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Dear All

Just a quick note to add some clarity to the media noise and speculation re Apple, more to follow.

Penguin USA (PGI) have today agreed a deal, in principle, to supply eBooks to Apple for sale on the iTunes store. This deal reinvents the reseller model for trade publishing and allows Penguin to take control of consumer pricing for eBooks. Paperwork will be exchanged in the next few days. This model will now be rolled out to all Penguin eBook customers in the USA from 1st April 2010.

Apple will announce the launch of both their new device and the iTunes bookstore at their well publicised event 27th January. The device and the bookstore will launch 31st March in the USA. An International roll out is planned but not timetabled and will not be discussed next week.

Apple tell us that three other trade publishers will also be announced at the launch and they are highly focused on covering "New York Times bestsellers" for launch.

All "stand alone" eBooks (narrative ePub) will be taken out of the appstore for the March launch. Complex, interactive or high functioning media apps will not, but of course they will run on any Apple device. Over time they will work to integrate all "book apps" on the iTunes store. Bookstore apps - Kindle, Kobo, Scroll Motion etc will stay in the app store.

They will be ready in February to discuss education, news and key categories such as travel, cookery and children's publishing in which they see huge potential.

John and David will work with the communications teams to put in place a plan for pre and post launch. As you can imagine this will not be without its challenges both internally (pricing, marketing, development and the supply chain) and externally with customers, authors and agents.

We have an NDA in place and obviously we do not want to be the quoted source in the WSJ (unlike Harper Collins!) so the comms team will be in touch with more detail and timings.

I will also forward this note to John Isley and John Ridding with whom I have been in discussion.

