



ASSOCIATION OF AMERICAN PUBLISHERS, INC.



TO: Association of American Publishers/Book Industry Study Group Members

**FROM: Tom Allen, CEO AAP
Scott Lubeck, Executive Director, BISG**

RE: DEVELOPMENT OF NEW BOOK INDUSTRY DATA MODEL

DATE: Tuesday, January 18, 2011

Dear Book Industry Colleagues,

The AAP and BISG are embarking on an ambitious undertaking, developing a new joint industry statistics model to better track transformational shifts in how book content is produced and sold in the age of digital. We're pleased today to share with you our most recent developments, plans and goals for our new book industry data model in the New Year.

Since our May 2010 joint venture announcement, AAP and BISG interviewed over 40 industry stakeholders including large and independent publishers, distributors, wholesalers, retailers, allied data providers, associations and press, complemented by a comprehensive review of survey responses from over 400 industry participants, all in an effort to pressure test a new proposed industry statistics data product.

Our efforts to improve the accuracy and quality of data collection rest primarily on the commitment and engagement of the entire industry. Book publishers' data submissions are critical to the success of the final product. We hope we can count on your participation leading into the New Year. We have a target rollout date of May 2011.

The new data product, to be released annually in its first phase, will provide a comprehensive view of book publishing sales aggregated by revenue, units, categories, formats and distribution channels. For a review of the first cut of the data model please visit

http://www.publishers.org/main/IndustryStats/indStats_01.htm

OR

www.bisg.org/docs/bookstats_data_model.pdf.

The industry's response to the new joint venture has been overwhelmingly positive, due to the critical need for accurate industry data to assess changes in the marketplace. We expect the rate of publisher participation to increase exponentially, with data being provided by all vertical markets (trade, academic, professional). Moreover we are actively seeking the full engagement of large, mid-sized, small, and niche publishers. When final, the new data set will be delivered in print as well as by means of a data warehouse that will provide sophisticated tools for more detailed data access and customized analysis.

Finally, we are developing a new algorithm to estimate the size of the industry, which will complement actual reports from participants. This new methodology will incorporate data from non-publishing partners including other industry data collection services, associations, retailers, distributors and wholesalers.

We're pleased to announce that the joint venture has retained the services of Bowker as the data collection provider for the new joint venture led by industry statistics veteran Kelly Gallagher, Vice President, Publisher Services. Kelly will be working closely with the BookStats Steering committee comprised of Kenneth Michaels, Chief Operating Officer, Hachette Book Group; Dominique Raccah, CEO, Sourcebooks; Joe Gonnella, Vice President, Adult Trade Merchandising, Barnes & Noble, Inc; Scott Lubeck, Executive Director, Book Industry Study Group, and Tina Jordan, Vice President, Association of American Publishers. Kelly will also be assisted by longstanding AAP statistics provider Management Practice, Inc. for additional support.

We encourage you to contact the AAP's Tina Jordan, BISG's Scott Lubeck or Bowker's Kelly Gallagher to participate in the data submission process. Tina can be reached at (212) 255-0275 or via email at tjordan@publishers.org. Scott can be reached at (646) 336-7141 or via email at scott@bisg.org; and Kelly can be reached at Kelly.gallagher@bowker.com or 908/219-0063.

Thank you for your ongoing engagement in this critical industry initiative.

With kind regards,

Tom Allen
President & CEO
Association of American Publishers

Scott Lubeck
Executive Director
Book Industry Study Group