

PUBLISHING REVIEW

BBN Extra



Book Branch Meets:
Tuesday 1 June
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6.30 - 8p.m.
NUJ Headland House
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Publishers in the FT Global and UK 500

BOOK PUBLISHERS COME under the heading of 'Media and Entertainment' in the press world. These companies are not in the global or UK top ten, which are filled with the likes of manufacturers, pharmaceuticals, telecommunications and banks. So much for Post-Fordism.

Within the media companies they rank by importance and degree of influence: so at the top you get broadcasting, then newspapers and magazines with books a lowly fourth.

In the FT Report companies are ranked by market capitalisation: the greater the stock market value of a company—the higher its rank. 'Market capitalisation' is the share price multiplied by the number of shares issued. All companies are included where the 'free float' (the number of shares in market circulation is at least 15%. So there are no companies with large state or family holdings, like the BBC, Lagardere and Bertelsmann.

The highest media company in the Global 500, in 46th place, is the

Rank	Company	Country	Market Value \$m	Sector
1	General Electric	US	299,336.4	Diversified industrial
2	Microsoft	US	271,910.9	Software & computer services
3	Exxon Mobile	US	263,940.3	Oil & gas
4	Pfizer	US	261,615.6	Pharmaceuticals and biotechnology
5	Citigroup	US	259,190.8	Banks
6	Wal Mart Stores	US	258,887.9	General Retailers
7	American International Group	US	183,696.1	Insurance
8	Intel	US	179,996.0	IT hardware
9	BP	UK	174,648.3	Oil and gas
10	HSBC	UK	163,573.8	Banks

Time Warner conglomerate. The next highest is Viacom at 51. Eastman Kodak was the only one to leave the Global 500. Two have entered—the US, Direct TV at number 231 and the British, WPP at 461.

In the British FT500 the newcomers are: ITV at 49, Yell Group (Yellow Pages) at 87 and Incepta at 385. Departures are Granada, Carlton Communications, Cordiant Communications and International Greetings.

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50% of households bought a book in 2003 (slightly down on 2002)

FT UK 500 Top Ten

BP
HSBC
Vodafone
GlaxoSmithKline
Royal Bank of Scotland
AstraZeneca
Shell Transport and Trading
Barclays
HBOS
Lloyds TSB

BBN Extra

Editor: Martin Spellman

07771 892 678

editor@nujbook.org

bookbranchnews@btopenworld.com

59 Courtenay Avenue, Harrow
Weald, Middlesex, HA3 6LJ

BBN Extra is the PDF bulletin of NUJ Book Branch News. It is not issued in printed form. Some of the articles, or shortened versions of them, may eventually appear in *Book Branch News* itself. It provides a means of distributing information between issues of our printed newsletter or that we do not have room for.

State of Publishing

Media and Entertainment Companies in the FT UK 500

Rank	Company	Market Capital £m
37	WPP	6,534.7
41	Reed Elsevier	6,006.0
44	Reuters	5,590.0
49	ITV	5,319.8
52	Pearson	4,946.7
78	Daily Mail & General Trust	2,782.3
87	Yell Group	2,247.8
88	Emap	2,242.8
102	EMI	1,989.2
121	United Business Media	1,631.8
122	Trinity Mirror	1,628.7
133	Johnson Press	1,443.0
159	Aegis	1,078.6
172	Taylor Nelson Sofres	887.6
237	Informa	531.8
245	Taylor & Francis	496.5
250	HIT Entertainment	479.6
253	Photo Me International	475.0
262	Capital Radio	444.2
275	St. Ives	410.8
286	Chrysalis	372.4
296	Euromoney Institutional Investor	365.7
300	GWR	360.0
307	Scottish Radio	339.8
374	Ulster Television	224.6
381	Future Network	218.5
385	Incepta	215.8
426	Bloomsbury Publishing	174.9
450	Sanctuary Group	160.7

Economic Gloom + Advertising Drought = grim outlook

Print is driven by the forces of reader demand and advertising. Book publishing is slowly growing, due in part to the baby-boomer generation who are still buying books. This is supposed to be proven by the marked increase in sales of fitness and diet related books.

J K Rowling's *Harry Potter and the*

Order of the Phoenix is one of the best-selling books of all time and provides Bloomsbury with half its revenue.

Dan Brown's *The Da Vinci Code* sold 13 million copies in 13 months, while his earlier titles only averaged 10,000 copies. Yet the biggest publishing houses are reporting 'flat to marginal' underlying revenue and profit growth.

Marjorie Scardino, Chief Executive of Pearson, reports "The business advertising climate remained grim." HeidelDruck, the German printing

press makers, says that revenues from the newspaper printing business dipped as much as 50% in the last three years due to 'difficulties in the advertising sector'. British printers have used the strength of the Pound to upgrade their equipment, which has led to spare capacity. Publishers have also tended to move big print-runs of books offshore.

Missing from the FT's Print Industry report are the people who work in it and what they are paid.

Media and Entertainment Companies in the FT Global 500

Rank	Company	Country	Market Value \$m
46	Time Warner	US	74,050.4
51	Viacom	US	66,624.0
75	Walt Disney	US	51,292.3
90	News Corp	Australia	46,987.4
158	Liberty Media	US	31,373.5
178	Vivendi Universal	France	27,786.0
195	Clear Channel Communications	US	24,832.8
197	British Sky Broadcasting	UK	24,741.5
207	Gannet	US	23,995.0
231	Direct TV	US	21,301.5
236	Thomson	Canada	20,389.3
237	Reed Elsevier	Netherlands/UK	20,344.9
281	Cox Communications	US	17,970.8
321	Tribune	US	16,415.9
347	Fuji Photo Film	Japan	15,382.2
355	Omnicom	US	14,964.4
367	McGraw Hill	US	14,511.0
420	Mediaset	Italy	12,842.1
449	Dai Nippon Printing	Japan	12,123.9
461	WPP	UK	11,841.2
480	Fox Entertainment	US	11,506.5

Publishing Ltd.; Bloomsbury.com; and, as subsidiaries, BvT Taschenbuch Verlag GmbH; A&C Black Publishers, Storage and Distribution; Christopher Helm; Reed's Almanac Ltd; Herbert Press Ltd; Alphabooks Ltd; Nautical Publishing Company Ltd; F Lewis (Publishers) Ltd and Adlard Coles Ltd.

Bantam Press, the British imprint for *The Da Vinci Code*, is part of Transworld, which is a division of Random House, which is owned by Bertelsmann.

It is not surprising to learn that nearly 90% of turnover in paper, printing and publishing in Britain is generated by just 50 companies.

From the tables for the FT's Global and UK 500 it can be seen that media groups fall into the middle-bottom range and book publishers are minor players in the media, where broadcasters are the dominant force.

The now merged Taylor & Francis and Informa should move up the table a few notches next year.

The FT carries regular articles on publishing companies, under the 'media and entertainment' heading and also in its *'Creative Business'* supplement on Tuesdays. But as book publishers are relatively small fry do not expect too much. But if your house takes the FT it is worth a scan to see if there are any developments such as the possible sale of Hodder Headline to Lagardere's, Hachette Livre book publishing arm.

Publishers

Names behind names behind names...

HIGHEST MEDIA conglomerate, at 46th place in the FT Global 500, **Time Warner** includes Warner Books; Little, Brown & Co and

imprints Abacus, Orbit and Virago. New British, Global 500 entrant **WPP** also publishes books.

In the FT's UK 500 Reed Elsevier and Reuters are best known for magazines and information. We reach 52 before we get to a recognised book publisher—Pearson—owner of Penguin/DK, Longman and publisher of the *FT* and *Les Echos*. They also own Pearson Prentice Hall, Pearson Addison-Wesley, Pearson Longman, Pearson Allyn and Bacon and Pearson Benjamin Cummings, which make them the number one higher education publisher in the USA.

Bloomsbury, publisher of Harry Potter owns 100% of A&C Black; BV Berlin Verlag GmbH; Peter Collin

PUBLISHING REVIEW

BBN Extra Publishing Review deals with developments in book publishing for the Book Branch. It is intended to cover gleanings from the publishing and business press. This issue is so large because the FT Print Industry Special Report and the FT Global 500 Report have recently been issued.

To thee, with hope and terror dumb,

The unfledged MS authors come;

Thou printest all—and sellest some—

My Murray

George Gordon, Lord Byron, to his publisher, John Murray (today the house is part of Hodder Headline Group)

Byron presented Murray with a bible with a dedication, from John 18:40 'Now Barrabas was a publisher' It actually reads: 'Now Barrabas was a robber'

Outsourcing?

Ominous item from Publishing News back in April about Delhi based, 'Q2A Solutions' opening a London office. Q2A apparently offer book design work, editorial, illustration and picture research facilities at prices 40% below the UK average. They employ 60 staff and plan to increase it to at least 300 within a year.

Several UK publishers, including HarperCollins, have apparently already used the service. If anyone knows of this or other companies offering similar services please keep the branch informed.

Penguin-BBC Tie

A new joint imprint, 75% owned by Penguin and 25% by BBC Worldwide will publish tie-ins to BBC children's programmes. The main assets are selected book rights to properties including the Teletubbies, Tweenies, Fimbles and Bob the Builder. It is expected to publish 60 to 80 titles a year.

Non-Contender

Contender Books has been wound up after failing to find a buyer. Part of the Contender Entertainment Group, it had a list of TV tie-ins, pop music books and children's titles based on 'Tractor Tom'. The rights to 'Rags to Richie', the autobiography of Shane Richie, its biggest seller, were sold to Simon & Shuster. Don't you just wish you had a penny for every picture of him that is published?

Chrysalis Books

Chrysalis Books, the publishing arm of the Chrysalis Group, is in the middle of a recovery plan we are told. The illustrated publisher, which prints in the Far East is supposed to be 'moving back into profitability' and is therefore not going to be sold, as rumour would have it.

Hodder

As part of the reorganisation of WH Smith it is expected that the Hodder Headline Group will be sold. Hatchette Livre, publishing arm of the French Lagardere group, who are owners of the Paris Match, Elle and much else, are the fancied buyer. They already own Orion, Octopus and Franklin Watts.

If you work for Hodder please email the editor at the address on page 2.

Blue Guides sold

A&C Black, publisher of the Blue Guides travel series since 1984, has sold them to Somerset Books. Somerset Books, which is based in London and Budapest, Hungary is expected to employ 10 staff in London and at its production office in Budapest. The three specialist editors are being made redundant.

Editis sold

60% of Editis, formerly known as Vivendi Universal Publishing, has been sold to the Seilliere family by Lagardere. It includes Plon, publisher of De Gaulle, and the 'Robert' dictionaries. Lagardere, which retains control of Larousse reference books, had to sell most of its stake to gain EU approval of its purchase of Vivendi's European publishing arm. Even with the sale it has now become the largest French language publisher.

CUP Eyes World

Cambridge University Press is hoping to expand in overseas markets, especially the USA, Asia and China. It has a team of 18 executive managers worldwide and a new global board of directors. Michael Holdsworth, MD of UK and European Operations, said that academic book-selling was "not experiencing the same boom as the general trade... The UK has become very difficult."

It was by peering back into the age of the manual copyist that we came to realise that what Gutenberg gave us was first and foremost the means of correcting texts in advance, and then making sure that whatever errors crept past the proofreader could be located at a given point on a given page, in any one of a thousand copies struck off the same forme of type. From that new possibility stemmed the concept of the 'edition', with all that it has meant to scholarship, to invention, and hence our daily lives. That much we have been able to see all along. But the contrast between the scribe and the press only shows us that printing is the safer (and of course the speedier) way of getting messages into many people's heads through their eyes. There remained the far more dramatic and fundamental contrast between the graphic and oral word: between the emotional impact of the human voice and the cold, silent precision of the graphic message: between the exciting evanescence of the spoken word and the special, frightening power which the written one has of keeping on saying the thing long after any knave or liar would wish it to do so.

*Beatrice Warde, Typographer
From the foreword to SH
Steinberg's 'Five Hundred
Years of Printing'*

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