice in the book asked readers interested in contributing to future editions to email the editors.

By this stage there was a bit of an email group, like a bantering group of writers and they are bright people, intelligent.

Harms was a regular on the ABC TV sports program *Offsiders*. He introduced the new Footy Almanac community to the ABC Unleashed website, which grew the size of the community further.

Following the success of the first edition of the book, Penguin made an offer to become the publisher. They published it from 2008 – 2010. In the second year there were 89 writers.



The artworks for Footy Almanac covers in 2008 – 2010 were painted by (from left to right): Jim Pavlidis, Nick Howson, and Geoff Dyer.

We were expected to give Penguin an absolutely quality layout, quality text. They had six readers read it in a single day before going to print just to make sure it was okay.

Unfortunately, the relationship with the ABC's Unleashed website did not continue as the ABC management delayed giving a firm response about their plans for 2009.

I asked the ABC 'What are we going to do next year, this seems to have gone pretty well?' 'We'll get back to you.' They didn't. I kept ringing the guys up saying, 'What are you doing? The season's upon us.' 'We haven't made our plan.' So we thought, we'll create our own website.

When Harms was planning the site, he examined other websites based around the contributions of writers rather than sports websites, including Garrison Keillor's website⁵⁷, Arts and Letters, and Salon. He was interested in the development of citizen journalism and 'the vision of creating a framework which allows for people's writing, especially sports writing, to have a platform'. The website started as a Wordpress (a popular website software) page.

I don't think our first website even had a heading. It just had 'Damian O'Donnell previews the 2009 season'. If you clicked it would open another page and there was his 800 word story. We sent the email group an email and they must have emailed others, and by the end of that week I think 1,000 or 1,500 people had looked at it and it started to gather momentum.

It was words that people were not reading anywhere else. It wasn't spin from the AFL, it wasn't propaganda from clubs, it wasn't hard sell from anyone who's gonna make a buck out of football. There were stories about footy as people understood it from days gone by. It was about a sense of footy as a personal experience, footy as culture, footy as all the things that give it meaning.

The number of people who wanted to write for the book was increasing but these people were also getting published on the website. Nothing from the website went in the book but the book brought readers to the website and then they contributed. So even though the contributors were going to have one or two of their stories in the book they might write three or four more for the year and then they started to write about athletics and horse racing and their kids, and then kids themselves started writing.

⁵⁷ The Writers' Almanac: <http://writersalmanac.org/>

JUNIOR ALMANAC

As younger sports fans started contributing their work, a Junior Almanac section was created. 'There's been no promotion, no marketing, it's all been word of mouth.'

Get Stuffed by Kaisha Thompson

9 year old Hawks fan from Preston

We always seem to be out doing some stuff on Cup Day. Last year we were looking for tree kangaroos in the Atherton Tablelands and then went to a pub in Malanda to watch the race. This year we went walking in the You Yangs then called in to the Little River pub.

Dad says there is \$4 each year he will bet on the Melbourne Cup for us. My sister backed Fame Game 'based on the odds', I bet on a female jockey named Michelle Payne. I backed her because she was the only woman jockey in the paper and I thought good on her for standing up to the boys...

...We had a nice lunch and then gathered around the screen on the verandah of the pub. The race seemed slow. Then there was the rush to the line. I didn't know she had won. When mum told me Prince of Penzance had won I started jumping for joy.

Well Michelle didn't put up with those men, proving them wrong and saying 'get stuffed' to those that said she couldn't do the job because she is a girl.

I feel that Michelle is now my icon. Finally someone who says things actually matter in a TV interview. No-one has ever said 'get stuffed' before (or at least since I've been alive.)

I totally agree too. I mean when the boys at my school (not naming names...) show those kind of attitudes to me I feel like screaming 'get stuffed' in their face. One day I will show them.

The only bad side is, now I owe Dad \$4.

An account from the Junior Almanac by Kaisha Thompson. <http://www.footyalmanac.com.au/get-stuffed/>

THE WRITERS AND THE READERS

The backgrounds and motivations of the writers vary.

They are people from all walks of life.

There are those who are using this as a stepping stone. Sometimes they're thinking 'Is this going to serve me well'? As soon as you see that egocentric approach you know they probably won't last long. But we have had a dozen writers placed in professional positions who have come through us, whether it be students doing internships or for example, Andrew Gigacz, who now works for another website.⁵⁸

We find that people either get what Malarkey is about or they just say, 'What? I don't want to read about some truck driver parked in Dubbo listening to his radio because he is so excited that he can't drive the truck anymore, I want the scores.' So there are some people who become loyal, they want to be part of it and there are some who go, no, and that is fine, that is just personal taste.

⁵⁸See Gigacz's account of writing for *The Footy Almanac* at: <http://australianfootball.com/articles/view/Footy%2BAlmanac%2B-%2Bof%2Band%2Bby%2Bthe%2Bfans/279>

THE ALMANACKERS



Some photos of Almanackers posted on the Footy Almanac website. John Harms, the founder, is pictured on the far right.

A strong community has developed around the Almanac identity.

If you write for the Almanac you become an Almanacker. We haven't pushed it, we haven't tried to manipulate it. People get this sense that the Almanac is meaningful for them in a way that other stuff isn't meaningful and they stay.

We have tried to not be compromised. Essence is a very dangerous word: what is an essence? However, whatever it was in those early books and in the early website, it had genuine appeal to people and we have attempted to preserve it.

A group that called themselves the Almanackers started to meet at the North Fitzroy Arms Hotel.

We started with one table of 20 people then it became two tables with 15 around each one and then, 'Why don't we get a speaker?' So we now have a function once a month, we have functions in other capitals cities, whether they be launches or dinners or lunches. People make a big effort to come an Almanac function. They will marry it up with a game or a visit to relatives.

STAFF

In addition to Harms, the Footy Almanac employs a half-time business development person and a half-time web administrator. There are also eight assistant editors who contribute as volunteers, approximately two hours a week each. ('The roles are fluid – they need to be! We adjust responsibilities according to the skills of those involved – whether they be paid or unpaid.')

An internship program has developed with three students from RMIT's editing and publishing program, the University of Melbourne and La Trobe University. A number of contributors are academics, including academics in the professional writing and editing field. They have helped form links between the students and the Almanac.

MEMBERSHIPS

People can sign up as members of the *Footy Almanac* with the benefits varying according to the level of membership, costing from \$80 per annum upwards.

The basic level is the Jack Dyer good ordinary membership, because Jack Dyer used to talk about good ordinary players and he is a great character of the game. You get a copy of *The Footy Almanac* for the year, a stubby holder or a coffee mug, a sticker for your car, you get 20 percent off lunch.⁵⁹

The number of members is modest – about 100 members – plus there are 1,450 registered contributors to the website.

There are 3,600 people who have registered for the weekly email newsletter list, plus another list of ‘people who have been more peripheral to what we’re doing’ of about 4,200.

FOOTY TIPPING

The website features footy tipping competitions, with different levels of complexity. About 90 people participate. All the funds are returned as prize money.

WEBSITE VISITS

According to Google Analytics, approximately 170,000 people (i.e. from different IP addresses) have visited the website, with approximately 1,700 visits per day in early 2015, and 2500 visits per day during footy season. The average time spent on the site is 3 minutes and 40 seconds.

The readership of the newsletter is roughly 60 percent in Victoria, ‘quite a bit’ in South Australia and Queensland and there is a strong presence in some universities, especially the University of Adelaide.

Visits to the website are seasonal according to sporting events.

LOGISTICS OF PUBLISHING NEW ENTRIES

The articles are posted on the website as they are received by the editors from contributors.

If there are six articles today, there they are, and it is not tricked up. Yesterday we published 19 articles. Then you have to work out how to present 19 because they don’t all sit on the homepage. You don’t want an article to be lost on the second page before people have had a chance to read it, because the author has put their heart and soul into it.

The website has published approximately 13,400 articles.

⁵⁹ For a list of membership levels and benefits see: <http://www.footyalmanac.com.au/memberships/>

ANNUAL BOOK LAUNCH

The annual launch of the latest edition of *The Footy Almanac* has become a much-celebrated occasion.



The launch of the 2014 Footy Almanac at the Waterside Hotel, Melbourne.

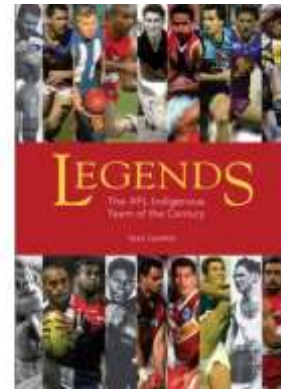
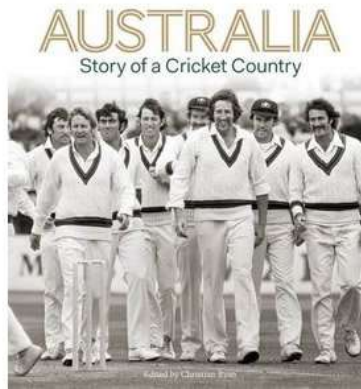
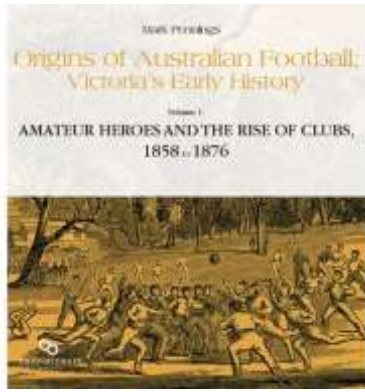
The contributors love the idea of being read, especially in the printed book. It is so joyful. Last year 250 people came to the pub and the book was launched by Matt Spangher's Dad, Enzo. [Matt Spangher plays for Hawthorn.]

Enzo said, 'What am I doing launching a book?'

He was full of life and there was a great mood that after a season not only had the premiership been won by Hawthorn, now here is the Almanac. People are always signing each other's copies and people are catching up who haven't seen each other for a year. It's a great vibe. For the time you have spent putting the book together, 14 hours a day for 4 weeks, you think, can I ever do this again? Then you have that night and it is a great injection of energy, but it is a slog, it is a massive slog.

OTHER TITLES

Malarkey has promoted a range of other titles on its website.



Some examples of other books available on the Malarkey website: *Origins of Australian Football: Victoria's Early History* by Mark Penning; *Australia: Story of a Cricket Country* by Christian Ryan (Ed.); *Legends: The AFL Indigenous Team of the Century* by Sean Gorman

We support those of our writers who have published books by putting them in our on-line shop. Some titles do very well. This is a way of thanking our writers and also showing the world the array of talent we have in our community.

EXPERIMENTING WITH THE BUSINESS MODEL

Harms is a paid a part-time wage.

The only reason *The Footy Almanac* can work is that people who love it enough take 'unders' on their pay until such time as we increase the numbers to generate more paid advertising, to increase the revenue and build the economy of Malarkey.

In a way it was manageable and sustainable when it was small and now it has grown but the economy hasn't grown at the same rate. We have to get through this stage of it being big but not having the resources to pay for the labour that is needed to keep it going. If someone came along and said 'For \$50,000 we will put Woop Woop Pale Ale across the top' we would say, 'Thank you, we will be the Woop Woop Pale Ale site this year'. I think we could operate comfortably if we could find income of around about \$180,000 per annum.

The revenue stream is still not strong enough. Our turnover would be between \$120,000 and \$140,000 a year – and the book breaks even. There is no profit in the book but we did a collection of other stories called *Footy Town* and there was a small profit in that book.

We are in the situation where we consider, do we stop doing the *Almanac*, the book, and just concentrate on the website? But people love the book so much. The book brings people into the community and, besides, we set up Malarkey to do this book. I had a view that over time the book would provide a platform for writers who wouldn't otherwise be published. Which is exactly what happened.

Harms has not been successful in attracting grant funding because the website is perceived as a sports website rather than a website based around writing.

A number of Malarkey contributors have worked for the AFL or as professional sports journalists.

One fellow knew that the AFL could support us financially but he knew that if the AFL stamp was all over our material people would become suspicious of what it actually was. So we need to be independent, even though we would love the support.

On the one hand you have a monolith that has the capacity with just the stroke of a pen to make us comfortable and on the other hand we need to retain that independence. But we are now providing content to the Greater Western Sydney Giants, and to the Sydney Swans each week as well as placing their logos on our site and linking our site to theirs. There is a small financial benefit in this. We also supply content to a magazine called *Inside Football*. We receive some payment for this as well, but a fraction of professional rates.

One external business advisor suggested that contributors be paid per click on their articles.

His idea was to pay our writers one cent per click and charge our advertisers 2.5 cents per click so there's 1.5 cents there. Take your costs of running the site out of the 1.5 and then you will probably have a profit of about half a cent per click'. There are entrepreneurs who would say, 'It doesn't matter what your content is, just get people clicking on it'.

That is not how I think. I am thinking, how do we welcome writers in and get their words up on the site – and isn't it great that they are part of this.

Harms has also been approached by a couple of venture capitalists, including one who represented a failing dotcom, with very modest proposals.

CROWD FUNDING

In early 2015 the editors raised \$20,000 in one month through crowd funding.⁶⁰

Harms has a number of colleagues with expertise in business development who form an advisory board. There are 13 shareholders in Malarkey (Malarkey also raised some capital about four years ago). The next planned development is a major makeover of the website, at an estimated cost of \$12,000. This will enable a much more efficient work flow for receiving, editing, publishing and indexing contributions.

OTHER WEBSITES

While a number of sports writing projects have folded, a Sydney-based sports website, *The Roar*⁶¹, has had a recent injection of capital and according to Harms it is 'thriving'. 'It is a good site. I think it understands its identity and provides content suitable for the audience it has.'

⁶⁰ The crowd funding website is at: <http://www.pozible.com/project/190713>

⁶¹ <http://www.theroar.com.au/>

LONG BOMBS TO SNAKE MAGAZINE



The new magazine contains collections of longer essays.

Before the 1977 AFL grand final Ron Barassi [the coach of North Melbourne] wrote these words on his whiteboard. He had a plan about what the team should do in the game. There are words all over the board and then there is a squiggly line and it says 'straight down the guts, long bombs to Snake'. Snake was Phil (Snake) Baker, the full forward. So in other words, if all else fails, just long bombs to Snake.

It fits with *The Almanac* that you can have all these plans and you can structure things and you think you are going to control the chaos but long bombs to Snake, that is what we'll do. It is the free spiritedness of it.

The reason for launching the e-magazine (the initial response to Long Bombs was encouraging enough for Harms to bring out a printed edition) is that the writers of 700 word match reports have developed their craft and are ready to write longer contributions.

It is hard to get people to read a 4,000 word piece off the website. If you put it in an eMagazine or a printed magazine and say, we have put this together to celebrate ten 4,000 word pieces, then people read it like they would read any magazine you would want to point to. It works for *The Monthly*.

The problem in the Australian mainstream sports media is that it is very hard to find a spot to place a good 4,000 word sports piece, other than sensational and controversial pieces, or writing that is celebrity driven.

The initial format was a digital publication, but the decision was made to print it, which cost \$4700. 'The first edition will only break even thanks to the injection of crowd-funding money.'

ARTS, MUSIC AND OTHER ALMANAC PUBLISHING

Harms is experimenting by broadening the scope of subject matter on the website, and encourages enthusiastic assistant editors to get involved, and to take responsibility for writing about a subject.

Just say you come to me and you say 'I love writing about music', well, why don't you look after our Almanac music page. You become the editor of it and you lead it the way you would like to.

So far no-one has had the same energy for a particular page as there has been for the overall entity, and especially the footy component. If someone does come along, take cricket for example, and run with it, they could do it commercially, they could find sponsors, they could do it however they chose to, as long as it retained what I would call this Almanac identity.

We have had various people have a go at different things. We had an American football site over the last summer which didn't work because it didn't get traction in America but it had some traction here in Australia. We did a rugby league push a few years ago and it didn't quite take off.

It needs energy and commitment and a belief that it will develop, it has to have presence, you have to have new pieces, you have to have comments and conversations. If people aren't making comments when it is growing, as editor you can put a comment on to stimulate a conversation.

SCHOOL VISITS

Harms and a number of other professional writers involved with Malarkey have visited schools, although this activity has not been scaled up.

We want to get more kids writing, more kids involved. I write about my childhood in my books. I wasn't a great cricketer or footballer or golfer but when I played cricket my backyard was my MCG. It was as important for me as it is to the test cricketers who run out onto the MCG. Maybe that's just me!

Equally, I would say if you are a writer, then write. Don't wait to get acknowledgement from someone who is making you jump through a hoop in publishing, you can publish now. Set up your own blog or write a story and send it to your Nanna. There is something great about writing and there is something wonderful about storytelling and I love seeing people doing it. Plus I like reading what they write.

I went to Genazzano FJC Catholic girl's high school in Kew for a day. It was their work experience day. I had a workshop with 25 Grade 9 girls for seven hours. I often run an exercise using memory. Let's think about your first netball or your first violin or your first CD or your first visit to the beach, just get your memory working. Over the course of the day they brainstormed and planned and then they wrote. By the end of the day we had published a couple of those girls' pieces. By the end of the week we had published more than a dozen. They have gone to the world and they are being read and the students are absolutely thrilled. They are writing. If it ignites the passion for writing so be it. Some of them already had the passion.

An American academic from the mid-West, Bruce Berglund, sent an email saying that he did a radio show in America, and he wanted to get Phil Dimitriadis and a Genazzano student, Hannah Kumar, on his show to talk about *The Almanac*. Since then he has set up an Almanac equivalent in the States which he called The Allrounder⁶² for academics who want to branch out and write a bit more freely, but it also takes some of academic work and features it on the site.

⁶² <http://theallrounder.co/>

CONCLUSION – A COMMUNITY OF WRITERS

There is something about a gathering of a community of writers who occasionally hit on an absolute gem who've created these friendships as a result of it. There is great respect amongst the people who are involved. Anything meaningful can be exploited, that is why sport is being exploited. It has been the same with religion at different stages in history. The community elements are an important part of Malarkey and also offering an opportunity for those people to have their writing published. I have great faith in the importance of that, when it is well done and even when it is not well done. When it has some sort of truth, some sort of genuineness to it. People aren't doing it because they think they are going to win an audience and make a buck out of it. They are telling their story because the stories are there to be told.

KIDS' OWN PUBLISHING



Type of publisher:	Small, independent publisher
Established:	1997 in Ireland, 2003 in Australia
Based in:	Melbourne
Lists:	Children's books
Innovation/s:	Children create their own books for other children and other people to read, with the support of professional artists, teachers and librarians The We Publish app which enables children to create an ebook was featured by Apple and was the Best New App in 32 countries
Distribution:	Kids' Own Publishing website, through communities that are involved in making the books. The app is available for purchase from the Apple App Store for \$2,99.
Executive:	Victoria Ryle, Executive Director
Website:	www.kidsownpublishing.com

Victoria Ryle was interviewed on 3 December 2015.

BACKGROUND

Victoria Ryle is an English woman who worked as a literacy specialist in London in the 1980s and early 1990s. At the time 'there was a very holistic approach to teaching language and literacy and that included a strong focus on making books'. This often consisted of students drafting a story, editing it, and then presenting it as a single copy to their audience. Schools then had very little access to the ability to publish, and reproduce, and present multiple copies.

My husband, Simon Spain, is a fine artist and he trained as a printmaker. He suggested, 'We can print limited editions of books and see what impact that has on children.' The first project he ran was with my class.

That is how Kids' Own Publishing came to be born. There were a number of years in London when Simon ran arts projects as a printmaker. Teachers would develop written content with children prior to his arrival, then he would go into schools and in the space of a week they would generate the illustrations, they would make up screens and literally, physically, print editions, usually of 100 copies of a book that were then folded, stapled, trimmed and launched all within the week.

The books were silkscreen printed by hand. Simon would select beautiful papers, the children would make their illustrations and then they would design and lay them out on acetate. These would be converted into photo stencils by the middle of the week, and then the screens would be ready for printing on Thursday by the children. Two colours on each side of the piece of paper, and then they would fold up those sheets of paper into 12 page books.

On Friday the parents would be invited in for the book launch. It became a little microcosm of the publishing process.

As word of mouth spread, Simon Spain was invited to run similar projects in Sweden, the US, and Ireland. At this stage, Ryle and Spain's work each informed the other because Victoria Ryle was working as an early literacy specialist.

I was running courses with teachers. We were promoting the idea of integrating language and literacy learning so that children were speaking about topics they were interested in, drawing on their cultural knowledge, then writing about that experience and using that writing as a tool for teaching reading. There was a sense of integrating the literacy learning process and embedding it strongly in the children's' direct experience. That was coming out of very multicultural, multilingual areas of London. We focused on bringing those children's' multicultural experiences to the learning process, to the classroom space.

She described a 'lightbulb moment' that had occurred earlier in her teaching career.

I had taken over a class half way through a year. I looked at the students' reading records and there was a child who had made no progress whatsoever. When I sat down with him to look at a book that he had been on for one and half terms, it had one word in it. That word was 'mummy', and he pointed at the picture and said, 'That's not my mummy.' I realised that many children need to make a connection between their experience and the materials that we were asking them to become literate with.

Victoria Ryle observed the impact that the publishing projects had on the children.

I was lucky enough to be involved in The Brent Young Writers program, a one-off publishing project in the London Borough of Brent, which published and distributed a book that we had made as a class across all schools in the Borough. When I saw the effect on the children I realised that there was a huge leap from making one single book to understanding that the book existed as multiple copies that could be distributed and shared, and that lots of people would see this and hear the voices of the children who wrote it. That switched me on to the publishing process with children.

Ryle is a strong advocate that children are interested in reading books that are written by other children.



Children create their own book and then make it available for other children to read.

The concept of children creating their own books and publishing for other children is still a very new one. Whilst it has occurred in tiny pockets and children have always written, as a sector and as a recognised genre of literature it is very new.

ESTABLISHING KIDS' OWN PUBLISHING IN IRELAND

A children's publishing project in Ireland led to an invitation which resulted in Ryle and Spain moving to Dublin and setting up Kids' Own Publishing in 1997. Kids' Own Publishing Partnership received a grant from the Arts Council of Ireland, and The Arts Council in Northern Ireland.

I often say that we turned the publishing model upside down. Instead of seeking out material and content worthy of publication, we would go to the people who we felt would most benefit from being published. Historically, children have not had much of a voice and it is a very recent movement to value the child's voice in the public sphere. So it was very unusual at the time, and there always were children outside the mainstream culture who, we felt it was particularly important to find ways of collecting and broadcasting their voices.

Kids' Own Publishing was run from a home office in Sligo, with five part time staff and a number of artists involved. Publishing projects included exchanges between Catholic and Protestant school communities 'which was a reflection of our project being particularly suited to cross border peace and reconciliation'. A distinctive place based model evolved, deeply rooted in local communities.

The model was essentially based around raising funds for multiple partnership projects sometimes spanning up to three years. The projects would result in a range of outcomes such as digital media or exhibitions. We would aim for an offset print run of about 2000 books. In Ireland we were able to get our books into two trade book shops that enabled us to reach directly every library and every school in the country. We would expect to turn over a print run of 2000 in roughly two years.

Ryle also recounted the impact of a book making project 'Unheard Voices' on the Traveller community, Ireland's nomadic people with ancient language and traditions including a strong oral rather than written language.

We worked with a Traveller liaison teacher who would visit children in their homes, and she said that often the only book in the home was the Kids' Own book we had published with the children (*Charlie Barley and all his Friends*, a collection of traveller rhymes). The pride of place of this book was apparent to her. That has always stayed with me, that idea that when children, and therefore their families and wider community around them, feel a sense of ownership of a book and they feel that it is truly theirs, then their attitudes to books and literacy can shift dramatically.

KIDS' OWN PUBLISHING IN AUSTRALIA

When Spain was headhunted by Melbourne City Council to set up Art Play, modelled on Europe's first children's art centre, The Ark, in Dublin, Ryle set up Kids' Own Publishing in Melbourne. Kids' Own Publishing Partnership in Ireland is still running, managed by two of the staff who took it over.

Initially Ryle attempted to replicate the model she had developed in Ireland.

I went to a lot of trouble to raise funds to run a project in Melbourne with four schools. We worked with diverse communities of children, including refugee children and recently settled families, and we printed 2000 copies and then I found I had no means of distributing them. It was a completely different set up here and it was heartbreaking because we ran out of money for the books' distribution. It was such a different system of distribution in a bigger country, much more spread out.

As a result, Ryle changed her strategy and returned to small-scale projects 'which resulted in instant publishing'. That was either a book on a single sheet of paper that could be photocopied and was very accessible. Or slightly longer scale projects but also resulting in photocopied books. As digital printing became accessible, Kids' Own began to engage in longer term projects that resulted in books with an ISBN usually printed on-demand digitally. In a few instances a larger scale of book demands a much bigger off-set print run and a longer-term distribution strategy.

Our largest print run has been 5000. But a small scale project run over a few weeks with a community typically results in a 16 -28 page book with a print run of 50 to 200. We don't expect that all books will resonate with a broader audience, so some target only the immediate community of the children who make the book.

Kids' Own Publishing in Australia is built around a very simple eight-page origami book on a single side of a single sheet of paper. This format is still the foundation stone of organisation's work.

The origami or 'hot dog' book (a term Ryle picked up from a teacher in the USA) is a simple book made by folding a piece of paper using a particular technique.

It is an amazing tool because on a simple piece of paper folded in such a way you end up with a blank book or container into which you can pour anything. It can be used as a very direct teaching tool to talk about the structure of a book, the front cover, the back cover, book language, author, illustrator, book blurb. You can use it to look at structuring narrative. It contains six pages inside or three double page spreads, that break down into beginning, middle, and end of a story. We find it is very powerful in today's crowded world to give children a space that is empty and is theirs to populate.



A range of hot dog books created by children in Australia.

We say to the children, you have created this structure for a book and now it is yours. You can think about what story to tell, who for, and how you want to tell it. You might want to use pictures, words, or a mixture of both, but essentially the child is in control. We never tire of seeing the children's faces when they publish their book and that moment of standing there with their original copy and maybe two photocopied versions thinking, who am I going to give it to? Who is going to read my story? It is such a simple powerful activity.



Children from Port Pirie, South Australia, with books they have made.

Professional artists play an important role.

We want to develop books that are aesthetically pleasing and to support a strong visual literacy. We want the books to look vibrant and enticing and appealing, so obviously artists, particularly visual artists, are good at that.



Children working on their books.

But it is actually more about artists' ways of thinking and processes that are often different to teachers' approaches. Our team includes visual artists, but also physical theatre practitioners, dancers and sometimes musicians. So it is about how you communicate messages and how you can unlock children's creativity, or indeed teachers, parents, and other adults who work with those children.

You need artists who are comfortable with a degree of risk it is important that they are comfortable with an open ended process where you are not sure what is going to happen and what is going to come out of it. We require the artists to think on their feet and to accept it is not always a perfect process.

FUNDING

Like another community-based publisher in this report, Ryle has found that funding bodies are not sure how to categorise Kids' Own Publishing.

We always had a challenge in positioning ourselves as an organisation. Some funding bodies didn't know whether we were in visual arts or literature within the arts sector, or within the community arts sector and we also fit within the education sector. Potentially we can straddle a number of different worlds.

In the following sections, some examples of Kids' Own Publishing projects are provided.

THE IBIS



The cover of The Ibis by Year 7 and 8 Koori boys from Mooroopna Secondary College.

The Ibis was written by a group of Year 7 and 8 Koori boys from Mooroopna over six months in 2015. These boys are quite disengaged from the school and are proving quite a challenge for the school, and the boys themselves find working within the constraints of the school system enormously challenging. They are also dealing with a lot of serious issues in their homes lives. Seventy five percent of them are in out-of-home care and there are issues around drug and alcohol use in their families which obviously give them an enormous challenge to overcome.

We started with a dancer to try and unlock their sense of cultural identify and linking to their Aboriginal heritage. We based that on the experience of a prior project where that was very successful, but with this group it didn't particularly work. It was actually a ceramicist who managed to get through to the young people. They loved using clay and over a period of time they developed a story which is based on the ibis, a bird that hangs around the school playground, it often dives into the bins and it is generally shunned and shooed away, disparaged, and despised even. The story they developed is a parable or a metaphor for their experience. It is about a bird that has its nest destroyed, its culture and its home is destroyed, and it sets out on a journey to learn new skills, to build new nests, and eventually brings those skills and manages to use them all to build a new home. It is an amazing, very simple story, but it absolutely captures a lot of what these boys have experienced, and yet has done it through a very simple story about a bird called Murray.

We decided to build in an economic return for the boys. First of all we asked them to count up how many people in their family they would want to give their book to and then we said, separate to that we would like to give to you initially 10 books each that you can sell. If you manage to sell them you get to keep the money. We talked about how they would reach a price point and agree together so they weren't undercutting each other. The moment we brought in that economic return, there is a whole other level of lift. Not only are people saying they like this book, but this is something that people will pay money for. That is a powerful message for them.

We had an informal launch at a local Indigenous gallery with local artists from their community. We spread the book across the table and they came in and were hit by a wall of red books. First of all they were thinking, hang on, I vaguely recognise that, what is it? Then you could see it dawning on them that this was their book. Afterwards one boy who had

initially said, 'I can't do anything', was saying, 'How much does it cost to make a book? Because, you know, I might do another one.'

Victoria Ryle is thinking about the next stages of the project.

I'm holding my breath because it is not enough to produce a beautiful book. Yes, we can see the pride growing in those boys, but our challenge is to get the book out into the world, to get it distributed, and to allow the feedback from that experience to keep coming back to the boys. We will do that in a number of ways, but that is where it becomes challenging for us because very often at this point we have run out of funding on the project.

We will look for ways to help the experience resonate over time. Such as giving it a formal launch at the first Indigenous Writers Festival in Melbourne at the Wheeler Centre so they can see how that book is received by a broader audience in the city. We hope to give them the opportunity to run a workshop using the WePublish app where they can show others how to make a simple book. That is an exciting prospect

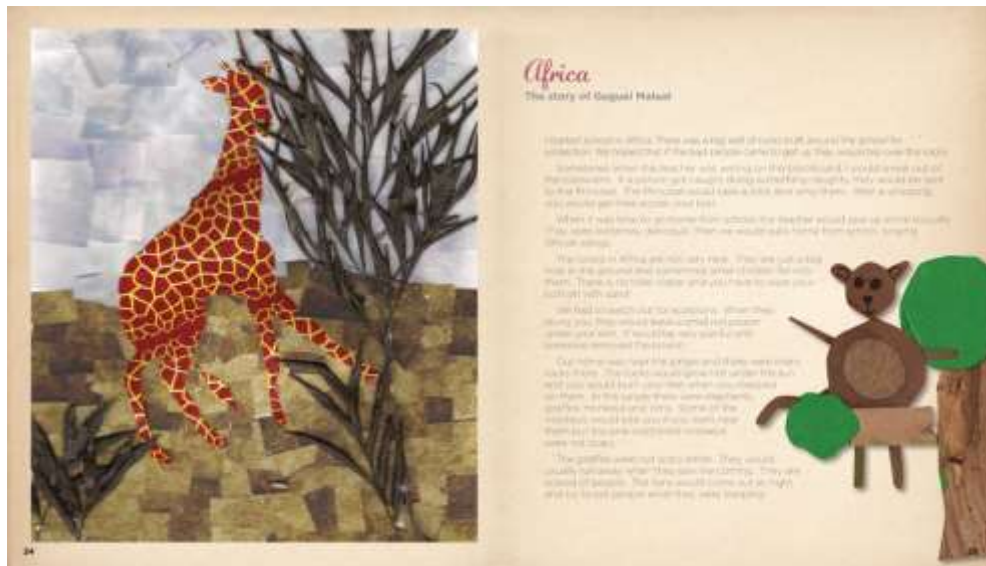
DONKEYS CAN'T FLY ON PLANES

Donkeys Can't Fly on Planes is a different project, according to Ryle, because the stories were not created, rather they were brought to Kids' Own Publishing.



Donkeys Can't Fly on Planes is a line from one of the stories about what gets left behind when you leave a country suddenly.

The dedicated welfare staff of the La Trobe English Language Centre are amazing women with enormous energy. They visited the families of the newly arrived South Sudanese community in Traralgon, Gippsland in regional Victoria, and early on realised that they needed to be collecting the stories that the children had to tell. The stories were of trauma, dislocation and loss, and the challenges of settling in Australia. I suppose, we were given that as a gift and then our gift in return was to make sure it got out into the world. We supported the community to do as much as possible themselves, so they brought the artist together with their team and we took them through what they needed to do to generate print ready artwork. And then we designed and printed the first run as a pro-bono exercise.



The opening section of one of the stories in Donkeys Can't Fly on Planes.

The stories of the refugee experience told through the voice, the eyes, and the senses of a child is enormously powerful. Not only for the children, although it shifts everything for them to know that their story has a value, that their story is heard and listened to. It also had a huge impact on their families and on the broader Australian community around them.

The response of the community to the book was so powerful that it enabled all sorts of other things to happen. A local dairy farmer said, give me 50 of those books, I'm going to put them in the boot of my car and when I go around to all the people I deal with in the farming industry I'm going to tell them about this book and sell them for you.

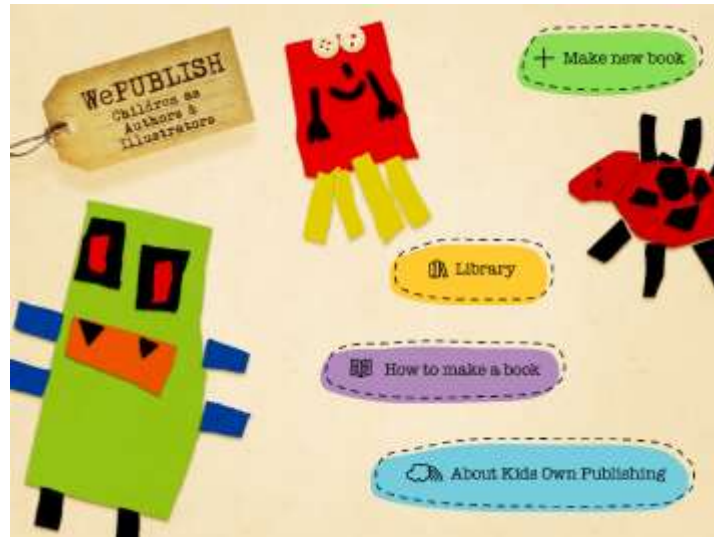


Members of the local community in Traralgon, Gippsland, including South Sudanese parents and children who worked on a Kids' Own Publishing project.

On another level, the impact directly on the families was that the parents then started to say, we also have stories to tell. So that first book has led to two subsequent books which tell the parents' stories, but they have been developed through the lens of the children. The children became the editorial committee who selected the stories and talked about the audience for the books, and that resulted in one book for younger children and one for young adults.

That was an amazing process. One of the fathers who is a leader in the Sudanese community said, 'We can now talk to our children in a way we couldn't before because they understand our stories. They understand the difference between growing up as a child in Sudan and Australia.' Having gone through those teenage years with my children, it is a crucial time for young people to have open dialogue with their families. If you are able to talk to your kids and if your kids are able to talk to you that is an extraordinary thing.

WE PUBLISH APP



A promotional banner for the We Publish app.

While the printed book is a central part of the KOP approach, a digital app, WePublish for iPad has been developed.

We developed the app as a communication tool and something we could leave as a legacy when we were working in partnerships. Also, it is accessible by anyone. Families in the home, any school can access the publishing process very simply.

Ryle explained how the app works.

The app provides you with a very simple eight-page blank format and invites you to fill it in whatever way you want.

Either you can make art works by hand using any medium and then you document those by taking photos with your iPad, and bring those images very easily into the eight page format. We have incorporated digital collage so you can bring in images and 'cut-out' shapes, which was unique when we developed it. You can add text, and there is also a simple drawing tool in black or white.

When you've filled the eight pages, hit 'publish' and it imposes it for you. You can print your ebook as a PDF, you can send it to anyone and upload it to the wepublish.net.au website where it can be shared by anyone in the world and downloaded and printed out again. It is a very creative tool, and we have deliberately kept it very simple. The focus is on completing your eight pages. You can use any language that is in the Apple family of languages, so it is a good tool for producing multilingual text. It has been adopted in some remote Aboriginal communities to support local reading resources that reflect the children's' experiences.

We were lucky in the first year in that Apple approached us and offered to promote it. That was great because during that time it went to Best New App in 32 different countries. There

was a spike in sales, but our challenge now is to keep developing WePublish and keep promoting it.

BOOK CUBBY



A Kids' Own Publishing book cubby.

Ryle had the idea for a book cubby in Ireland, but the idea wasn't realised until after she had been in Australia for some years.

The cubby is very much about visually promoting the idea that children can do it for themselves. It carries a lot of our message in a visual way. Parents are surprised when you say, all these books are by children, their eyes literally open wide and their mouths drop open. It has also proved a powerful tool, particularly in libraries, to support librarians running their own workshops, and without the cubby they might not feel confident to do that.

It supports them in the work they do, and so there has been a connection between our training and our advocacy for people to do this for themselves, and a cubby that supports that message and provides a lovely visual heart to a workshop process.

CONCLUSION

Kids' Own Publishing has run projects in many parts of Australia, including Victoria, South Australia, New South Wales and Western Australia. After a 10 day intensive training program at the State Library of Western Australia in 2011, a group of librarians, teachers, artists and community workers developed a Publishing in Communities project that ran over three years and still continues in some ways. 'Recently we supplied one of our book cubbies to the Cocos and Keeling Islands, so that is probably our furthest reach.' Ryle and Spain plan to move to Tasmania soon and are hoping to set up a Kids' Own Publishing chapter there.

Ryle's experience is that children are very interested in reading books written by other children.

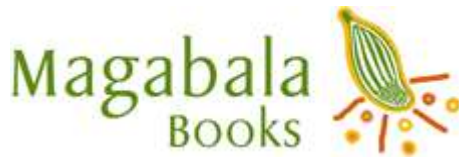
Adults do not always understand that children are fascinated by books written by other children. Sometimes they look at a book and they go, 'That inspires me,' 'I like that idea, perhaps I can do something like that.' Sometimes they say, 'I could do better than that.' That is a good reaction too, because it means they are more likely to make a book! I am happy with either response

Children understand the power of publishing instantly, even incredibly young children can see that it is powerful to have more than one copy of their book and that lots of people can share

their book, even if it is just their family members. Children's eyes are slightly different to adults' eyes. So what adults might consider a good cover or a good book design is not necessarily what appeals to children. Children are incredibly tolerant of other children's drawings. An adult might look at what is apparently a scribble with a little bit of a line coming out of it and a child will look at it and say, 'Elephant.'

Essentially the aim of our activity is to empower children to have their voice heard and empower communities to share their stories. And in that process we support children both to become part of the world of books and to feel in control and empowered in directing their own literacy and learning.

MAGABALA BOOKS



Type of publisher:	Small, independent publisher
Established:	1987
Based in:	Broome
Lists:	Trade – including fiction, non-fiction, children’s, and education (more than 100 titles)
Authors:	Dave Hartley, Scott Prince, Ali Coby Eckermann, Bruce Pascoe, Bronwyn Houston, Jared Thomas, Jane Harrison
Innovation/s:	Creative and business models developed to preserve, develop and promote Australian Aboriginal and Torres Strait Islander cultures and protect the rights of traditional storytellers and artists
Other differentiation:	Publisher of award-winning titles including Fog a Dox by Bruce Pascoe, winner of the 2013 Prime Minister's Literary Award for Young Adult Fiction; Ruby Moonlight by Ali Cobby Eckermann, 2013 Book of the Year, NSW Premier’s Literary Awards; 2013 Kenneth Slessor Poetry Prize and 2012 Deadly Award for Outstanding Achievement in Literature, Traditional Healers of Central Australia by the NPY (Ngaanyatjarra, Pitjantjatjara and Yankunytjatjara) Women’s Council Aboriginal Organisation, winner of the 2013 Deadly Award for Published Book of the Year; plus 2011-2015 winners of the Indigenous Children's Book of the Year (Best Book for Language and Literacy Development) by Speech Pathology Australia, and other awards.
Distribution:	Via NewSouth Books – into bookstores around the country. Magabala bookstore in Broome, direct sales from the Magabala website. Via Independent Publishers Group (IPG) in the USA and Canada.
Executives:	Anna Moulton, Chief Executive Officer Rachel Bin Salleh, Publisher Rachael Christensen, Senior Editor Lisa Burton, Marketing Manager Danielle Dowell, Office Manager
Website:	https://www.magabala.com/

Rachel Bin Salleh was interviewed on 3 December 2015.

BACKGROUND

In 2017 Magabala Books, Australia's oldest independent Indigenous publishing house, will be 30 years old. It is located in Broome on traditional Yawuru and Djugan country in the far north of Western Australia.

Magabala Books was formed solely to protect intellectual property and copyright of Aboriginal and Torres Strait Islander individuals and communities.

In the 1960s, 70s and 80s many non-Indigenous people studying their PhDs went out to communities for their doctoral research, and once the communities' stories were told and written down, the communities didn't own the copyright to them anymore. Further, a lot of stories were leaving the community and being retold in ways that were distressing and detrimental to the individuals and the community.

Partly as a result [of this appropriation of communities' stories], in 1984 when the Kimberley Aboriginal Law and Culture Centre (KALACC) held their AGM, one of the biggest issues to come out of this large meeting was developing ways to maintain our intellectual property over individual and community stories, so that we held the copyright as well as looking after land, Law and culture. Out of that was born the impetus for Magabala Books.

Peter Yu, John Watson, David Mowaljarlai, Daisy Utemorra and Wendy Albert were particularly important figures in the early days of setting up Magabala Books. It was furthered creatively by highly-driven and dedicated individuals like Robyn Slarke, Peter Bibby, Merilee Lands, Carol Tang Wei, Rachael Christensen and many others who contributed to making Magabala Books a powerhouse in its infancy.

When Magabala Books was first started there was an urgency to get something set up so that Aboriginal people in the Kimberley could tell their stories and maintain control over culture and copyright. After that, it completely took on a life of its own.

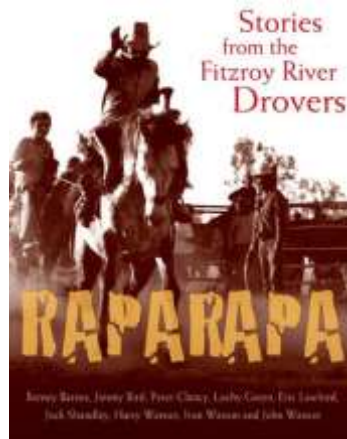
The publisher is structured as a traditional Aboriginal corporation. It has a governing body which is an all-Aboriginal management committee.

Rachel Bin Salleh has worked in a variety of roles at Magabala Books over a period of 23 years. She was originally employed as a project editor for six weeks, she became a trainee editor, and from there she went on to roles in editorial, production, and marketing as well as gaining some sales experience and serving as a member of the management committee.

BRINGING CULTURAL KNOWLEDGE TO PUBLICATION

Magabala Books brings Aboriginal and Torres Strait Islander knowledge and stories to publication in ways that respect the integrity of communities' culture. Bin Salleh emphasises that, 'We would much prefer to have Aboriginal experiences told by Aboriginal people'.

However, especially in its early years, a key role played by Magabala Books has been to oversee collaborative models between Indigenous and non-Indigenous Australians through 'hands on' projects.



Raparapa was one of Magabala's earliest titles. It was reissued in a new edition in 2011 and is still used as a source of information about the history of the pastoral industry in North West Australia.

Bin Salleh gives an example of one of the publisher's first books.

Raparapa is one of Magabala's oldest titles, about the Fitzroy River Drovers. It was first published in 1989. There are nine contributors, and these Aboriginal men mustered in and around the land and stations along the Fitzroy River. The development of *Raparapa* was an organic process between a non-Indigenous male who was working at the community, and some of the old men who came to him and said, "We trust you, can you take our stories down?" At the beginning of these types of collaboration many of the non-Indigenous individuals don't know what they are getting into. It is a process that sounds easy but after a certain amount of time it becomes big, and it happens over many years.

Staff at Magabala Books refer bookshops and individuals to *Raparapa* when they are asked about an overview of the pastoral industry in the North West of Australia

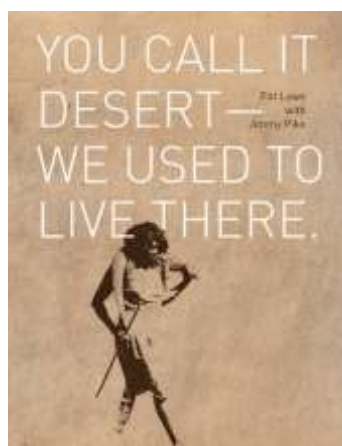
DISPELLING MISCONCEPTIONS ABOUT COLLABORATION

From its beginnings Magabala Books has shown how constructive forms of collaboration on book publishing projects between Indigenous and non-Indigenous people can be possible, and its staff members continue to provide advice and education.

We strongly believe that a good collaboration between an Aboriginal and a non-Aboriginal and Torres Strait Islander person starts from the inception of a work. A lot of non-Indigenous people get in contact with Magabala Books to say, "I have written an Aboriginal children's story. I want an Aboriginal person to illustrate it."

Our response is, "Well, no, those days of us being an afterthought are over."

It is about an Aboriginal person having a voice from the inception of a title or a book or an idea. They need to be there from the very beginning so that their voice is heard, and that the narratives that contribute to the Australian national narrative are appropriate. People are well-meaning and kudos to them, but at the end of the day if you are not Aboriginal, don't write from an Aboriginal perspective. The most important thing about a collaboration is that it needs to come from an Aboriginal perspective and that needs to involve an Aboriginal person.



Pat Lowe and Jimmy Pike have collaborated on a number of books, including You Call It Desert – We Used to Live There.

Bin Salleh is not proposing that non-Indigenous writers cannot put Indigenous characters in their books, but rather that authors should be aware of their own limitations.

For example, English-born Pat Lowe was married (in an Aboriginal way) to Jimmy Pike, an Aboriginal artist who was born near Japingka, a major waterhole in the Great Sandy Desert. Pat's writing has been informed by Jimmy and by her experiences living in the desert with him and his family for a number of years. Pat says she does not attempt to write from an Aboriginal person's perspective because she is not Aboriginal. She writes about Aboriginal characters from her own viewpoint; however, it is up to readers to judge how successful she is in her portrayals.

Bin Salleh and other staff at Magabala Books give advice to non-Indigenous writers and publishers about publishing projects that involve Indigenous Australia.

I often get asked questions about how to go about something and I'll be as open and honest as I can be for that specific situation. I hope that we lead by example more than anything else.

A friend of mine who works at a large multinational publishing company has asked questions over the years. For example, she sent me a portion of fiction text by a well-known writer who had written about an Aboriginal character from the Kimberley region. She asked, "Can you read this and tell me if it is culturally appropriate or not?" So my colleagues and I at Magabala gave feedback. Whether authors then choose to take that on board is another matter.

BUSINESS MODEL

Magabala Books is funded by the Australia Council for the Arts, Western Australia's Department of Culture and the Arts, and Lotterywest. As government departments and funding organisations change, the CEO must keep across these changes. The management of Magabala Books is driven by the all-Aboriginal and Torres Strait Islander management committee which is in turn supported by the CEO. The CEO governs the running of the organisation and all its staff, as well as Magabala's philosophical and financial direction.

We are very mindful that at any given moment without the support of funding bodies we could cease to exist. That makes everything we do much more precious and we are exceptionally mindful of making sure that what we do is not only culturally appropriate to the communities and individuals, but culturally appropriate to the national conversation that is happening in Australia.

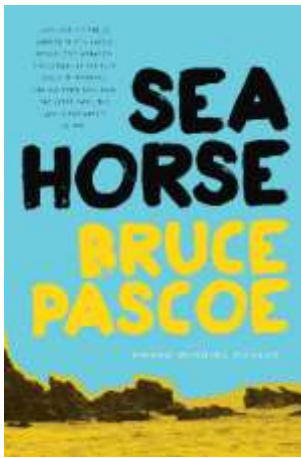
We are aware of our financial obligations and try to balance cultural imperatives with making a return on the money invested in Magabala Books. We are open to new partnerships, relationships, and ways of value-adding to our books and products.

PRINT RUNS AND SALES

Children's books are their most popular titles.

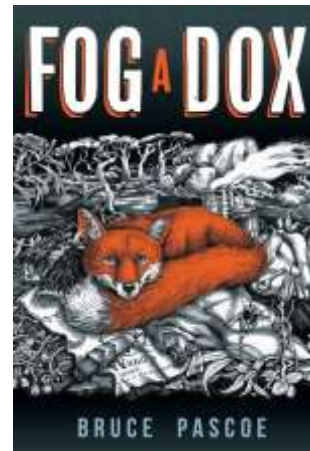
Print runs for children's titles or children's picture books are anywhere between 1000 and 5000. If we receive a bulk order from one of our partners like Books in Homes or Australian Standing Orders, it allows Magabala to do a much larger print run on a particular title.

Bin Salleh gives as an example the success of *Sea Horse*, by Bruce Pascoe.



Sea Horse: Jack and his family escape to Seahorse Bay whenever they can. They spend idyllic days exploring the waters of the bay, diving, fishing and cooking up feasts on the beach. Jack cannot believe his luck when he discovers a sunken boat not far off the coast. He shows his father and they decide to salvage it. But what is the story behind this mysterious boat? And how did it get there?

[from the publisher's website]



Bruce Pascoe writes in many genres. He has built up a strong following for his children's and YA books such as Sea Horse, left, for younger readers. Fog a Dox, right, won the Young Adult category of the Prime Minister's Literary Awards in 2013.

We printed 1500 copies initially of Bruce Pascoe's *Sea Horse*, which sold out quite quickly. We did another reprint of 1000 and the title was then picked up by Books in Homes. We also received a big order (by our standards) from our international distributor after Bruce appeared at the 2015 Library of Congress National Book Fair. That for us has been quite a success.

Pascoe's *Fog a Dox* won the Young Adult category of the 2013 Prime Minister's Literary Awards. Bin Salleh is a particular admirer of Bruce Pascoe's writing. 'Bruce is a wonderfully philosophical and beautiful storyteller. I put him on par with classical greats like Oscar Wilde.'

Despite Magabala's success with children's picture books, Bin Salleh explains that generally, as a book's readership becomes older, the sales and print runs become smaller because the demand is not as robust. Children's books are the most accessible, and the least confronting, of their lists.

We have found that as you move away from children's picture books into higher age brackets, there are fewer sales, as a generalisation. For example, children's chapter books don't seem to sell as many copies in comparison to our picture books. However, chapter books for younger readers can sell well but that is entirely dependent on having an established author with a following. Magabala Books has found that YA fiction novels have struggled in the past. The

more an author publishes and grows their fan base, the easier it is to sell in newer titles and maintain this ground with backlist titles by that same author.

Bin Salleh recalls that in the early 1980s many Indigenous stories were more auto/biographical. 'That has since changed quite significantly.' She also observes that there is less market demand for this genre and first print runs will often be very low – 500 copies or less. However, although there is less demand for Magabala biographies through national retail outlets, the local tourism market provides an opportunity to bolster sales.

The demand for biographies, over the years has lessened, but this genre is still needed and is very important. Magabala is able to sell many local biographies into the local tourist market. This particular niche market can outperform the demand that comes from already well-established national markets.

Finding readerships for adult fiction is also a challenge.

With regard to adult fiction with an Indigenous theme, unless it has won an award we find it hard to gain traction and maintain sales over the long term.

FORMATS

Although there is far greater demand for children's picture books in print format, Magabala Books publishes most of its titles as ebooks.

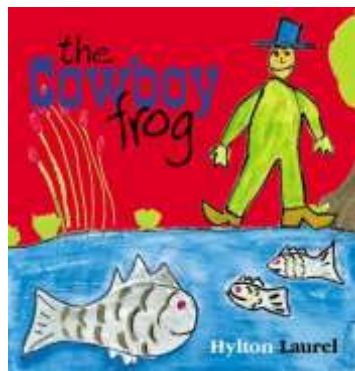
We make a point of producing our children's titles in digital format – as a PDF and ebook as well as print. Even though the digital sales aren't there, Magabala is committed to producing publications in a format that allows accessibility for many remote schools, Aboriginal communities, and individuals who are reading impaired.

Next, some different types of Magabala Books publications are considered in more detail.

CHILDREN'S BOOKS

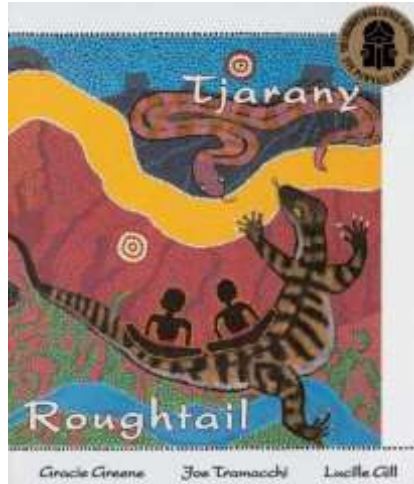
Some of Magabala's authors are unusually young. Bin Salleh is an advocate for children as authors:

I am a great believer that we underestimate the intelligence and humour of children and their capacity to appreciate this in children's books. We have published fantastic children's stories written by children.



The Cowboy Frog was written and illustrated by Hilton Laurel when he was nine years old. It became a bestseller through word of mouth.

Hilton Laurel was nine when he wrote and illustrated *The Cowboy Frog*. It is about a big green frog whose name is Cowboy Frog. It is a bilingual title, written in English and Walmajarri. It follows Cowboy Frog, as he catches a black-headed snake and a goanna, cooks them and eats them up. Cowboy Frog then heads down to his local waterhole and wrestles a crocodile as it attempts to eat the barramundi that are swimming around. Although it is a small book, it ended up being one of our bestsellers via word-of-mouth. Nothing specifically in the book is tied to any of those characters being Aboriginal. But the context of everything around it is.



Tjarany Roughtail, written by Gracie Greene, Joe Tramacchi and illustrated by Lucille Gill is a bilingual children's book in Kukatja and English that also educates teachers and parents about Aboriginal culture.

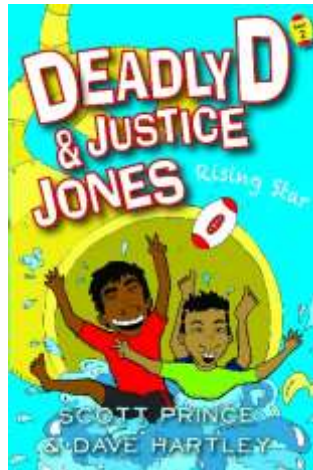
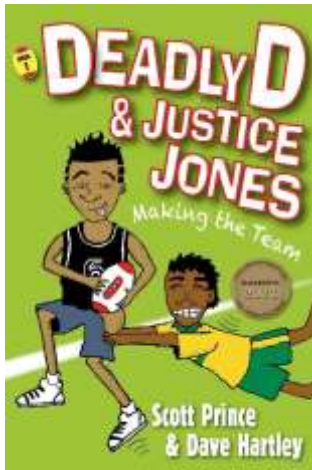
Bin Salleh is aware that Magabala's children's books play an educational role for adult readers.

We have realised over the years that every children's picture book we do becomes a resource for us to educate the educators and the larger Australian community.

For example, if anybody asks about Aboriginal culture and its complexities, Magabala Books will point them to *Tjarany Roughtail*. It is a bilingual children's book in Kukatja and English with traditional stories from the Kukatja [traditional lands which are part of the Great Sandy Desert]. *Roughtail* has stylised dot paintings that go with the traditional stories from that community. At the back of the book is a resource section that discusses the stories, the Kukatja kinship system and Kukatja life. The reader is able to access diagrams and in-depth explanations about the Kukatja family structures and pattern of life, with an orthography as well as a Kukatja word list.

Even though *Roughtail* is in children's picture book format, it is more a book about lifestyle, philosophy and religion. We continually make sure that whatever we do, we get it right culturally so that our books can educate the educators (teachers, parents, role models) about the subtleties of Aboriginal culture and/or individuals from a particular language group.

Another series that has engaged young readers features the characters Deadly D and Justice Jones.



The Deadly D series, by Scott Prince and Dave Hartley, tells the adventures of schoolboy and sports lover, Dylan Conlan, and his friend Justice Jones.

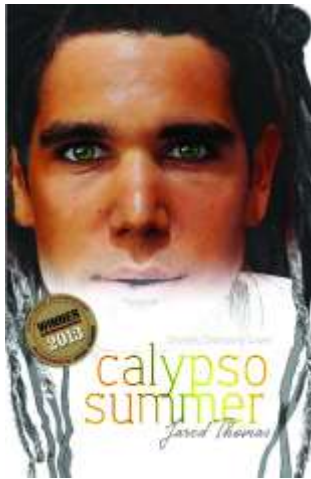
Deadly D is a series about Dylan Conlan, an eleven-year-old schoolboy who has the ability to change into a grown man – similar to the Incredible Hulk, however his alter ego eventually gets to play rugby. Dylan, along with his new friend Justice Jones, tries to keep the curse a secret. Both end up getting into some pretty funny and weird situations.

URBAN STORIES

There are still broad stereotypes of Indigenous people that have influence and that Magabala Books is working to dispel. Bin Salleh explains:

Part of the reason Magabala became a national publisher was due to people who live in city and urban areas saying, “I have never seen an Aboriginal person, they don’t live around here.” The need to highlight stories from different regional perspectives became very important.

There is a mindset that ‘real’ Aboriginal people live in the desert and are traditional. However, even the semi-traditional who still live in communities also live in modern houses, have cars, mortgages, watch Foxtel, go to church and send their kids to schools, and would like to have the choices that are available to the wider community. We make the same choices as everyone else in Australia except we have a different history, a different philosophy and cultural ‘baggage’ in that regard.



Calypso Summer is a story told by Calypso, a young Nukunu man, fresh out of high school in Rastafarian guise. After failing to secure employment in sports retail, his dream occupation, Calypso finds work at the Henley Beach Health Food shop where his boss pressures him to gather native plants for natural remedies. This leads him to his Nukunu family in southern Flinders Ranges and the discovery of a world steeped in cultural knowledge. The support of a sassy, smart, young Ngadjuri girl, with a passion for cricket rivalling his own, helps Calypso to reconsider his Rastafarian façade and understand how to take charge of his future.

[from the publisher's website]

Calypso Summer, by Jared Thomas, is set in Adelaide and the Southern Flinders Ranges. It is the winner of the 2013 black&write! Indigenous Writing Fellowship

A recently published urban story is *Calypso Summer*, by the writer Jared Thomas, whom Bin Salleh describes as 'exceptional'. It won the black&write Indigenous Writing Fellowships run by the State Library of Queensland. (The program has also received funding from the Copyright Agency Limited Cultural Fund, Arts Queensland, Queensland University of Technology and the Australia Council for the Arts.)

Bin Salleh also observes that the new generation of Indigenous fiction writers are interested in many alternative genres such as dystopian fiction. 'The next generation brings culture and identity to their writing and it informs their narrative, but their characters might not necessarily be Aboriginal. I think this area of identity will challenge many readers in the future.'

HISTORY

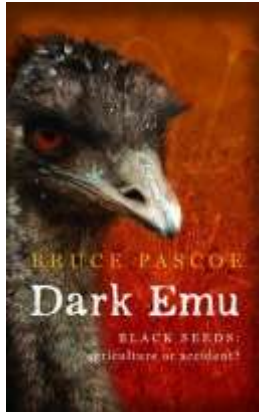
Books about Australian history are particularly important for Magabala, even though they may not necessarily sell in large numbers. While every book published by Magabala seeks to contribute to a broader appreciation of Indigenous culture and history, some books play a distinctive role. Bin Salleh nominated *Dark Emu*, by Bruce Pascoe.

Bruce uses supporting evidence to assert that Aboriginal people were not necessarily the traditional hunters and gatherers that mainstream Australian history would have you believe. Bruce states that we managed the land, cultivated crops and grains, lived in fixed dwellings, changed the landscape and maintained stores of these grains for future use. We used fire as a major tool for controlling the landscape, utilised stone traps, built individual houses and stone structures to live in. Hopefully *Dark Emu* will change the way this nation thinks about its original inhabitants.

Bin Salleh also notes that the timing was good for the release of this title, because the themes fit in with *The Biggest Estate on Earth* written by Bill Gammage, a historian, published by Allen & Unwin.

Dark Emu by Bruce Pascoe. Magabala expects that it will challenge 'hunter-gatherer' historical narratives about Aboriginal people.

Magabala also feels a responsibility for telling extraordinary stories 'without playing into the tropes that white Australia sees as Aboriginal stereotypes'. Bin Salleh gives as an example *Two Sisters*, which will be published in 2016, written by the sisters, Mona Chuguna and Ngarta Bent, in collaboration with Pat Lowe (mentioned earlier who was married to Pike) and Eirlys Richards. Richards came to the



Dark Emu argues for a reconsideration of the 'hunter-gatherer' tag for pre-colonial Aboriginal Australians and attempts to rebut the colonial myths that have worked to justify dispossession. Accomplished author Bruce Pascoe provides compelling evidence from the diaries of early explorers that suggests that systems of food production and land management have been blatantly understated in modern retellings of early Aboriginal history, and that a new look at Australia's past is required.

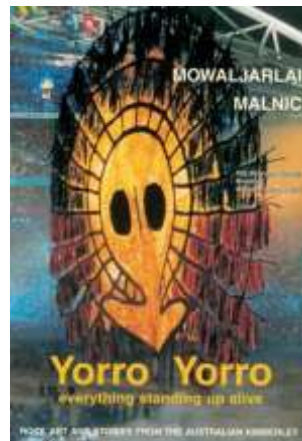
[from the publisher's website]

Kimberley as a linguist in the 1960s. She lived in Fitzroy Crossing, where she studied Walmajarri, which she speaks fluently.

Lowe and Richards befriended two Walmajarri sisters who came out of the desert in the 1950s–60s and experienced their first meeting with white people and with Australia. That is a fantastically interesting story, backgrounded by the breakdown of the structure of Walmajarri society in the desert. The elder sister, Jukuna, married and left the desert with her husband to work on a cattle station. The younger sister, Ngarta, and her family group, were violently abducted by two brothers. Ngarta escaped and spent many months on her own before the men and their group caught up with her. She left the desert with them in 1961.

'SLOW BURN' TITLES

Like some of the other publishers in this report, Bin Salleh was able to nominate an example of a title which has made an impact over a longer period of time even though it sold in modest numbers initially, observing that many of their titles could be considered in this way.



Wandering Girl by Glenyse Ward, and *Yorro Yorro* by Jutta Malnic and David Mowaljarlai, are two books that sold in modest numbers initially but have made an impact over time.

In 1987 Glenyse Ward published her biography focusing on when she was young and growing up at Wandering Mission. *Wandering Girl* was released around the time of Sally Morgan's *My Place* (Fremantle Press). Ward's book sold slowly at first but went on to become a good and steady seller over the next ten years. *Wandering Girl* seemed to touch many people; it was beautifully told, in an uncomplicated manner.

Another title is *Yorro Yorro*, by Jutta Malnic and David Mowaljarlai.

Mowaljarlai has since passed away but he was an Elder and traditional Ngarinyin Law-man from the Kimberley region. *Yorro Yorro* is ultimately about philosophy, cosmology and the original creation of humanity. It is positioned and explained through the secret and sacred rock art of the Ngarinyin peoples as well as their cultural history. Twenty years on this book is still a significant philosophical and spiritual title.

THE FUTURE

Aboriginal and Torres Strait Islander publishing has made enormous gains since Magabala Books was founded. In a special edition of JASAL (the Journal of the Association for the Study of Australian Literature), Peter Minter and Kerry Kilner wrote:

The struggle for recognition and for the right to publish has led to major successes over the past 40 years with the establishment of Indigenous publishing houses, literary awards for emerging writers, editing and writing courses, and government funded fellowships. More than 150 works of literature, life writing and storytelling have been published by Broome-based Magabala Books since it was established in 1987, starting with Glenyse Ward's autobiography *Wandering Girl*. This autobiography rests alongside the more than 350 book length works of biography, autobiography and life writing recorded in BlackWords. Magabala, Aboriginal Studies Press, IAD Press, Keeaira Press, Indij Readers have all published primarily Indigenous authored works, while Black Ink Press, which started out publishing only Indigenous writing has expanded out into political and social commentary. These publishers, alongside UQP, through its BlackWriters Series and support for the David Unaipon Award, and Fremantle Press provide strong support for the publishing aspirations of Aboriginal and Torres Strait Islander writers and thinkers.⁶³

Bin Salleh has seen many more mainstream publishers become involved with publishing Indigenous authors and illustrators.

We are now competing with mainstream publishers doing what we are doing. There are more Aboriginal authors and voices being heard, which is fantastic. Many of the larger publishing companies are initiating partnerships in new and different fields – especially through the Indigenous Literacy Foundation (ILF) or/and writers' groups throughout Australia as well as mentorship programs for illustrating and writing. It all helps feed into the creative pool that Australia should have access to nationally in regards to Aboriginal and Torres Strait Islander creators.

However, Bin Salleh is aware of significant challenges. One of them is the limited market demand for books which are deemed to be too confronting or those that challenge the myths that people have become accustomed to. There is still a sense 'that Australia in general doesn't want to know', or at least not to purchase books about these topics for leisure-time reading.

One strategic response by Magabala Books is to reposition some of their backlist titles.

Our older titles have fantastic stories irrespective of their genre. We want to get new readers to pick up these books, look at them and think, "That interests me as a story." We are looking at re-releasing some backlist titles in contemporary genres that we feel are more appropriate to the current market.

Another challenge is to broaden the retail base of bookstores that stock Magabala titles.

⁶³ See Minter and Kilner (2014) p. 8.

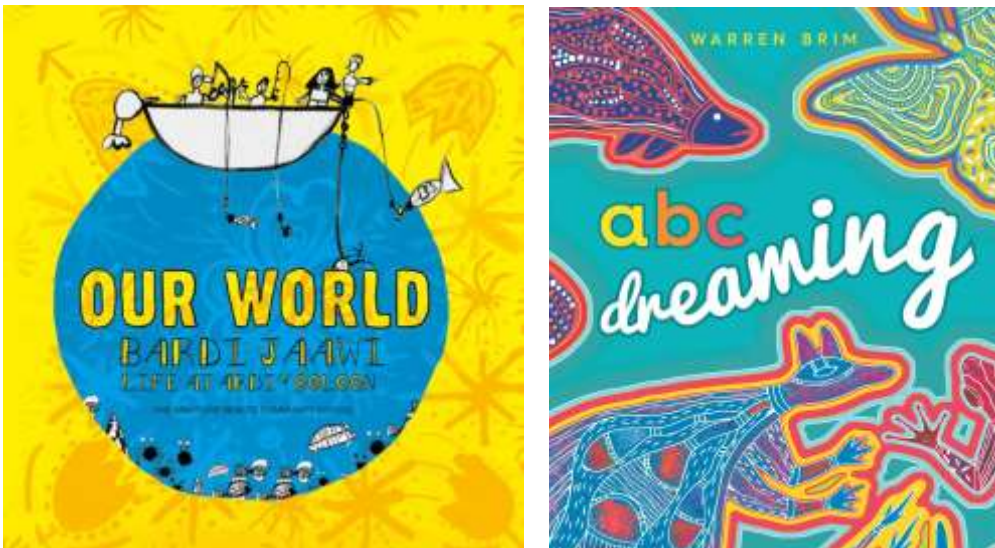
We are very aware philosophically that the retail outlets that support Magabala involves 'preaching to the converted'. How do we grow our retailers that so that everybody at some stage can be a convert in some form or another?

Part of their initial strategy is to expand their social media presence via Facebook, Twitter and Instagram.

Bin Salleh would also like to see many more books written and published in language for Indigenous readers, beyond children's books.

Aboriginal and Torres Strait Islander children need to see themselves reflected in picture books as well as other stories they read in genres such as fiction – YA, chapter readers, middle primary and other books. There is also a need to have identity and culture reflected accurately through social commentary, photographic and historical narratives.

In the past, unsolicited manuscripts have played an important role in Magabala's publishing. Now the publishing team is able to commission books in areas where they believe is a gap, for example, a children's version of Dark Emu; a book about forgotten Indigenous servicemen and women; and a collection of iconic songs. Other initiatives include a partnership with One Arm Point Remote Community School to develop and publish *Our World Bardi Jaawi, Life at Ardiyooloon*; and, giving new life to existing material and bringing it to a new market, such as *ABC Dreaming*, which introduces young children to the alphabet through Australian plants and animals.



Magabala initiatives include Our World, a partnership with Ardiyooloon to bring material from the One Arm Point Remote Community School to publication, and ABC Dreaming, illustrated by Warren Grim, a Queensland artist

In 2013 Magabala Books established a philanthropic fund for Australian Indigenous Creator Scholarships to enable writers and illustrators to undertake professional development.

We provide grassroots economic and professional development, not only for Magabala creators but for Aboriginal and Torres Strait Islander creators throughout Australia. We want these creators to gain skills that will stand them in good stead for the remainder of their careers (within publishing) and to help them broaden their economic base. It is about making sure that we are socially committed to our creators.



In 2013 Magabala Books established the Australian Indigenous Creators' Scholarship philanthropic fund.

Magabala Books has played an important role, along with other pioneers in Indigenous publishing, in changing the way that books about Aboriginal and Torres Strait culture are commissioned, conceptualised, written and published.

Magabala is challenged constantly: financially in terms of our funding structure, in maintaining our ambitions for our publishing schedule, and being unable to compete with staff remuneration packages available at larger companies and not-for-profits that operate out of Broome. However, we have a philosophy of giving back to the community on all levels: grassroots, community-based programs, nationally and if possible, internationally.

I honestly believe that every Aboriginal and Torres Strait Islander author and illustrator deserves to be heard and translated into another language – whether that is French, Spanish or Italian... It doesn't matter. It is a primeval want to be told stories, and given that we are the oldest living culture, who better than us to talk about our lives, culture and identity and through the magic of our own words.

PART 2: EDUCATION PUBLISHING CASE STUDIES

PEARSON AUSTRALIA



Type of publisher:	Australian arm of the multinational, Pearson
Established:	Publishing operations in Australia started in the 1960s.
Based in:	Offices in Sydney, Melbourne.
Lists:	Primary, secondary, tertiary, professional plus a range of education services
Innovation/s:	Immersive online learning products such as the Lightbook series. Online Program Management partnerships with Monash and Griffith University New pricing models Commitment to 'efficacy': objective testing of the effectiveness of Pearson's learning packages, which will form part of annual global reporting from 2018. Member of LearningField, which is operated by the Copyright Agency.
Other differentiation:	Pearson is the largest education publisher globally (approximately \$10 billion), and Pearson Australia has the largest market share in education publishing domestically. Provides operational support for NAPLAN.
Executives:	David Barnett, Managing Director
Website:	http://www.pearson.com.au/

David Barnett, MD, was interviewed on 11 August 2015.

CHANGES IN EDUCATION PUBLISHING

The book publishing industry is traditionally separated into 'trade' (consumer) and 'education' publishing, the latter which includes primary, secondary, tertiary, vocational and continuing professional education. Pearson Australia has the largest market share of education publishing 'by some margin', and is part of the Pearson international group of companies, which is the largest global education publisher.

As David Barnett explained, education publishing is transforming in a number of major ways.

Education publishers are diversifying their activities away from textbook publishing towards a range of education services and online learning platforms. In Pearson's case, John Fallon, CEO of Pearson PLC (the parent company), has committed the company globally to reporting on the efficacy (or educational effectiveness) of their major products by 2018, with as much attention given to this reporting as to the company's financial results.

Barnett pointed out that if the company views its core business as being education (rather than education publishing), this has major ramifications for its merger and acquisitions strategies, new

product development, evaluation of market segments, and the types of partnerships and alliances it forms.

As market leaders we ask ourselves, as we did a couple of years ago, what market do we want to be in and what business do we want to be in? The answer to that question was very clearly that we don't want to be in the education publishing business. We want to be in the education business. Answering the question that way has shaped the way we've gone about developing the company.

Barnett believes that changes in education publishing are poorly understood; this formed part of his address at the 2014 Educational Publishing Awards Australia. 'The industry, by and large, is very much stuck in the old 'give away the technology for free to support the print product' model and that is a problem for the industry. Strategically it is a mistake because it is not sustainable.'

BACKGROUND

Pearson can trace its origins back to the Longman company in UK in the eighteenth century via publishing acquisitions. However, Pearson itself was formed in the mid nineteenth century, specialising in construction and engineering. As the company expanded during the twentieth century the owners started to acquire a range of assets in education, and also across media and entertainment.

When I joined Pearson in 1989, it was a company which – the word 'diversified' probably didn't do it justice. We owned an oil company; entertainment businesses including theme parks and Madame Tussauds in London; the *Financial Times*; Penguin, and some education companies. Then our CEO, who joined us in the mid 90s, started the process of selling off non-media assets and acquiring education businesses to create more strength in education. Now, no other company has the scale we have across the world or the reach into different education markets.

Pearson Australia has been operating since the mid twentieth century. Barnett identified a number of ways that Pearson Australia has developed: distributing overseas product (particularly maths, physics and science which 'generally don't need localisation'); adapting product for Australia ('particularly in business studies and in social sciences, where the Australian environment needs to be reflected'); and creating schools material 'from the ground up'. Because of the nature of school curriculum, generally, publishers need to content that has been specifically designed to follow a curriculum.

CHALLENGES TO THE TRADITIONAL EDUCATION PUBLISHING BUSINESS MODEL

According to Barnett, the traditional education publishing business model, which involves selling textbooks to students and libraries with some value-added digital resources, is broken.

If we as an industry regard ourselves as being all about improving student learning, then we're not going about that in the right way. The signs are all there, around large groups of students not buying set texts, students accessing illegal material, students sharing, and these trends have been there for a while.

We see ourselves as an education company using publishing as a way to fulfil our mission. Essentially, a student needs to acquire a body of knowledge, whether it is in school or in higher education, and a textbook has been a pretty convenient way to support a teacher in extending access to knowledge that they can't provide in a classroom environment. The student can take the book home and spend time reading the content and doing exercises and, hopefully, building on what they have learnt during the day in the classroom.

Fundamentally there are two forces going on regarding the change in our strategy. One is our own reading of the market and the opportunities available to us as a commercial organisation.

The other driver is we're not as relevant to our learners as we want to be. In the days when a university lecturer said to his or her students, 'you must all go and buy this book', 90 percent of them did. Ninety per cent of them *don't* do it anymore. Some students will be sharing, some will be copying, some will be doing without, some buying second-hand, some using library copies. There's a mix of substitutes going on, including reading Powerpoint slides (from material provided by Pearson as part of the lecturers' resources), students Google concepts, they read bits and pieces found online elsewhere.

Students are exercising their rights as consumers and we are not being relevant as an industry in the way perhaps we once were. These should be clear signals to the industry that we are losing our place in the education sphere. We are not relevant. We at Pearson are trying to respond to this by re-thinking the way we develop and present content.

When students buy a university textbook, they are also financially supporting Powerpoint slides for lectures, video case studies, assessable quizzes, an online study guide for students, access to a learning platform that might include the ebook. The purchase price will certainly include some sort of homework tutorial product which will take students through the key concepts and provide them with feedback to improve their learning. It will typically reference the part of the book where they need to go to understand a concept if they haven't understood it. There will be interviews with prominent researchers in the field. There will be links out to other resources.

Once upon a time there was the book and maybe a couple of digital features added on and now it has become quite an array of additional material, all of which is supported by the income that the publisher receives from the book. That is not a well-understood issue. The revenue has to support all those other things, which are increasingly expensive. So the industry has quite a challenge.

Barnett estimates that Pearson Australia derives about 60 percent of their revenue from print, and 40 percent is from services, digital, and a range of other activities. 'We've had a goal for a while of getting to 50 percent in revenue from non-print type material.' For Pearson globally the split is closer to 50-50.

THE SHIFT TO DIGITAL

Barnett noted there has been experimentation by Pearson in technology and education for a considerable period of time.

A decade, maybe a decade and a half ago we started to see the possibilities around digital technologies transforming education in the way students learnt and the strategy started to gather momentum. Pearson, as a company, has always seen itself as providing solutions to learning problems. Most education publishing businesses would probably say the same thing.

Barnett thought there had been an 'awakening to the potential' of digital technologies rather than a conscious shift. This change was driven by a 'sober assessment of what was going on in the market', including a judgement that print products were insufficient to meet students' learning needs.

It is not that we have anything against print. What is interesting about the student behaviour we see is that students have not responded to ebooks particularly enthusiastically. Ebooks are not solving the major issue that students have. They solve a problem around portability. They solve a problem around search ability, but they don't solve the issue that students find reading slabs of text less attractive than perhaps they did.

At the time, Pearson's education business 'didn't have the scale that it needed to properly compete on a global basis.'

Parson made some very clear strategic moves in the late 90s and early 2000s acquiring technology companies, because we realised we needed to transform the way education was delivered and consumed.

That drove Pearson's merger and acquisition activity in the 2000s which continues to this day. Pearson is continuing to reshape its portfolio. 'Recently it has sold the *Financial Times* and our stake in *The Economist*. That is a big financial move that will free up significant amounts of capital for Pearson to think about what it wants to redeploy in education.'

Pearson has deliberately moved from being a very decentralised organisation to being a very centralised organisation in the last two years.

Because we were decentralised it allowed a thousand flowers to bloom in different parts of the Pearson world. We ended up with quite a lot of duplicated investments. We have now taken a much more centralised view of how we make decisions about investments. We are rolling out a single enterprise platform for the entire world, rather than the number of platforms that we have at the moment. When it comes to decisions about particular products and services there is a robust exchange of ideas and decision-making that goes on between the global verticals we have across our business and the geographies that have to manage those.

Pearson restructured recently and is now divided into North America (the largest market); core markets (mature markets, including Australia, UK, Italy, and Western Europe); and growth markets (including China and Brazil). The restructure has enhanced access by the Australian operation to developments internationally, 'better than we have ever had'.

DEBATE ABOUT HOW EDUCATIONAL FUNDING CAN BE MOST EFFECTIVELY SPENT

Barnett follows policy and academic debates about the funding of education and how the money available can be used most effectively to achieve better learning outcomes.

The macro issue that the world has with education is that the investment made by countries generally has not delivered educational improvement. Take Australia as an example. We have spent billions of dollars in the last decade in trying to drive educational improvement by investing in things like computer hardware, classrooms, more teachers, smart boards. This hasn't improved results in NAPLAN, PISA (Programme for International Student Assessment, an international test run by the OECD) or TIMSS (Trends in International Mathematics and Science Study, a global standardised test).

Australia's performance has been declining against some other nations: 'Singapore, Finland and South Korea are the standout performers on the PISA test'. TIMSS is run every four years, 'and our performance isn't going anywhere there either'.

The problem is there is no more money to throw at these issues. There are no more big dollops of money.

Our prime activity has been publishing textbooks, and it still is largely what we do. That is not solving the problem – students are not learning in a way they need to. Fundamentally, if you take that issue and project out a few years, they are not going to be prepared for the jobs of the future. That has implications for national productivity, living standards and all sorts of knock-on effects.

PAST PUBLIC INVESTMENT IN EDUCATION

Barnett is well aware of public debates about whether government education funding has been wisely invested in Australia.

The public investments in education haven't 'moved the dial' in overall student performance. John Hattie (Professor of Education and Director of the Melbourne Education Research Institute at the University of Melbourne) calls these 'distracters in education'. We've recently published a paper that he wrote on this subject.⁶⁴

John's premise is that governments have spent education funding on things that win them votes and these are not the most effective at improving students' performance. They aren't bad in and of themselves, but there is not enough investment in building teacher capacity, building school leadership, helping teachers manage change. If you look at school systems that do a much better job, like Finland, you don't teach there unless you have a master's degree. It is a whole different paradigm in how society views a teacher, how a teacher is remunerated, and we haven't got that right.

The situation in higher education is different. A university's financial sustenance comes from their student fees yet their ranking drivers come from research so in Barnett's view there is a mismatch.

EFFICACY (EVIDENCE-BASED LEARNING OUTCOMES)

Pearson has announced a global company commitment to evidence-based learning outcomes from its products, which they call 'efficacy', drawing on the use of that term in the health industry.

The idea is quite simply that we want to be able to show that whatever we do delivers measurable improvement to students' learning outcomes in some way. We have said that in 2018 we'll report on about 40 products in as much depth as we do our financial performance. Our CEO has put a very clear line in the sand and has committed himself and the whole company to this transformation. It is a courageous move because ultimately if we can't show that we are helping to make a difference in education why are we here, why do we exist?

I'm sure there is efficacy that goes on with the use of a textbook. But it doesn't allow for learning to take place in a way that is engaging and compelling and that keeps pace with all of the other digital platforms and products that students live in every day.

THE AUSTRALIAN EDUCATION MARKET COMPARED TO OVERSEAS MARKETS

The Australian market is an early adopter of technology 'partly because of our distance, and partly because of our cultural makeup.'

Sometimes that is a problem, because there is typically not the institutional readiness to support the adoption of digital learning products. A lot of schools become quite infatuated with digital. It is a great sell to parents. 'We are using this digital learning platform.' A lot of parents think that is great, because it makes them feel like their school is at the cutting edge and that will be a good thing for their child. But what doesn't happen is the change management, the preparation, the operational readiness to support that learning. We have seen that happen a lot and then schools will back away.

However, Australia is an attractive place for Pearson to develop new ventures for a number of reasons.

We have a stable political situation, we are a prosperous society, we have a relatively high standard of living. Despite the issues around our declining performance in education, we have a very well regarded education system both in schools and in higher education. Australia is seen as being a place that is relatively easy to do business. It is relatively free from corruption. There are a lot of good aspects when it comes to choices Pearson might make around the

⁶⁴ 'What Doesn't Work in Education: The Politics of Distraction', available at: <http://visible-learning.org/2015/06/download-john-hattie-politics-distraction/>

world. We are the first country outside of North America to grow our university partnerships business, for example.

The next sections briefly consider some of Pearson Australia's strategies in the schools and higher education sector.

K-12 SCHOOLS CASE STUDY: PEARSON LIGHTBOOK

One of Pearson's newest and most innovative products is Pearson Lightbook, which despite the name is not a print book or an ebook.

Every time there is a curriculum cycle in Australian schools, the question arises as to how do we as Pearson want to engage with this opportunity. Last time, rather than starting from the assumption that we were going to produce a book and then build other things around that, we said, what are the learning outcomes that we ought to be accountable for here; what are the ways to drive our engagement with the learners who will be using these products?



Pearson Lightbook is one of the company's newest and most innovative products.

The result, after a lot of different planning and thinking and experimentation, was Lightbook. Lightbook takes what used to happen in print form, but in a far more sophisticated way digitally than an ebook might. It contains rich media, animations, illustrations, exercises, it embeds formative assessment with adaptive functionality that responds to the students' questions and then provides other questions appropriate to the students' performance.

The product provides teachers with a 'student dashboard'.

What we are trying to do is make the job of the classroom teacher easier. The 'flipped classroom' is probably a term that is a bit overused now, but the idea is students can come to class with a much better understanding of the concepts and the product should, if students are using it properly, provide a lot of the feedback to a student about how they are going. That feedback is then visible to the teacher through the student dashboard. The teacher can see at a glance how their students going with these concepts and which ones are struggling. So there is a much earlier ability to intervene with remediation strategies.

At this stage Lightbook is only available in Western Australia but the feedback is extremely positive. It has not been smooth sailing, for the reasons I've mentioned before, principally around school readiness and the student readiness, but there is an overwhelmingly positive response. We are very excited about the potential of Lightbook in other markets.

LEARNING FIELD

Barnett is very positive about Pearson's involvement in LearningField, which is an initiative of the Copyright Agency.

Students, through their subscription, log on to LearningField and access all the relevant content from education publishers who are members of LearningField in a single place as designated by their teacher. If you are teaching Year 8 science, you could access all the commercially available material for Year 8 science and then recommend your students read this section of the Pearson product, read this section from the Oxford product, and that has been very enthusiastically received.



Pearson is a member of LearningField.

NAPLAN

Pearson provides operational support for NAPLAN (*National Assessment Program – Literacy and Numeracy*) testing.



Pearson provides operational support for NAPLAN.

We print the test, we distribute the test, we retrieve the completed tests, we scan the papers, we provide markers who mark the test, we collate all the results, we print the test score reports and we send them back to the school and for distribution to the student.

VOCATIONAL EDUCATION

Pearson Australia was the leader in the domestic vocation education market (e.g. trades, bookkeeping) but it has now withdrawn significantly from this market.

Whilst we had the leading share, it is not a big market. There is a huge amount of stress because of the federal-state breakdown over funding models and performance and access to private providers. All these issues combine to create a very challenging outlook for vocational education in Australia.



Examples of Pearson vocational titles.

If you are going to be in the market you have to invest there to grow. The products need to be refreshed and grown. We felt that the growth prospects for our investment were much more positive in university partnerships [discussed next].

SERVICES TO UNIVERSITY PARTNERS

Following the success of initiatives by Pearson in North America, Pearson Australia is involved in two partnerships with universities. Australia is the only country outside of the North America division delivering this service.

We have set up a business unit that offers outsourced services to university partners. We have developed partnerships with Monash University and with Griffith University. The idea is we help these partners to build an online business, essentially. We use the knowledge and the skill that we have from our US company – through a recently acquired separate business – which is built around creating a six teaching period per year. It is a teaching model for distance education. If you Google 'Griffith online' you'll come to a landing page that's a Pearson operated site.

We have a team based in Melbourne that provides student support during enrolment and then post enrolment. The universities do the teaching, the assessment, all the certification: that's their part of the partnership. Essentially we find the students and we support them and help them to get through and graduate. We have been quite deliberate in how we grow. We want to grow the business very carefully, because it is a brand new business, so there are a lot of challenges in building it and growing it at the right pace.

We will see this business grow rapidly over the next few years. But that's only a financial view. If I step back and think about the learning possibility, we as a company can have a much bigger impact on learners through university partnerships. We can reach more learners. Even though, interestingly, when we work with our partners we are Monash or we are Griffith. Students don't know that it is us but we are impacting on those learners materially every day. I have sat in on calls with agents who are helping students to work through the enrolment process. They know the universities systems and curriculum structure and so on. We train them very deeply in how to support students. I can see the difference that we make.

Barnett has spoken previously about a student enrolled in the Graduate Diploma of Psychology (GDP)

Wendy lives in a part of rural Australia with her family. ...[Her] work history has involved helping people through very challenging personal circumstances, particularly in her role as a counsellor for troubled young adults in both schools and the prison system. In order to progress further, Wendy wanted to undertake professional study. ... But there was a problem. Over the course of our most recent teaching period, Wendy had to overcome some extremely challenging personal circumstances in order to successfully pass the latest unit of her course, an advanced statistics unit.

She contacted our Student Success team prior to the start of the teaching period to let us know that although she didn't want to withdraw, she was concerned about being able to keep up with the unit due to a worsening medical condition, a condition exacerbated by stress.

She had also encountered some technical issues, which the Monash Online Student Success team, managed by Pearson, was eventually able to help her overcome, but she still felt overwhelmed by her situation. However, with some hard work, a huge level of passion and determination, as well as sustained and dedicated assistance from the Student Success team, Wendy managed to submit her assessments on time and stay engaged. She was eventually able to pass this statistics course, which for Wendy (and probably for lots of us!) was a huge achievement.

An extract from an interview with David Barnett, 'The Importance of Partnerships in Education', published on the Pearson Australia website.

Barnett concluded, 'To me, that case study of that individual summarised why we exist as a company.' The response from academics and administrators in the partner universities has also been positive.

It hasn't all been smooth sailing. We had a failed university partnership very early on that we had to then develop new ideas and new models and learn from. But there's been a lot of support for us as we have gone about that, and there has never been a moment where we were not encouraged and supported; in fact, we have been encouraged to do more.

CONSOLIDATION OF HIGHER EDUCATION PUBLISHING

Pearson Australia remains committed to higher education publishing but it has scaled back the number of subject areas in which it publishes. 'We are focusing on a core of subject areas. We will compete there and try and grow that business, but then continue to invest in new services.'

The company has withdrawn from publishing in humanities-based subjects 'where we found that, for a range of reasons, there wasn't a consistent uptake of textbooks.'

There we find a lot of cases where a lecturer would prefer to set a series of readings rather than assign a single textbook. And students didn't typically have the willingness to spend, as they perhaps do in business and in the sciences. We are still active in some of the core markets in psychology, sociology and education, but we are not investing in the second, third and fourth year level courses as we once did because the financial return just isn't there. There are also implications for having to support that activity with sales and marketing which make it a lot less attractive.

ENCOURAGING PEER TO PEER LEARNING IN UNIVERSITIES

Barnett is also aware of an emphasis in teaching on peer-to-peer learning. Learning Catalytics is a product developed by Eric Mazur, Balkanski Professor of Physics and Applied Physics at Harvard University. Mazur:

Education does a very good job of switching... [student] ownership of learning off, so it is important to give that ownership back to students. Peer instruction is a small step in the right direction, as ownership of the information transfer process returns to the students, and gives them an opportunity to learn by teaching one another.⁶⁵



Promoting peer-to-peer learning is an important educational strategy.

According to Barnett:

Prof. Mazur's work builds on early attempts to develop polling systems and simple yes/no or multiple choice questions for use in lectures to gauge overall student performance and takes it to the next level. It builds more sophistication around, for example, a map of student responses in the class so a teacher can assign a question to the class and see the responses by location – there are two students here, one of them is getting it right and one of them is getting it wrong. 'You guys sit down and talk about your answer and then come back and tell the class what you found.' It changes the role of the teacher from being a didact, to also being a facilitator, enabler, supporter and coach.

CHALLENGES TO EDUCATIONAL PUBLISHING

Apart from the challenging nature of educational markets themselves, Pearson Australia, like other education publishers, must deal with 'e-free' mentalities, piracy, and developing new business models that are not build around sales of print textbooks. These are discussed next.

E-FREE MENTALITY

Anecdotally there are reports that education publishers are concerned about an 'e-free' mentality: the idea that educational materials online should be available free, or that teachers may be encouraged to curate their own learning materials from those they can obtain free. Barnett had a clear position.

⁶⁵ 'How can we create classrooms full of engaged and actively learning students? Eric Mazur on Peer to Peer learning' <http://www.pearson.com.au/community/in-conversation/eric-mazur-peer-to-peer-learning-part-1/>

We are quite relaxed as a business about the free movement, in the sense that the development of sophisticated products such as Google have allowed access to more material than was ever possible. It has opened up the world.

There are producers of content who have said ‘take and use this for free’, and we say ‘fine’. We understand people want to use that. We understand the attraction of a self-curated set of content or resources for a class. For example, the coordinator of first year marketing at Monash University uses a self-curated model. He directs students to content that he has found. That works for him but we have had many other examples where faculty have chosen a free or a very cheap alternative to a commercially produced textbook or learning resource, where it has not worked. Our experience is that people who have gone away and embraced much cheaper substitutes often come back, because they find that their student results start to suffer. All the support we provide that they probably didn’t appreciate at the time, does matter and does deliver value.

The issue we have when it comes to commercially produced content. Just because it can be discovered and someone has scanned a Pearson book and put it up on a peer-to-peer site, doesn’t make it right. I’m on the Board of the Copyright Agency and we argue very strenuously about the need to protect commercially produced material. Creativity and innovation cannot flourish without a proper legal regime.

PIRACY

Piracy is a big problem.

One of the big problems is we don’t know how widespread piracy is. It is impossible to know. We have people in Pearson whose job it is to address that issue every day. We are taking illegal sites down. We are sending cease and desist letters constantly. But piracy exists because our product is able to be disrupted, increasingly by technology. Again, it is another sign of our need to transform our business and be more relevant and address the inefficiencies in our model.

HIGHER EDUCATION SERVICES ACT

Like other education publishers, Barnett drew attention to legislation that was drafted prior to the move of educational content online.

The industry has probably done a pretty poor job in transitioning of what it does from print to digital so that it can invest more in digital and make that learning compelling.

In Australia we have got the complication of the HESA legislation (Higher Education Services Act) that doesn’t allow you to charge for products that are used in the assessment of a student. It is an issue about student equity, which is completely understandable. But what it means is that a lot of times faculty are reluctant to tell a student ‘you must go and buy access to this online learning product, because we are going to use it for assessment’. If I am a student who doesn’t have the financial means to do that, then I am at a disadvantage and that is fully understandable. But this is potentially a barrier to innovation and transformation.

OTHER

Barnett also suggested that changes to the retailing of textbooks could be beneficial. It is not clear that the current bookstore channel is sustainable.

This is controversial. It means you don’t have a bookstore in the middle of a campus, often providing a physical place for the student to purchase a product during semester and then there is hardly anyone in there at other times. That is a very inefficient model. Everyone

understands this and we are all collectively trying to make sense of how we go forward. But the ultimate solution, I think, is an online platform that delivers a compelling and accessible learning experience that will have students engaged and have faculty with a much better sense of student performance. Importantly, data will play an increasing role in helping to plot student progress and student remediation strategies will come from that.

THE CHALLENGE FOR UNIVERSITIES

Many Australian students work more than 30 hours in paid employment each week, juggle multiple jobs with their study, and spend less physical time on campus. Barnett is aware of these changing behaviour patterns and their potential implications.

I was at a sandstone university recently. The Executive have had the blessing of generous benefactors and they have built some remarkable new buildings. But they know that on any given day, there are more students accessing their environment remotely than are actually on campus.

There are all these clear signs saying students are coming to the campus less often. For us it creates the need to drive more sophisticated learning products so that when a student is learning in a Pearson product they feel like they could just as easily be in Facebook or Twitter in terms of the sophistication of the experience. Because if they are coming home and picking up a textbook after a shift at a local café, if they have an hour to get ready for class tomorrow and they are sitting down to dive into a textbook and try to grapple with the content with all the other distractions, we don't see that is going to prepare them for an effective experience in class. Students need to be engaged. They need to be supported. They need to feel there is a dynamic learning experience, which is why we are putting so much emphasis on the new products.

I think the challenge for universities is that if students see a reasonable alternative to the university experience that provides a path to employment, they will start to take it. If, for example, if you had a scenario where a private education provider and the CPA (Certified Practising Accountants Australia) or ICA (Institute of Chartered Accountants) offered an attractive accounting qualification that was on an accelerated basis and you were finished in 18 months, why would you, as an undergraduate, want to spend three years of your life, even at a good university, when you could be out with a CPA, which is the qualification you'd have anyway, earning in less time? Ultimately, students as consumers will start to vote with their feet and if they are able to have choices about their educational future they will start to take up those choices.

If you took 10 or 15 percent of accounting graduates away from universities there goes a significant amount of income from universities. I think the forces are there and everyone understands this.

I was at a University Australia conference earlier this year and Dr. Michael Crow, President of Arizona State University, spoke about this issue. He said, 'I want to be very clear, we are not here to serve the faculty. We are here to serve the students.' There was a nervous laugh that went around the room, because everyone understands that is the problem, but solving that problem is quite challenging.

CONCLUSION

While production values are high overall in educational publishing, there is less emphasis on 'aesthetics of the book' compared to trade publishing. Barnett believes that aesthetic standards and production values are high across the major education publishers and this is not a point of differentiation in the market. 'Our starting point is how do we make this work educationally?'

Ultimately for us, it is about whether a course delivers the outcomes that schools, universities, and students want. Our experience is that it is challenging for them to do that, given the pressures around time and other commitments, without some sort of commercial partner. Every university in the country would love to be able to produce all their own learning materials. They have been saying to the industry for years, 'You guys will be out of business, we could do this all ourselves, we employ all of your authors anyway.' That is true, of course.

But when it comes to the hard yakka of producing a commercially viable product, distributing it to the market, sustaining it, supporting it, continuous development, that is why the commercial publishing industry exists. That is what we are good at.

CENGAGE LEARNING



CENGAGE Learning

Type of publisher:	Australian arm of the multinational, Cengage Learning
Established:	Cengage Learning was established in 2007, through the acquisition of Thomson Publishing.
Based in:	Melbourne
Lists:	Primary, secondary, tertiary, vocational, professional plus a range of education services. Publishes over 200 new learning resources each year.
Innovation/s:	A range of interactive learning resources and assessment tools including: Nelson PM literacy series NelsonNet ebook for Secondary school subjects across Australia Mindtap: a digital learning environment that is adaptive to students' mastery of course concepts and their learning styles Partnerships with education institutions New pricing models
Other differentiation:	Cengage Learning is one of the world's largest education publishers.
Executives:	Paul Petrulis, Vice President, Higher Education David O'Brien, Vice President, Schools
Website:	http://cengage.com.au/

Paul Petrulis and David O'Brien were interviewed on 25 and 27 August 2015 respectively.

BACKGROUND

Cengage Learning is one of the world's largest education publishers and one of the market leaders internationally and in Australia.

Paul Petrulis (PP): If we look at the industry globally 15-20 years ago there were probably two to three times the number of major education publishers. Due to the pressures of new technology development and the pressures within businesses there have been a large number of mergers and acquisitions in the industry. That has resulted in fewer publishers overall but larger publishers with greater scale. Four of the largest multinational publishers are Cengage, Pearson, McGraw-Hill and Wiley. All four of them have formed through aggregation. Cengage would be either number one or number two across the university, vocational, primary and secondary school markets depending on which statistics you look at in the market.

Cengage Learning has five divisions in Australia: Primary, Secondary, Higher Education, Gale (databases of online reference resources), and Export.

PP: Our export activity is tied very strongly to Primary Education and those two divisions are very strongly interlinked [discussed further on]. The revenue split across Schools and Higher Education is roughly 50/50.

CHANGES IN THE INDUSTRY

Given contemporary interest in the impact of digital technologies on educational publishing, David O'Brien reflected on changes in secondary school publishing throughout his career as a means of providing broader context.

David O'Brien (DO'B): In secondary schools in the 1980s a lot of textbooks were published in black and white. Then in the late 1980s, early 1990s, colour printing became a big development. You can understand it with science or history and then in the mid 90s that even moved into maths books – wow, maths books! It became a massive competitive advantage for education publishers to move into colour and of course everybody quickly followed suit.

The next major development was that some digital concepts came into play. In the late 1990s books appeared with a CD-ROM in the back. People didn't know what to do with it but teachers felt that the kids should have the edition with the CD-ROM in the back because it might have a few exercises that could be done on a laptop or a PC. Again it became a competitive advantage for publishers for a year or two to have that feature. Not that teachers used the CD-ROMs in the classroom, most of the students never even took the CD out. But if you didn't have it then why would a teacher pick your book for a school compared to the competitors that did have it?

Next came the web and broadband. Suddenly that created an opportunity to provide information on websites, mostly protected but sometimes free, that provide supplementary materials. Yet again, it is no longer a competitive advantage in the market, but it is a disadvantage if you don't offer these features.

O'Brien also observed, 'All these features keep on adding extra costs for publishers'.

DIFFERENCES BETWEEN PRIMARY AND SECONDARY SCHOOL PUBLISHING

O'Brien explained that different purchasing practices apply in primary and secondary schools.

DO'B: In primary schools probably 70 percent of educational materials are purchased for literacy, encompassing various elements of literacy, and 30 percent on maths and a few other related areas. The materials are generally all purchased by the schools, held by the schools and owned by the schools.

At the secondary level there are three models of purchasing education resources: book lists, book hire and class sets.

Book lists

DO'B: In some schools, they give out a list of the prescribed books for the year. As a parent you've got to find those materials and you buy them, new or second hand. Basically you will purchase them, the school won't purchase them and the student owns them. Many private schools use this system.

Book hire

In the book hire system, which is common in Catholic schools in NSW, the school buys the books and owns them, and parents may be levied a fee for general resources. The students are assigned a textbook to use for a year and they can take it home. At the end of each year the textbooks are returned and the following year they are handed out to the next class. Only when the books are torn and ripped or there are more students enrolled do the schools top up the textbooks in subsequent years.

Class sets

Class sets are often used in government state schools, for example. Say there are 100 students in Year 7 in four classes: 7A, 7B, 7C, and 7D. The school has 25 maths textbooks. The pupils don't take them home, they are kept in the maths room. On Mondays at 9 o'clock 7A uses them and at 12 o'clock on Tuesday 7B uses them. On Wednesday 7C uses them and then in the afternoon 7D uses them. If there is homework from the textbook it is photocopied. We might generate 25 sales and the books might last 4 years so we achieve 25 sales and 400 students have used them.

NEW PRICING MODELS COMBINING PRINT AND DIGITAL RESOURCES

Cengage Learning has been offering a new pricing model for secondary school materials which combine print and digital formats.

DO'B: We will put the price of the print textbooks up by, say, \$5 and for that price we will provide the digital format as well. Have your book, keep it in your locker, and you have the digital version to take home. That is the predominant model. Some schools philosophically want to have digital only. Then generally the market prices are about 60 percent of the print book price and the subscription runs out after the end of the school year.

We also provide teaching materials to support the textbooks and if we don't this is another competitive disadvantage. In general no publisher makes any money on teaching materials because we sell one copy to a teacher and they use them until the curriculum changes – maybe in five years hence.

THE IMPACT OF CHANGES IN PRIMARY AND SECONDARY SCHOOL CURRICULA ON EDUCATION PUBLISHING

Primary and secondary education publishers develop and publish products according to federal and state school curricula.

DO'B: If our resources don't cover the curricula nobody in Australia is going to want them. Whenever there is a change in curriculum we have to consider, first of all is it a massive change or is it a minor change?

A massive change might involve a different approach to the subject, for example there might be a move to more investigative science rather than rote learning of periodic tables. That can have a fundamental impact on the learning materials. A minor change might involve shifting around the content, say if it is Ancient History, coverage of Mesopotamia might be reduced or completely discontinued and more emphasis placed on Ancient Egypt or the Middle Kingdom in China.

Sometimes the differences are not necessarily mandated by curriculum so much as teachers having a different view. For example, if a student is studying Victorian Certificate of Education maths in Victoria they use a scientific calculator. Whereas a student enrolled in

Higher School Certificate maths in NSW does not use a calculator for their end-of-year examination. The whole classroom approach, the teaching approach and the student learning approach is completely different.

The other way that texts can change outside of curriculums is simply that they become dated, for example, in geography, human geography, economics, politics – the content can change relatively quickly.

BUSINESS MODELS IN PRIMARY AND SECONDARY EDUCATION PUBLISHING

In O'Brien's view, primary education publishing is a low profit activity apart from income generated through exports. 'If you can export it becomes profitable.' Secondary education publishing is also seen as a low profit business.

D'OB: The Australian marketplace in secondary schools is a 'honeycomb'. You have five major state curriculums. No national publisher much, if at publishes specifically for South Australia, Tasmania, the ACT and Northern Territory. You then have six year levels: 7 through to 12. There are probably 20 mainstream subjects in Year 7-10 and 40 mainstream subjects in Years 11 and 12. If you were to multiply the many different textbook resources you need, there are probably 500 or more. The mainstream curriculums tend to change maybe every five years, some of the slower moving ones might change every 10 years.

In secondary school publishing, based on Australian Publishers Association aggregates which probably represent 80 percent of the market, the education publishing sector makes about 15 percent return on sales before interest and tax. If you take off Copyright Agency royalty payments received by publishers then you are down to about 10 percent return on sales before interest and tax for the industry combined. Interest rates are low but when you take off the interest component of the cost of capital for running the business and the risk, then you pay your taxes, you have about as close to break-even in an industry as you can get in Australia. It is not very profitable. The photocopy fees [for photocopying publishers' materials in Australian schools] help. We are never sure whether we want the photocopy fees that we receive to go up because we always think, well then, we have had even less product unit sales.

O'Brien outlined the extensive amount of photocopying of education publishers' materials that occurs in Australia. 'One billion pages each year, minimum, in schools in Australia.'

This figure is based on Copyright Agency sampling in schools. Under the statutory licence the schools pay a license to the Copyright Agency (around \$17 per student) for permission to photocopy education publishers' materials for non-commercial purposes. Based on Copyright Agency sampling of schools' photocopying which is used to calculate national levels, royalties are paid to copyright owners – generally publishers and authors.

THE MARKET IN HIGHER EDUCATION

The market in higher education is different to primary and secondary schools.

PP: We are more aligned with the US market than the UK.

Often in the US there will be a single course resource assigned by the lecturer, whereas in the UK and much of Europe there tends to be much more reliance on readers compiled by lecturers with their selections. An academic may reference 20 different books on the subject that they like and refer the students to read what they want. They will provide a reading list and rely more heavily on the academic's lecture notes or teaching. Whereas in Australia, US, Canada, South America and other parts of the world, lecturers tend to choose one textbook to help guide students through the subject as a single voice and take them through the course

CHALLENGES IN THE HIGHER EDUCATION SECTOR

Like other educational publishers, Petrulis discussed two related challenges in the Higher Education sector: declining sell-through rates and piracy.

DECREASING RATES OF SELL-THROUGH OF TEXTBOOKS

PP: Sell-through refers to the number of students who go to the bookshop or to the internet and purchase that product for that course.

The decline in rates of sell-through is very strongly aligned with the development of the internet and the ability to make large scale duplicate copies of content. In the past we would be able to sell textbooks to 80 percent of students for a first year course, now we are down to 40 percent or 50 percent. Some of this can be attributed to second hand text sales but a great deal is attributable to piracy – both print and digital. It is damaging the industry as it limits our potential to reinvest in new products.

In addition the casualization of the academic workforce results in many part time academics having less investment in using a text and associated resources to their full potential.

PIRACY

Piracy is a major problem.

PP: Piracy is a significant problem for the industry. Other than lost revenue for authors and publishers the industry struggles persuading authors to write because they see that their material is being pirated. They question why they should invest their time and energy when they can't get a fair return on their efforts. From a student perspective a textbook is an expense not often viewed as an asset compared to a consumer purchase. Rather, it's a case of, 'I've already spent \$5,000 on paying for my fees for the course and why should I pay any more for the content. Paying the least amount or nothing at all for a textbook is acceptable even if it is illegal'.

In the print area we are dealing with small scale commercial printers selling our content illegally. They basically copy print books and sell them to students. Recently there was a legal case in Sydney where illegal print copies of our textbooks were supplied to students near a major university.

There is no question that a number of publishers now are withdrawing from key areas because there just is not enough money in it for both the creators- as in the authors – and the investors in terms of the publishers.

We are doing a lot of work to educate people, both through the Australian Publishers Association and as digital publishers to promote copyright protection laws. We want people to respect the laws that are available. We are also finding new ways to make our content affordable through initiatives such as selling ebooks and individual chapters via the internet. For example, if a textbook is normally priced around \$100 in print form, it will sell digitally for around \$50-\$60 as an ebook. Many publishers also sell individual chapters within those textbooks for as little as \$2 or \$3 each. Publishers are getting a good amount of digital take up but not enough to offset the drop in revenue from the amount of material that is pirated or copied.

THE MIX BETWEEN PRINT AND DIGITAL IN EDUCATION PUBLISHING

Education publishers are keen to be seen as boosting their digital activity.

PP: There are some publishers who record digital revenue when an access code to a website is packed into a book as a digital sale. The majority of teaching in Australia in higher education is still blended learning, which means a combination of print and digital formats. Pure digital sales, as in ebooks or digital learning software or access to interactive websites is at a much lower rate, probably closer in the Australian market between 7-8 percent.

DO'B: It is also important to note that schools don't all have optimum Wi-Fi connections, adequate broadband or sufficient devices. Resources are limited for upgrading schools' capabilities and that has an impact on the way educational materials are used in practice.

CHALLENGING EXPECTATIONS THAT DIGITAL PRODUCTS SHOULD BE LESS EXPENSIVE THAN PRINT PRODUCTS

All the education publishers interviewed for these case studies challenged the public perception that digital products should be priced more cheaply than print products.

DO'B: There is a general expectation from the public that if a product is digital therefore it should be a lot cheaper. Why?

PP: The reality is that 80 percent of the cost of a textbook is not in the paper. The greater expense is in paying the author, copy editing, proofing, designing, research, obtaining permissions, photography, typesetting, compiling a glossary and index – all of those labour hours which are never considered. A textbook is a highly pedagogically designed tool with a lot of creative work invested in order to get those elements right on the page. It takes investment of time and capital which is completely forgotten about when it comes to someone making illegal copies and selling them.

DO'B: In secondary school publishing, for example, all the costs of print, stock storage, picking, packing and distribution averages about 17 percent of the retail price across our portfolio. If 100 percent of the market never wanted another print book again, then I would save 17 percent, that's the gross, and then I have got to create masses of amounts of digital material. I have got to create education platforms, software series, gateways, passwords and to provide technical support for people. We save on the 17 percent and it costs us another 25 percent for an amazing amount of extra costs for digital materials. Digital-only products comprise maybe 10 percent of the market currently. We still publish print products so therefore we have the same costs that come with print and extra costs with digital.

In addition, teachers work in schools where there is never enough money and never enough budget. As a consequence, education is understandably seen as an honourable profession and an honourable cause and therefore if we don't have the budget but we need the information we will copy it – it's back to the photocopier...!

INDIGENOUS/LOCAL PUBLISHING AND ADAPTING OVERSEAS MATERIALS FOR AUSTRALIAN MARKETS

PP: We identify a product that is built from the ground up in Australia – indigenous or local publishing, and then the second product group as adaptations – where we take a product and adapt it to suit our market. Most education publishers in Australia are publishing around 50/50 local publishing/adaptations.

When we adapt overseas material we commission an individual author, or often a team of authors to review the content and put it in context for an Australian student. The originating material might have had hundreds of thousands of dollars and hours spent developing the content for another market but the primary content is well authored and researched and

highly appropriate for the Australian market. We may need to adapt around 40 percent of that content in order to fit well for the Australian market and have a key international author as the brand for it.

Next, four examples of Cengage Learning initiatives are discussed.

CASE STUDY: NELSON PM SERIES (PRIMARY SCHOOLS)



The PM readers have been developed for over 25 years.

DO'B: PM stands for Price Milburn which are the names of the two authors in New Zealand who created a series of readers to teach children English (generally as a first language) from a guided reading perspective. This is a classroom approach that is predominantly used across Australia and New Zealand. It is also used in America but more as a supplement. The pedagogy behind each guided reader is amazingly complex and is almost invisible to anybody who is not familiar with the approach. Reading, writing, listening and speaking are at the core, and comprehension and spelling greatly assist that.

The PM readers comprise a carefully – and when I say carefully I mean absolutely, unbelievably carefully – graded levelling system.



Some examples from the PM+ reader product range.

We understand exactly how many times a new word should be repeated so that there is reinforcement in the reader across a number of levels. We understand all the alphabet, the word blends, phonemic awareness, diphthongs, conjugations, high frequency words, story structure, meaning etc. Every element of that pedagogy which you don't have to know, we know. We know about visual literacy, oral literacy, all the learning implications of the design. It is a massive exercise. Not many people know about it; not many people need to know about it. They just need to know that you can use these books with complete confidence. We take months to develop each new reader.

Although the series started off being developed in New Zealand, Cengage (previously owned by Thomson) acquired the rights and the business about 25 years ago and so the publishing approach and the growth of the list has been from Australia for the last 25 years. There are now about 1,600 readers in the PM series.



The PM readers benchmark kit. A majority of primary schools in Australia & NZ would have at least one kit.

About six or seven years ago we designed and developed our benchmark assessment kit. I think we did an extremely good job. The kit enabled teachers to use unseen texts when assessing their students. If you have a library of books in a classroom, you don't throw them out every year and buy new ones so students have probably seen those books and read them. If they read them often enough kids recognise by rote what the story might be about or what the words are.

A proper assessment of literacy is based on a text that the student has never seen but it has to be aimed at exactly the right level. Then you need ways and means for the teacher to understand and keep records as to how students are progressing and not starting at too high a level.

We always assumed up until about 10 years ago that comprehension is somehow automatic. Now we discern a worrying trend whereby students can read words beautifully but they can't always comprehend (or decode) what the story was actually about. Resources in our benchmark kits have been good at providing the right tools for primary school teachers to understand where students are deficient. Teachers can identify learners who are struggling in particular areas and pinpoint exactly what they need to do to bring them up to speed. Alternatively, if these problems haven't been corrected then students may still be missing some key knowledge when they get to Year 4 and Year 5 and Year 6. Then they start to become good at hiding what they don't understand so the development of these kits is a good achievement on our part.



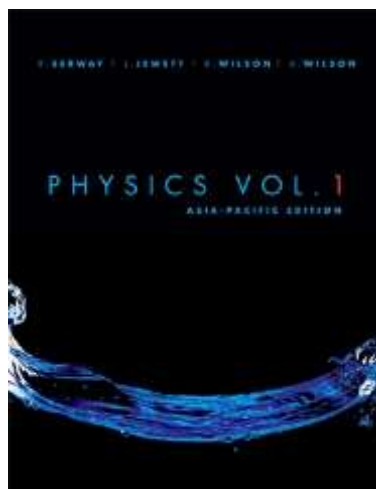
Taking selected readers for development as enhanced ebooks.

Recently we have taken 200 readers covering a selection of books that makes sense across reading levels, between fact and fiction and between various cross curricular requirements. We have digitised those and created a software app that is available on Apple, free in the iTunes store. This digital platform has been running for about two years.

We sell a subscription service to schools. A school has to buy the license for at least 100 titles times a certain amount of students. They download the app from the app store free onto each of the devices. It's all cloud-based so that they can then access those materials. The ebooks also have a series of other functionality that the internet and digital allows. For example, a child or a teacher can press a word or put their finger across a whole line of words and hear them. If they don't understand a word they can circle it and put it into their own little word library so that the teacher can help them. Apart from the pedagogical benefit, it is a way of defending our book revenues. Technology is not always a major revenue raiser and certainly not a major profit centre at the moment but it protects your position in the market.

CASE STUDY: PHYSICS TEXTBOOK AND DIGITAL RESOURCES (HIGHER EDUCATION)

The next example applies to the higher education sector. Serway et al *Physics Vol. 1 (Asia Pacific Edition)* was developed in Australia.



Market research revealed a potential opportunity to design a physics textbook to meet the needs of Australian students and lecturers.

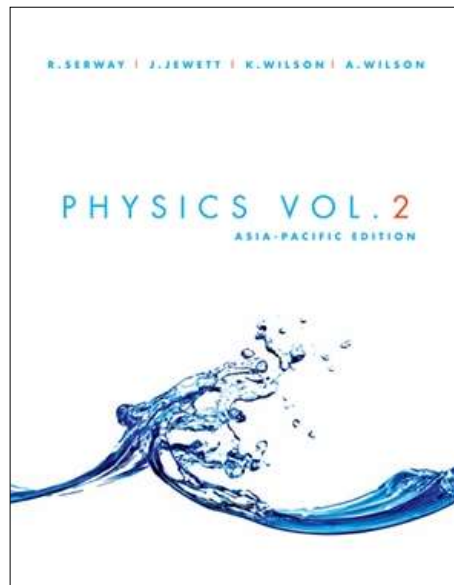
PP: People ask, 'Why do you need to develop a physics book in Australia? Doesn't gravity work the same all around the world and can't we use a US book?'

First, we did a lot of research with Australian academics and found that there was significant difference in the way that students were taught the hard sciences in Australia compared to the US. As an example in Chemistry Australian students are taught organic chemistry much earlier than US students so we needed to make sure that we brought in the concepts of organic chemistry much earlier and included them in first year university books for Australians.

Students rely heavily on practical examples, so they wanted to understand examples using the names of organisations that they know about: the CSIRO, and applications by Australian scientists and chemists. That was lacking throughout the US products.

Third, we found that academics and students were tired of material that was not presented in context. References to examples such as a 'baseball travelling at 60 mph travels 200 yards' – or concepts such as volume taught in units such as gallons do not resonate in Australia .

Then we reviewed and determined the teaching pedagogy that is required for students. We might produce a series of videos that help them learn a particular concept. We may use PowerPoint solutions for selected problems. In addition animations are produced which demonstrate key learning objectives such as how molecules form and rotate and what happens if they are put under heat. We have also produced tests for the instructors that help them assess the students' learning, including resources with the ability to produce randomised tests so that no two students have the exact same test. The program will auto-grade on multiple choice questions, short answer, fill in the blanks and a whole set of pedagogical ways of testing. They will be produced for the students as well as for the academics.



Based on the success of Volume 1, a second volume has been developed.

CASE STUDY: MIND TAP (HIGHER EDUCATION)



PP: Mind Tap provides students with the subject matter of a higher education textbook whilst providing them with an integrated set of apps and tools which give them the context for how that material can be learnt and used. It has interactive activities, exercises, and adaptive learning tools that allows a student to work through a number of key questions and the platform is intuitive enough to test that you understand the key concept. It essentially provides a personalised learning experience of a subject in a digital format.

It provides a benefit to academics who are looking to engage their students and extend the use of digital media in their courses. The response to date has been very positive. Students and academics are excited with the adaptive learning elements and having flexibility to manage the content.



Some sample interfaces from Mind Tap products.

We recognise that it is not just the case of having the best content, it is having content that prompts students to interact and engage with content that promotes learning,

In the past there was a presumption that if you were at university, you were a serious academic student and you therefore had to stoically 'endure' the delivery of the content whichever way it was given to you.

Student learning and life has changed. We have to recognise there are different types of learners in our universities. We have to engage students and cater for visual learners, auditory learners and students who are digitally native.

CASE STUDY: FOUR LETTER PRESS (HIGHER EDUCATION)



PP: About four or five years ago Cengage began developing a new series called 4LTR Press aimed at first and second year university students. These were designed after feedback from students and academics that many textbooks were too big, they were too heavy, they were too word-rich and not visual enough for the modern learner. Instead, we tried to engage them with a better-looking physical print book, short and concise and place a vast amount of further content available online to those who want the extension material or learning.

4ltr Press textbooks were much shorter, highly visual and retained the breadth of content but examples, case studies etc., were moved online. Students experience a short, sharp, very visual textbook that fits with their modern lifestyle.



A Marketing title in the 4LTR Press series.

The feedback from students after using the series is fantastic. Focus groups with students and academics who had been using them and the students were saying, ‘This is the best textbook I’ve ever used’. ‘Why can’t my other subjects use them? I pick up a 1000 page book for my accounting course and I get scared to open it, look at it because I know in 12 weeks that I’m not going to be able to read through more than a couple of chapters of that.’ They have a sense that the new text is a digestible-sized product, it is highly engaging, it looks different and it served a real need. We continue to produce more 4ltr press titles due to the strong feedback.

The final section draws together some of the broader themes relating to Cengage Learning’s innovation in Australia.

PARTNERSHIPS

Cengage Learning, like other educational publishers, is developing partnerships with education providers.

PP: We have a lot of success currently with new partners in the vocational space, where we have very deep partnerships with institutions to prescribe and purchase our content either as subscriptions or outright and we integrate their content onto their Learning Management Systems. We are working at the institutional level to develop our Mind Tap use in universities.

The more a publisher's content is linked in via student subscription to the university's Learning Management System, the more academics can see how often students are accessing the content, how an individual student is going in comparison to other students, etc They can see which questions students are having problems with earlier on because the students are having to repeat the practice exercises or they are not passing those questions. There are a lot of benefits to education providers being integrated and using the deep analytics available in the platforms.

We will also continue to work closer with institutions on their needs and partner to create learning solutions and analytics to improve student outcomes. Cengage recently announced the acquisition of Learning Objects – an educational technology company providing enterprise level solutions.

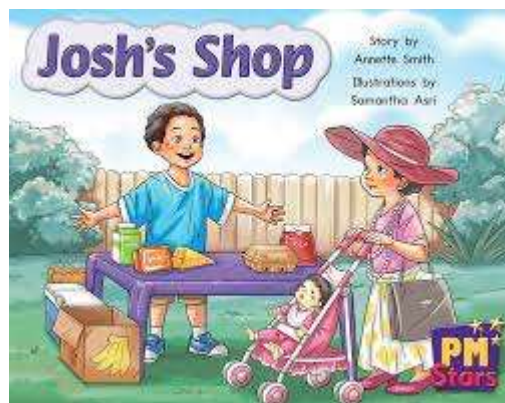
AUSTRALIA AS A LOCATION FOR INNOVATION IN EDUCATION PUBLISHING

Australia is seen as a viable location for innovative developments by the Cengage Learning head office in Boston, Massachusetts.

PP: Australia has a strong higher education market. With over 300,000 international students enrolled in Australia, we are seen as a safe, progressive country with a well-established and developed university sector. We have a highly regulated, internationally recognised system, that makes it attractive. Over 1 million students enrol in the sector each year providing scale for innovation.

Australia enjoys a high standard of living which means that our price points for textbooks are reasonable for publishers to get an investment return. In addition we are a highly digitally engaged society with people wanting to use digital resources. All those aspects make Australia a good player in innovation. Exports of guided reading resources

Australia's success in developing and exporting literacy resources to overseas markets over the last decades is probably not well recognised.



An Australian-authored reader, one of many that has been exported.

DO'B: Australian and New Zealand primary school literacy publishers probably represent about 30-50 percent of the USA market in supplemental (not basal) literacy resources.

People don't realise it because USA publishers release the resources under their own name overseas. I estimate that schools around the world have spent about between \$800 million and one billion US dollars on PM readers alone over the past 20 years.

ACCESS TO INNOVATION

Petrulis is positive about the opportunities to undertake development in Australia using Cengage Learning's global IP.

PP: One of the reasons I enjoy working for a global company like Cengage is that I have access to platforms and resources that would not have the investment return to build exclusively in Australia.

As we move into a more digital age our Australian staff are getting skilled at creating new digital content and offering services that can be leveraged from all parts of the globe. It is an exciting time to be working in education as it transforms.

MAKING DECISIONS ABOUT WHETHER TO ENTER NEW MARKETS

Petrulis outlined the process by which management decide whether to enter a new segment of the education market.

PP: We consider the potential size of the market, our strengths and how we can invest in this market to get a return. There is a financial aspect to see that there is a large enough cohort of students and a market that is willing to purchase and willing to economically reward the investment into publishing. There are some large markets where students don't tend to purchase education publishers' content, nor do the academics tend to use that content.

We then do a large amount of surveying of academics and students and work to understand their requirements and needs. We examine both form and function required to be successful including need for for print, digital resources for students or digital resources for the academics in order to engage students and to assess them. We want to provide tools that are going to make the teaching and learning simpler and easier for both student and academic.

We carry out qualitative and quantitative research. This includes focus groups with academics and students, where we can. We use academic focus groups and double blind peer academic reviews where possible. Our goal is to build up a profile of what that student learner needs, what the academic teacher needs and from that profile we then start looking at the content and form required.

It is not uncommon to invest quite a lot of time and energy and come out with the conclusion that this is not a market we have strengths in, or that the barriers for entry are too high, whether this is due to the cost of developing the technology or because there is such a well known branded author or branded product in the market that to come in with a new product and make an impact would be financially unviable.

BARRIERS TO INNOVATION

Two main barriers to innovation were highlighted.

PIRACY

PP: The amount of copyright infringement is stopping us from making more choices on investing and also obtaining quality authors. That is a problem.

D'OB: Deliberate piracy virtually doesn't exist in primary school, it is not so strong in secondary school (although some students illegally sell PDFs of textbooks online) but it is a particularly pressing issue in higher education.

HESA (HIGHER EDUCATION SERVICES ACT)

PP: The other area is legislation called the HESA (Higher Education Services Act) legislation. The HESA rules inhibit academics from charging students for any product which is part of their assessment. It is expected that the university will cover the costs of assessment. The legislation was developed pre-Internet and pre-digital use and now has some unintended consequences in its application. It is difficult for academics to prescribe the publishers' material because the universities won't often pay for the assessment components.

OTHER

PP: In general a high US dollar causes problems because it increases the price of producing and publishing. We are purchasing content from overseas and paying for services tied to the USD.

CONCLUSION: THE FUTURE OF EDUCATION PUBLISHING

Petrulis and O'Brien predict that partnerships with education providers will become increasingly important for educational publishers, and that the mix of print/digital formats will vary across individual units and levels of education.

DO'B: In secondary school publishing, learning involves a combination of print and digital formats. Digital-only is fraught with danger and I wonder that people outside the market don't really understand that.

You can't apply digital innovation to every subject equally either. It's a combination and teachers have got to find that appropriate mix. There are lots of aspects that are terrific with regard to digital but it is not an all or nothing approach.

PP: In higher education the digital tsunami is continuing. Publishers need to adapt their financial models and also their product development in order to keep up to date with those needs. There will be much more focus on innovative thinking about the end user, the customer, the student rather than the academic. There will be a greater emphasis on student innovation. As students become more empowered as consumers, they will have greater say in their choice and we publishers will need to listen to students more so than in the past.

As education publishing and the education sector changes, we are constantly looking to form new partnerships, whether that is with universities or private providers who are looking for solutions to keep them relevant and competitive in their market. The future will not just be made up of education publishers creating and providing learning resources on their own. There will be much more interaction by content creators with other technology providers in order to achieve the solutions required.

OXFORD UNIVERSITY PRESS



Type of publisher:	Australian arm of the multinational, Oxford University Press ⁶⁶
Established:	Publishing operations in Australia started in 1908
Based in:	Office in Melbourne
Lists:	Primary, secondary and tertiary education, a small number of trade books plus scholarly lists from overseas
Innovation/s:	Oxford Literacy – new early literacy package for primary schools New pricing models Partnerships with universities, e.g. Swinburne University of Technology Member of LearningField, which is operated by the Copyright Agency.
Other differentiation:	OUP is the largest university publisher globally (\$1.5 billion world-wide). It employs 4,000 people and publishes 5,000 titles annually. Active in a range of international markets including Africa and South America.
Executives:	Peter van Noorden, Managing Director
Website:	http://www.oup.com.au/

Peter van Noorden was interviewed on 24 August 2015.

BACKGROUND

Oxford University is the largest university publisher globally and one of the oldest. It began in the late 1400s. OUP is the longest serving educational publisher in Australia.

Our Australian branch opened its first office in in 1908 in St Paul's Cathedral in Melbourne. We were mainly an importer of Bibles and educational material from the UK. During World War II the shortage of imported books led to local printing and publishing of those English-originated books here in Australia. That started us to work on a developing a genuine local market. Back in the mid-80s we were still approximately 80 percent imported product and 20 percent local. That has completely flipped now: 80 percent of what we do in the Australian, Papua New Guinea and Asian markets is locally generated (including customised product). A gradual shift has taken place. The market has more and more wanted local product, especially in the secondary and primary school markets.

The core mission of OUP is that it 'furthers the University's objectives of excellence in research, scholarship and education by publishing worldwide'.

⁶⁶ OUP is grouped with education publishers (rather than scholarly presses) in this report because the focus of its publishing activity in Australia is on primary, secondary and tertiary education.

Van Noorden provided additional elaboration on OUP's mission:

The special character of Oxford University Press lies in our ability to develop educational materials like other publishers but to do it for a different end. For us it is all about the furtherance of the university's objectives of excellence in research, scholarship and education. We recently surveyed our staff and it comes through very strongly that the reason they are working here is for the aims and ideals of promoting education.

But on day-to-day terms, we are very competitive. We have strong sales teams and we are developing improved marketing methodologies to be able to compete in the marketplace, but the underlying mission-based approach is what is important.

The special character of OUP's brief enables it to undertake 'risk publishing'.

We publish products that we know may not make money for the company or may actually cost Oxford University Press money, but we continue to do it because of their importance. Sometimes it pays off later because people become familiar with us and they know that we work with local people on collaborative projects. In fact, risk publishing is also good marketing asset because so many people then use our products and when tenders come up they will recommend our texts, et cetera.

The first Oxford English Dictionary, which had its first instalment published in 1884 and the final instalment released 44 years later, is a well-known example of the university's risk publishing.

That gives you a sense of the commitment of a university press to get things right and to deliver the best educational outcomes. It can take a long time to do things properly and we do things in Australia too in that way although not to that extent. I remember our first literacy program in Australia was started about eight or nine years ago. OUP partnered with Melbourne University in terms of developing the rationale behind it. We developed a word list for Australian students which we have since given free to all schools in Australia. It was a substantial research project, it cost a lot of money, but this word list is something that we gave away then free to teachers around Australia. Then we use that research to help develop our literacy products. It has become the key, most researched word list for students to use.

OUP'S RANGE OF PUBLISHING ACTIVITY IN AUSTRALIA

OUP's publishing activity comprises approximately 30 percent each for primary, secondary and higher education publishing, including textbooks and associated digital materials.

The other 10 percent of our business is made up of the English Language Text (ELT) market, some activity in Papua New Guinea, and a small trade list. We do some partnering in some local trade publications, but very it is a very small component.

MOVE AWAY FROM PUBLISHING SCHOLARLY MONOGRAPHS

Changes in the economics of university publishing mean that university presses are publishing smaller numbers of specialist scholarly monographs.

We still receive lots of applications from people, but we are purely focused in this very small Australian market on educational publishing. We can't afford, with our small staff, to be working in the monograph market. Good possible opportunities we send overseas to the UK, but again, they are operating on a reduced level of monograph production as well.

Each of the university presses have all sorts of economic pressures on them, so it is important that we ensure that we are profitable and able to operate, so that we can make the best possible contribution back into the University.

THE AUSTRALIAN MARKET

Like other education publishers, van Noorden referred to Australia's long-standing expertise in educational literacy. 'Australia has been a real leader, even supplying readers to the US and into Asia.'

Going back ten years or so Australia was a major supplier of literacy products by a number of education publishers to the UK, particularly in finely levelled readers. We were very good at reading and reading intervention materials.

Plus, we are early adopters here. My boss was visiting Australia recently and we were talking about it. In comparison to Europe we are probably more innovative here in what we do and we have been leading in that regard over the last 10 years, but the technology that supports these programs has much higher bandwidth and speed and gives you more options in Europe than in Australia. That holds us back in terms of innovation here in terms of having to just roll out a basic PDF, etc. because of the lesser capabilities of the underlying technology.

We are small and our market is reasonably static but it is a very good solid market. The potential with technology and digital product is that it can go worldwide.

FOCUS ON THE END CUSTOMER

OUP is conducting market research to learn more about the end users of its educational products.

Recently we have been running interviews with students on particular titles to ask what did you think, how did it work for you? Instead of concentrating on the teachers we want to make sure that the end customer is satisfied as well. The students were flattered and it gave them time to reflect on what we were doing. Some of them said, 'I didn't know that those features were available. I just used the text book, but if I was doing the unit again, yes, I would use them.'

It is ingrained in most of us to use a textbook. This is particularly prevalent among higher education students who still tell us that they prefer using a physical book and then it was interesting to see their response when they realised there were lots of other parts our product that would have helped their educational experience.

CHALLENGES

Van Noorden outlined a number of challenges faced by education publishers.

DECREASING RATES OF SELL-THROUGH OF TEXTBOOKS

OUP Australia, like other education publishers, is experiencing lower rates of 'sell-through', especially to higher education students.

Going back in time, if a university book was set for, say, a hundred people in a course, there were sell-through rates of 75 percent or 80 percent. Now, some of those may have dropped to 60 percent and below. Not as many students are accessing textbooks and digital materials, or they are accessing them in lots of different ways.

We are running a study with an independent research company to try and isolate exactly the reasons behind these lower rates of sell-through. Students might be looking at the price of the books; there is piracy available, so if any illegal PDF version available is out there many students will share those even though the books are certainly not designed to do that; perhaps because of the proliferation of online courses that are different to the past, maybe students are thinking, 'I've got the information, I've got the online lectures, do I really need the textbook?' We are open to try and find out exactly what the reasons are and what we could do to assist because our whole job is to make sure that the textbooks are very useful to students.

PIRACY

Piracy among students is an area that we are looking at closely. It is occurring through PDF's and electronic access to material which is shared around. These are exactly the same issues that the music industry has faced over many years; once material is digitally available it makes it difficult to protect our intellectual property.

INVESTING IN PRINT AND DIGITAL PRODUCT DEVELOPMENT

Another theme in common with other educational publishers is the demands on the company of investing in print and digital product development.

It is an expensive time trying to come up with commercial models. It is challenging because we are not only producing print books, we are funding all of the digital development, all of the interactivity, all of the assessment components as well. We haven't changed our old model of producing textbooks but we have a whole additional expense of employing new different types of people in the workplace to produce digital products. Moving forward that has to be something that we modify so that we can maintain a commercial model, but what it has done is open our eyes to all of the fantastic options for learning that digital is offering. That is exciting to a mission-based publisher like Oxford.

RISK

Education publishers must gauge the interest of markets in new digital products with great caution. Evoking a memorable image, van Noorden dryly noted that, 'The ground is littered with the bones of what publishers have tried to push out.'

Teachers will say, 'You should do this in a digital way' and then the market just hasn't gone that way. There have been millions of dollars of expenditure on the part of the industry that has gone to waste because at the end of the day it is the customers – the students, teachers, lecturers – who will decide how quickly we move. We are here to serve them, so if they say we are going to move at a faster pace in terms of digital, then so be it.

OPPORTUNITIES

However, while taking into account the financial risk, van Noorden is excited by the potential of using technology to adapt to the learning styles of different students.

We are here for the education of students, and there are so many more options for us now to be able to deliver improved educational outcomes.

Imagine a mathematics student in upper primary school or secondary school who wasn't a particularly good one, who may have a teacher that they may struggle to understand or just may struggle to understand the material. Being able to differentiate, by being able to provide different ways to learn something is a wonderful thing because people learn in a whole range

of different ways. There are visual learners, there are aural learners, there are students that learn easily, there are students that take some time to learn in specific instances.

We are able now to develop innovative, interactive materials that can teach a mathematical concept in a whole range of different ways. We can give it to students in a gamified way, with online tutorials where they can play with material to try and understand the concept; we can take it back for them in a worked example, working to a mathematical equation where we can break that down and take it slower for some; we can extend it for others. So the beauty of the digital online opportunities is that there is a fantastic differentiation for students because we're not just offering the one thing (e.g. Oxford MyMaths).

This is fairly new in the last three to four years, but the response from teachers and students is fantastic. If we are marketing a new title we lead with the digital resources because that is the feature that they are interested in. They understand textbooks and although these are still important, their main interest is in 'What can you do for me?' in terms of the technology. We already run a lot of focus groups with teachers to see what makes a difference to the learning effectiveness in their view, and we will be running some efficacy studies on some of these newly released titles over the next few years to see that they actually do make a difference.

OXFORD LITERACY PRIMARY SCHOOL CASE STUDY

Van Noorden nominated the Oxford Literacy range as an example of OUP Australia's innovation at the primary school level.



This particular approach is all completely Australian grown. The focus is on the easy gradation of books to make it easier for students to be able to learn to read. When children are learning to read they normally have readers. They go to little book bins at school which have graded readers, so they might be level one or purple level or some system like that to start with.

We developed an online reading scheme whereby all of those books are in a virtual book tub available online. We put a lot of research into ensuring that those books are finely graded and accurate to create the best possible path for students to progress.

We saw that instead of having a physical book box in schools, by moving the books online it could help schools and students in a range of ways. Say, there was a favourite reader that every student wanted, only one child could have it from the reading box, but in an online world every child in the class could access that. The children could access them at home, so instead of books travelling back and forth it would be easy to manage. All of the information about the students' use flows back to the teacher. The program automatically creates a reading record of each student's success which replaces lots of onerous physical lists that teachers had to compile.

We have had it in the market for 12 to 18 months. There have been 31,000 digital reading records created of students this year and it is proving to be very successful. The program automatically links with an independent online reading set, so the teacher can recommend

that his or her students can read at level three, for example, and it opens up all of the books that are available to them.

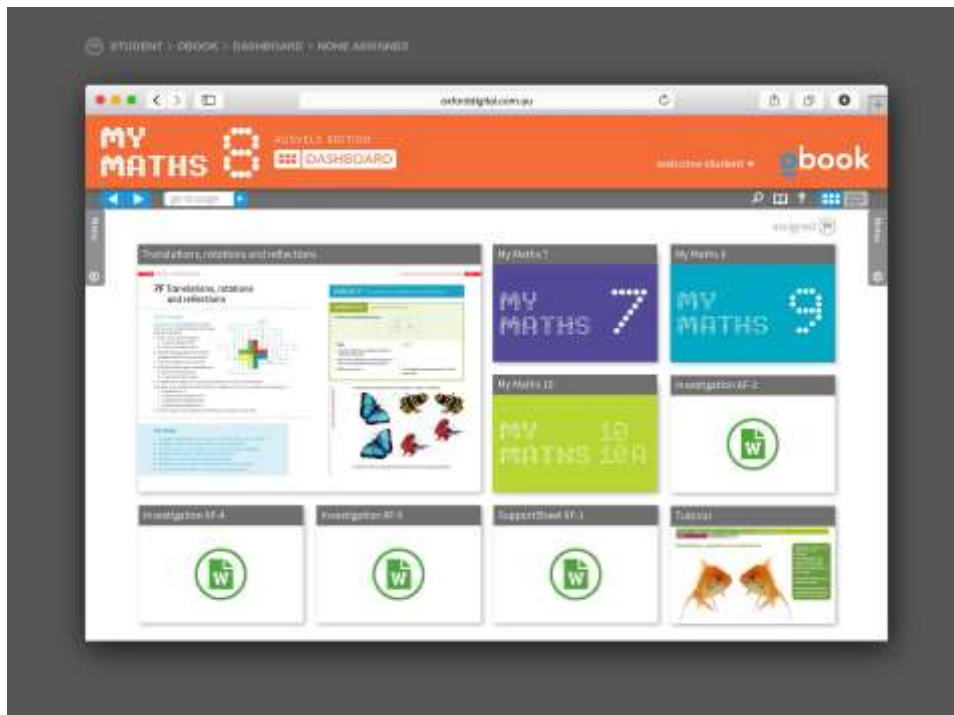
Reaching the stage where a learning resource is engaging and intuitive to use takes months and even years of trialling and refinement.

We ran so many trials, particularly of the digital reading record because teachers at the lower primary school level are used to paper-based testing of students. We trialled and trialled it, we changed it, we came up with beta versions, changed them according to more trials and we have come up with something that we think is very good. Now that it has been out in the market we are thinking there are other changes we would like to introduce as well.

We saw lots of educational advantages, but also lots of possible commercial advantages. Australia is a very small market, but with a digital online reading program like that it could go anywhere in the world.

These products also involve the development of new pricing models. 'Pricing needs to be relevant to markets and their expectations, so we are exploring and experimenting with various models such as subscriptions.'

SIMPLIFYING DIGITAL DASHBOARDS: SECONDARY SCHOOL CASE STUDY



The dashboard helps teachers and students by drawing together learning objects on the one screen

At the secondary school level we have developed a new dashboard approach. All educational publishers provide digital dashboards of different types, but this is a simplified dashboard that draws together on the one screen everything that the teacher or student needs. We have concentrated strongly on the customer over the last couple of years. We are talking with teachers and learners of all persuasions and making sure that our products are simple to use. When you build you tend to want to give your customers everything your team can think of. Over the last five years, across the industry, there have been lots of interactive activities offered in the market but they haven't been easy for students to access.

This simple dashboard system is fantastic and it lends to differentiation for students as well because there can be a range of options for arranging the interface for each of the learners. It is fantastic and the sky is the limit for dashboard. We are starting to play with it, but I think it is going to be a fantastic, simple innovation.

Simplicity is the new way to go in product design. It is all about the customer being able to use your materials easily and effectively.

PARTNERSHIPS WITH UNIVERSITIES: HIGHER EDUCATION CASE STUDY

OUP Australia is partnering with universities.

The higher education institutions are interesting because almost exclusively now they work through their own Learning Management System (LMS). That is their connection point with students. We supply our data and information to universities in ways that work well with their particular LMS, for example, in the area of higher education law, we bring this material together in a range of different ways, including the Proquest system, to deliver digital texts to students.

A partnership with Swinburne University proved intensive for OUP in terms of meeting the requirement to provide information in a range of different formats and this has led to new forms of collaboration between the two organisations. 'It has been successful for the university and also successful financially for growth here.'

Like other educational publishers, van Noorden drew attention to a gap between the digital aspirations of higher education providers and the constraints on their capacities. 'It is interesting because a lot of universities want to develop and supply their own material, but it is a difficult project to put together, maintain and update such a huge range of information.'

ASSESSMENT SERVICES

One of the key features that teachers and students are asking for in learning products is assessment tools. Developing and refining these is a priority for OUP.

We are doing a lot of research, locally and overseas, on improving assessment materials. We recently conducted research into student usage and purchase of Higher Education texts through the independent company, Forethought. A key element that came out of this research paper was that it is an important advantage for higher education students to be able to undertake review quizzes. Higher Education students have told us in focus groups that self assessment activities are one of the most useful features of education products. We are currently researching the most effective ways to deliver the best outcomes to all students and we want to learn a lot more about assessment in terms of efficacy.

PAPUA NEW GUINEA AND PACIFIC ACTIVITIES

OUP has a long-term engagement with Papua New Guinea dating back to the 1980s.

PNG educators don't have a lot of money to spend on textbooks, however we supply and work with partners including local authors, local illustrators, et cetera, to develop educational materials in a country where the literacy rate is less than 50 percent. It's not necessarily something that other publishers want to enter into unless there's a big tender offering money, but we are there 100 percent of the time. That is the difference with our mission-based publishing as opposed to other publishers.

Like other education publishers, van Noorden referred to an example where he could see the impact of his organisation's products.

An important part of our mission is to provide educational opportunities for students in Papua New Guinea and the Pacific. Recently a couple of our PNG team members went up to Papua New Guinea to a very remote place. I don't think an educational publisher had ever visited. The students had signs and placards and they wore leis around the necks when the OUP staff arrived because of the standing of education, and because of the great need to get education up and running there.



Papua New Guinea Manager, Richard Harms, is welcomed to the remote community of Kiunga in Papua New Guinea.

I sit on the floor with PNG kids and their eyes light up when they see and hold a book. They hold it with great reverence and it is a wonderful thing to see, 'Wow, here's this fantastic thing'. We are not even talking about digital products, even though they are starting to think about some opportunities there, but that experience brings alive – this is why we are here.

This is what education is all about. You can see it and you can feel it, it is palpable up there. It is wonderful and it recharges your batteries for everything you do in terms of education to say, we can make a difference. It comes through in our staff surveys time and time again, the reason our staff like to work here is because we have a clear mission about improving educational outcomes.

CONCLUSION

Despite the challenges, van Noorden is optimistic about the future for educational publishers.

The change in the industry to digital gives us many more opportunities. I am very hopeful for the future of Australian publishing. There are so many opportunities to supply differentiated products for the whole range of different students out there. There will be a much more inclusive education environment with digital in the mix, whatever that mix is. Digital gives us the opportunity to give students a smorgasbord of different ways that we can teach a concept. If there is one way that they don't understand, there is another one that they can go onto and learn in a different way. It is far more inclusive for all students to be able to do that. It means that we are spending a lot more time and effort and investment in providing those opportunities, but that is why we are here.

JOHN WILEY & SONS AUSTRALIA LTD

WILEY

Type of publisher:	Australian arm of the multinational, Wiley
Established:	Publishing operations in Australia started in 1962
Based in:	Offices in Melbourne and Brisbane
Lists:	Secondary, higher education
Innovation/s:	JacarandaPLUS online platform Jacaranda learnON WileyPLUS Learning Space Partnerships with education institutions New pricing models and direct channels to students A dedicated team to assist schools with the implementation and support of digital learning systems and platforms
Other differentiation:	Winner of Australian Publishers Association (APA) <i>Secondary Publisher of the Year</i> award for the last four years (which is voted by schools and teachers) Wiley is one of the world's largest education publishers
Executives:	Chris Gray, General Manager, Global Education Australia
Website:	Wiley Australia: http://au.wiley.com/WileyCDA/Section/index.html Jacaranda: http://www.jaconline.com.au Jacaranda learnON: http://learnon.com.au/ WileyPLUS Learning Space: http://www.wileypluslearningspace.com.au/

Chris Gray was interviewed on 8 September 2015.

BACKGROUND

John Wiley & Sons Australia's business is in secondary school publishing ('about 60 percent') and higher education publishing (40 percent). The Australian arm is particularly strong in higher education publishing compared to Wiley's operations in other countries. It is also the only division to market to schools, which it does under the brand of Jacaranda, well-known among teachers and principals. Wiley bought Jacaranda Publishing in the 1970s 'as a means of getting into Australia.'

Unlike some other education publishers, Wiley's strategy in Australia is not one of scale and depth:

In Australia, we punch above our weight, but because we're smaller, we've always had to be more targeted about which businesses we go after. We choose to be selective so that when the market does contract, the segments that we've gone after remain robust. This approach has worked well for us and one that we will continue for the foreseeable future.

KEY CHANGES AND CHALLENGES IN THE EDUCATION PUBLISHING SECTOR AND HOW WILEY HAS RESPONDED

Gray pointed out that unlike trade publishing, education publishers are dealing with two distinct sources of disruption: ‘One, education itself is being disrupted and two, the traditional publishing value chain (in education publishing) is being disrupted.’

Each of these is considered in more detail next.

DISRUPTION IN THE EDUCATION SECTOR

The education sector is experiencing disruption in a number of ways. While there are ongoing debates about the role and value of a higher education degree, the good news is that there remains a large need for skilled professionals—according to a McKinsey study, there is a forecast shortage of millions of skilled professionals around the world by 2020.⁶⁷ The disruption is that the traditional degree is no longer sufficient for employability.

Learners and employers are expecting relevance and demonstrated competencies and yet, there’s more of a gap between finishing a degree and job readiness because traditional curricula are not changing fast enough for the developing needs for knowledge. In turn, an entirely new industry has sprung up trying to fix that shortfall, and universities are now recognising that they need to pay increasing attention to the employment outcomes for their graduating students.

A second disruption in education is the gap between the digital aspirations of schools and universities, and the reality.

There is considerable movement in the education space right now. Educational institutions know they need to be digital so they’re trying to do a lot of things, whether it’s experimenting in MOOCs (Massive Online Open Courses), joint ventures such as Swinburne Online, etc. Some are working with great success, and others, not so much.

Gray outlined a number of reasons for the gap between their aspirations and the reality:

In some cases, institutions are not sure what they want to be. They lack a clear vision. In other cases, they know what they want to be but don’t invest the time upfront to get buy-in from the rest of the school community. We see this a lot.

Another potential gap involves the process of going digital, particularly when institutions try to do it all in-house. It’s been our observation that leaders can find it difficult to get momentum because of staff resistance. We see more success when they partner with third parties who have expertise in these areas.

Gray also explained that schools, more so than universities, face the all-too familiar constraints of infrastructure and/or budgets:

Despite a great digital vision, if a school’s pipeline is as thin as a straw then they’re not going to be able to have a rich digital experience. That’s why we help them audit their digital

⁶⁷ Dobbs, Madgavkar et al., (2012) The world at work: Jobs, pay, and skills for 3.5 billion people. McKinsey & Company. http://www.mckinsey.com/insights/employment_and_growth/the_world_at_work

environment. We explain what they need to do to go from where they are, to where they want to be in their vision.

For some schools there are also concerns with budgets, given the upfront investment that's required when transitioning to digital learning. In the long run, however, most find that the ongoing cost savings, coupled with the benefits of this new way of teaching and learning, far outweigh the initial setup costs.

DISRUPTION IN EDUCATION PUBLISHING

In addition to disruption in the education sector, Gray outlined that, 'almost every point along the value chain is experiencing disruption':

Beyond the explosion of free content, including MOOCs, and the move from print to digital, there have been a number of disruptions to the content discovery and fulfillment parts of the value chain.

First is the obvious diminishing role of the traditional bookseller, in large part the result of changing behaviours. Learners are searching for resources in different ways, and this is true with both education and trade publishing. People don't go into 'bricks and mortar' bookstores anymore – they search online.

New business models such as rentals are also hurting publisher economics. They are very big in the US already and taking off here in Australia.

Usage has also been disrupted, with customer identity and behaviour becoming more and more valuable in this new world.

Gray summed up the situation as, 'There are seismic disruptions, both in publishing and in education, and we're in that space'.

HOW WILEY IS RESPONDING TO THESE CHALLENGES

Wiley's strategy in response to these disruptions is two-fold:

1) *Focus on the learner*

From Wiley's perspective, education publishing is always about learning and we're very deliberate about putting the learner at the centre of what we do. This strategy is very robust, regardless of any disruption to education, because it's about the learner's performance.

In school, the learner's goal is to achieve their potential at the highest level so our job is to intervene where they are at and help them get to the next stage. In higher education, we're helping learners achieve their employment related goals, whether it's to get a job or in post graduate areas, get a better job, or get a promotion. It's about helping the university meet or exceed employer and learner expectations.

At Wiley we've been talking about this now – in different forms – for at least three years across both businesses. We use this thinking as a guiding principal for a lot of our decisions, including product development, customer experience and even channel and business line innovations.

2) *Innovate across multiple dimensions*

Gray confirmed that Wiley is involved in product innovation, but that is only one source of innovation:

We try to innovate at each of the points of disruption along the value chain to amplify our results, whether it is through business model innovation, channel innovation, or customer experience innovation.

For example, if the channels are being disrupted, then there is not much point in simply making a brilliant product. You also have to acknowledge how you are going to get that product to market and that is when you need channel innovation.

PRODUCT INNOVATION: JACARANDAPLUS

Jacaranda is Wiley's secondary school publishing imprint. In 2015, it won the Australian Publishers Association's *Secondary Publisher of the Year* award for the fourth consecutive year. The award is voted by teachers and booksellers.

Central to Jacaranda's offering is its JacarandaPLUS platform, which is discussed next.



In 2008, Jacaranda launched JacarandaPLUS, the next-generation of product delivery.

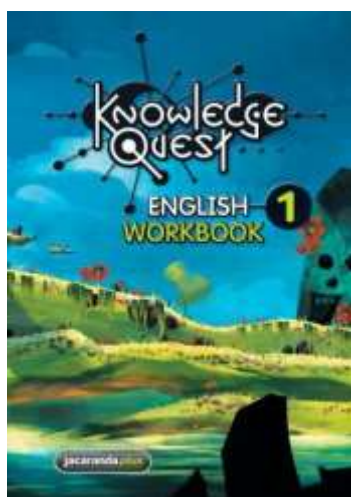
At the time, everyone else was doing CDs so we decided to build an online platform as a means of getting our online content and resources to schools and learners. We also built ebooks and 'digital-first products', which are supporting resources designed exclusively for online environments. These products help learning and include assessment tools, games and reference materials. Everything is housed in the JacarandaPLUS platform.



JacarandaPLUS



Mathematics ebook



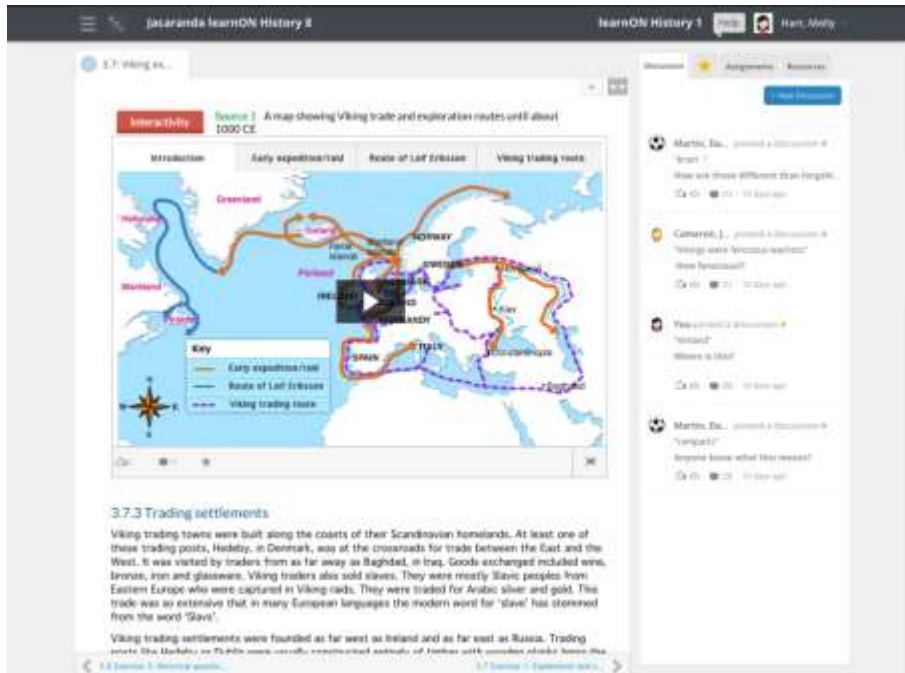
Digital-first products

In July 2015, Jacaranda celebrated an important milestone – one million registered users on JacarandaPLUS.

We ran a competition to coincide with this special milestone, asking teachers and administrators how using the platform is changing the way they teach and students learn. Their responses confirmed that we're really helping individual learners and this is something that we're really proud of.

PRODUCT INNOVATION: JACARANDA LEARNON AND WILEYPLUS LEARNING SPACE

Gray is exploring the potential of online courses, both for school (Jacaranda learnON) and higher education (WileyPLUS Learning Space).

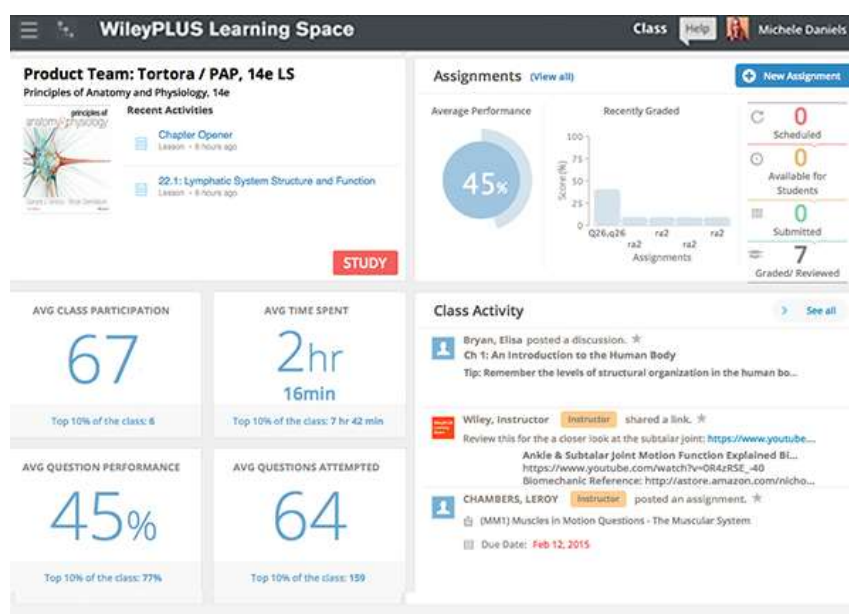


A screenshot from a Jacaranda learnOn History product

These new offerings provide fully immersive online experiences where students (and even teachers) can collaborate and learn from each other. Analysis such as pre- and post-testing, tracking tools, and dashboards that offer a 360-degree view of progress and achievement levels through the course enable students to gain immediate insights into their own levels of understanding and work habits.

Gray believes that these courses are best-in-breed and a first in Australia. Beyond the powerful new features that they introduce – such as peer-to-peer learning and customisation—these courses capture important data that can help students and educators make more informed decisions about teaching and learning.

We are able to provide insights not only to students, but to the administration level as well. We have information that schools wouldn't know otherwise about learner behaviour, learner understanding and – as we continue to build up our platform – learner cognition, which is the emerging, and perhaps the most interesting, aspect of this new field.



Dashboards and tracking tools are providing the basis for new findings about learner cognition.

With a million users on our JacarandaPLUS platform and using our online tools, we have a lot of data that we can use to extract information about the best ways of learning so we're currently in the process of finding the right partners to develop that. We're working with a learning analytics department at a university, negotiating a model of partnership as to the best way to undertake this research.

Wiley is equally focused on innovation beyond products. These are discussed next.

BUSINESS MODEL INNOVATION: JACARANDA DIGITAL BUNDLE

In 2012, faced with enormous financial pressure as many schools were asking parents to buy digital devices for the first time, Jacaranda had to completely re-think its business model in marketing JacarandaPLUS.

We developed a premium suite called the "Jacaranda Digital Bundle". Rather than just helping a school in individual subjects, we put together a package – including ebooks and our digital-first resources – across the spectrum of all subjects for Years 7-10 at a very attractive price. Everything is in JacarandaPLUS so schools also benefit from 24/7 access on any device and single sign on.

What started as a test has taken off and today, almost a third of our business is through these exclusive partnerships with schools. That's why schools refer to us as a partner: we provide the platform, the learning resources, the pre- and post-purchase support, and the training.

This model has been running for three years and has served as an enormous, and powerful, business model innovation for us. It has evolved from a price point to a complete suite of learning resources that improves student outcomes, and now, incorporates learning analytics that we can extract from the platform and feed back to the school and the learners.

BUSINESS MODEL INNOVATION AND CHANNEL INNOVATION: WILEY AFFORDABILITY PROGRAM/WILEY DIRECT

Similarly, in higher education, Gray discussed a decline in sell-through rates of university textbooks, which has been experienced by all the education publishers in this report. 'We have seen some changes in the sell-through rates, definitely.' In response, Wiley devised a new pricing model.

In higher education we've got what we call the shadow market. It's a market where students still access a version of our resources but they might be buying a second hand book, a pirated copy or some other substitute.



We did some research to better understand the market and what we learned is that those students weren't going to bookstores at all – they were searching online for alternatives so we developed the Wiley affordability business model and Wiley Direct, which is, as the name suggests, a direct channel. In return for buying from us, we passed on the discount that we were giving to intermediaries, to the student. We also set a very attractive, affordable price on our digital products in order to move the shadow market away from the substitutes that they were otherwise pursuing.

Wiley Direct has been running for two years and we've seen enormous growth in this channel and subsequently, sell-through. This hasn't come at the expense of booksellers, but rather, by entering the shadow market because students that were previously choosing substitutes are now coming to us directly.

CUSTOMER EXPERIENCE INNOVATION: DIGITAL IMPLEMENTATION TEAM

Wiley also set up a bespoke Digital Implementation team for its school and higher education businesses. These teams are designed to support customers as they progress their digital learning journey, from pre-sales through to ongoing training and support.

These people help our customers get the most out of the digital experience, all the way from setup, through to pedagogy and implementation, when schools embed the online course into their work flow (for example, if we're talking about WileyPLUS Learning Space) so that it's deeply part of the learning experience for that customer.

We hear all the time from our customers how much they value the support that they get from this team so it's another innovation that's really paid off for us.

ACCESS TO GLOBAL DEVELOPMENTS IN WILEY

Gray acknowledges that multiple innovations would not be possible without Wiley Australia's access to developments in other parts of the company:

We are a global company and we in Australia have full access to, and work closely with, our global colleagues. It is a collegial model of collaboration. We get the best of all their thinking

and leverage their infrastructure where it makes sense, and then add our own flavour to cater to the audiences and subjects of our local market.

For example WileyPLUS Learning Space and Jacaranda learnON were developed in partnership with our US colleagues who were simultaneously developing and trialling similar products. These products incorporate significant assessment elements, as well as adaptive learning assessment systems, and we were only able to get to that scale of sophistication through a combination of Wiley global investment and local input.

TESTING THE EFFECTIVENESS OF PRODUCTS

Extensive testing is required throughout the development of a learning resource and after its release. Gray indicated the complexity of the process.

There are different stages of testing. When we are first bringing products to market, we run pilots and then extended field trials. After launch, we have a process where we continue to collect feedback through to the delivery stage. There are two parts: 1) maintenance, which is fixing the bugs associated with digital projects, and 2) improvement, which is growing and improving our products, taking into account external feedback from our customers and internal feedback from our Publishing, Sales and Digital Implementation teams.

THE FUTURE OF EDUCATION PUBLISHING

In the future, Gray sees Wiley continuing its evolution from a traditional book publisher to a learning business that helps students develop the skills and knowledge they need to achieve their full potential.

Our strategy moving forward will continue to have the learner at the centre of our business but we also expect an increased focus on partnerships with education providers.

The disruptions in the publishing value chain—particularly around the gatekeepers and traditional booksellers— have allowed us to go direct. Now, we have relationships with schools in a way that we never did before, meaning we're learning more and more about them and learners. The feedback loop is very powerful, and a key element of our strategy.

PART 3: RECENT VENTURES

THE AUTHOR PEOPLE



Type of publisher:	Small, independent non-traditional publisher
Established:	July 2015
Based in:	Sydney
Lists:	Four books to date in three areas of publishing: 'Lived Experience'; 'Stories to Entertain'; and, 'Knowledge to Share'
Innovation/s:	<p>A non-traditional business model and publishing process that draws together some elements of traditional publishing and self-publishing</p> <p>A co-producer approach to royalty payments: no advance is paid, higher royalties are paid.</p> <p>A reengineered supply chain making physical books available for sale in over 40 countries and ebooks available world-wide.</p> <p>Strong focus on innovative ways of marketing books, especially promotional opportunities using digital media, in addition to traditional book promotion methods.</p> <p>Additional focus on product development opportunities beyond traditional book product</p>
Distribution:	The Author People website, distributing physical books to over 40 countries supported by affiliate links with Amazon, Audible, Barnes & Noble, Book Depository, Booktopia, iBooks, Kindle, Google and Kobo. Available to other retailers and wholesalers of books globally.
Executives:	Lou Johnson, Co-Founder Tom Galletta, Co-Founder
Website:	http://www.theauthorpeople.com

Lou Johnson, Co-Founder, was interviewed for this case study on 2 December 2015.

BACKGROUND

In late 2014, Lou Johnson resigned as Managing Director of Simon & Schuster Australia to investigate new business opportunities arising from disruption taking place in the industry. Her experience also includes senior positions in Random House, Allen & Unwin, and Vice-President of the Australian Publisher's Association from 2012–2014.

As part of broad-ranging research about potential new ventures, she was particularly influenced by the Do You Love Your Publisher survey conducted in the US and the UK. Over 800 authors participated.⁶⁸

Up to 50 percent of authors questioned the value that their publishers offered in some key areas. Authors felt that communication with their publishers was opaque, publishers' marketing practices were not especially innovative, and authors were concerned about remuneration around ebooks.

During 2015, Lou Johnson and Tom Galletta, the co-founders of The Author People, devised a new publishing model. The new model draws on aspects of traditional publishing, self-publishing, developments in digital production and printing and changing audience behaviour.

People still love authors and books but the way they discover, share, buy, and interact with them, is changing.

We set out to provide all of the genuine ongoing value that a traditional publisher brings, which is principally around curation, editorial expertise, design, and applying the flexibility, agility and enablement that self-publishing offers, along with relevant and targeted promotion and a global supply solution.

We integrate functions that have traditionally been managed separately: author representation/agent, publishing, promotion, retailing and distribution.

A big part of the reason that I went to Tom Galletta initially was to get his help developing the business modelling and the financial planning. That is critically important, because you have to work out your business model and where your revenue streams are going to come from. We worked from a business model canvas to ensure we were very clear on what problems we were solving, our purpose and objectives.

The Author People publishes in three core content areas:

Lived experience: memoir, autobiography or social commentary that has deep resonance for people or an existing audience.

Stories to entertain: authors of fiction with an established audience or one that is easily definable and reachable.

Knowledge to share: authors who provide professional advice or personal development who have existing audience engagement.

⁶⁸ Further information about the survey is at: <https://janefriedman.com/author-survey-results/> and <http://agenthunter.co.uk/blog/363/>



Some of the first titles published include (from left to right): Dogs of India by Polly McGee, and Wild Chicory by Kim Kelly. Both these books are 'stories to entertain' drawn from 'lived experience'.

Each stage of the model can be explained as: the initial approach by authors to The Author People; assessing authors' potential audience engagement; defining the audience; editing, design and production of the book; reengineering the supply chain; and, promotion. Each of these stages is discussed next, followed by pricing and royalties.

THE INITIAL APPROACH BY AUTHORS TO THE AUTHOR PEOPLE

The Author People is interested in publishing authors who have an established audience or one that Johnson and Galletta see as easily definable and reachable. They could be authors who are dissatisfied with their traditional publisher and want to try something new, a successful self-published author or a public figure who would like to be mentored through the publishing process.

We are initially mostly interested in authors who have a pre-existing platform. They might have previously published and already have strong sales levels. It might be a business author who has existing networks of people who don't really ever go near a traditional bookshop and would buy everything from Audible or from Amazon. In that case we can provide them with a simple publishing model, whereas at the moment quite often it can be difficult for a traditional publisher to get the books in all the places where their audience might be.

Many of the first authors signed by the publisher have come to Johnson through word of mouth.

A major advantage for me, coming from the publishing industry, is that I knew some of the authors or they were referred to me. They are comfortable working with me and very attracted to our model so we were able to launch with some brilliant authors.

The Author People is open to direct approaches, and as part of this they are careful to communicate their criteria for taking on new authors. There is a 'fairly detailed questionnaire' on the website for potential authors. The criteria relates to the size of potential readership for a book and whether the publishers believe they can enable the author to achieve that potential, discussed next.

ASSESSING AUTHORS' POTENTIAL AUDIENCE ENGAGEMENT

Johnson and Galletta have developed measurements for authors' potential audience engagement. This is something that traditional publishers do more informally, however Johnson and Galletta have prepared a range of metrics and they plan to further increase the sophistication of their measurement tools over time.

We are trying to actively measure why an author and/or their content is going to resonate with an audience, so that we can then work out how to assist to forge that connection or support it. We measure a potential author's social media engagement, the social media platforms they

use, how many people they are interacting with in other ways such as through speaking engagements or affiliations with associations. If we see there is a potential alignment of the author or the book with various associations, we research the membership levels. If the author has a website, we run some Google analytics. We aim to measure existing or potential audience engagement.

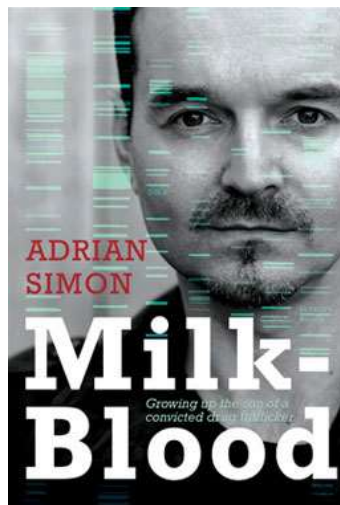
While the initial point of contact with The Author People may be based on publishing a book, Johnson is thinking more broadly. 'We are looking for a connection that might happen beyond a simple book format.'

DEFINING THE AUDIENCE

A key part of the value offered by The Author People is to 'help authors define their audience'. Johnson gave an example based on one of their first titles, *Milk-Blood*, by Adrian Simon.

Adrian Simon is the son of Warren Fellows, a notorious figure who was imprisoned in a Thai prison for many years for heroin trafficking. Fellows wrote a book many years ago that was very successful, called *The Damage Done*. In *Milk-Blood* Adrian finally tells the other side of the story.

The key proposition when marketing this book would once have been as a triumph over adversity memoir. That is a powerful market if you can tap into it. We will still connect with booksellers and media to tap into that book-loving network, but we are looking to radiate out from that to other opportunities beyond it.



The strategy for Milk-Blood, pictured above, is to identify and engage with potential readerships beyond readers of 'triumph over adversity memoirs'.

Many of these other ways to connect Simon with potential readerships involve digital marketing and thematic outreach to engaged audiences.

In addition to being an intensely affecting personal memoir, there are multiple layers to Adrian's story. A powerful aspect of Adrian's lived experience is that his story forms a social case study. As well as highlighting the impact of drugs on individuals and society, Adrian battled with extreme mental and physical health issues, struggled with his identity and overcame major childhood trauma to get where he is today.

By taking this approach, Johnson and Galletta pursue domestic and international connections with potential readerships.

We can connect with associations, bloggers, and social media discussions. We can look at partnerships where Adrian could become a spokesperson for various organisations and also perform speaking engagements. We are currently in discussions with several groups internationally who have particularly strong networks. These are viable connections for us because their membership extends around the world and we can supply the book to them readily, no matter where they are.

At this stage of the commissioning process, Johnson and Galletta are agnostic about a book's appeal to them on a personal level (apart from the requirement that it will provide a great experience for the intended audience). The key requirement for taking on a new author is the conviction that they can effectively partner with them to connect them with their audience.

EDITING, DESIGN AND LAYOUT OF THE BOOK

In the next stage of the process, The Author People operates like a traditional publisher. 'We play an active editorial and design role.' Johnson is able to draw on expert partners for editing and design through her own networks in the industry. To date, these include a number of highly-regarded professionals in the industry: Linda Funnell and Alexandra Nahlous (editorial), Zoë Sadokierski and Alissa Dinallo (design), and Douglas Frost (photography).

REENGINEERING THE SUPPLY CHAIN

The Author People publish into paperbacks, ebooks, and audio books (they partner with Audible for the audio books). Johnson drew on many years of industry experience coupled with her membership of the Supply Chain Expert Reference Group of the Book Industry Collaborative Council to come up with a different supply chain model.

Traditionally there is a tangled supply chain, so a big motivator for me was to develop a streamlined connection between authors and readers. This has taken reams of research. My industry expertise meant that I knew a lot about the alternative and emerging options available for production and distribution.

PROMOTION

As discussed earlier, part of the criteria for taking on each author is to develop a detailed understanding of their potential audience and to tailor promotion strategies accordingly.

Our purpose is 'bringing authors and people together'. This means focussing on connecting authors and their work with their intended audience, rather than on the links in the chain that still exist in the traditional model, which is largely based around the traditional retailer.

A gap that we saw, particularly coming from Australia, is that books aren't immediately available in all markets, whereas a lot of conversations around books and authors are taking place in an online environment that doesn't differentiate between traditional geographically defined rights territories. We are engaging in those conversations or assisting our authors to engage in an online environment, and ensuring that their books are immediately available in that same environment.

We view the authors as the principal brand, rather than us, and we support the development of their brand. We provide an author page and a books page for every author. These serve to showcase the authors and provide a portal for people to find out more about them and easily move through the path to purchase should they choose.



The Author People provides an author page and a books pages for each author. The publisher develops and implements strategies to connect targeted readerships to the authors' pages and opportunities to purchase their books.

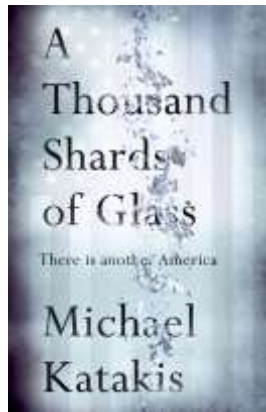
The Author People can publish into specific territories. An example of a title that The Author People is taking to new readerships is *A Thousand Shards of Glass*, by Michael Katakis. *A Thousand Shards of Glass* was co-published in the British Commonwealth by Simon & Schuster UK and Simon & Schuster Australia. The Author People have signed an agreement to publish the book in North America, 'which in itself something of a first for an Australian publisher'.

Johnson described *A Thousand Shards of Glass* as:

... an incredibly powerful and eviscerating lament of the state of affairs in the US that serves as a farewell to Michael's wife, a victim of brain cancer and the American health system. It is also an angry love letter to the US itself, a country Michael loves but has come to loathe.

Michael and the book had an enormous impact on audiences in Australia when he toured last year.

His interview with Phillip Adams was a highlight. Phillip compared Michael to Gore Vidal and Christopher Hitchens and their interview has had close to 6,000 views on YouTube from people all over the world, including America. It obviously has enormous potential to connect and galvanise people in the US and this will be the first time it is directly available in that market to those people.



The Author People have signed an agreement to publish A Thousand Shards of Glass by Michael Katakis in North America.

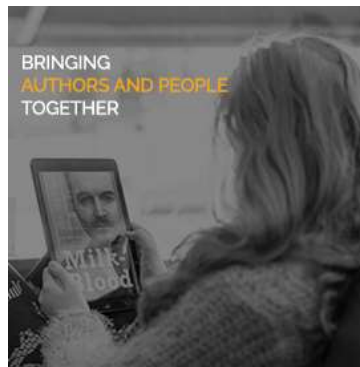
AUTHOR REPRESENTATION

The Author People also offers author representation services but are also very happy to work with authors who are represented by agents. It is part of their philosophy of thinking beyond traditional demarcations in the industry.

In addition to helping them manage the subsidiary rights for their book, if authors want us to we can also act as their representative for their work beyond their book. This may involve repurposing content, speaking engagements, brand partnerships and any other way that they can forge a connection with an audience.

PRICING

One unusual aspect of the business model is that the price of print books is uncoupled from the price of ebooks.



Unlike traditional pricing models in book publishing, the retail price of print and ebooks has been uncoupled.

Although we make certain assumptions, our financial modelling is quite agnostic about what percentage is sold in print or ebook format. Most traditional publishers still attach their ebook pricing to their physical book pricing, whereas we have totally detached the pricing of the two formats. The concern has always been that this is going to cannibalise the physical sales. But our thinking is that readers are behaving differently, in different environments, so we should support them to do that. If over time the proportion of print to ebook sales changes, we have set up the business model from the beginning to be able to accommodate that.

In addition, our books are a bit cheaper than our Australian competitors on average, and our ebooks are definitely cheaper.

ROYALTIES

The Author People does not pay an upfront advance. Johnson characterised it as a 'co-production' model.

We don't offer an advance, but we calculate a royalty based on how much of an investment we need to make measured against what we think will be the likely outcome. We set it up on a kind of 'minimum viable' proposition basis. If results exceed that level, we can all start to share in the benefits. We are operating much more as co-producers than in the traditional publisher relationship.

Because The Author People operates with lower overheads and a different structure than traditional publishers, they usually offer higher royalties than traditional publishers, 'especially on ebooks'.

RESPONSE FROM AUTHORS

The response from authors has been extremely positive.

The authors love it because it is a very collaborative professional, relationship. Our communication is very open and we are genuine about operating as co-producers. Authors get access to a lot more information, mentoring and decision making than they would with a traditional publisher.

One of our biggest differences to traditional publishers and one of our most powerful assets is simply our attitude. We have a deep commitment to publishing and the value of it, but we have a different approach. Authors value our expertise, along with our excitement about the future and a willingness to grab hold of all of the opportunity that is provided by technology, digital and shifting audience behaviour.

NEXT STEPS

The Author People has set its priorities for 2016 and beyond.

Initially we needed to prove the model as a prototype so we could learn, make changes if necessary and scale. So far we have proven a lot of elements; the supply chain works, we are working with talented authors and have produced some fantastic books together, and they are already gaining a lot of accolades. We also have the distribution network in place.

The next challenge is proving the sales model, with subsequent steps being to build a broader product suite and additional revenue models, and to develop our platform.

Johnson believes that the lean and nimble start-up model employed by The Author People will enable it to innovate and learn from its experiences quickly.

What has to happen – and what is difficult for a traditional publisher – is active disruption of the existing model to offer an alternative approach to publishing that reflects and supports the fact the world has changed and puts the relationship between Authors and People first.

Postscript: On 3 February 2016 Lou Johnson advised that *A Thousand Shards of Glass* has just been published in the US, and is featured in iBooks US best books of the month – best non-fiction. Johnson said, 'We submitted it via iBooks Australia and the US team read the book and loved it. This selection will bring *A Thousand Shards of Glass* to the attention of an immense US audience. It is another great example of the power of the global reach of digital connection.'

HELLO TABLE



Type of publisher:	Small, independent publisher
Established:	2014
Based in:	Melbourne
Lists:	Trade non-fiction (cookbooks: 1 published, 1 in development)
Innovation/s:	Mobile phone app which scans QR codes/word/images accompanying recipes & automatically compiles a shopping list on your mobile device White label, scalable project to enable other publishers to license the app., including the capacity for other languages and countries' measurement systems Plans to extend the app to online ordering and delivery of ingredients by supermarkets and shopping services
Distribution:	<i>Summer TABLE</i> is available in BIG W, Sussan, Mozi, Dymocks, Collins Booksellers, over 50 independent bookstores and from the Hello Table website. The Hello Table app is available free from the App Store or Google Play (a unique book number is required to gain access).
Executive:	Jodie Blight
Website:	http://hellotable.com.au/

BACKGROUND

Hello Table was founded by Jodie Blight. *Summer TABLE* is the title of the publisher's first cookbook, which is authored by Blight. Every recipe is accompanied by a QR code (a matrix barcode). Readers can scan the code with their smartphones to automatically create shopping lists on their phones.



The Summer TABLE Cookbook features a QR code accompanying each recipe which enables the reader to scan a shopping list for the ingredients to his or her mobile phone.

Readers can then cross off the items they already have in their pantry or fridge to finalise the list before shopping. The app adds up various quantities if a number of recipes are scanned and converts them to a final list sorted by supermarket sections. It allows users to add other items to their shopping lists. It also enables access to the recipes by phone in the supermarket to browse for ideas.

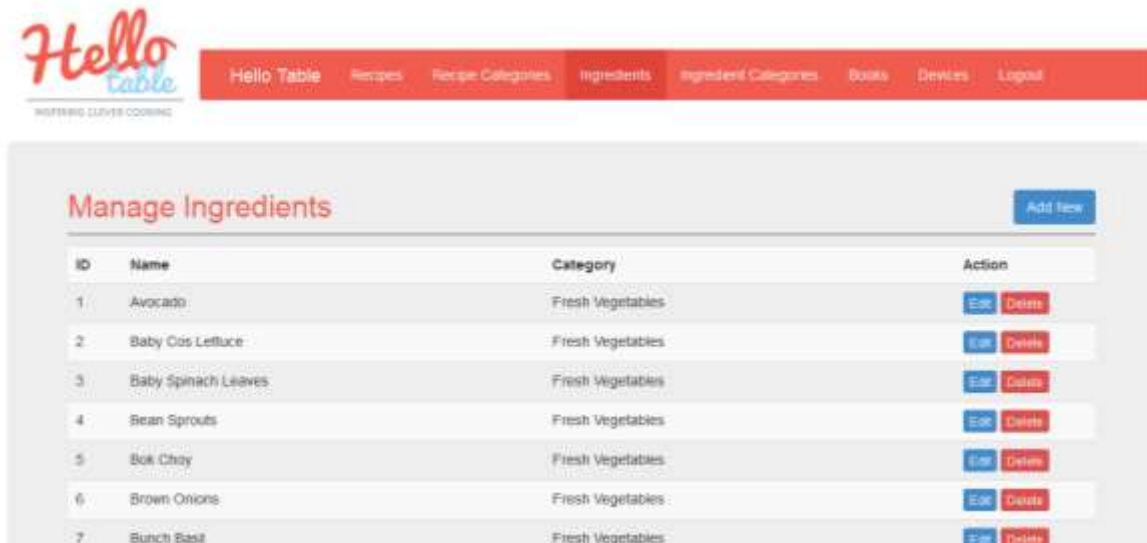
Blight was previously a company director in the finance industry, with experience in product development, marketing, and new business development. In the late 1990s she was also a co-founder in a start-up company that developed online services for the finance sector. After taking a break from her career to have children, Blight wrote the cookbook 'as a personal bucket-list item but I knew at the same time that to compete in the crowded genre, I had to have something that was different and unique.'

Early on, Blight spoke to a couple of people in the book industry 'who had been quite successful, who recommended an ebook' but Blight was sceptical based on her own preferences. She put together a survey using Survey Monkey. The questionnaire asked people about their challenges when they are cooking dinner, their challenges when they are 'thinking about cooking dinner', and other questions that guided her in structuring the cookbook, as well as asking about which format they preferred. She sent the survey to friends and asked them to forward it on, and using a Survey Monkey service to expand its reach among key demographics. She received over 1,800 full responses plus hundreds of partial responses. This feedback gave her the confidence to proceed with a print format cookbook during a period in the industry when ebooks were in the ascendency and publishers were unsure about the limits of their appeal.

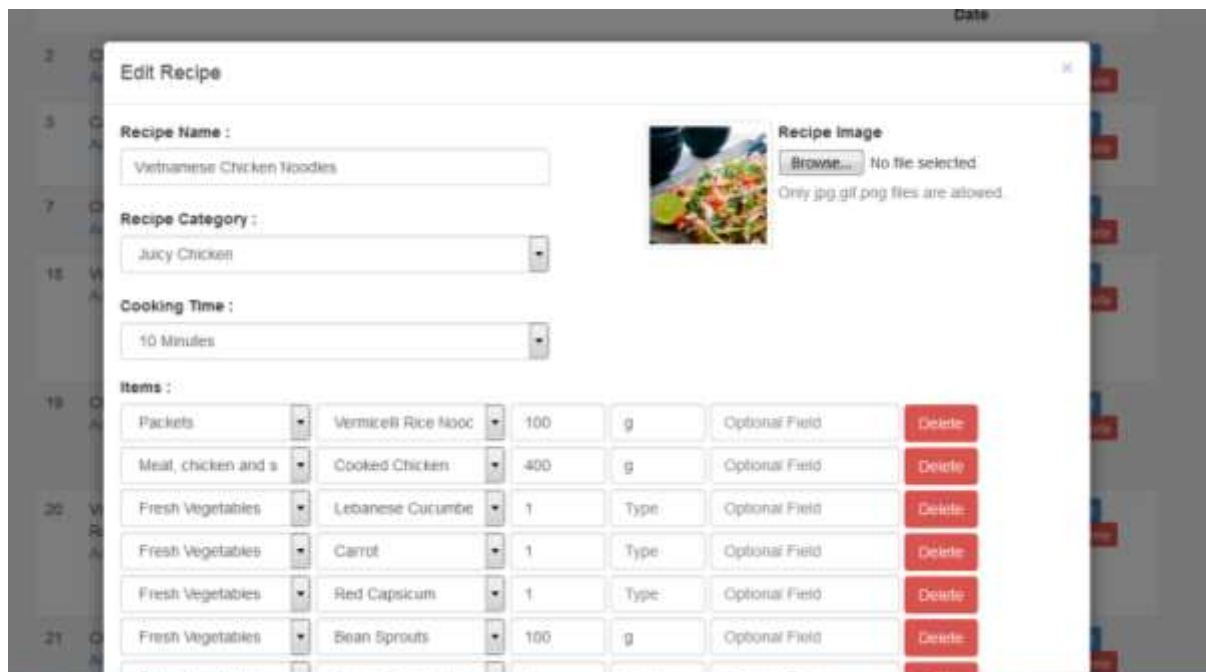
Blight also came up with the idea for an app, based on her own desire as a busy Mum to read a recipe, scan it with her mobile phone and 'bang, the shopping list is on the phone for you'. She patented the concept and oversaw the development of an app, funded by 'increasing the mortgage'. From the app's inception, she planned it as a white label concept i.e. other companies could license it and brand it as their own product. Blight explained:

I designed and developed the app to enable publishers to license it, brand it with their own look and feel and to add their own recipes and images. I built in scalability, ensuring it can be used worldwide, with different languages and different measurement systems. To make sure the cost of incorporating such an app does not get too expensive, I built it with a very user friendly backend to ensure the information can be managed by the publisher and doesn't require them to employ expensive app developers.

A key part of her business approach is to see the app as an ‘enabler’ for publishers’ business, rather than a disruptive technology in a negative sense. The ease of use at the front end belies the technological sophistication of the app itself.



The Hello Table app is designed for publishers so that it is easy to use and only requires basic technical skills (sample screens above and below).



Blight has also put a lot of thought into the business model.

When I went out to the publishers, I said to them, ‘I am prepared to take a risk with you. The way the licence works is there is obviously a set up cost. That is a fixed cost that I can’t get away from. Then there is a payment that is a fixed percentage or payment for every book that

is sold that has the app in it. That model shares the risk and it shares the reward. Another option is that publishers can license the app to incorporate into their own publisher's standard app.

The app was designed with flexible business models in mind.

If a publisher says to me, 'I want to charge for my app', I can do that. If a publisher says, 'I want it to be free with the book', I can do that too. We have worked out a lot of different concepts to fit everybody's different way of using it.

Initially, some publishers were concerned about the appearance of the QR code as part of the aesthetics of high end cookbooks, but as Blight noted, the technology has moved on since then and users could scan a word or an image. Blight also highlighted the contrast between other scanning apps that bring up a static response (e.g. scan a code to reveal a recipe or an image) and her approach, which uses scanning as part of a dynamic process that responds in different ways depending on the user's situation.



The Summer TABLE cookbook (left) and mobile phone app (right). As part of the business model, the app is designed to be licensed to other publishers.

The next stage of her strategy is to reach agreements with supermarkets and other shopping service providers to build in further functionality 'which will enable the APP to populate the supermarkets' online shopping cart and allow a user to order the shopping to be delivered directly to their door'.

Once you have scanned the recipes that you want to cook up in the coming week and you have the completed shopping list, it then feeds into the online ordering service of the supermarket and at that point you can also add your other household items. Then you can press a button and pay for it and the order is delivered to your home.

Blight can also envisage it being used by workers who would use their mobile phones to check the recipes and place an order for the ingredients to be delivered to their home in time to be cooked that evening.

Blight believes that the timing of her venture was influenced by her ability to see an opportunity to improve cookbooks during a period of change when publishers were dealing with day-to-day business challenges. 'A lot of publishers said, 'Why didn't you come to us with this idea then and we would have done it?'' But at the time several years ago, Blight did not think she would have the standing to be taken seriously. 'I didn't have the runs on the board in this industry.' Likewise, she self-funded the app for the same reason. 'How am I going to get someone to fund this when I've never even used an app before, let alone developed one?' I just backed myself.

Blight and the Hello Table product have been nominated for the following awards:

Winner, 2015 St George Bank AusMumpreneur award for Digital Innovation

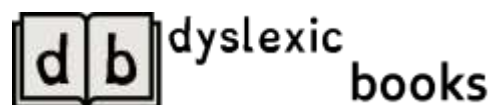
Winner, 2016 Best App in Australia, Gourmand World Cookbook Awards (world prizes to be awarded in May, 2016)

Finalist, 2015 Female Tech Entrepreneur of the Year, Female Entrepreneur Awards

Shortlisted, 2015 Australian Book Industry Award for Innovation

Winning the Gourmand Cookbook award has encouraged Blight to pursue international opportunities. 'It has given me the courage to take it that next step.' She has developed a US version of the *Summer TABLE* cookbook and recently met with the office of the Minister for Small Business, Innovation and Trade in Victoria about plans for entering the USA and UK markets.

ACCESSIBLE PUBLISHING SYSTEMS PTY LTD (APS)



Type of publisher:	Small, independent technology and English readability specialist. APS owns Read How You Want (RHYW), Readable English and dyslexicbooks.com
Established:	Early 2000s
Based in:	Sydney
Lists:	The company negotiates agreements with publishers to make their books available in accessible formats including large print, Braille, DAISY audio books, Readable English and (planned for 2016) Dyslexie font for readers with dyslexia
Innovation/s:	Artificial intelligence systems to use PDF or other standard format documents as a basis for conversion to accessible English language text in a range of formats Readable English phonetic system, which is the only phonetic system for English that doesn't change the spelling of words
Distribution:	Large print books through library chain suppliers, Amazon, Ingram, and the company website; sale of subscriptions to the Readable English website; the provision of Readable English training packages to large clients including corporations and unions
Executives:	Christopher Stephen, Co-Founder Ann Fitts, Co-Founder Graham Murray, Chief Executive Officer Jon Attenborough, Publisher Alex Mitchell, UK Sales and Marketing Manager Margaret Howse, Sales & Marketing Manager Anna Tuyl, Partnerships Manager
Website:	http://readableenglish.com/ http://readhowyouwant.com.au/ http://dyslexicbooks.com/

Chris Stephen, Co-Founder and Anna Tuyl, Partnerships Manager, were interviewed for this case study.

BACKGROUND

Prior to co-founding Accessible Publishing Systems, Chris Stephen founded Computer Law Services and Law Point, companies which developed a legal publishing digital interface which electronically links key documents, including an interface which is still widely used.

In the early 2000s, after the businesses were sold to Thomson Publishing, Stephen became interested in what he initially assumed would be a research project to assist his sister, who has multiple sclerosis, with difficulties she was having reading. He realised that she was having problems with eye-tracking across text.

CS: Her eyes would jump between lines. She couldn't easily read lines of text. It was the way that the page was set out. We developed some new formats and she could read them again.

Stephen realised that there was a potentially large market of people with reading difficulties and there were limited offerings of books to serve these markets, 'for example, if you wanted to read something in large print you might get a few best sellers, plus romance and westerns'.

CS: We started to realise that there were people with poor vision, people with eye tracking problems, people who had other, different kind of vision issues, people who were dyslexic and had auditory and visual processing problems. Then there were an awful lot of people who really never learnt to read very well.

Stephen drew on his expertise in electronic publishing.

CS: One of the things we set out to do was to develop a new technology where we could convert a book once from a PDF or another standard format into an XML format and then generate automatically any format you like.

This led to the founding of a company called Read How You Want (RHYW) in the early 2000s, which initially provided large print books. Read How You Want is now the major provider in Australia of large print books for large trade publishers and has published over 40,000 books in large print.

CS: We developed technology to be able to create multiple editions of books in different formats. We designed it so that people can find a format they can read easily, and we have carried out a lot of testing of our formats on readers. So we are not interested in minimising the size of the books. We are trying to maximise their readability.

Since Read How You Want books are printed and delivered on demand, they can be offered throughout the world as long as the country is within the book's copyright.



Example of a Read How You Want large print book

The mission of Read How You Want is to provide the format of choice for every reader, wherever they may be:

- For the visually impaired
- For people from non-English speaking backgrounds
- For people with dyslexia
- For people with macular degeneration
- For people who want to read in another format

Initially, the main market in Australia for RHWY books comprised buyers for public libraries, but Stephen also pursued international sales using print-on-demand providers in the USA and the UK. This business took time to build up through networks developed at international book fairs. 'We sold the books to big library supplier chains – we would provide a lot of metadata to them, we put the books on Amazon and the Ingram Content Group, and we had our own website.' Now the company provides large print books for libraries and other buyers in Canada, the USA, UK, Europe, Australia, and New Zealand.

Prior to the establishment of Read How You Want, Australian-authored books were not easily available in large print; another gap that the company has filled over time after an initial period of converting overseas-authored titles.

In the late 2000s, Read How You Want was set to expand into Braille and **DAISY** (Digital Accessible Information System) audio books when the global financial crisis caused a key client to withdraw their order from a project. As a result, Read How You Want stopped investing in developing Braille, focussed on large print and changed 'quite a lot of our strategies'.

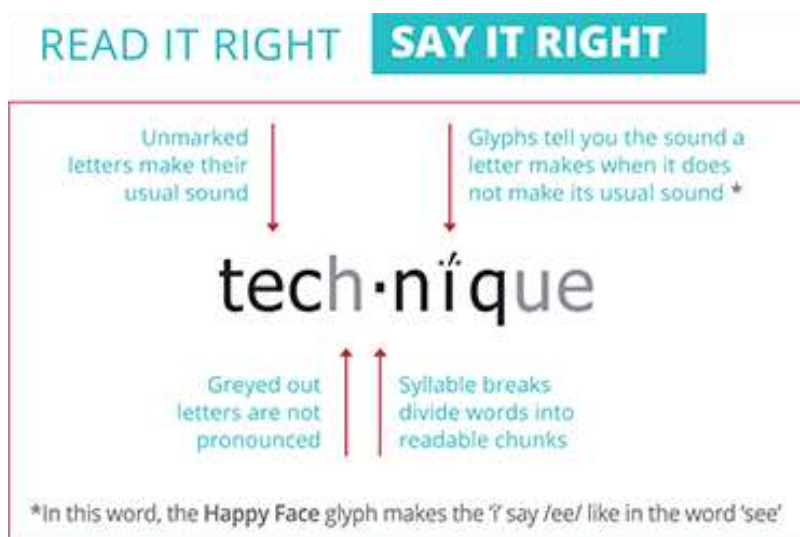
CS: We started looking at the whole question of trying to work out how we could make the English language more accessible, given that it is a dreadfully non-phonetic language. We spent four to five years intensively researching and testing it and we now have a system which works.

The R&D was funded by Read How You Want's private shareholders and the company was successful in gaining a number of technology grants and incentives, including Australian Technology Showcase, Commercialisation Australia, the R&D tax incentive and Export Market Development Grants.

The phonetic system of English was developed jointly by Stephen and Ann Fitts, whom he met in 2009 on a visit to the USA. Fitts is a reading specialist who is based in the USA. She has worked extensively with students who are struggling with reading.

AT: Ann used to run a reading clinic in the United States that specialised in intensive, one-on-one tutoring programs, and required a commitment of up to 120 hours from the students. The programs were transformational, but despite the achievements, Ann was often frustrated that so many people couldn't access the programs due to the expense of individual sessions and the heavy time commitment. She had worked tirelessly to meet the varied needs of students, using many different approaches to teaching reading. When she met Chris, who was creating different book formats for people with visual problems, it gave her the inspiration to try a new way of teaching reading. She realised it might be more effective to address the common denominator for every struggling reader: the English language.

Over five to six years since then Fitts and Stephen have refined a phonetic reading system for English (studies have shown that phonetic languages such as Italian are quicker to learn than non-phonetic languages such as English).



An overview of the Readable English phonetics system.

The resulting system is called Readable English (RE). Stephen reflected on the scale of the project’s ambition.

CS: It has been an enormous job. We have marked up over 100,000 words, and we are in the process of marking up every word in the Macquarie Dictionary. We have had to develop machine learning algorithms which can intelligently predict the mark up of a word (which is then checked by an editor). It is not a trivial task.

During these years two streams of development were underway: the phonetic system and associated literacy trials, and the technical development.



A comparison of Readable English to other phonetic systems.

Readable English is the only phonetic system of English that doesn’t change the spelling of words.

AT: In traditional approaches to teaching reading, like phonics methods, students are taught to try and sound out words, but so many words in English are not phonetic and need to be memorised. Some students struggle with reading because when they come across a new word, they don’t know whether to sound it out or if it is a word they need to have memorised. With Readable English, all words in English are phonetic. Students are able to accurately sound out words, and because the spelling is kept the same they start developing sight recognition of the word as a whole. The result is that they naturally and quickly progress to reading Standard English with ease.

The company has patented the Readable English system, including the technology that has been developed for converting original texts into Readable English. A formal test of Readable English was conducted with the approval of the NSW Department of Education, in which school students using the Readable English system improved their reading and comprehension skills by nearly twice the rate of students in control groups.⁶⁹

Several months ago, the company reached the point that it is ready to commercialise the technology.

The Publisher for RHYW, Jon Attenborough (a former Managing Director of Simon & Schuster Australia and of Doubleday Australia), negotiated an agreement with Macmillan to produce 4,000 titles in the new Readable English phonetic format as ebooks.

The workflow is as follows: a trade publisher provides a book to RHYW as an e-pub file and the company converts the file automatically to Readable English. (When consumers buy an ebook, the file is copy protected, meaning that they cannot copy or share the file.)

The Readable English product comprises:

Website

- Lessons, including 12 lessons to learn the Readable English system, extra practice and 10 basic lessons to teach the letters of the alphabet for beginners
- Reading Practice Module, 6 levels of reading passages with comprehension questions
- eReader, by using the eReader people can convert their own materials into Readable English
- ebookstore, where people can buy ebooks in Readable English
- Printable worksheets, flash cards and games for teaching Readable English offline

Apps

- Skill building apps and games for supplementing learning – the apps develop skills such as letter-sound association, phonemic awareness and auditory discrimination
- Read it, speak it, know it – a dictionary app that allows users to search words in Readable English, see definition and translation, as well as practise pronouncing the word directly into the app

Stephen spoke about a number of business models for commercialising Readable English.

CS: A parent can buy a subscription to Readable English to help their child improve their reading skills (the cost is \$97 for a year's subscription). The product is also being offered to schools with subscription rates adjusted according to the total number of subscriptions.

Then there is the facility to buy books in Readable English. Customers can go to the website and buy a Macmillan book in Readable English as an ebook. All the income comes to us as the retailer and we pay the publisher a standard industry royalty. Readable English print books will also be offered.

The business model depends on whether you sell a book direct to the end user or you sell it through an intermediary. If you sell it through an intermediary you have allow for their margin. So it is going to depend on whether people will buy Readable English books from a website, because that can be a lower price, or whether they want to do it through third party such as a library distributor or Amazon, and that will be a higher price because you have to factor in their additional cost.

⁶⁹ Stephen and Fitts (2015).

CS: I think there will be different parts of the market. There will be some publishers who will want to participate and they will sell the Readable English book at the standard retail price of the original ebook.

The eReader, which is provided as part of the Readable English product, enables people to automatically convert documents to Readable English. For example, they may mark up emails, textbooks, government letters etc., into Readable English for personal use. This means that at an individual level, subscribers have the ability to mark up any document into Readable English.

Other publishers may not want to participate in making Readable English formats available at a retail level. If people want their books they will scan the books and convert them themselves or a charity will convert them.

Stephen draws attention to the 2013 Treaty of Marrakesh (the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled) which has been signed by 79 countries including Australia, although it has yet to be ratified in many of these. The treaty provides for copyright exemptions to allow for the provision of accessible formats for people with visual or reading disabilities. The import and export of these materials is also permitted.

I think this could devastate our exports because in a country like India, if somebody has a reading difficulty a teacher can suggest to them that they use a copyright exempt book. We told the head of the International Publishers Association about our concerns. They appear to think that accessible format publishing is going to be a tiny little business on the periphery. I think accessible publishing could become maybe 20-30 percent of the English-language market.

There are additional markets for the Readable English system. In addition to trade publishers, schools, and individual subscribers, there are also organisations that want to improve the English proficiency of their staff or contract workers. Stephen gives several examples, including unions and companies bringing in foreign workers on 457 visas. Further, at the end of 2015 English will be the official language of ASEAN (the Association of Southeast Asian Nations) meaning that some countries will have an additional incentive to increase the English-language proficiency of their populations.

The market extends from people learning to read English for the first time (emerging readers) to people who have reading issues (struggling readers). Then there are adult English speakers who don't read very well and a whole range of English as a second language speakers and their employers.

The company is continuing to invest in the product's development.

We are coming out next year with a range of new tools, including using artificial intelligence, to help subscribers convert their books into formats like Readable English.

People with dyslexia often swap, rotate and flip letters without noticing.
The problem is that some letters are too similar to each other.
Dyslexie font is designed so that every letter is unique in its own form.
This counters the rotation, flipping and reversal of the letters.

An example of the Dyslexie font.

Next, the company is developing products using Dyslexie font, which has been especially designed for readers with dyslexia. The font was designed by Christian Boer, a Dutch graphic designer who has dyslexia himself.

Our product does not just involve printing books in that format, it includes being able to convert a book accurately and at a low cost, and then there are all the other product add-ons.

Stephen believes the size of the market for accessible English reading products has been underestimated.

I think there is going to be a big change. The technology is coming which allows accessible formats to be generated cost-effectively. There are going to be a lot of accessible formats which will help people with specific reading difficulties. It is going to come in slowly, but I think there will be a substantial impact. It is an untapped market that most people don't realise.

CONCLUSION

Disruption is not new to the book industry. In previous centuries the book industry has experienced periods of technical innovation, the entry of new players, changes in business structures, the rapid popularisation of new book formats at attractive prices, and the introduction of new retail outlets that have opened up new markets.⁷⁰ In the Conclusion, we consider the implications of the recent changes discussed in this report. First, we refer to general predictions about the prospects for book sales, and then discuss opportunities specifically for Australian-authored books. We examine whether the prospects for niche titles have improved, the different forms of risk and subsidy in operation in the industry, and how publishers are engaging with younger readers. Finally, barriers to innovation are summarised and the next stage of the research is outlined.

MARKET DEMAND

Last year, 2015, was the first year in which onshore trade print book sales increased after several years of contraction in the industry. Despite competition from other leisure options, market demand for trade books remains strong and demand is also strong in many parts of educational publishing, although lower sell-through rates of textbooks and piracy are a major concern at the tertiary education level. The industry, at approximately \$1.6 billion onshore turnover plus offshore sales, remains substantial. However, while no-one can predict with confidence the outlook for the next few years, industry forecasters such as IBISWorld forecast a slight decline in demand in most years until 2020-21 (IBISWorld 2016).

The introduction of radio, film, TV, the Internet and social media has not rendered books redundant, but publishers are conscious that they now compete for consumers' attention against a range of expanded leisure options.

Michelle Laforest, Harlequin: One of the key challenges for publishers in general is that when people have time for leisure they might be on Facebook, or Instagram, or multitasking between watching Netflix and on Facebook. We need to be cognisant of a whole competitive field that we operate in, which is not just books. People are becoming increasingly time poor. So that involves understanding the opportunities that brings.

Laforest sees ebooks as a format that gives publishers the opportunities to reach new markets in cost-effective ways, and social media as giving tools to engage readers in book culture in new ways that extend the reach of publishers. The case studies demonstrate the range of strategies that trade publishers are developing to stimulate the market demand for books in a highly competitive environment.

In an historical study of innovation in book publishing, James Barnes concludes that:

...innovation depends on solvency whether the times are prosperous or hard. (Barnes 1983, 159).

The case studies in this report demonstrate that there are multiple markets at work in the book sector, some with greater levels of solvency than others. The most high-profile market is for best-selling titles. Figure 1 in the Introduction plots the remarkable impact a small number of blockbuster titles has on the Australian industry. The year to year fortunes of book publishing overall are strongly influenced by the extent of these sales. In the case of Allen and Unwin, income from the Harry Potter series enabled this publisher to increase their investment in Australian-authored titles over time and to grow their overall market share.

However, many books published in Australia have more challenging economies of scale and timeframes to achieve a return on investment. Strikingly different print runs and sales figures are given by publishers in this report. Fiction titles which have the exceptional backing of large publishers

⁷⁰ For further information, see: Weedon (2013); Mosley (2013); and Gardiner and Musto (2013). For an introduction to the development of the Australian publishing industry see: Arnold and Lyons (2001); Munro and Sheahan (2006); Carter and Galligan (2007); and Bode (2014).

may achieve sales of 50,000 – 100,000 copies or more while specialist, academic titles and book of poetry may sell in the low hundreds.

The situation for educational publishers is different. Because of education curriculum requirements, there is a guaranteed demand for their product from primary and secondary schools, and also in higher education institutions due to an expectation that university courses and vocational education will have content relevant to the Australian workplace. Educational publishers face the challenge of developing engaging products that deliver evidence-based learning outcomes in order to maintain their readership base. Market demand in the educational market is affected by curriculum cycles, and funding constraints on the part of schools and other educational institutions. However, in contrast to trade publishers, educational publishers suggest that bricks and mortar bookstores will become less relevant to the sales of educational texts as products increasingly move online.

ARE THERE GREATER OPPORTUNITIES FOR AUSTRALIAN-AUTHORED BOOKS?

The following sections focus on the changing opportunities for sales of Australian-authored trade books. Currently, approximately 33-36 percent of trade books sold in Australia are written by Australian authors according to industry estimates. The case studies demonstrate that it is highly feasible for new Australian authors to achieve successful publishing debuts, however, the opportunities for large-scale sales success are likely to apply to a small proportion of Australian authors whose manuscripts fit with a publisher's perception, based on years of experience and access to market data, that they will have strong appeal in a competitive marketplace, and who will be singled out for exceptional promotional support.

The findings also suggest that some types of genre fiction are now achieving digital publication by traditional publishers that previously would have not been taken up: experiments with genres, genre-blending and explicit content. (Perhaps there is an end to the separation between mainstream and pulp fiction publishing.) However, while there may be greater opportunities for the publication of literary, scholarly and community-based titles due to the cost-effectiveness of new technologies, most of these types of works are still selling in modest numbers.

These findings are discussed further below.

OPPORTUNITIES IN THE DIGITAL MARKETPLACE

Many of the trade publishers in this report speak about experimentation with strategies to drive sales in the digital marketplace. These include encouraging followings for series (e.g. Joel Naoum, Momentum), temporary price reductions to drive sales of titles higher so they will feature more prominently in online stores (e.g. Jim Demetriou, Allen & Unwin), providing review copies to book bloggers and YouTube reviewers (e.g. Hachette, Simon & Schuster), and special promotions with online retailers (e.g. Harlequin). In the publishers' experience, these strategies are contributing to higher sales of specific titles in the digital marketplace, especially genre fiction in series or those written by an author with a strong brand.

The case studies include examples of Australian authors who have achieved exceptional success through e-publishing, including a number of romance writers published by Harlequin. However, it is interesting to note that although Momentum published Kylie Scott, who became a *New York Times* bestselling author, Joel Naoum comments that the vast majority of Momentum's authors (including Australian authors) could not earn a living from sales of their books alone. Naoum's comments are reinforced by a 2015 survey of over 1,000 Australian book authors, which finds that fewer than one in twenty authors earn the average Australian annual income or more from their creative practice. Less than two percent of authors have experienced a large increase in their income due to publishing in multiple formats, or to the publication of their backlist as ebooks during their career (Throsby, Zwar and Longden 2015). An additional challenge noted by Louise Sherwin-Stark, Hachette, is that the head offices of most online retail platforms are located overseas and the merchandising managers do not have a particular interest in featuring Australian books.

Therefore, while the case studies demonstrate that Australian authors are experiencing substantial success in the digital marketplace, these findings combined with the 2015 survey of authors, strongly

suggest that the digital marketplace does not provide a panacea that solves the centuries-long struggle by professional authors to find sufficient time and income in order to write. But it is possible that the digital marketplace has prompted some publishers to publish more boldly in relation to genre fiction, so that the *types* of genre fiction being published by traditional publishers include more experimentation than previously. For example, Joel Naoum says of receiving the manuscript for *Flesh* by Kylie Scott in Momentum's open submission inbox, 'It was pretty far off the reservation in terms of what I was used to in the world of traditional publishing.' The President of Romance Writers Australia, Leisl Leighton, says that Harlequin Escape 'has been taking chances on different types of romance books that once may not have found mainstream publishers'.

The digital marketplace provides opportunities for scholarly publishers to participate in open access publishing – giving away content free – while selling print format books. This is an opportunity to share knowledge, especially the fruits of taxpayer-funded research.

However, the opportunities for sales of literary books in the digital marketplace do not appear to fundamentally alter the economics of their publication. Most literary works, apart from those by high profile authors and winners of prizes such as the Man Booker Prize and the Miles Franklin Literary Award, still sell in ebook format in modest numbers.

OPPORTUNITIES IN PRINT

The opportunities for a very small number of debut authors to achieve bestseller success in print, along with ebook formats, are confirmed by the case studies, in which publishers such as Hachette, Simon & Schuster, Allen & Unwin, Hardie Grant, Pantera Press, and Spinifex Press explain how they developed a strategy to introduce a book by a debut Australian author to the market. These are considered briefly, next.

Larissa Edwards, Simon & Schuster, estimates that bricks and mortar booksellers are offered over 500 new titles each month to stock by sales representatives. Few of these titles will be singled out for exceptional promotional support. Jim Demetriou estimates that each year Allen & Unwin will identify two to three debut fiction titles by Australian authors for major promotional support. The process explained by the large publishers has some common elements. First, an in-house acquisitions editor takes responsibility for persuading other staff that a manuscript has exceptional sales prospects and deserves extra promotional support. A strategy is then planned approximately one year prior to a book's release. A tailored campaign is prepared, which includes sales representatives pitching to booksellers months in advance to inform and excite them about the new title's prospects. Publishers may organise for an author to appear at booksellers' conventions, or to tour him or her to key bookstores months prior to the book's release. Therefore, one clear finding is that bricks and mortar booksellers (DDSs, book chains and independent booksellers) still play a vital role in the promotion strategies and sales successes of many print trade books.

The significance of bricks and mortar booksellers for many publishers' sales and promotion strategies may be because many book purchases are impulse buys that are prompted by the usual promotional prompts: in-store advertising, opportunities to peruse the merchandise, point of sale displays, competitive pricing etc. Many large trade publishers in the case studies refer to the impact of changes in the retail environment over the past five years, especially the closure of REDgroup Retail in 2011, which represented 20% of trade sales in Australia, and a downturn in sales that some publishers subsequently experienced.

These reports are backed up by Shaun Symonds, Nielsen BookScan, who recounted analysing the sales data following the 2011 closure of REDgroup and observing a 20 percent contraction in onshore book sales. Symonds examined the Nielsen BookScan data to see whether other geographically-close bookstores increased their sales following the closure of Borders stores and could not find evidence of this. During this period, offshore sales of print and ebooks to retailers including Amazon, the Book Depository and Amazon increased although the actual numbers are unknown because this data is not collected in Australia or elsewhere apart from the individual companies involved.

Since then, the retail marketplace for books has changed again, with an increase in the proportion of sales occurring through discount and department stores and independent bookstores (see Table 3 in

the Introduction for an overview). These different outlets arguably serve consumers well, allowing for a diversity of books to find retail outlets that serve the different needs and wants of book buyers. The case studies also demonstrate that different retail outlets are associated with the sales of different types of publications. For example, DDSs require publishers to meet a set range of price points, genre categories and print formats. If publishers are able to gain distribution for a title to DDSs they know that they have the potential to increase its sales by potentially thousands of copies.

However, there are many types of books that do not fit with the ordering profile of DDSs. DDSs stock a wide range of consumer goods, and books are treated as one of many merchandise categories. If a broad diversity of books is to be published and read over time in Australia, it is important that many of these other types of books can find other retail space to connect them with readers. Independent bookstores are particularly important for handselling books by new Australian authors and literary works in general (and also book chains). The health of Australia's independent bookselling sector is seen by trade publishers in this report as being strongly linked to the capacity of publishers to commission and develop diverse types of trade books written by Australian authors.

Another finding to emerge is the potential impact of the traditional 'sale or return' practices between publishers and booksellers on publishers' willingness to invest in commercially marginal projects. While this is not discussed in a contemporary Australian context in the case studies, the contribution of this practice to the closure of feminist publishers in the USA in the late 1990s and early 2000s is discussed by Susan Hawthorne in the Spinifex case study. Currently, consumer confidence in Australia is relatively fragile. Publishers remain susceptible to pressures from large retailers that seek to shift the financial risk of ordering and purchasing to the supplier (the publisher). One perspective is to say that this is the market in action (which it is), however policymakers and researchers who are interested in the health of Australia's culture of books and writing may benefit from a greater understanding of this commercially sensitive aspect of the industry's financial dealings.

Many publishers speak about the challenge of convincing booksellers to order large numbers of new titles. Booksellers may be impressed by a publisher's passion and their professional promotion strategy, but as Alison Green, Pantera Press and Nathan Hollier, Monash University Publishing recount, they may opt to order two or three copies initially. This makes it more difficult for a book to make an impact in a bookstore, and it can lead to missed opportunities for sales or tensions arising from logistical pressures if more books are needed urgently to satisfy unmet demand. It is another indication of the important role that bookstores continue to play in bringing new Australian books to the attention of Australian readers.

OPPORTUNITIES IN INTERNATIONAL MARKETPLACES

Harlequin's digital-first Escape Publishing imprint and Momentum's digital publishing lists demonstrate the ways in which publishers are learning about the consumer dynamics of international digital marketplaces. In both these cases, the publishers seek to establish a strong Australian association to the imprints while also appealing to overseas readers. Harlequin and Momentum have strong lists of internationally best-selling Australian genre authors including (Harlequin): Emma Darcy, Miranda Lee and Lindsay Armstrong and (Momentum): Kylie Scott. According to Naoum, 60-70 percent of Momentum's sales occur from outside Australia. The US, UK, Canada and New Zealand are particularly significant markets. He also notes that action-thrillers are their most popular genre, especially series.

Both Allen & Unwin and Hardie Grant have purchased or increased their stakes in UK publishers to enable them to have a stronger presence in the UK market. They describe the transition from ongoing 'one off' sales in the UK to having a stable presence in the UK market with access to an established UK sales force. Jim Demetriou, Allen & Unwin, describes the process of developing Kate Morton's international profile, another of Australia's best-selling authors. Demetriou also discusses the types of Australian-authored books that Allen & Unwin found have the most appeal in the UK: Australian literary fiction, contemporary women's fiction and children's books, while in general Australian non-fiction does not travel well because of its domestic subject matter. Demetriou also adds that some types of genre fiction, such as crime, can be difficult to sell overseas, because Australian authors are competing with well-established UK authors.

Australian arms of multinational publishers refer manuscripts with market potential overseas to their head office, for example Larissa Edwards, Simon & Schuster, describes contacting the UK office about Ann Turner's *The Lost Swimmer*, and Turner subsequently signing a two-book deal.

Edwards also discusses the development of Mike Jone's Transgressions Cycle trilogy as a digital-only publication by Simon & Schuster Australia, in order to learn more about the opportunities for taking Australian-authored titles directly international as ebooks. And in another pathway for authors to publication, Edwards speaks about the international following garnered by a comedy group from Melbourne, the Janoskians, whose popularity (which includes over 2.1 million subscribers on YouTube) has led to a book deal with Atria, a US imprint of Simon & Schuster. Lou Johnson of The Author People gives an example of marketing *Milk-Blood*, by Adrian Simon through careful investigation of international online and social media groups with a potential interest in the themes of Simon's book.

The case studies suggest that achieving overseas rights sales still involves personal networks and extensive international travel to key book fairs. Susan Hawthorne gives extensive examples of selling (and buying) rights to books at Frankfurt and other book fairs and feminist conferences. Pantera Press sold the North American rights of a number of their titles through a deal made at the Frankfurt book fair in 2015. Another example of the formation of personal networks to gain overseas distribution for books is provided by John and Lindsay Knight of Pitt Street Poetry. Through personally-funded travel and introducing themselves to specialist poetry booksellers, they have placed the work of leading Australian poets in key literary bookstores in New York, London, Paris, Beijing and Singapore.

Drawing together these findings suggests that the prospects for Australian authors whose work has commercial appeal are strong if their manuscript is supported by a skilled publisher. (Self-publishing is not addressed in this report given its focus on traditional publishers.) Although the digital marketplace for books theoretically offers Australian authors access to overseas readers – Momentum's Kylie Scott is an example of an author whose bestseller status was largely achieved through digital media – personal connections in other countries and markets are usually essential if Australian authors are to be championed and given prominence overseas.

HAVE PROSPECTS FOR NICHE TITLES IMPROVED?

Some of the innovations in this report could be considered in the light of publishers' initiatives stemming back over centuries to publish books that they consider to have important cultural, social or educational value in cost-effective ways despite modest short-term sales expectations. Ben Eltham asks:

Even if we confine our analysis of an innovation's significance to the quantitative measure of sales, how are we to judge the importance of a cultural product which sells in small numbers initially but which goes on to establish itself as a high-selling classic years (or even decades) later? (Eltham 2012, 549)

The case studies demonstrate the energy and initiative of publishers in bringing a broad range of niche titles to publication, however, based on the sales figures provided by the publishers, it does not appear that overall the commercial prospects for niche literary, scholarly or community-based publications have improved. This is not to devalue the important contributions made by their books, rather to suggest that the new publishing environment is not a panacea for the challenges in financing these types of books.

These publishers, such as scholarly and literary publishers, face the challenge of publishing over longer-term sales cycles. Susan Hawthorne, Spinifex Press, gives an example of a book that made an impact over a decade but did not have significant short-time sales prospects. Scholarly publishers give examples of highly-specialised academic books which contribute to knowledge over time but have very limited commercial sales prospects, perhaps 200 copies, and many of these sales are to libraries. Likewise, Rachel Bin Salleh, Magabala Books, speaks about broad consumer receptiveness to some types of Indigenous books, especially children's picture books, but resistance to buying adult titles which contain troubling or difficult themes. These types of books achieve much lower sales numbers despite Magabala Books applying the same level of editorial and marketing expertise.

Not all new Australian books have strong, immediate commercial appeal, so next we consider this aspect of the economics of the industry.⁷¹

BLOCKBUSTER VERSUS LONG TAIL ECONOMICS OF BOOK PUBLISHING

In the face of new competition from Amazon, Apple, and Google, the Australian industry has benefitted enormously from the on-shore sales of massive bestsellers: the Harry Potter books, Stephenie Meyer's *Twilight* series, *50 Shades of Grey* and most recently in 2015, adult colouring books.

This trend has occurred despite a theory put forward by Chris Anderson (2005) in *The Long Tail*, in which he raises the hope that digital retailers such as Amazon and Apple will provide greater opportunities for niche, specialist publishers to find dispersed international readerships. Anderson's theory implies that there will be a corresponding reduction in the scale and impact of blockbuster products. On the other hand, the blockbuster dynamic in the marketplace leads to a small number of books, films, songs or other cultural goods dominating sales. Joel Naoum refers to the long tail theory with regard to some of his experiments publishing classic works that are out of copyright to see if they found sufficient numbers of readers. (They didn't, and Naoum's comment is that, 'The long tail does exist but it needs a current author to enliven the long tail'.) Naoum has been more successful in publishing genre series which, over time, find growing numbers of readers.

In contrast, scholarly analysis by Anita Elberse has been influential in arguing that blockbuster titles are becoming even more dominant as a proportion of overall sales.

Is most of the business in the long tail being generated by a bunch of iconoclasts determined to march to different drummer? The answer is a definite no. My results show that a large number of customers occasionally select obscure offerings that, given their consumption rank and the average assortment size of off-line retailers, are probably not available in brick-and-mortar stores. Meanwhile, consumers of the most obscure content are also buying the hits. (2008, 5)

Elberse's explanation is that most people, even those who have an interest in specialist types of books, also have an interest in some types of blockbuster cultural goods because a particular feature of blockbusters is their broad appeal.

Although no one disputes the lengthening of the tail (clearly, more obscure products are being made available for purchase every day), the tail is likely to be extremely flat and populated by titles that are mostly a diversion for consumers whose appetite for true blockbusters continues to grow. (2008, 9)

Elberse's analysis is based on US and UK data, however Dr Brigid Magner, RMIT, presented a paper co-authored with Tracy O'Shaughnessy in November 2015 in which their analysis of the sales of Australian mid-list authors' books found that the average sales of mid-list authors have declined over the past five years.⁷² If the prospects for niche titles were improving overall, one would expect to see an increase. In a separate study that compared Australian sales of books, cinema tickets and DVDs, Jock Given and Marion McCutcheon found that markets for books demonstrated the strongest tendency to blockbuster characteristics 'by a narrow margin'. Although the long tail has grown for books in particular, it is 'very, very thin' (Given and McCutcheon 2014, 4).

In part, the answer to this question about the prospects for niche titles in the new environment could be that it depends on the type of titles. It does not appear that the prospects for niche literary titles have improved, at least in terms of sales numbers and returns to authors. However, it is possible that the prospects for some genre niche titles are improving. For example, the Harlequin and Momentum case studies describe these publishers' growing willingness to publish more adventurous hybrid-genre titles that once may not have achieved publication by mainstream publishers, although sales figures have not been analysed in relation to this research question.

⁷¹ There has been considerable debate about this issue. Contributions include – but are not limited to: Davis (2008); Magner (2012); and Hawthorne (2014).

⁷² Magner and O'Shaughnessy (2015).

RISK AND SUBSIDY IN THE AUSTRALIAN BOOK INDUSTRY

Another approach to considering the prospects for Australian-authored books and niche titles in the disrupted publishing environment is to examine where the financial risks are being borne and where subsidies (of all kinds) are occurring. The Australian federal, state and territory governments provide literary grants, writers' fellowships, and other forms of support to promote the development of literary titles. The underlying philosophy is that these types of work involve risk on the part of the author and publisher, and that subsidies will encourage the desired activity despite its risky nature. However, the case studies also demonstrate that other players in the publishing industry apply strategies including, in some cases, other forms of subsidy to mitigate the financial and creative risk in publishing new Australian books, and this next section provides an overview.

The first stage of risk in the process of bringing a book to commercial release is in writing a manuscript. A study of Australian authors in early 2015 found that authors incur significant opportunity costs by developing a manuscript at the author's expense until it is acquired by a publisher or self-published. Nearly half of Australian authors cross-subsidise their writing with other paid work in order to earn a sufficient livelihood⁷³, and as Stephen Romei observed in a witty column in *The Australian*, nearly 40 percent of Australian authors are subsidised by their partners or spouses.⁷⁴

The next stage of risk occurs in a publisher's acquisition of a manuscript. Publishers attempt to mitigate the risk of commissioning new titles through reference to an author's previous sales figures, market research, use of commercial market data such as Nielsen BookScan, and market intelligence from international book fairs and informal networks.

Depending on their strategies, publishers may also limit the number of titles they acquire which are forecast to sell in lower numbers or which will make an impact over a longer timeframe, and limit to a select few the number of titles which receive the strongest marketing support.

Several publishers are experimenting with non-traditional profit-sharing arrangements between authors and publishers, including Pantera Press and The Author People. This enables these publishers to recoup their own costs before paying royalties. Also, publishers are turning to new sources of manuscripts, by holding competitions or pursuing new types of authors with an established public profile or media platform, including YouTubers and bloggers. The competitions also provide a means of raising the profile of the new publications, increasing the awareness of potential readers.

The next stage of risk occurs in the editing process. Publishers take responsibility for overseeing the editing of an author's manuscript to final form, and discussions with authors suggest that this is one of the major reasons that many authors prefer to publish with traditional publishers rather than to self-publish. Some small publishers deal with the expenses involved in this stage of publishing by insisting that authors submit near-final manuscripts. Paul Ashton says that Re.press cannot afford the resources for structural (intensive) editing so manuscripts that require this level of work are rejected. ANU has an internal grant program for early career researchers to work with an editor on a monograph: ANU Press itself does not bear this cost.

At this stage, a publisher may cross-subsidise the costs of one title with another, although this appears to be occurring less often based on anecdotal reports. Rather, publishers themselves devote additional hours of volunteer, unpaid time to books to which they are particularly committed. Some of the smaller publishers in this report do not pay themselves a wage, including Susan Hawthorne, Spinifex Press; Alice Grundy, Seizure; Paul Ashton, Re.press; and John and Lindsay Knight, Pitt Street Poetry. Some other small publishers are paid a part-time wage that does not reflect the additional unpaid hours they contribute, including John Harms, Malarkey and Jacinda Woodhead, *Overland*. Literary

⁷³ Zwar, J., D. Throsby and T. Longden (2015a). Authors' Income. The Australian book industry: Authors, publishers and readers in a time of change, Australian authors Industry Brief no. 3, Macquarie University.

⁷⁴ Romei, S. (2015) Australian authors prove Mark Twain right: It doesn't pay to write. *The Australian*. 31 October. <http://www.theaustralian.com.au/arts/review/australian-authors-adhere-to-twains-advice-it-doesnt-pay-to-write/news-story/f183e0cf5090b28aca9b0fccf91b7ad9>

grants are also an important form of subsidy at this stage of the process, with the Australia Council for the Arts playing a particularly important role.

The next stage involves illustrations, copyright clearances, indexing, referencing, and all the work that takes place before layout of the final content and publication in print and digital formats. This stage may also involve attention by legal experts, to ensure that a publisher is not exposing itself to a risk of lawsuits or legal penalties.

During this process, if a book is to be stocked in bricks and mortar bookstores, the publisher's sales force will present information about the book to retail buyers. At this stage, the retailers and publishers become involved in negotiations about risk-sharing. The retailers wish to purchase copies at the lowest price possible with the most flexible conditions for returning unsold stock; the publisher wants to persuade retailers to place large orders and to display the book prominently in order to maximise its commercial prospects. As discussed in the introduction, some retailers may place orders which are ultimately not confirmed in full, leaving publishers to bear the costs of warehousing the extra print titles, pulping them or remaindering them.

The risks borne at this stage by both publishers and retailers are substantial (they vary, of course, according to a particular title). Retailers need to be convinced that amongst the plethora of new titles released each month, publishers will provide sufficient promotional support to generate readers' awareness of the new book. Publishers are carrying a 'sunk cost' of the book's investment to date and need the cooperation of booksellers to potentially break even and turn a profit. At this point, the publishers' and booksellers' promotional strategies are executed to promote sales. If publishers and booksellers believe that a title has limited commercial appeal, they may manage their financial risk by limiting the costs of its promotional support.

If a book is being published in an ebook format only, the publisher has accumulated less financial risk at this stage, although considerable time and expertise may have been invested in the title. Digital publishers face a different set of challenges in generating sufficient sales to cover costs and return a profit. They usually manage this risk by not offering advances and by providing higher royalties after a book has reached a certain level of sales. They may also seek to mitigate their risk by offering review copies to influential book bloggers with large followings and other online and social media strategies discussed in the case studies. They may also choose to manage their risk by investing their resources in successful genres and series that they believe have the best prospects for online sales.

The last stage of the risk is borne by readers, who are risking both their time and money. Books are 'experience goods', that is, because each book is different, consumers won't know until after they have purchased and experienced it by reading it whether they will be pleased that they bought it and invested time in reading it. Jim Demetriou, Allen & Unwin, discusses the cover design of genre titles as a way of providing 'short-cut' information to prospective readers about whether they are likely to enjoy a book. Cover design of literary fiction titles involves different challenges: because each book by a literary fiction author is a 'different animal', the cover has to convey some sense of the content, and by implication, to communicate some sense of the book as an 'experience good'. Awards may also affect a prospective reader's assessment of risk, depending on the type of award and the reader's preferences.

Publishers may also seek to mitigate the risk for prospective book buyers by providing the first chapter in a book free, or the first book in a series at a heavily discounted price or free. Readers also turn to reviews to mitigate their risk when choosing books. If readers are positive about a book, word of mouth is still one of the most powerful marketing tools. (Opinions vary about whether a promotional campaign without positive reader feedback can propel a book to bestseller status.) Readers may also perceive less risk in future when considering whether to purchase a book by that author (although Demetriou notes that literary titles by the same author differ more from one another than genre titles by the same author, hence there may be a greater perception of risk with regard to the former).

These elements of risk and subsidy are just some of many that apply. Others in these case studies include in-kind subsidies where publishers do not pay to lease premises, for example, Pitt Street Poetry was named after its initial location in John Knight's medical consultancy, which covered the cost of the lease. Given the modest sales numbers of many high-quality books, it could be argued that publishers make a variety of in-kind subsidies along many a book's pathway to publication.

THE NEXT GENERATIONS OF BOOK READERS

The case studies also highlight ways that younger generations of Australians are engaging with books. Publishers discuss the role of YA bloggers, YouTube reviewers and new ways of involving younger book readers. Catriona F. is one such person. She is a BookTuber, a member of the book reading community on YouTube, with the largest BookTube following in Australia. Known as the Little Book Owl (LBO), she started presenting videos about YA books four and a half years ago, aged 16, from her bedroom in suburban Sydney.⁷⁵ 'One of the main reasons I started was that I didn't have that many friends who love to read, or not at least as much as I do. I've since met many more people who love to read.' At first she blogged about books and watched the videos of other BookTubers, but 'I felt like I was missing out' so she started contributing her own videos.



The Little Book Owl in Sydney has nearly 150,000 YouTube followers.

LBO has nearly 150,000 YouTube subscribers. According to Google Analytics they are based in:

USA	32%
UK	8%
Brazil	5%
Canada	5%
Australia	4%
190+ countries	46%

Approximately 85% of her subscribers are female and 15% are male. Most are aged 18-24 years, then 25-34, and 13-17.

LBO explains the different types of BookTube videos.

Book haul: one of the most popular types of videos now, it showcases all the books that you have bought or acquired recently.

Wrap ups: talking about the books that you have read recently. Often done monthly but not always.

TBR (To Be Read): talking about the books that you plan on reading.

Book reviews: personal thoughts and opinions on the book. Typically, they do not contain spoilers, as they may be intended for people who haven't read the book.

Book discussions: Spoilers are included. Discusses the book in depth, aimed at people who have already read the book.

⁷⁵ See: <https://www.youtube.com/user/LittleBookOwl>. Her pseudonym, LBO, is used in this report.

Tag videos: Created around a certain theme with questions. You respond with the characters and books that are most suitable.⁷⁶

Bookshelf tours: showcasing all of the books on your bookshelves.

LBO aims to post 5-6 videos each month. She creates three regular videos: a monthly book haul, wrap up and TBR plus others, using Final Cut Pro to edit the clips. A part-time university student whose studies include English, she reads two to three books each month for leisure during semester in addition to set texts and five to seven books each month otherwise.



Book hauls are one of the most popular types of Booktube videos.

Shortly after LBO started blogging she was contacted by Indie authors and self-published authors, inviting her to review their books. About 18 months ago she started receiving emails from larger publishers including Penguin Random House Australia, Harlequin Australia and Simon & Schuster Australia, inviting her to join their media list. 'They send out newsletters about upcoming books and you are able to request books.' The Australian publishers provide the requested books in print format. Despite the opportunities, LBO doesn't request many books because 'it can get a little overwhelming'. LBO also receives unsolicited books by mail from one major publisher, usually followed up with a courtesy email containing further information about the title. LBO is a member of NetGalley and occasionally requests ebooks for review. She is not paid for reviews, but her YouTube subscriber base has grown to the point where she now receives a part-time income from paid advertising.

While there are other YouTubers who post mainly about fashion and beauty with an occasional mention of books, other BookTubers include:

- polandbananasbooks, hosted by Christine, an American who has one of the largest BookTube followings with over 264,000 subscribers.⁷⁷
- The Readables, hosted by Priscilla, a Canadian whose channel LBO describes as 'a huge inspiration'.⁷⁸
- Let's Read, hosted by Brock, also an American. 'Very funny and creative.'⁷⁹
- 'readsusieread', hosted by Susie, an American.⁸⁰
- Ariel Bissett, created by a Canadian college student of the same name.⁸¹

⁷⁶ See: http://booktubers.wikia.com/wiki/List_of_Tags

⁷⁷ <https://www.youtube.com/user/polandbananasBOOKS>

⁷⁸ <https://www.youtube.com/user/thereadables>

⁷⁹ <https://www.youtube.com/user/brocksbookbag>

⁸⁰ <https://www.youtube.com/user/readsusieread>

⁸¹ <https://www.youtube.com/user/ArielBissett>

Bissett established an annual read-a-thon called the BookTube-a-Thon, and also sets video challenges for BookTubers such as recreating a scene from a book, creating a book cover, a book tower, or giving a 'chubby bunny' book review.⁸² Bissett contacted the Book Depository and organised a list of 100 books that could be bought at a discount for those participating in the read-a-thon. The Book Depository also provided the prizes for the winners of the video challenges.

LBO also participates in Nanowrimo (National Novel Writing Month).⁸³ Held in November, the challenge is to write 50,000 words in 30 days and many participants vlog about their progress. Although she enters regularly, she does not aspire to be a published novelist. 'I do it for fun, as more of a hobby.' LBO characterises the BookTube community as 'super-welcoming'. She has recently observed older BookTubers becoming active and as a result, 'there is a little more variety in the books that are being talked about now'.

YouTube and social media are not just new environments for discussions about books, they are also providing a forum for new authors to be identified and signed by publishers. Larissa Edwards, Simon & Schuster, speaks about Shane Dawson, Connor Franta, Joe Graceffa, Miranda Simms, Tyler Oakley and the Janoskians, who have all signed book deals with Atria, a Simon & Schuster US imprint. Their followers number in the millions. Edwards concludes that:

... we have a highly educated, voracious market who fall in love with these content producers in a digital world via YouTube and yet they want a physical book. The most interesting thing about this has been convincing retailers, who are Generation X or baby boomers, that the younger readers are buying these books. But these are hitting the best seller lists.

This is fantastic, and it is so funny. This is why I will never be a doomsayer about the market because, to me, these are young people beside themselves about purchasing a book.

Louise Sherwin-Stark, Hachette, highlights the strong sales in Australia of Zoella's first book (published by Penguin in Australia). Zoella, a UK YouTube video blogger, has over 9.8 million subscribers. It is not clear whether the demographics of book readers are changing or whether overall, book reading is increasing or declining among younger Australians, but the case studies indicate that digital media have provided new opportunities for publishers to engage with the next generations of book readers, and that the numbers of these readers appear to be substantial.

CONSTRAINTS TO INNOVATION

Finally, we draw together an overview of the constraints to innovation identified by publishers in these case studies. The constraints raised by publishers in the case studies and in other discussions with members of the industry members include:

- limited budgets
- size of the Australian market
- unfavourable Australian postage rates for books
- demands of day-to-day business operations
- changed domestic 'bricks and mortar' bookstore retail environment
- reduced government support to promote books and reading
- heavy demands on staff to meet existing commitments
- changed government support for literary writing
- higher costs of distribution
- high risk/low revenue in opportunities for innovation

⁸² <https://www.youtube.com/user/BookTubeAThon>

⁸³ <http://nanowrimo.org/>

- overseas retail competition
- lack of market data about book consumers and potential consumers
- insufficient technical skills
- lack of knowledge about potential innovations
- reduced staffing levels
- limited ICT capability by education clients such as schools & other organisations
- insufficient management support
- require approval from an overseas office
- provisions in the HESA legislation (Higher Education Services Act).

Two aspects of Australia's national infrastructure are identified: the high cost of Australian postage, and the high cost and low performance of our ICT infrastructure, especially for educational publishing.

Publishers also refer to the daily demands of running their businesses, which is why some interviewees recommend creating opportunities for innovation outside the daily operations, for example, Momentum and Seizure, however the other case studies also contain examples of successful in-house innovation.

The marginal financial operations of some smaller publishers are mentioned, for example, technology upgrades may be prohibitively expensive even for small publishers that were once technology leaders, and Joel Naoum mentions that IT graduates rarely go on to work in the book publishing industry because pay and conditions are worse than in the IT sector. Most recently, cuts to arts funding which have flowed on to the Australia Council for the Arts are likely to have an impact on innovation and experimentation by small, literary publishers.

Education publishers refer to the politicisation of education funding as a potential constraint but also as an opportunity for educational publishers to enter new markets (the politicisation is perhaps inevitable but the way funding is allocated for the best educational outcomes is highly relevant to publishers' strategies). Piracy and low sell-through rates of textbooks are a strong concern, and the impact of provisions in the Higher Education Services Act (HESA) is also raised by several publishers. Educational publishers in particular also raise the cost of simultaneously investing in the development of print and digital products.

The constraints listed above will be tested in a general survey of traditional book publishers, discussed next.

TESTING THE FINDINGS IN A SURVEY OF PUBLISHERS

The findings in this report are not generalisable. Therefore, the case studies have been used to develop a survey questionnaire for Australian book publishers in order to identify: (1) how widespread are key innovations identified in this report; (2) industry-wide assessments of the main barriers to innovation, and (3) how Australian publishers consider that they are faring in the context of global changes. The survey findings are due for release in mid 2016.

Meanwhile, the findings in this report indicate there is a broad range of innovation underway in the Australian book industry, but there is no single panacea in the new environment which solves the challenges of identifying and acquiring manuscripts that fit the strategies of individual publishers, taking manuscripts through to final draft stage and publication, and selling sufficient numbers of books to readers in profitable – or at least cost-neutral – ways.

The diverse experiences of Australian publishers in this report reflect their commercial and not-for-profit positions in the industry, the range of commercial, educational and cultural imperatives which motivate their publishing programs and the variety of business and financial models in operation. The case studies reinforce the investigation of the book industry through the lens of cultural economics, which examines commercial imperatives but which also identifies non-financial forms of value

(cultural value) generated for a society over the long term. A key finding is that diverse retail outlets serve a diverse range of Australian books. This in turn enables a wide range of publishers to pursue strategies for innovation.

Simon Groth, if:book, dislikes the term innovation because:

There is no idea that is new under the sun, you're always standing on the shoulders of the people who have come before. So innovation for me is not a lone genius coming out with the light bulb moment. It is a series of very small iterative steps that happen gradually over time that you can only appreciate in hindsight.

This position is supported by Eileen Gardiner and Ronald Musto, book historians who argue that:

...change in book culture has come about not by solitary, exemplary projects, but through accumulated critical mass (Gardiner and Musto 2013, 277).

Based on this premise, the challenge for the Australian publishing industry is to ensure that publishers' strategies outlined in in this report are not confined to leaders and innovators but that the industry more broadly is able to participate in the opportunities arising from disruptive change, and to strengthen the basis from which they can respond to global challenges.

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<http://goto.mq.edu.au/book-industry>

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APPENDIX: OVERVIEW OF GENERAL STAGES IN PUBLISHING A TRADE AND EDUCATION BOOK OR LEARNING RESOURCE

Note that these are generalisations and the stages, the order and the nature of their execution vary between publishers and individual projects.

Trade publishing	Education publishing
<p><i>Writing a manuscript</i></p> <p>Some established authors write manuscripts with a prior agreement or commission for publication in place with a publisher, however other authors write manuscripts without a publishing agreement in place. This is the highest-risk stage of the process for authors because it will take months or years to develop a polished draft. Writing time must be balanced with administration, promotion, interaction with readers, other paid work and family life. Many authors supplement their income from writing with other paid work to support themselves.</p> <p>Authors may show drafts to trusted colleagues and eventually to their agent. Some authors post excerpts from a manuscript online or invite input from readers in other ways.</p> <p>The author may be Australian or the title may be imported.</p>	
<p><i>Submission to a publisher</i></p> <p>Large publishers traditionally only accepted unsolicited manuscripts via a literary agent, however in recent years there has been a trend to scheduling regular open days for manuscript submissions, or running a competition for manuscripts in a particular genre. Different types of publishers have different submission policies (these are usually set out on their websites).</p>	
<p><i>Evaluating the market</i></p> <p>The publisher reviews a manuscript (from an agent or submitted directly) <i>or</i> investigates an opportunity (e.g. a gap in the market, building on past successes, or considers a new project raised through other avenues).</p> <p>There is discussion internally in the publishing company about who the readership is for this manuscript.</p> <p>Nielsen BookScan data is likely to play a role in deliberations for large publishers plus general knowledge of the market and their own sales data.</p> <p>Estimates of sales numbers are made, but sales figures are not the only factor: excitement about a manuscript and a desire to make a mark with a particular project may also be factors.</p>	<p><i>Evaluating the market</i></p> <p>The publisher considers where the project fits in school or higher education curricula, the size of the education market for the product across states and Territories (which each have different curricula for many primary and secondary school subjects); whether educational products by other publishers dominate this segment; whether there is potential to make a product offering that is competitive.</p>

Trade publishing

Determining business models & pricing

The publisher calculates how many copies must be sold to break even. For a volume of poetry this may be as low as 250-500 copies. For a work of literary fiction it may be 2,000-4,000 copies. For a genre fiction title it may be similar or higher. A hoped-for bestseller is likely to be 10,000 copies + up to 100,000+.

The price point will be affected by whether the book has high production values and whether retail channels including Discount Department Stores (DDSs) are forecast to account for a large proportion of titles (DDSs stock books with lower price points overall).

The publisher will also consider whether the book ties in with peak periods for book sales, e.g. Christmas, Mother's Day, Father's Day etc.

Commissioning books & exchange of contracts (including rights sales)

The publisher decides whether to negotiate for Australian/New Zealand sales rights, world rights or for ANZ and other specific territories (e.g. UK, US, other). International interest in the manuscript at this stage may lead to increased plans for promotional support in Australia.

Editing, design & layout (including obtaining copyright permissions)

Editing may include structural editing (major, complex editing to develop the manuscript) and copy editing (which does not change the content but improves the final text). The editor may be in-house or contracted by the publisher.

Education publishing

Determining business models & pricing

The education product may be imported from the head office of a multinational education publisher, it may be imported and customised to Australian standards and expectations, or it may be developed entirely in Australia.

Based on their knowledge of the size of the potential market and current prices, and an estimate of the potential market share, the publisher considers break even sales numbers and price points.

The publisher may consider alternatives to traditional pricing models of RRP=book+digital learning resources. For example, a yearly subscription model may be considered. The subscription may be for a publisher's product or to LearningField, which allows schools to access resources from a number of education publishers. The cost of technological platforms and technology development is likely to be a factor in the pricing.

Assembling an overview of the relevant curriculum content

The publisher will assemble an overview of the relevant curriculum content using in-house or contract curriculum subject matter expertise.

Defining the desired learning objectives

Next, the publisher defines the desired learning objectives. The development of the education resource from this point onwards relates to the achievement of the learning objectives.

Designing the best way of achieving the learning objectives

A team of people brainstorms the best way of achieving the learning objectives. This could be via a print book or a combination of print, digital, activities, case studies, games, assessments, etc. or an online environment.

Commissioning books/learning materials & rights sales

Education publishers often negotiate for world rights for commissioned material.

Writing the learning materials

The writing generally occurs later at a later stage in education publishing. It may also include writing narratives for educational games and quizzes, case studies, learning activities and assessments.

Editing, design, layout, programming (including obtaining copyright permissions)

A team of people is likely to be responsible to assembling the content, editing, layout, IT program and obtaining copyright permissions for the use of photographs, text excerpts, video footage and other materials.

Trade publishing

If there are copyright permissions required for photos, quotations etc., these are sought. This may be an intensive process for anthologies, scholarly works, and reference books.

A graphic designer may be commissioned to design the cover and the look and feel of the page layout. This work is increasingly contracted out.

Book design and layout may be saved to a final file format that can be published as a print copy or ebook.

Printing/epublication

Printing may be done in Australia or overseas. Publishers are increasingly taking into account 'book miles' incurred by transporting print copies with an aim to reduce book miles in order to be environmentally responsible.

Epublication may occur across a number of platforms or on a specific proprietary platform.

Cataloguing

Many print books, especially those published by traditional publishers, are assigned an ISBN (International Standard Book Number). However, increasingly books are published without an ISBN, especially if they are published directly to an Amazon platform or other platforms with their own cataloguing system.

Other cataloguing includes the APA's Title Page system (<https://www.titlepage.com/>) indicating price & availability for booksellers, suppliers and libraries. There are also catalogues of books available for purchase by school and public libraries.

Metadata search terms may also be coded.

Warehousing & distribution

Publishers may have an internally operated warehousing and distribution function or they may subcontract this. The industry has aimed to achieve major efficiencies through improved logistical management.

Release & promotion

Promotion is one of the areas of significant change in trade publishing. Planning the promotion strategies for a 'hoped-for bestseller' will commence over 12 months prior to a book's release.

Social media, in-store displays and support from bookselling staff in bricks and mortar bookstores, and prominence on retail online websites and platforms are increasingly important. Book launches are generally less important for sales of books, except for poetry. Author introductions to booksellers prior to a book's release are an important part of some promotional strategies, likewise a local or specialist bookstore may play an important role in promoting the work of a local author or specialist titles.

Education publishing

There may be an audio-visual production component: recording interviews for case studies or creating animations, for example.

Graphic designers may be commissioned to design the cover and the look and feel of the page layout.

Book design and layout may be saved to a final file format that can be published as a print copy or ebook.

Piloting the education materials with teachers & students & making refinements

Education products are usually tested prior to their release and refined.

Printing/epublication

This step in the process is the same for trade and education publishing.

However, if the retail model involves a subscription by schools or students, the publisher must also oversee a subscription mechanism that is compatible with the platforms of customers and organise for technical support to be in place after the product is released.

Cataloguing

Print books are usually assigned an ISBN and are catalogued on TitlePage, plus listed in library and school catalogues.

Metadata search terms may also be coded.

Education publishers must also be able to catalogue how their products fit with complex education curriculum (this planning is carried out at the beginning of the development process).

Warehousing & distribution

This step is the same for trade and education publishing, although distribution may occur through a subscription platform.

Release & promotion

Promotion strategies vary according to whether the education resource is for primary, secondary or higher education.

Promotion for primary school materials is aimed at schools and teachers, because schools' purchases are not usually by the end user (students) but rather they are selected by a teacher and purchased by a school.

Promotion for secondary school materials is also aimed at secondary school teachers who choose the texts. The purchasing models vary: some schools require that students' families purchase the textbooks, some schools purchase a class set of textbooks and charge an annual hiring fee to students' families for their use, and some schools

Trade publishing

Authors are increasingly expected to play a prominent role in promoting their books, especially after the initial launch phase. Most authors have their own websites and interact directly with readers.

Another major change is that publishers are interacting directly with readers (rather than via booksellers) and running promotional campaigns and competitions aimed directly at readers.

Other changes include a decline in the opportunities for book reviews in mainstream media outlets, especially newspapers. There has also been an increase in the influence of online book review websites and blogs: some of these are by everyday readers and others position themselves as professional reviews.

Younger readers follow book reviews on YouTube channels. Publishers now provide review copies of YA books to bloggers and YouTube reviewers.

Retail

Large publishers have sales representatives which visit bookstores and elicit orders. The sales representatives may use online and social media materials in their presentations to booksellers.

Independent bookstores play an important role in the retail sale of literary books. DDSs are more likely to carry larger-selling titles at lower price points.

Online retailers such as Booktopia and Amazon are an important retail outlet although the proportion of sales is not known (the data are not available).

Education publishing

purchase a class set and share them for use between students across a number of classes without a charge to the students' family (while restricting access to the textbooks).

Promotion for higher education materials is aimed at lecturers, who choose texts and associated online learning resources which students are encouraged to purchase. Some education publishers are offering ebook and online-only deals or sales of individual chapters in digital form directly to students. This is in part a strategy to combat piracy, which is a particular problem in higher education publishing.

Retail

Retailing is conducted directly with primary and secondary schools, and often through campus-based bookstores such as the Coop for higher education and vocational materials.

Customer support

Technical support is provided to education clients. Sometimes training sessions and seminars are also offered by education publishers.

Evaluation

An increasing trend in education publishing is to commission or oversee evaluation of the learning effectiveness of education resources. This is perceived to be an increasingly important attribute.

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