

From:

Shanks, David

To:

Ducksworth, Marilyn J; Sinclair, Rebecca; Makinson, John

Sent:

1/31/2010 6:51:56 PM

Subject:

Re: Motoko already called--Re: Macmillan CEO, re Amazon, to authors-agents

Agree

From: Ducksworth, Marilyn J

To: Shanks, David; Sinclair, Rebecca; Makinson, John

Sent: Sun Jan 31 17:50:09 2010

Subject: Re: Motoko already called--Re: Macmillan CEO, re Amazon, to authors-agents

I agree that we should not comment today. Motoko will want to get on the phone with one of you and she will try to force some sort of comment. I think we let her run her story without us tomorrow and see how the whole thing gets reported. (We just did her a favor by giving her so much time on Wednesday.) It will give us time to see what the responses are from around the industry and we can position ourselves accordingly. Does that sound ok? Worst case she will say we were unreachable. I am free to discuss our strategy at 9 AM or whenever it is convenient for everyone tomorrow.— M.

Marilyn Ducksworth Senior Vice President, Publicity

Phone: 212-366-2564

Email: marilyn.ducksworth@us.penguingroup.com

From: Shanks, David

To: Ducksworth, Marilyn J; Sinclair, Rebecca; Makinson, John

Sent: Sun Jan 31 17:39:04 2010

Subject: Re: Motoko already called--Re: Macmillan CEO, re Amazon, to authors-agents

I think we should pass on commenting today. There is no question in my mind that we will not cave in to the bullying but at this point we don't want to say it publicly. Amazon cannot sustain their model with just Random House and a bunch of small publishers and by selling used books. This Amazon move makes it even more odious that Random House sat this out. If we were all in Amazon could not have tried to pick us off. Let's all talk first think tomorrow. I am available from 9 to 11 NY time every day.

From: Ducksworth, Marilyn J

To: Sinclair, Rebecca; Shanks, David; Makinson, John

Sent: Sun Jan 31 17:33:07 2010

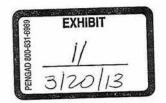
Subject: Motoko already called-Re: Macmillan CEO, re Amazon, to authors-agents

All the major press will be calling tomorrow for our reaction. Motoko left me a message earlier today which I just picked up, saying that she is following up with news out of Amazon withholding buy buttons for new editions of both paper and kindle versions of Macmillan titles and are trying to figure out if other publishers will be moving to the agency model with Amazon. She is asking if John or David want to comment.

Since she wasn't able to reach me she will say we were unavailable for comment. Should we leave it at that for now? Since it is the weekend we can dodge the bullet. Come tomorrow though we could potentially have lots of media calling, especially the publishing reporters John spoke with originally. I don't know how things went with Eddy from Apple on Friday but I am assuming we still can't confirm issues around pricing and models. Please advise if you want me give anything to Motoko. In this case we have probably already missed her deadline if she is writing for tomorrow which in this case may not be a bad thing. Let me know your thoughts. Thanks-- Marilyn

Marilyn Ducksworth Senior Vice President, Publicity

Phone: 212-366-2564



Email: marilyn.ducksworth@us.penguingroup.com

From: Sinclair, Rebecca

To: Shanks, David; Makinson, John Cc: Ducksworth, Marilyn J Sent: Sun Jan 31 08:35:31 2010

Subject: RE: Macmillan CEO, re Amazon, to authors-agents

I've just spoken to John. He's going to try and speak with Susan and then take it from there. Marilyn and I can work something up based on what the three of you think we need.

Becca

From: Shanks, David Sent: Sun 31/01/2010 11:43 To: Sinclair, Rebecca; Makinson, John

Cc: Ducksworth, Marilyn J

Subject: Re: Macmillan CEO, re Amazon, to authors-agents

Might not be a bad idea. They will be getting calls after this.

From: Sinclair, Rebecca

To: Makinson, John; Shanks, David Cc: Ducksworth, Marilyn J Sent: Sun Jan 31 06:25:40 2010

Subject: FW: Macmillan CEO, re Amazon, to authors-agents

Should we be preparing a Q&A for our publishers?

From: Goldsmith, Charles Sent: Sun 31/01/2010 07:34

To: Makinson, John; Williams, Coram; Shore, Genevieve; Sinclair, Rebecca

Cc: Swanson, Luke; Mays-Smith, Simon

Subject: Macmillan CEO, re Amazon, to authors-agents

In case you missed this, letter last night from Macmillan CEO to authors and agents:

http://www.ereads.com/excerpts/2010/01/macmillans-john-sargent-addresses.html

## Excerpt:

"In the ink-on-paper world we sell books to retailers far and wide on a business model that provides a level playing field, and allows all retailers the possibility of selling books profitably. Looking to the future and to a growing digital business, we need to establish the same sort of business model, one that encourages new devices and new stores. One that encourages healthy competition. One that is stable and rational. It also needs to insure that intellectual property can be widely available digitally at a price that is both fair to the consumer and allows those who create it and publish it to be fairly compensated."