

Book Publishers Take Leaps Into Digital

By ERIC PFANNER

Published: November 9, 2008

PARIS — Long after other media joined the digital revolution, book publishers clung to the reassuringly low-tech tools of printing press, paper and ink.

But now the world of books is starting to go digital, too.



European libraries have joined to produce Europeana, an online database of two million books and other cultural items.

Last week, American authors and publishers reached an agreement with Google to settle lawsuits over Google's Book Search program, which scans millions of books and makes their contents available on the Internet. The deal lets Google sell electronic versions of copyrighted works that have gone out of print.

“Almost overnight, not only has the largest publishing deal been struck, but the largest bookshop in the world has been built, even if it is not quite open for business yet,” wrote Neill Denny, editor of *The Bookseller*, a trade publication based in London, on his blog.

The settlement remains subject to court approval, and the bookshop would operate only in the United States for now. But the agreement is only one of many initiatives under which books are making what may be the biggest technological leap since Gutenberg invented moveable type.

This month, a group of European national libraries and archives plans to open Europeana, an online database of two million books and other cultural and historical items, including films, paintings, newspapers and sound recordings. Letters from Mozart to his friends, from the Austrian National Library in Vienna are there, along with early printings of his work, from the Bibliothèque Nationale de France.

Meanwhile, publishers are moving ahead with a flurry of digital initiatives, sometimes in a race against Internet start-ups.

“The book business model is under siege, just as the music industry earlier came under siege,” said Eileen Gittins, chief executive of Blurb, a Silicon Valley company that helps people publish their own books, using the Internet. “The book publishing business has had a front-row seat to see what happened to the music industry.”

Until recently, while the music business was decimated by digital piracy, book sales rose, aided by the ability to browse and buy from online stores like Amazon.

But in the first nine months of this year, book sales in the United States fell 1.5 percent, according to the Association of American Publishers.

Among the few bright spots were sales of so-called e-books, read on devices like Amazon's Kindle, on personal computers or on mobile phones. Wholesale sales of e-books were up 55 percent from a year earlier.

Questions remain over the best way to deliver digital books. In the United States, a surge in sales followed the introduction of the Kindle last year and upgrades in rival devices like the Sony Reader, which allow users to download books wirelessly or from an Internet-connected computer.

But in Europe, where such devices are only slowly becoming available, sales of e-books remain in their infancy. The price of these gadgets — the Kindle, for example, costs \$359 — may put off readers.

In Japan, the mobile phone has been the most popular way to read e-books, according to the Digital Content Association of Japan. Sales of digital versions of manga comic books are leading the way. Penguin said it also had high hopes for selling e-books to mobile phone users in India.

About half a million people in more than 50 countries have downloaded Stanza, an application that lets them read e-books on the iPhone, said Michael Smith, executive director of the International Digital Publishing Forum in Toronto.

“The adoption is happening,” he said. “It’s not theory. It’s happening.”

A survey published in conjunction with the Frankfurt Book Fair last month showed that 40 percent of book publishing professionals thought digital sales would surpass sales of paper-and-ink books by 2018.

Now, though, revenue from e-books and other digital sources remains tiny — less than 1 percent of the worldwide sales of Penguin Group, for example, according to Genevieve Shore, digital director for Penguin in London.

But the Google deal with the Association of American Publishers and the Authors Guild could be a catalyst. Under the proposed settlement, Google would share online sales revenue with publishers and authors.

“We’re very excited about it,” Ms. Shore said. “What it means is that a very important player in our online lives, we’re not in conflict with anymore.”

Publishers are exploring other new ways to sell books in digital form. She said Penguin was considering subscription plans, where readers would pay a monthly fee for online access to best sellers. Another possibility would be free or reduced-price online versions of books, supported by advertising — an approach adopted by newspapers on the Internet.

“We will have some interesting new business models on the market in 2009,” she said.

Free electronic versions of some books have been available for years. Project Gutenberg, a volunteer archival effort, makes more than 25,000 books available for download. Feedbooks, a start-up company in Paris, is formatting many of them for use on mobile devices.

There are limits to what readers can find on Feedbooks. George Orwell’s “1984,” for example, is available; the latest best sellers are not. That is because Project Gutenberg focuses on books whose copyrights have expired.

The Google settlement largely concerned works that were still under copyright but no longer in print. Digitizing these books could allow publishers to offer readers vast numbers of additional volumes — the so-called long tail of the Internet.

A version of this article appeared in print on November 10, 2008, on page B8 of the New York edition.