From: To: CC: Sent: Subject: Fritz Foy Theresa Horner Liz Scheier 4/13/2010 3:07:09 PM Re: After the revolution

Thanks Theresa- exactly the opposite I hope – we think that our best opportunities lie within the existing brick and mortar relationships – we just have a real issue with free.

On 4/13/10 10:04 AM, "Theresa Horner" < thorner@book.com > wrote:

Oh man. I got totally confused. I thought we were talking about a call at 11:15 on Friday! I even put it in my calendar.

I understand your perspective below though I am concerned that in the future you will continue to hamper our creativity just BECAUSE we have a brick and mortar footprint.

Giving a single title away free, for a limited period of time, in a very defined manner, for the sole purpose of promoting an author's new title and entire backlist does not signal the customer that ebooks are of lesser value. It's a signal that we have new opportunities to market to customers a given author's oeuvre whereas before the economics of giving away a print book was prohibitive.

This promotion is designed to market an author's BOOKS for the purposes of purchasing them in either digital or physical. As a means to introduce the customer to an author, we want to give one backlist title away for one week if a customer comes into the store, shows a digital version of the BN reader/nook. The real result is likely to be that most customers coming in won't have a digital thing to show but they will see the author's books prominently displayed in the store.

It seems to me in this instance you are foregoing an opportunity for an author to be promoted in all our physical stores.

Nonetheless, thank you for considering our pitch.

Τ.

From: Fritz Foy [mailto:fritz.foy@macmillan.com] Sent: Tuesday, April 13, 2010 12:40 PM To: Theresa Horner Cc: Liz Scheier Subject: Re: After the revolution

Theresa,

Sorry we missed each other.

The bottom line is that philosophically we don't think this type of promotion fits our long term goals:

We worked hard to push the price of our new Ebooks up just a few dollars – and this would immediately signal not an increase in value – but a decrease in value

Inevitably it will lead to more and more free Ebook promotions – that although we were solidly behind in the past now feel are damaging

We would be uncomfortable having our first post agency promotion be one that so favored the bricks and mortar aspect We want to promote all formats together – not use ebooks as a free carrot for physical books

Look forward to your future programs - this one just doesn't fit for us





MCMLN-LIT-00080572

Confidential

Fritz

On 4/13/10 8:29 AM, "Theresa Horner" <<u>thorner@book.com</u>> wrote: Deal.

From: Fritz Foy [mailto:fritz.foy@macmillan.com] Sent: Tuesday, April 13, 2010 10:09 AM To: Theresa Horner Cc: Liz Scheier Subject: Re: After the revolution

11:15 EST???

On 4/13/10 5:22 AM, "Theresa Horner" <<u>thorner@book.com</u>> wrote: Sure, what time are you thinking?

I am leaving for the airport around 3pm so sooner than that would be better. Can you do noon-ish ET?

From: Fritz Foy [mailto:fritz.foy@macmillan.com] Sent: Monday, April 12, 2010 6:03 PM To: Theresa Horner Subject: After the revolution

Hi Theresa,

Would you have 15 minutes tomorrow to talk through your proposal from Friday?

And just a reminder - we want to get you all of the epub files so that your collection is matched with everyone else's - can you send me a current list of ISBN's where you have files?

Best

F

This electronic mail message contains information that (a) is or may be CONFIDENTIAL, PROPRIETARY IN NATURE, OR OTHERWISE PROTECTED

BY LAW FROM DISCLOSURE, and (b) is intended only for the use of the addressee(s) named herein. If you are not an intended recipient, please contact the sender immediately and take the steps necessary to delete the message completely from your computer system.

Not Intended as a Substitute for a Writing: Notwithstanding the Uniform Electronic Transaction Act or any other law of similar effect, absent an express statement to the contrary, this e-mail message, its contents, and any attachments hereto are not intended

to represent an offer or acceptance to enter into a contract and

are not otherwise intended to bind this sender, barnesandnoble.com

llc, barnesandnoble.com inc. or any other person or entity.

This electronic mail message contains information that (a) is or may be CONFIDENTIAL, PROPRIETARY IN NATURE, OR OTHERWISE PROTECTED

BY LAW FROM DISCLOSURE, and (b) is intended only for the use of the addressee(s) named herein. If you are not an intended recipient, please contact the sender immediately and take the steps necessary to delete the message completely from your computer system.

Not Intended as a Substitute for a Writing: Notwithstanding the Uniform Electronic Transaction Act or any other law of similar effect, absent an express statement to the contrary, this e-mail message, its contents, and any attachments hereto are not intended

to represent an offer or acceptance to enter into a contract and are not otherwise intended to bind this sender,

barnesandnoble.com

llc, barnesandnoble.com inc. or any other person or entity.

This electronic mail message contains information that (a) is or may be CONFIDENTIAL, PROPRIETARY IN NATURE, OR OTHERWISE PROTECTED

BY LAW FROM DISCLOSURE, and (b) is intended only for the use of the

addressee(s) named herein. If you are not an intended recipient, please contact the sender immediately and take the steps necessary

to delete the message completely from your computer system.

Not Intended as a Substitute for a Writing: Notwithstanding the Uniform Electronic Transaction Act or any other law of similar effect, absent an express statement to the contrary, this e-mail message, its contents, and any attachments hereto are not intended

to represent an offer or acceptance to enter into a contract and are not otherwise intended to bind this sender,

barnesandnoble.com

llc, barnesandnoble.com inc. or any other person or entity.