A New World: Scheduling E-Books

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Dan Brown’s fans have waited six long years for “The Lost Symbol,” his follow-up to the megablockbuster novel “The Da Vinci Code” that is being published in hardcover on Sept. 15. Will those who want to read it in e-book form wait a little longer?

It is a question that Mr. Brown’s publisher, the Knopf Doubleday Publishing Group, is weighing as it plans the rollout of what it hopes will be a book-selling sensation. The publisher has announced a first hardcover run of five million copies, but Suzanne Herz, a spokeswoman for Knopf Doubleday, said the publisher had not decided when to release an electronic version.

Other publishers are mulling release dates for fall titles. Twelve, an imprint of Grand Central Publishing, said it had not set a date for the e-book edition of “True Compass,” the memoir by Senator Edward M. Kennedy that is being released in hardcover on Oct. 6. Twelve has announced a first print run of 1.5 million copies.

No topic is more hotly debated in book circles at the moment than the timing, pricing and ultimate impact of e-books on the financial health of publishers and retailers. Publishers are grappling with e-book release dates partly because they are trying to understand how digital editions affect demand for hardcover books. A hardcover typically sells for anywhere from $25 to $35, while the most common price for an e-book has quickly become $9.99.

Amazon.com, which sells electronic editions for its Kindle device, has effectively made $9.99 the de facto price for most best sellers, a price that publishers believe will reduce their profit margins over time. Barnes & Noble, through its Fictionwise arm, also sells best sellers in e-book form, for $9.95.

Ms. Herz said that Doubleday was primarily worried about the security of Mr. Brown’s book, which is being kept under a strict embargo until the Sept. 15 publication date. But she acknowledged that the e-book’s possible effect on hardcover sales was also an issue, among others.
Similarly, Stephen King, whose novel “Under the Dome” is being published in November by Scriber, an imprint of Simon & Schuster, said in an e-mail message that “we're all thinking and talking about electronic publishing and how to deal with these issues,” adding, “but I can't say anything right now.”

Until now John Grisham has not allowed any of his books to be released in electronic book form. But according to his agent, David Gernert, Mr. Grisham has not resolved how his publisher, Doubleday, should release a digital version of “Ford County,” a short story collection set for hardcover release on Nov. 3.

Stuart Applebaum, a spokesman for Random House, the world's largest publisher of consumer books and the parent company of Knopf Doubleday, said that the company's standard approach was to release e-books on the same day that a hardcover is published.

But, he said, “we do have discussions periodically about either delaying or accelerating the e-book edition” on a book-by-book basis. Imprints of Random House, in fact, have committed to releasing digital versions on the same day as the hardcovers for upcoming titles from John Irving, E. L. Doctorow and Jon Krakauer.

Many publishers did not want to talk publicly about internal discussions concerning whether to delay the release of e-books specifically on releases by best-selling authors who typically sell hundreds of thousands, if not millions, of copies in hardcover.

This fall is a particularly ripe testing ground for such discussions because many top-selling authors are publishing books. Mr. King, Michael Lewis, Michael Chabon, Barbara Kingsolver and Pat Conroy all have books scheduled.

At least one publisher has made a decision to withhold an e-book edition of a forthcoming book to preserve demand for a hardcover edition. Sourcebooks, an independent publisher, is releasing “Bran Hambric: The Farfield Curse,” a novel aimed at children, in September in hardcover. It will hold back the e-book until six months later.

Dominique Raccah, chief executive of Sourcebooks, said she wanted to prevent the cannibalization of hardcover sales. “If you as a consumer can look at a book and say: ‘I have two products; one is $27.95, and the other is $9.95. Which should I buy?’ ” Ms. Raccah said, “that’s not a difficult decision.”

Ms. Raccah said that because retailers like Amazon have set the standard consumer price for e-books, the publisher could only control when a book would be released in other formats. Delaying the release of an e-book, she said, was like publishing a cheaper paperback edition months after a hardcover edition.

After The Wall Street Journal reported that Sourcebooks was delaying the e-book release of “Bran Hambric,” many bloggers criticized the publisher.

Mike Shatzkin, founder and chief executive of the Idea Logical Company, a consultant to publishers on digital issues, said he did not believe e-book buyers cannibalize hardcover sales. “People who read e-books don’t buy physical books, and people who buy physical books don’t buy e-books,” he said. E-books still represent only 1 percent to 2 percent of book sales.

For now, Amazon is taking a loss on each e-book it sells because it generally pays publishers half of the hardcover list price on new releases. So publishers who delay releasing e-books run the risk of losing sales, for which they are now getting higher margins than they are on print books.

An Amazon spokesman, Andrew Herdener, said that Kindle customers “expect new releases to be available on Kindle, and we'll continue to work hard to meet those expectations.”

Evan Schnittman, the vice president of business development at Oxford University Press, said that the idea of concurrent editions with different prices was unsettling to publishers.

But, he said: “I don’t think you want to withhold content from the public. I’m pretty sure when a customer decides to buy a Kindle, they are making a decision to start becoming an e-book consumer.”