Acquiring Knowledge: Bloomsbury’s Foray into the Academic and Online Markets

by

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Project submitted in partial fulfillment of the requirements for the degree of

Master of Publishing
In the
Publishing Program
Faculty of Communication, Art and Technology

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Simon Fraser University
Summer 2012

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ABSTRACT

Bloomsbury Publishing Plc has recently expanded into the academic market, acquiring six academic publishing houses since 2006 and creating their own imprint, Bloomsbury Academic. The London-based publishing house had been heavily investing in e-book publications and experimenting with an Open Access model. This report examines how Bloomsbury has successfully invested the revenue generated by the *Harry Potter* series into new academic and digital business ventures. The firm’s growth and expansion will be highlighted in the report. Further, a case study of the strategy and operations of Bloomsbury Academic will be provided. This report outlines the benefits that Bloomsbury has experienced by focusing on e-book and academic publishing and how the two work in concert.
DEDICATION

To those who made the creation of this report an amazing experience.
I would like to thank the MPUB faculty for their dedication to their students and their trade. Specifically, I would like to thank John Maxwell and Rowland Lorimer, whose encouragement and direction helped focus this report no end. I would also like to thank all those at Bloomsbury Academic who made my short time there a great experience. Specifically, I would like to thank Kate Bullas, whose guidance (and patience) helped make me feel part of the team.
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Bloomsbury Publishing Plc is one of the largest and most prestigious independent publishers in the world. The firm is renowned for publishing fiction of literary quality with market appeal. The London-based company has produced award winning and bestselling titles such as the *Harry Potter* series, *Middlesex* and *The Kite Runner*. Over the past few years, Bloomsbury has diversified its operations by investing in the academic and online markets. The firm has largely achieved this by acquiring academic publishing houses and digitizing its backlist and front list titles. Bloomsbury’s recent trend towards global digital publishing in the academics has seen it acquire six academic publishers over five years, the crown jewel being their £20 million purchase of the American publisher, Continuum. In an economy where many publishers are looking to cut costs, Bloomsbury is expanding its operations. Thanks to the *Harry Potter* series, Bloomsbury has accrued over £50 million in which to invest in new publishing ventures. Through acquisitions, Bloomsbury is capitalizing on academic publishing.

Reference and professional publishing has been a growing proportion of Bloomsbury’s revenue. Business ventures such as Berg, A&C Black and Qatar have diversified Bloomsbury’s business into new sectors of publishing. While the specialist publishing division—comprised of academic, reference and professional publishing—is a tertiary source of revenue for the company (trailing both the adult and children’s division) it is an established source of income.

It is not only Bloomsbury’s recent acquisitions that set it apart from its peers. Nigel Newton, co-founder and head of Bloomsbury, believes that e-books are the future of publishing and has directed the company in recent years with that in mind. Its new imprint, Bloomsbury Academic, operates through an Open Access model and publishes digital texts in synchrony with the physical book. Other initiatives, such as Bloomsbury Reader (which publishes out-of-print titles), its recent deal with Google eBooks, J.K. Rowling’s newest project, *Pottermore*, and the restructuring of the company into One Global Bloomsbury, all reflect projects directed towards
the digitization and proliferation of Bloomsbury titles.

The purpose of this report is to outline how a publishing house can successfully grow its business by diversifying into new sectors of publishing. Bloomsbury’s scenario is quite atypical because its ventures would have been logistically hindered—if not impossible—were it not for cash generated by the *Harry Potter* phenomenon. Nonetheless, it would be a mistake to solely attribute Bloomsbury’s growth to one series of books. This report will show how through wise investments, diversification, keeping abreast of technological trends and of course, some risk-taking and ingenuity, a company can utilize funds to create new and reliable sources of revenue.

The first part of this report will provide a sweeping analysis of Bloomsbury’s business operations, spanning from the mid-1990’s to the present. Any report on Bloomsbury’s business strategy must include J.K. Rowling’s *Harry Potter* series. The highest grossing book series of all time, *Harry Potter* has largely come to define Bloomsbury. For the purpose of this report, the *Harry Potter* series will be analyzed within the framework of its effect on the firm’s revenue and how it has enabled Bloomsbury to grow its business operations. Bloomsbury initially tried to expand its business by using its impressive cash reserves to outbid its competitors for the publishing rights for new trade titles. This initial venture was successful in many respects; however, many investments did not create a profit. It is important to report on their trade publishing as it highlights the contrast between different methods of revenue growth.

Bloomsbury’s foray into academic publishing is growing exponentially, with the publisher buying up numerous academic houses over the past few years. These acquisitions illustrate a dynamic change in how Bloomsbury is willing to do business. This section will highlight the budget issues that university libraries are currently facing and how digital production can subsidize many of these costs. The academic acquisitions provide Bloomsbury not only with backlist titles but also with new staff who are experienced in the academic market. This report will outline the business and market for monographs and potential areas for growth. Nigel Newton believes that the future of Bloomsbury’s business operations lies in the
e-book market. As a consequence, Bloomsbury has focused production in this direction by investing heavily in e-book initiatives, company restructurings, imprints and acquisitions.

The second part of this report will provide a detailed analysis of the structure and operations of Bloomsbury Academic. A completely novel enterprise that its own publisher, Frances Pinter, admits is essentially an experiment in publishing. The business model of Bloomsbury Academic has advantages over other models of academic publishing, including publishing in different formats (i.e. HTML, EPub, PDF and XML) to stimulate sales. The analysis of the Bloomsbury Academic imprint is of particular value to publishing students and professionals who work in the academic market. This report provides an understanding of how Bloomsbury has successfully expanded its operations into academic publishing and e-book publications as well as the firm’s use of an Open-Access business model. The revenue-generating effects of Bloomsbury’s recent business ventures will be discussed in the final section of this report. Due to the selling-power of *Harry Potter*, ascertaining Bloomsbury’s growth can be deceiving when comparing it to past annual reports. Nonetheless, this writer will show that the recent annual and interim reports illustrate a healthy growth for the firm while accounting for these factors.

In the summer of 2011 I worked as an intern at Bloomsbury Academic, an imprint of Bloomsbury Publishing. As digital production assistant, I was largely responsible for creating and editing metadata as well as uploading XML to the digital platform. Through this role, I became immersed in the creation of e-books and the (often cumbersome) process of uploading completed titles to the live site. This experience gave me insight into the day-to-day operations, logistical issues and advantages of Bloomsbury Academic’s business model. In addition to my responsibilities, I sat in on weekly meetings where the senior staff of Bloomsbury outlined the week’s highlights and trends. My internship was quite unique in that although I interned for a large publishing firm with huge cash reserves, my day-to-day work over the thirteen weeks was with the small, dedicated and ambitious team that comprised Bloomsbury Academic. Consequentially, I was fortunate
enough to work extensively and intimately on new and exciting projects such as The Churchill Archives, as well as helping create new and imaginative features for e-books in numerous formats; ventures that would not be possible for smaller companies with limited cash flows.

This report is written during a time when Bloomsbury’s operations are in a state of transition and growth. As such, I am writing about a company that is still redefining itself. However, my analysis of the firm shows that Bloomsbury is on the right path to growing its global operations by investing in the academic and e-book markets.
This section outlines the creation of Bloomsbury and its mandate towards editorial quality. The firm has always placed an imperative on publishing literature of high excellence and throughout the years has published many award-winning titles. The *Harry Potter* series is analyzed for its financial effects on the firm and its ability to allow Bloomsbury to pay huge advances on future books. Despite its large investments in academia, Bloomsbury continues to invest and grow its trade market with financial success.

### 2.1 BLOOMSBURY’S CONCEPTION

Bloomsbury Publishing Plc. is the 13th largest publisher in the United Kingdom and the largest independent publisher in the country. Founded in 1986, its four founders, disheartened with how London’s independent publishers were being bought-out by larger companies, quit their respective jobs on the same day, informed the British press the same evening, and announced Bloomsbury to the world the following morning. Nigel Newton left Sidgwick & Jackson to co-found Bloomsbury and is still the publication’s Chairman of the Board and Chief Executive. Editor Liz Calder, who launched the careers of Salmon Rushdie and was the first UK publisher to sign John Irving, left Jonathon Cape to co-found the new firm.1 David Reynolds of Shuckburgh Reynolds and Alan Wherry of Penguin were the other two co-founders. Bloomsbury’s mandate was to be a highly profitable company with a focus on books of literary quality. Full of confidence, the founders set up a booth at Frankfurt Book Fair with no books or authors under contract.

Bloomsbury rapidly gained a reputation for publishing books of literary merit—while still appealing to larger audiences. Margaret Atwood, Neil Gaiman, Hugh Barker, Michael Ondaatje and Salman Rushdie are just a few of the prolific authors that Bloomsbury has published. In recent years the company has published award-winning books such as *Coraline*, *Middlesex*, *Let the Great World Spin* and *Mao’s Great Famine*, as well as the wildly popular *The Guernsey Literary and Potato Peel Pie Society*.

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From its conception, Bloomsbury placed a premium on author relations. Creating a trust for the authors, Bloomsbury set aside five percent of the firm for signed authors. The company went public in 1994 but still remains largely autonomous—it is one of the few publishers its size to not be part of a larger conglomerate. Bloomsbury wound up writing cheques between £100 and £20,000 for the 344 authors that belonged to the trust. In 1994 the company established its paperback and children’s list. The founders (along with 70% of the staff) purchased Bloomsbury stock, an act that would prove extremely lucrative when, in 1997, Bloomsbury published *Harry Potter and the Sorcerer’s Stone,* the first of a seven-book series that would completely reshape the company.

2.2 EXPONENTIAL GROWTH

The *Harry Potter* series, although peripheral to this report’s topic, is important to summarize in a financial context because without the revenue accrued from the children’s series, the business ventures undertaken by Bloomsbury would have been fiscally impossible without massive loans from banks and investors.

Bloomsbury’s cash reserves in 2009 were estimated at £57 million! However, even this figure doesn’t illustrate how important the *Harry Potter* series was to the growth of the company. In 2007—the year the final book of the series was released—Bloomsbury’s children’s division was responsible for £69 million, or two-thirds, of the firm’s annual turnover. As one analyst puts it, “even on a conservative estimate, half of Bloomsbury’s business is *Harry Potter.*”

The impact of the *Harry Potter* titles can be seen in the financial statements of Bloomsbury. Figure 2.1 provides a five-year financial summary of the firm. The firm’s total revenue doubled from £74.8 million in 2006 to £150.2 million in 2007 (the year *Deathly Hallows* was released).

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3 The book is officially titled *Harry Potter and the Philosopher’s Stone* in the USA.


In 2008 Bloomsbury’s total revenue fell to £99.9. The fall concluded in 2009, where Bloomsbury’s profits were £87.2 million. The profit difference between 2006 and 2007 was more than £12 million.6

![Figure 2.1](Source: Bloomsbury Five Year Financial Summary)

While the *Harry Potter* series has been put to rest (at least for the time being), the seven titles will sit on the bookshelf along with *The Lord of the Rings* and *The Lion, The Witch and the Wardrobe* as classics for young adults. Bloomsbury’s £100 million annual turnover figures may be a thing of the past, however the series will continue to generate a sizeable amount of revenue for the firm in the form of backlist sales as new readers come of age. This annual source of income, combined with the £57 million in cash reserves already generated from the series, is the envy of all other publishers and enables the firm to grow its operations.

2.3 CONTINUED SUCCESS IN TRADE PUBLISHING

Even with its recent initiatives, Bloomsbury’s focus is still its trade list market and this report’s concentration on Bloomsbury’s academic departments is not intended to imply the firm shrinking its trade division. As an independent publisher, Bloomsbury’s cash reserves allow it to pay large advances and produce titles without being stalled by the bureaucratic red tape that is often associated with conglomerates. As one editor from

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Penguin begrudgingly admitted in 2006, “We’re very much aware of how much money they have. We, and others, have been losing out in some big auctions recently.” Figure 2.2 illustrates the firm’s ongoing success in trade publishing. Bloomsbury’s revenue from trade publishing increased from £60.9 million in 2009 to £70.6 million in 2011.

![Figure 2.2](source: Bloomsbury 2010 Annual Report)

In 2011, Bloomsbury published bestsellers *Operation Mincemeat, My Horizontal Life, Eat, Pray Love* and *The Finkler Question*, which won the Man Booker Prize. The firm continued its strong sales in children’s publishing. *The Graveyard Book* garnered numerous awards, *Need* reached number seven on the New York Times bestsellers list, and *Rules of Attraction* reached number three on The Times bestsellers list. Combine its generous advances with its reputation as an author-friendly, editorially driven independent, and Bloomsbury is well poised to sign more than its share of big-name authors and lucrative titles.

### 2.3.1 A COMMITMENT TO TRADE

Even while the *Harry Potter* series was at its apex, Bloomsbury was busy managing the influx of revenue and not basking in its success. The firm made sure to stand by its mandate and publish quality trade titles. Consequentially, Bloomsbury made sure not to neglect other ventures at the expense of the *Harry Potter* series and in doing so, published many financially successful and award-winning titles while the series was at its zenith. Indeed, since the series came to a close, the firm continues to publish high-quality trade titles that are frequently finalists for literary awards.

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7 Edemariam, Aida (2006).
During the publication of the *Harry Potter* series, Bloomsbury went on a bidding spree, signing numerous authors for huge advances. In 2006, the firm purchased the rights to publish the autobiography of politician David Blunkett for £400,000; they also acquired a multi-book deal by William Boyd for £500,000.\(^8\) Even more expensive were two separate signings for books by chef Hugh Fearnley-Whittingstall and historian William Dalrymple, each worth £1.9 million.\(^9\) However, the acquisition that garnered the most disbelief was the £1 million that Bloomsbury paid in 2006 for former Take That singer Gary Barlow. According to sources, the second highest bid for the autobiography was £350,000, nearly three times less than what Bloomsbury paid!\(^10\) While Bloomsbury was acquiring big-name authors to add to its catalogue, many questioned whether the advances paid would yield a return on its investments.

When a publisher pays such extraordinary advances, the window for return on investments becomes much smaller and the need for the title to become a financial hit becomes much larger. Likewise, the need to correctly assess the reading demographics and the market for new titles becomes much more crucial. One executive from Penguin was quite pessimistic about Bloomsbury’s recent bids; speaking about the advance paid for Gary Barlow’s book: “I can’t see it working. If they’ve paid £1m for a celebrity who was famous 15 years ago, they’re going to take a bath.”\(^11\)

Fortunately, Bloomsbury has the heavy wallet to purchase such titles and successfully bidding for titles by popular authors and celebrities will create larger sales. However, the risk involved in such expensive advances increases the required sales to create a profit. A firm cannot plan to steadily grow if its business model depends exclusively on the capricious nature of the consumer trade market. Rather, publishing titles that can be produced without large acquisition costs helps create a steady revenue stream. As it turned out, the large advances Bloomsbury paid to David Blunkett and Gary Barlow did not come through and in 2008 the company issued “severe profit warnings,” as many of the big gambles they had taken had failed to generate a profit.\(^12\)

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9 Ibid.
10 Ibid.
11 Ibid.
12 Dan Sabbagh, “Bloomsbury profit to fade without Harry Potter or JK Rowling,” *The
Regardless of a publisher’s expertise, reputation, and funding, many titles do not perform up to expectations. In large part, because of *Harry Potter*, Bloomsbury has and will continue to acquire titles that go on to achieve success. The firm’s trade division continues to publish financially and critically successful titles. As figure 2.2 illustrates, the firm’s trade revenue *increased* from 2009 to 2011 by almost £1 million. However, Bloomsbury’s foray into academic and online publishing will merit the majority of this report. By restructuring its business operations, Bloomsbury is using its £53 million to invest in *itself* (vis-à-vis new departments).

Bloomsbury’s venture into academic publishing can be described in terms of the numerous academic publishers the firm has purchased over the past five years. This section will outline the general advantages that are associated with academic publishing—namely, lower acquisition costs, predictable and direct sales, and greater independence from bookstore sales. While the firm is investing in higher education and scholarly publishing, the focus of this section is mostly on the scholarly publishing model and its relationship to university libraries. This section explores the monograph market in great detail as Bloomsbury is investing in new and experimental ways to produce and sell monographs. The threats and drawbacks facing scholarly publishing are outlined, as are the strengths and potential areas for growth, specifically in the e-book and Open Access market. Academic publishing fits within the core business strategies set forth by Bloomsbury, which are: increasing its presence in foreign markets; increasing online and e-book sales; and lastly, becoming less dependent on bookstore sales. This section concludes with an account of how Bloomsbury is working towards increasing academic sales by applying world English rights to its titles and by digitizing its acquisitions.

3.1 ACADEMIC ACQUISITIONS AND GLOBAL GROWTH

Shortly before the *Harry Potter* series came to a close, Bloomsbury began a process of restructuring its operations. Rather than solely focusing on growing its list of trade titles, Bloomsbury made the bold move of entering the academic publishing market, a business they had relatively little experience in. However, Bloomsbury circumvented its lack of experience and pre-existing academic titles by scooping up smaller academic publishing houses. Over the past five years Bloomsbury has acquired the following publishers: Tottel Publishing, Methuen, Berg Publishers, Arden Shakespeare, Duckworth, Bristol Classic Press, the humanities list from Hodder Education, and Continuum. Over a short period of time, Bloomsbury has grown into...
a respectable academic publisher, and it has done this with the strategy of evolving its acquisitions through global digital publishing and direct marketing.

In 2010 Bloomsbury acquired Duckworth Academic and Bristol Classical Press, both preeminent publishers of classical texts. The purchase of Bristol Classical Press instantly increased Bloomsbury’s backlist by 900 titles. Additionally, Bloomsbury’s intention is to grow its infrastructural sales by pushing sales in the U.S. In a letter to shareholders, Bloomsbury said that this purchase will “allow Bloomsbury Academic to build on its inherent strength alongside the company’s worldwide strategy in other academic disciplines.” 13 Bloomsbury has looked for ways to cut costs and increase the efficiency of the publishing houses they have acquired. As a result, many of the academic publishers perform better after their acquisition. For example, under Bloomsbury’s ownership, 2010 was Berg’s strongest year. The sales of Berg were increased by Bloomsbury co-publishing the Berg Encyclopedia of World Dress and Fashion in the U.S. 15

The purchase of Continuum (based in New York) should be seen as the definitive purchase of Bloomsbury’s academic initiatives. At a cost of £20.1 million, it is the most expensive acquisition the firm has made to date. Further, with operations in both the U.S. and the U.K. and an EBITDA16 of £600,000 on revenue of £10.7 million, Continuum is not only the largest academic publisher acquired by Bloomsbury but also the one with the largest sales numbers in the U.S. 17 Around 60% of Continuum’s sales are outside of the UK, making this purchase key for Bloomsbury’s global expansion.

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16 Earnings before the deduction of interest, tax and amortization.
Described as “transformative” and “the cornerstone of our academic publishing” (Nigel Newton), the purchase gives Bloomsbury its first academic editorial and marketing team based in the U.S. With over 7,000 backlist titles, Continuum changes Bloomsbury’s international profile dramatically. In a press release, Bloomsbury described Continuum as having “world class academic lists, some of which date back over 170 years and include a number of the most distinguished international authors in the humanities and social sciences.” The company was awarded Independent Publishers’ Group Publisher of the Year and Academic & Professional Publisher of the Year in 2011.

Initially, it may seem at first counterintuitive for a publishing house to invest millions of pounds in a publishing sector in which they have little experience. However, there are numerous advantages for a firm such as Bloomsbury to diversify into academic publishing.

3.2 WHY ACADEMIC PUBLISHING?

Megan Brand, author of “Outsourcing Academia: How Freelancers Facilitate the Scholarly Publishing Process,” succinctly describes the purpose of university texts. She states “the products of university presses are works that have been thoroughly researched and carefully executed in an effort to contribute to the advancement of original knowledge in a specific field.”

It is important to draw a distinction between scholarly and higher education publishing. Whereas scholarly texts are written by professionals in academia and read by other professionals, higher education publishing produces texts specifically for university classes. While Bloomsbury publishes both scholarly monographs and higher education texts, the majority of this report focuses on monograph publishing and new opportunities within it. Monographs are long-form narratives that explore a single subject and are typically written by a single author. Unlike trade authors, scholarly authors publish for academic credentials, rather than for financial gain.

18 Ibid.
Deborah Cooper, author of “The Scholarly Review Process at the University of Toronto Press,” summarizes this point: “Publication by a reputable scholarly press legitimates the scholarly credential and academic insight of scholars and through this legitimization, scholars are awarded professional advancement.”

There are certain financial and strategic advantages to academic publishing. Scholarly publishing tends to have fewer costs associated with marketing, promotions (i.e., book tours, advertisements, etc.) and advances. Further, the main purpose for academic authors is to collect peer review, which assists them in gaining tenure at their university. As such, the financial incentives of high advances and large sales aren’t as great for academic authors as they are for trade authors.

Academic revenues tend to be more predictable than trade revenues. In the UK postsecondary educational market (specifically for the humanities), instructors give a list of titles that their students can purchase and require them to only purchase some of those titles, the choice is at the students’ discretion. As I was told by an acquisitions editor from Bloomsbury Academic, “We typically print for 40% of the students enrolled in the class.” British academic publishers find that printing for 40% of students enrolled in humanities classes allows them to sell most of their print run, thus allowing for fewer returns.

The digital book market has increased the vulnerability of trade bookshops sales. And while educational sales are at risk (albeit less than trade titles), scholarly sales rely largely on direct sales to journals and university libraries and are thus far less dependent on bookstores as a source of revenue. As will be discussed later, Bloomsbury’s focus on academic e-book publishing and direct sales make it even less dependent on the health of bookstores while maximizing sales through online vendors.

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3.2.1 A BRIEFING ON THE FINANCIAL STATE OF SCHOLARLY PUBLISHING

In order to properly understand the financial constrictions facing monograph publishers, three different expenses need to be explored: the cost of publishing a monograph, the cost of purchasing a single monograph, and university libraries total expenditures of funds for monographs. Section 3.2.1 outlines these costs and demonstrates how they create a market where fewer units are being purchased.

Traditionally, commercial publishers did not try to compete with academic publishers because, as William Germano states in *Getting It Published*, “A commercial publishing house, scholarly or not, is by definition in the book business in order to make a profit, and many projects that achieve a high standard of scholarly excellence will be unavailable to a commercial publisher for the simple reason that their market is too small.”23 Academic authors, as mentioned, look to publishers primarily to provide scholarly review and academic recognition, with a title’s financial success being of lesser importance. Despite the non-financial priorities of academic authors, scholarly publishing can be big business, with annual revenue over $12 billion internationally.

Figure 3.1 breaks down publishing costs by division. Production, setting and printing, at 32% of total costs, are the largest expenses. Costs related to editorial, marketing and sales and distribution comprise 27% of the expenses. Lastly, operational costs are approximately 31% of a publisher’s total costs, leaving a 10% profit margin. A report by the Joint Information Systems Committee (JISC) found that the publisher-related and distribution-related costs of monographs are £22,400 per-title.24

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23 Ibid
Approximate Academic Publisher Costs

- Margin/profit (10%)
- Production, setting and printing (32%)
- Editorial (11%)
- Marketing and sales (8%)
- Distribution (8%)
- Facilities (6%)
- Finance (2%)
- IT (5%)
- Management (2%)
- Other overheads (6%)
- Royalties (10%)

**Figure 3.1** (Source: JISC Website “Economic Implications of Alternative Scholarly Publishing Models”)

For university libraries, acquisition costs of monographs have steadily risen over the past two decades. A study by the Association of Research Libraries (ARL) analyzed the sales patterns of a large sample of university libraries. Table 3.2 and Figure 3.3 illustrates their findings. The ARL found that the monograph unit costs had increased by 77% overall from 1986-2004. Correspondingly, the monograph expenditures over the same 18-year period showed an increase of 63%, an average of 2.8% annually.\(^\text{25}\) However, despite an increased investment by libraries, the number of monographs purchased had decreased by 9% from 32,670 monographs in 1986 to just 29,633 in 2004.\(^\text{26}\)

The market for monographs was not always so precarious. Thirty years ago the sales of monographs hovered around 3,000 copies whereas today per-title sales are under 400 copies.\(^\text{27}\) Two factors that have contributed

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\(^\text{25}\) Ibid.

\(^\text{26}\) Kyrrillidou, Mark & Young, Mark “ARL Statistics: A Compilation of Statistics from the One Hundred and Twenty Three Members of the Association of Research Libraries.” (2005) ARL.ORG.

to fewer university sales: the increased unit cost of monographs for libraries (i.e. expenditures) and fixed university budgets. Because of the increased unit cost of monographs, university libraries are purchasing fewer titles despite a 63% budget increase for monograph expenditures.

Table 3.2 (Source: ARL Website – ARL Statistics 2004-2005)

The acquisition costs of UK university libraries are massive. Over £204 million are spent annually in acquiring academic texts.28 Further, because of the increased price tag of periodicals, 65% of library budgets for UK university libraries are consumed by the purchase of academic journals.29 This leaves little flexibility for libraries to increase monograph purchases, especially when universities are facing shrinking budgets.

29 Ibid.
To summarize, university libraries annually invest millions of dollars, a substantial percentage of their budgets, into academic materials. Unfortunately, although the ARL libraries in the study had increased their spending on monographs by 63% between 1986-2004, they had actually purchased 9% fewer monographs during the same period, a result of unit costs increasing by 77% during the same eighteen years. The shrinking budgets university libraries have been facing means that monograph publishers may continue to see their sales decrease. The best opportunity for publishers to increase sales to libraries is by reducing the production and unit costs of monographs. In doing so, publishers can charge less per-monograph to the university libraries, who, in turn, will be able to purchase more monographs without seeing their expenditures increase. To do this, Bloomsbury is investing in digital forms of monographs. Section 3.2.2 outlines how digital monographs are less costly for university libraries and allows publishers to better market their titles.
3.2.2 E-BOOK MONOGRAPH PUBLISHING

While producing monographs in e-book format does minimize costs associated with production, warehousing, and distribution, the first-copy costs remain high. As Frances Pinter summarizes:

Costs in terms of authoring and editing cannot be cut back without a risk to both scholarship and the integrity of publishing. The selective nature of academic monograph publishing (often only a handful of titles per publisher per year) reduces opportunities for economies of scale as there are only a small number of titles across which fixed costs such as salaries can be amortized.30

Bloomsbury is attempting to subsidize first-copy costs by utilizing online technology to increase exposure of its titles, which in turn, theoretically, should increase sales and citations. Further, elements that provide additional content (e.g. videos, articles, study guides, etc.) are added, free of charge, to Bloomsbury monographs to act as an incentive that complements the titles.

The 2011 report by Houghton, Rasmussen et al. highlights the costs (in GBP) for producing an academic title in physical, e-book and Open Access formats. Outlined previously in figure 3.2, the report found that the publisher-related costs for print monographs are £15,800 per title. However, their findings suggested that in electronic format, the average cost is only £11,320 per title. According to the researchers, producing a monograph in Open Access format is even less expensive, around £7,380 per title.31 This is possibly due to publishers asking authors to finance a larger percentage of the production, editorial and marketing costs for Open Access versions.32 Because academics have fewer available funds, publishers may spend less money on production and marketing, use simpler IP and licensing practices and not employ technical staff to create subscription e-books.33

The differences are even more pronounced when one includes distributor discounts. Houghton chose not include them in publisher costs, but separately as distribution or channel costs. Accounting for distribution

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30 Pinter (2010).
31 Houghton (2009).
32 Ibid.
33 Ibid.
discounts, the JISC found that the average costs come to £22,500 for print and £14,715 for e-books, with Open Access remaining unchanged at £7,380. In short, academic publishers would save an average of £7,336 per monograph if all titles were published in e-book version only! At 2007 levels, the cost savings across all UK publishers of monographs would be £1,025 million if all physical monographs had been toll access e-books only. Publishers can potentially pass on these savings to university libraries, allowing them to purchase more monographs.

For university libraries, the handling costs are significantly lower for e-book and Open Access versions than printed titles. Figure 3.6 outlines the handling costs by format for university libraries. The handling costs for electronic versions are only £30 per copy, compared to £110 for the same title in print format. Consequentially, selling monographs in e-book formats enables Bloomsbury to generate more sales to university libraries, which could then purchase more titles without seeing an increase in expenditures. Increased purchases would also help offset the first copy costs for Bloomsbury.

![Figure 3.4](Source: JISC Website “Economic Implications of Alternative Scholarly Publishing Models”)

As illustrated, there are financial benefits for university libraries and Bloomsbury if monographs are purchased primarily in e-book formats. As cited before, despite increasing their expenditures, university libraries are purchasing fewer monographs. However, with distribution costs minimized, academic publishers can charge university libraries less per monograph, who in turn will be able to buy more titles and still stay within their acquisition budget.

34 Ibid.
35 Ibid.
3.2.3 BLOOMSBURY’S STRATEGIC RATIONALE

The specific strategic rationale behind Bloomsbury’s acquisitions were to: achieve critical mass in its professional and academic divisions; increase the revenue of Academic and Professional divisions in relation to the trade revenues; increase the firm’s global exposure, specifically in the US markets; and increase subscription-base revenues.36

The academic acquisitions made by Bloomsbury achieved all four goals listed above. Prior to the purchase of Continuum, the Academic and Professional division had an annual turnover for its fiscal year of £14.3 million (ending February 28th, 2011). The Bloomsbury Academic and Professional division publishes 450 new titles a year and has a backlist of 13,500 titles.37 Continuum alone accounts for an annual fiscal turnover of £8.3 million, publishing 600 new titles a year with a backlist of 7000 titles.38 Bloomsbury’s acquisition of Continuum increased the annual turnover of the Academic and Professional division by almost a third.39 Increasing the company’s global exposure (i.e. revenue outside of the UK) was also largely achieved with the purchase of Continuum. Figure 2.2 illustrates that 63% of Bloomsbury’s business is in the UK, with global sales generating only 37% of the companies revenue. Conversely, 54% of Continuum’s publishing is outside of the UK. Thus, this purchase increases Bloomsbury’s global publishing and makes it less reliant on UK sales.

37 Ibid.
38 Ibid.
39 Ibid.
Continuum relies largely on sales to university libraries through annual purchases and subscriptions. Compared to its academic and professional divisions, the company has a relatively small trade list. In a July 2011 press release to shareholders, Bloomsbury cited the Continuum acquisition as advancing Bloomsbury’s strategy in being less dependent on trade revenue, arguing, “The current strength of (Continuum’s) academic sales compared to consumer sales vindicates this strategy.”

By appropriating the sales of Continuum, Bloomsbury increases its percentage of revenue through subscription and annual renewals.

This last point is given particular attention because the bookshop market has become marginalized due to the popularity of online booksellers such as Amazon and e-book readers. Bloomsbury has tackled this issue by purchasing world English rights wherever possible, restructuring the firm by divisions instead of market regions and by digitizing the publications of Duckworth, Bristol Classical Press and Continuum for the online academic market. By avoiding geographical rights, the firm is able to efficiently market and sell its physical and digital titles to online vendors. Purchasing world English rights enables Bloomsbury to create a cohesive marketing and sales strategy that eliminates territorial rights that are needless in a global marketplace. Evan Schnittman, Bloomsbury’s MD, Sales and Marketing,

40 “Bloomsbury Acquires Continuum.”
Print and Digital, summarizes this argument, saying, “In a business where customers can order books online in Australia from the US or UK and pay no freight, it is incredibly important to market a title coherently and wisely with a single brand and publish everywhere at the same time.”

3.3 Restructuring for Digital Sales: One Global Bloombury

In a July 11th 2011 press release, Bloomsbury outlined its rationale for focusing on the digital market:

Worldwide sales of personal electronic e-book readers such as Amazon’s Kindle and Apple’s iPad have grown rapidly. The rising number of consumers owning these devices is driving a strong surge in the demand for downloads of e-books… Bloomsbury is well prepared and has for a number of years published books as e-books so has the teams and knowhow in place to capitalize on any sudden increase in demand for downloads.

Over the past few years, Nigel Newton has been one of the strongest believers in e-books in the publishing industry. He has publicly stated that e-books are in greater demand and are dramatically changing the landscape of the publishing industry. As such, Newton believes that it is shortsighted not to pursue e-book ventures: “This is an exciting time for Bloomsbury: demand for digital delivery, including e-books, is increasing significantly; it will change the publishing business model creating one worldwide market.”


Judging by recent sales performances for e-books worldwide, Bloomsbury is adapting its operations to capitalize on a booming market. In the last three months of 2010 e-books outsold print books on Amazon US for the first time ever. On the question of how e-books are changing the traditional revenues of retail chain sales, Newton said the following:

The retail landscape is changing with more titles being sold online or through supermarkets, in e-book or print format. The impact of digitization is becoming considerable and acquiring world English language rights is of premier importance in the digital future.

In order to best augment its digital strategy, Bloomsbury restructured its company under the name One Global Bloomsbury. On March 1st, 2011, the firm announced that it had reorganized its operations into four worldwide divisions: Adult; Academic & Professional; Information; and Children & Educational. As a consequence, the six acquisitions Bloomsbury made along with the firm’s other companies (including Bloomsbury Academic, A&C Black, Berlin Verlag and Berg) will be incorporated within the four worldwide divisions. No longer will there be a Bloomsbury UK and Bloomsbury US. Rather, Bloomsbury is in the process of phasing out geographical rights and replacing them with world English rights.

Figure 3.8 indicates that Bloomsbury’s new divisions no longer represent geographical lines. This restructuring minimizes bureaucratic gridlock that is associated with publishing firms that work within territorial rights. Bloomsbury is now able to react and adapt its business operations quickly and create global marketing campaigns for new titles.

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These new adoptions allow Bloomsbury to work alongside corporations such as Google, Amazon and Apple by simplifying the selling process for these international vendors. As Nigel Newton comments:

The global marketplace is changing rapidly, with a dramatic increase in digital publishing and global customers…that are not focused within national boundaries. For Bloomsbury to take best advantage of this, we are restructuring on a global basis to better maximize the opportunities the future will bring.46

One of Bloomsbury’s first ventures in working with world English rights was its deal with Google. Signing on to Google eBooks, Bloomsbury books will be on a cloud-based service, allowing customers to purchase titles through Google eBooks, partnering retailers and through the Bloomsbury website. If the title is purchased through Google, Bloomsbury will receive 68% of the revenue, and if sold through Bloomsbury’s website, the firm will receive 90% of the revenue.47

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47 Williams (2011).
Ginger Clark has been vocal in her opposition towards world English rights. Clark argues that while it will may help streamline the publishing process, it may also create less effective marketing campaigns: “You need a sales force on the ground, enthusiastic about the book. You need the market to have its own cover. You need a publicist working in that country.” However, the acquisition and exploitation of world English does mean that the marketing strategies mentioned by Clark could not be developed with a world English rights framework. Considering that Bloomsbury has offices internationally, it seems probable that they would employ national marketing strategies for their titles. Clark highlights a traditional viewpoint still held by many in the publishing industry. Succinctly put, many publishers believe that in order for a title to maximize its sales it needs a specific sales strategy for each market its being sold in. Beyond the questionable effectiveness of employing world English rights, there is the widely held belief that marketing and selling e-books could cannibalize print book sales.

Bloomsbury’s belief, however, is that e-books sales are only going to grow and to not capitalize on this market is shortsighted. While the issue of individual attention for titles is a valid one, world English rights are necessary if a publishing firm wishes to work cohesively with online distributors. ‘The Internet respects no borders’ has become a popular aphorism (or word of caution) that nicely encapsulates the arguments behind world English rights.

Evan Schnittman postulates on why he believes territorial rights are an antiquated business strategy and soon to become extinct in the publishing industry:

> Whilst the ineluctable surge of e-books spreading across the globe has prompted the usual death knell punditry on the future of the book, there has been a noticeable spike in bookselling via the Internet around the world...Markets long protected by huge oceans and extremely fragmented supply-chains are now feeling under siege by Internet sourced imports. The combination of e-books and global print supply chains exploits the already frail territorial rights situation by misaligning the incentives of global selling by allowing one publisher to gain at the expense of another for the same work.  

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Simply put, territorial rights influence fragmentation in the publishing process whereas world English rights streamline the process of world sales as well as placing publishers in a more advantageous position to capitalize on the online market. Traditionally, territorial rights were preferred over world English rights because the former allows a publisher to sell British, American, Canadian, Australian and other English rights.

While the advantages of territorial rights are embedded in a traditional model of publishing and distribution, the proliferation in online retailers and e-books make territorial rights counterintuitive for publishers wishing to profit in these arenas. It simply doesn’t make sense for Bloomsbury to create and promote separate territorial rights for e-books and books sold online. A more commonsense and inexpensive approach is to make world English rights for all titles and promote the title globally rather than in respect of national borders.

3.3.1 RESTRUCTURING FOR DIGITAL SALES: DIGITIZATION OF ACQUISITIONS

Bloomsbury is currently digitizing the backlists of the academic publishers it acquired. While it may initially seem unnecessarily expensive to digitize backlist titles, academic publishers such as Hodder and Duckworth publish titles that are part of the academic canon, and thus, will continue to be used in course curriculum for the foreseeable future. Further, Bloomsbury noted that it had plans to digitize at least some of the 7,000-backlist titles it acquired from the Continuum purchase and intends to create a digital subscription model for new academic titles coming from the Continuum division.50

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In 2011 Bloomsbury made a concerted effort to digitize out-of-print titles. Drama Online, a division of Bloomsbury, is comprised of a medley of titles from various Bloomsbury acquisitions. Canonized and popular titles from Methuen Drama, Arden Shakespeare and Faber were brought under the Drama Online umbrella, which will have 2,500 years of preeminent plays available in digital form. Drama Online will operate under a subscription model to individuals and academic institutions. In addition, many of the plays will come with supplementary material such as scholarly analysis and annotated notes intended to enrich and further educate students’ curriculum.

In a third initiative, Bloomsbury launched Bloomsbury Reader in early 2011, a division that will focus solely on out-of-print titles where the English rights have reverted to the author or the author’s estate. The firm has purchased titles from authors’ estates and sells them in e-book and short print-run formats. Launched in September 2011, Bloomsbury Reader commenced with 500 titles. In accordance with its plan of English world rights, all titles will be marketed, distributed, and sold worldwide through numerous online retailers.

A fourth initiative involving the National Archives and Bloomsbury was signed in April of 2011. According to sources, Bloomsbury agreed to a five-year plan to co-publish forthcoming titles as well as organize, market, and sell some of its more than 80 million existing National Archives digital records. E-books and apps will be created, with Bloomsbury taking a majority percentage of the revenues. A similar project is being undertaken with Bloomsbury and The Churchill Archives. Under the direction of Bloomsbury Academic, The Churchill Archives will digitize, market and sell Winston Churchill’s primary source documents. These ventures of collaboration are seen by Newton as the most efficient way for digitization: It is natural that the industry is going to be looking at (digitizing) out-of-print titles. It’s a great area for collaboration.

52 William, Charlotte (June 3rd, 2011).
Bloomsbury’s flagship series, *Harry Potter*, is getting a digital makeover via *Pottermore*, J.K. Rowling’s newest project done in collaboration with Sony. *Pottermore* is an online community where, for the first time, *Harry Potter* will be available online. Although short on details, Bloomsbury will have no rights to the new content on *Pottermore*. The site will reportedly have games, challenges, classes, and 18,000 words worth of new material written by the author. With Bloomsbury left out on this project, the idea of J.K. Rowling marketing online sales of the *Harry Potter* series may seem like an exclusionary deal for the firm. However, despite not owning rights to the e-books, Bloomsbury will receive a share of e-book revenue. Further, *Pottermore* links out to Bloomsbury’s website and non-English versions of the e-books will use translations done by the company. The publicity and promotion of *Pottermore* may also increase the sales of the physical books.

Bloomsbury clearly believes e-book production increases the opportunity for direct sales and subscriptions. For example, Bloomsbury Professional—now incorporated into the same division as Bloomsbury Academic—publishes numerous reference works such as *The Law and Practice Relating to Charities* and other reference titles for Law, Taxes and Accounting. The Professional subdivision largely operates through a subscription model with an online feature where subscribers can access tax services and create their own page that contains frequently used documents.

With the advent of e-book retailers and e-readers, subsidizing the costs of producing digital texts through collaborations with authors or institutions is a great way to increase sales from the Bloomsbury website and bring new life to thousands of out-of-print titles and valuable historical titles that should be enjoyed in classrooms, but are instead gathering dust in the confines of libraries and archive centers.

3.4 CONCLUSION FOR SECTION ONE

The first section of the report was a macro-analysis of Bloomsbury’s recent business operations. The firm’s strategic expansion into academic acquisitions has been undertaken to lower overheads, develop the potential for subscription and direct-sales, reduce dependence on bookstore sales and stabilize revenue trends. Likewise, Bloomsbury’s foray into digital texts (both academic and trade) have been undertaken to take advantage of the rising popularity of e-books, e-readers, and online retailers, as well as benefits related to e-book publishing, namely, global rights and sales, direct sales, and independence from bookshop sales. The firm’s restructurings into One Global Bloomsbury augments these new strategies and helps streamline online purchases and the firm’s growing list of e-books. Lastly, Bloomsbury’s monograph market is geared towards university libraries, which are the majority buyer of academic monographs. By digitizing its titles, university libraries will be able to purchase a larger amount of monographs due to the lower handling and acquisition costs.
The second major section of this report provides an analysis of Bloomsbury Academic, the firm’s academic division within which all of the recent acquisitions have been placed. Specifically, this case study focuses on the Bloomsbury Academic imprint, including its use of a Creative Commons licence and its different e-book formats. The business operations of Bloomsbury Academic are outlined: digitization of academic titles, subscription models, direct marketing, collaboration (i.e. The National Archives and The Churchill Archives), and the amalgamation of numerous publishing houses under a single umbrella. Bloomsbury Academic is a valuable case study of how academic and digital publishing work congruently. While the first section provided an understanding and appreciation for the business initiatives of Bloomsbury, the second section analyzes Bloomsbury Academic in depth.

Only three years old, the Bloomsbury Academic imprint is an innovative concept, working largely within an Open-Access business model. This case study focuses on the imprint itself and on the academic monographs, with less attention placed on textbook publishing. This is because the monograph publishing of Bloomsbury Academic demonstrates digital initiatives, working within a Creative Commons licence, whereas the textbook division operates under a more traditional business model.

This section begins with a briefing on Bloomsbury Academic and Open Access publishing, with a focus on the effects that Open Access publishing has on publicity and its potential to increase sales. Appreciating the effects that Open Access has on titles will provide some clarity to Bloomsbury’s strategy and why Bloomsbury has employed a Creative Commons licence and short-run business model. New methods of academic publishing are juxtaposed against traditional academic publishing, issues that publishers are currently facing and why many academic are choosing to self-publish. Bloomsbury Academic believes that a Creative Commons licence is the best model for monograph publishing.
Specifically, this section analyzes the benefits and drawbacks of such a business model. The final part of the case study analyzes how Bloomsbury’s different digital formats are each made for distinct markets.

4.1 INTRODUCTION

Bloomsbury Academic’s conception began with a conversation between Frances Pinter (who would become the imprint’s publisher) and Bloomsbury executive director Richard Charkin at the London Book Fair. Pinter, who started her own academic publishing house at 23 and who would later head the George Soros’ Foundation, was describing the idea of licensing academic monographs in an Open Access format with Richard who “got it right away.”

Open Access refers to the free dissemination of all titles. Fully readable online, free of charge for non-commercial use (not for reselling by a third party), this model attempts to remedy the limitations of heavy copyrights while still providing the option of retaining author-privileges.

Bloomsbury Academic was created in 2008 as an imprint of Bloomsbury Publishing Plc and publishes around 40-50 new titles each year in the humanities and social sciences under world English rights licences. Frances Pinter cites the company as operating under a five-year plan, saying that after “two or three years, we’ll know if its working.”

Bloomsbury Academic publishes its monographs in social sciences and humanities using a Creative Commons licence. Specifically, the subject matter of the monographs covers international development, media, environment, globalization and international political economy.

57 Ibid.
The imprint was initially started with an advisory board of renowned academics, including MIT Professor Hal Abelson, British Library CEO Dame Lynne Brindley, and London School of Economics Professor Robin Mansell.58

The underlying argument for operating within a Creative Commons licence is that it increases publicity and knowledge of the titles, which will offset the losses that may be incurred from providing the content freely for non-commercial use.

Although this theory is still largely unproven there are many examples where print sales have increased after an e-version was freely available online. In South Africa a government-sponsored social-science publisher in Cape Town put content online under a Creative Commons licence and saw its print sales increase by 240%.59

For Frances Pinter, financial success is only one reason why she advocates Creative Commons. Bloomsbury Academic’s model allows students in developing countries the ability to freely access world-class research that would otherwise be unavailable to them. Classifying herself as a “social/educational entrepreneur,” Pinter has a passion for publishing globally in places where libraries can afford to purchase books for those who cannot afford to purchase it themselves.60

Combining philanthropy with publishing has long been part of the modus operandi of Bloomsbury. Nigel Newton is the President of Book Aid International, a book donor that depends on donations from other publishers. In 2010, the organization shipped 500,000 books to more than 2,000 libraries in sub-Saharan Africa.61 Further, Bloomsbury Publishing belongs to a 13-publisher collective that provides PDF copies of books through a subscription model to libraries around the world.62

58 Ibid.
59 Ibid.
60 Ibid.
62 Ibid.
The numerous academic publishers purchased by Bloomsbury have been organized into the Bloomsbury Academic division, with the backlist titles available to purchase on the website. In addition, Bloomsbury Academic acquired the rights to digitize and publish The National Archives and The Churchill Archives.

While Open Access scholarly journals have been around for years and have recently swelled in popularity, Open Access monographs have failed to catch on. Bloomsbury Academic is one of the first (if not the first) academic publishers to base its entire monograph publication in an Open Access model. Bloomsbury Academic is quite confident that an Open-Access business model is greatly suited to augment the strengths of academic publishing while minimizing the threats. Just as importantly, this model utilizes the growing popularity of e-books and online retailers. Frances Pinter nicely summarizes the business mandate of Bloomsbury Academic:

We’re leaping ahead by using the latest solutions in digital publishing and open access. The imprint will provide editorial selection, peer-review, copy-editing, and formatting, along with marketing and distribution worldwide.63

4.2 OPEN ACCESS AND ITS EFFECT ON SALES AND CITATIONS

Whether Open Access titles increase or decrease sales has been well researched. In a 2010 study of 300 Open Access academic titles, it was found that there was a large increase of discovery and online consultation when the titles were put online in an Open Access format.64 Furthermore, in 2008, The Oriental Institute distributed twenty-one titles online for free that had previously only been available in print format. The sales of these titles subsequently increased by an average of 7% from the previous two years.65

In an exhaustive report, John Hilton III and David Wiley researched the short-term influences of free e-books on print sales. Following Bookscan sales patterns during the eight weeks before and eight weeks following the release of the free e-book version, the two researchers found that in thirteen of the seventeen cases, sales rates increased following the release of the free e-book version. The following tables illustrate the net differences.

**Table 4.1**: Sales of Nonfiction Titles (source: Wiley, “The Short-Term Influence of Free Digital Versions of Books on Print Sales.” JEP Vol. 13 Issue 1)

<table>
<thead>
<tr>
<th>7 Titles</th>
<th>Books sales 8 weeks before free digital release</th>
<th>Books sales 8 weeks following free digital release</th>
<th>Net difference (post sales–pre sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>639</td>
<td>662</td>
<td>34</td>
</tr>
</tbody>
</table>

**Table 4.2**: Sales of Fiction Titles (source: Wiley, “The Short-Term Influence of Free Digital Versions of Books on Print Sales.” JEP Vol. 13 Issue 1)

<table>
<thead>
<tr>
<th>5 Titles</th>
<th>Books sales 8 weeks before free digital release</th>
<th>Books sales 8 weeks following free digital release</th>
<th>Net difference (post sales–pre sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>513</td>
<td>646</td>
<td>133</td>
</tr>
</tbody>
</table>

**Table 4.3**: Sales of Random House (source: Wiley, “The Short-Term Influence of Free Digital Versions of Books on Print Sales.” JEP Vol. 13 Issue 1)

<table>
<thead>
<tr>
<th>5 Titles</th>
<th>Books sales 8 weeks before free digital release</th>
<th>Books sales 8 weeks following free digital release</th>
<th>Net difference (post sales–pre sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4949</td>
<td>5407</td>
<td>458</td>
</tr>
</tbody>
</table>

In all three groups, the sales increased noticeably in the eight weeks following the free digital release. The non-fiction, fiction and Random House titles increased sales by 34, 133 and 458 copies sold, respectively. Opponents of these findings may argue that the sales for the eight proceeding weeks of the free digital release could have been even higher if not for an Open Access version available. Any sales that were cannibalized by free versions, however, occurred at a level that did not reduce the average weekly sales numbers. Conversely, proponents of Open Access support the theory that the free online access increases publicity, marketing, and discovery of the titles, which, in turn, increases sales. These results suggest that releasing a title
online for free increases its readership. Further, Open Access can increase the volume of references and citations for monographs, which increases the academic clout of a title and its author.

4.3 CREATIVE COMMONS AND SHORT PRINT-RUN BUSINESS MODEL

Created by Lawrence Lessig, (author of *Remix*, the first Creative Commons (CC) title for Bloomsbury Academic), Hal Abelson and Eric Eldred, Creative Commons is a malleable licence where the creator of the content can pick and choose how much of the work is fair game for derivations and dissemination. The permutations available are finite: an author/publisher may allow users to copy the text, but not to change it, or he or she may give someone complete creative control as long as they cite the original source, or he or she may allow users to change it as long as they do so for non-commercial reasons. Ideologically, CC does not undervalue copyright. Rather, it places a premium on maintaining the author/publisher’s attachment to their work throughout the book’s lifecycle.

Bloomsbury Academic assigns a Creative Commons Non-Commercial licence. This model holds certain advantages for publishers. Firstly, free content increase the publicity of titles through Search Engine Optimization (SEO), which organically increases a title’s publicity by way of users reading, referencing and quoting the source material. Secondly, the digital versions available for purchase (i.e. PDF, EPub) are encrypted to protect the text from modification, thus ensuring the product remains intact and as intended for the author/publisher. Thirdly, the content, though free, cannot be used for the commercial gain of others. For example, an author cannot take research from a title under this licence and insert it into his or her own book without infringing on copyright. Lastly, for academic publishing, it is desirable to have others creatively comment and utilize content as it can validate a text’s worth within academic communities. Placing the content freely available online increases its publicity and likelihood of more people accessing it, which in turn may lead to increased citations.

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Critics of using a CC licence argue that, invariably, some readers will choose to not purchase a book if they can read it for free online. However, proponents of CC argue that any lost sales are offset by the sales generated from the publicity of putting the title online for free. Further, academic publishers are better suited to take advantage of the publicity of a Creative Commons licence without losing sales because of their dependence on sales to university libraries.

Traditionally, value in academic texts resided with the physical book. However, with the advent of Open Access journals, digital academic resources are now seen as just as viable a form of dissemination. Bloomsbury Academic believes that the time is right to invest in academic texts online, as the academic community now largely ascribes equal status to both physical and digital texts.

Augmenting digital sales with physical book sales, Bloomsbury Academic has employed a short print-run business model, a method of printing books that has increased in popularity over recent years and taken the per-unit costs of short-run printing down. Instead of publishing copies in the thousands, publishers can now cost-effectively print hundreds or tens of copies of a title. Short print-runs also can have the benefit of no warehousing costs and fewer returns. The drawbacks of such a model are that if a book sells out, the publisher may end up losing on the momentum of the title while it is are forced to do a reprint, in which time the popularity of the title may wane. As such, a short print-run model is best employed when the publisher is producing titles which it can accurately predict sales trends.
4.4 OUTLINING THE BLOOMSBURY ACADEMIC BUSINESS MODEL: PROBLEMS WITH THE OLD MODEL

There is a huge squeeze on academic monographs. Even if you can make money on selling 3,000 copies, in a way, what is the point of that? Academics are already bypassing publishers to put their material up online so that it gets the wider dissemination they crave. Some hardliners say you don't need publishers at all. But most academics want traditional publisher-added values—peer review, copy-editing, marketing, branding—that quality publishers bring. So how is this to be paid for? It's just a question of where in the chain you pay. And if you can ensure everyone who wants to have access to that research reads it, some will buy it.

—Frances Pinter

The previous quote by Bloomsbury Academic publisher Frances Pinter nicely illustrates the threats facing academic publishers. Academic libraries—the largest buyer of journals and monographs—face decreasing budgets and consequently, are reducing the number of monographs they purchase. Responsible for 75% of academic sales for publishers, this is a very serious threat for a business that has yearly revenue of over $12 billion US worldwide67.

The costs of producing academic content can be quite expensive. Article submission and reviews, editorial services, and marketing are just some of the costs. If the publisher wishes to put the content online, website maintenance, purchasing software, outsourcing labour and hiring or training staff bring the overall costs up even more.

Authors write monographs with the primary purpose of receiving critical acclaim, peer review and citation. However, the traditional method of publishing monographs has left many authors unsatisfied. The decreased funding for university libraries has left publishers searching to find different ways to increase their turnover. According to a senior editor at Bloomsbury, this creates an environment where publishers are feeling the need to streamline the production process of monographs in order to maximize the number of monographs sold as well as the profit margin.

Further, this requires an academic publisher of monographs to homogenize the publishing process of all its titles under one uniform method. This includes assigning as much as 100 titles per commissioning editor per year (some of the larger firms publish as much as 1000 titles annually), applying a single design and typography to each monograph, and creating simple covers. This process entails few discretionary finances for marketing and for authors to promote their titles via release parties and other promotions. This creates an environment where authors could be more likely to circumvent academic publishers by publishing their own work online.

Of course, just because it is now possible to self-publish academic monographs does not mean that it is preferable for authors to do so. Peer review is still a process where it is desirable if the referee is anonymous (and if possible, unknown) to the author. Additionally, the fact that a publisher has approved producing a monograph gives the author academic clout that is not possible with self-publishing. In short, the publisher’s role of “gatekeeper” is one that still has value.

Bloomsbury Academic’s business model focuses on what all academics need from publishers: peer review, prestige, citations and marketing. The imprint also provides contributions that other academic publishers currently leave out that assist in maximizing a title’s exposure: specific and direct online marketing, promotional ventures and design and editorial attention. The financial upside of any monograph is finite; there is a limited audience (and library funds) for even the most preeminent texts. This financial inelasticity means that authoritative and academic clout is the biggest upside for the authors. If a title has the ability to crossover into the trade market (such as Lawrence Lessig’s *Remix*) Bloomsbury Academic will operate in those sectors of publicity. Further, the increased publicity that is part of the Bloomsbury Academic model provides a better chance for a monograph to become part of the canon in its respective field, thus making it a backlist title for years.

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68 Salz, Emily, Interview by Author.
4.5 THE BLOOMSBURY ACADEMIC BUSINESS MODEL: STRATEGIC RATIONALE

In her report “Overview of Open Access for eBooks in the Humanities and Social Sciences,” Janneke Adema, a PhD student in the department of Media and Communication at Coventry University, nicely summarizes the benefits to monograph publishers and in doing so, largely outlines the Bloomsbury Academic model:

By moving to digital distribution of monographs (with print on demand in those cases where people want paper) we can take a lot of costs out of the distribution system, such as warehouses and returns. If we move to some kind of an open access-oriented system, we can eliminate a huge amount of overhead in billing and fulfillment and re-focus marketing on publicizing new works. After all, most of the audience for these works is within the academy.69

Bloomsbury Academic takes the view that licensing its monographs under a Creative Commons licence is the best way to maximize a title’s exposure without decreasing its sales. The imprint’s specific titles and audience are naturally suited for a Creative Commons licence. Professor Houghton—the author of the report Economic Implications of Alternative Scholarly Publishing Models, states, “There’s a proven citation advantage of Open-Access publishing: you get more readers, you get a better range of them, and that should help you get more funding.”70

Academic authors work on a currency based on recognition and academic clout more than on advances and royalties. Thus, academic authors are more acquiescent about losing a few sales if it includes peer review and increases publicity and citations. As stated previously, the number of sales

an academic monograph can obtain is extremely finite (for example, the preeminent title on the textile industry during the Qing Dynasty will still likely only sell, at most, 500 titles). This rigidity in sales means that authors are unlikely to achieve a sizeable amount of revenue from sales. However, peer-reviewed monographs assist authors in achieving tenure. Thus, the first and most important feature of academic publishing that makes it suitable for an Open Access model is that its pool of potential authors are more likely to agree that Creative Commons licensing is the best way for them to achieve their goals.

In order for monographs to be published and purchased by academics, libraries and institutions, they must first receive validation from the academic community. This occurs through peer review and publication by a reputable publisher. However, due to the rising popularity of online Open Access monographs, authors are now finding validation in the form of online citations, reviews, and references to their work. The Bloomsbury Academic business model augments the benefits of the Internet by putting its monographs online for free. While it may seem counterintuitive, publishing academic monographs online actually increases their validity amongst the academic community. Hal Varian, in a public debate with Stevan Harnad and Bob Parks, poetically spoke of this, arguing “Impact factors –like peer commentary– are a supplement (but not a substitute) to peer review.” Varian’s comment also reinforces the value (and perhaps necessity) of peer review. Under a Creative Commons licence, Bloomsbury Academic titles are given more publicity because they allow anyone to read, reference and cite the monograph, free of charge, which increases the discussion around a monograph. Simply put, Bloomsbury Academic’s business strategy is to maximize the number of people who know, discuss, and reference a monograph.

Bloomsbury Academic realizes that Google searches are becoming increasingly relevant to students and academics. As such, through free content and the virtual discussions around it, Open Access increases the amount of “hits” that a Bloomsbury Academic title will get in search results. The imprint’s focus on Search Engine Optimization (SEO) is seen in its XML production. This will be discussed in detail in the next section, but all monographs are produced in XML form at the onset of production and is the master format for each title. One of the main advantages of XML is its ability to “tag” data for the purposes of SEO.

Bloomsbury Academic’s utilization of Creative Commons is intended to promote and validate the work in its respective academic field while losing minimal sales. There is always the inherent risk of losing sales when using a Creative Commons licence. This model would likely be less profitable for publishing houses working in genre fiction (e.g. romance, science fiction, western, etc.) where the audience goes through books at a rapid pace and are less likely to purchase the book afterwards purely for adding it to their personal collection.

Bloomsbury Academic expects to lose minimal sales because it believes individuals who purchase monographs tend to do so because the material is related to their fields of study or profession. Academic monographs are exclusive texts, usually oriented towards those that already have an interest and background in the field written by the author. Because of its value as an item for reference, citation and source of knowledge, printed monographs are arguably a far more attractive format to read in comparison to reading online in HTML format—which is the platform Bloomsbury Academic uses for its Open Access versions of a monograph. Bloomsbury Academic’s strategy is structured around selling to university libraries. The firm is of the opinion that personal sales are a distant secondary source of income and that individuals who wish to purchase monograph’s will often already be affiliated with a university library, who regularly order monographs based on requests by members of the university’s faculty.
This is the crux of the Bloomsbury Academic business model. Its underlying strategy is that by having strong publicity (as well as marketing and design) the number of people who read the monographs will increase and will request their university library to purchase them. The university libraries have the freedom to purchase the physical monograph or purchase it in digital form (either as a PDF or EPub). Further, university libraries do not simply add an online monograph to their catalogue by using the URL associated with the Open Access version. University libraries make it a policy to not use URL’s as a source for an e-book. Rather, they require a MARC Code (Machine-Readable Cataloguing) to place digital books into a public-access catalogue. Bloomsbury Academic does not provide a MARC Code with its Open-Access HTML versions of the books, but do provide one if the book is purchased in a physical or digital format.

Open Access publishing is not without its caveats. Bloomsbury’s rationale presupposes that Open Access titles will not cannibalize print, EPub and PDF sales. However, as illustrated in section 3.2.1, universities are facing shrinking budgets. If university libraries budgets continue to shrink, they will not be able to purchase as many monographs and, as a result, academics may go directly to the source and read the Open Access version. Although handling and production costs are minimized through digital publishing, first copy (i.e., editorial, marketing, peer review and design) and digital production costs cannot be cut back without risking academic quality. Consequentially, in order for publishers to make a profit, university libraries will have to continue to use a large percentage of their budgets towards purchasing monographs. Bloomsbury Academic, however, feels that the opportunities of increased sales through publicity outweigh the potential threats.

As illustrated, Bloomsbury Academic’s business strategy is based on utilizing the strengths of digital publishing in an Open Access model. Further, it assumes that any lost sales from publishing with a Creative Commons licence do not come from its biggest clients, university libraries. Quite the opposite, it reasons that by using Open Access publishing, increases in publicity lead to subsequent requests for libraries to purchase the monographs. Further, any lost sales come from the much smaller market of personal purchases.

72 Bullas, Kate Interview by author. Written transcription. London, UK, June 18th, 2011.
73 Pinter, 2010.
4.5.1 BLOOMSBURY’S E-BOOK FORMATS

Giving away all online versions for free would, as one Bloomsbury official stated, “undermine the company’s business model.” Bloomsbury Academic produces its monographs in HTML, PDF and EPub formats because each model has its own purpose.

HTML is a free format and is used as the Open Access version of the monograph available on the website. All open-source monographs are licenced as Creative Commons for non-commercial use. As such, people are free to read, copy, and redistribute for non-commercial use. Thus, the main advantage of the HTML version is its ability to promote monographs via citations, references (i.e. blogs and reviews), and of course, increased readership.

PDF versions are a paid format, created primarily for library purchases. The content is encrypted, meaning that people who have access to it cannot alter the content. PDF is an appealing format for university libraries for a few reasons. It is a high security and data encryption format that includes customized access and security from viruses, it is extremely printer friendly, it supports interactive features such as hyperlinks and attached files, and it maintains all visuals of a document and can be read on different devices. The PDF version also includes a MARC code when purchased by a university library.

The EPub version is a paid format that is produced primarily for the advent of e-book devices such as tablets, e-readers, and smart phones. EPub versions of books are designed for reflowable content, meaning that text can be altered for optimal display for a particular e-reader, regardless of the device or screen size. Further, purchasing an EPub, PDF, or physical format will give access to additional materials on separate web pages that contain mp4’s, mp3’s, PDF’s, JPEG’s and URL links to additional online material. The extra features of the physical, EPub and PDF versions of the monographs are intended to make them a more desirable format than the HTML version.

The HTML version does not transfer to smart phones as well as an EPub or PDF version. Further, university libraries, as highlighted earlier, cannot add texts that can only be accessed through a URL. In addition, one does not get access to all of the additional materials without purchasing a physical, EPub or PDF version.

The revenue derived from PDF and EPub versions are intended by Bloomsbury to subsidize the costs and lost sales from a Creative Commons version, which, from a financial standpoint, is produced strictly to increase sales via publicity. The digital production department at Bloomsbury Academic assists in achieving this goal by producing all titles using XML format. The important thing to note is that XML does not actually display anything. Rather, it is embedded into another format such as HTML. Because of XML’s strict coding guidelines, it is easily transferrable between people and companies. Thus, XML content can serve as the foundation for the different formats used by Bloomsbury Academic.

The XML content is integral to the business plan of Bloomsbury Academic. Most obviously, it allows for the creation of the HTML version designed to increase the publicity and presence of the Creative Commons version of a monograph. XML has become the default mark-up language for many industries and is supported by Unicode. As a result, monographs can contain text in a foreign language (something common in humanities monographs) and it will be recognized as valid XML content. Using XML not only increases the online presence of the monograph but also any additional material the title may have. To clarify, creating and tagging metadata (i.e. JPEG’s, MP4’s, etc.) in an XML language increases the ease of locating information. Additionally, metadata production connects chapters with corresponding monographs, allowing chapters to be searched and read individually or, conversely, for them to be read from a title search. As many of the monographs have additional materials, the metadata also allows video and audio files, PDF’s, JPEG’s and URL’s to be connected to monographs as well as distinctive chapters.
In short, Bloomsbury’s operations are structured to maximize the presence of the monographs via XML, HTML and metadata production while hopefully stimulating sales by creating valuable add-ons with the purchase of a PDF, EPub or physical version of the title. Combined with the marketing, design and editorial operations, Bloomsbury Academic provides valuable services that other academic publishers do not provide and cannot be accomplished with self-publishing. In conclusion, Bloomsbury Academic’s Open Access business model is aptly suited for the books and authors it publishes as well as who it markets and sells to.

The purpose of this section was to highlight how an Open Access model can greatly enhance the publicity and sales of monographs. This case study opened with a briefing on past studies of Open Access, which showed a pattern of increased sales and publicity. This was followed by an analyses of Bloomsbury Academic’s use of a Creative Commons licence and short-print run business model and its potential advantages over traditional methods of monograph publishing. The section concluded with an outline of the Bloomsbury Academic business model and how it utilizes an Open Access model by creating e-books in different formats with value-added features, with the intent of increasing the publicity of the title and persuading readers to invest in a paid version of the monograph.

Bloomsbury Academic’s business model reflects the trends of its parent company. Specifically, Bloomsbury Academic is focused on the initiatives of digitization (and add-on features specific to e-books), academic acquisitions and collaborations, a focus on the global market, a trend towards direct marketing and less focus on traditional sales avenues and a convergence on direct sales via subscriptions and sales from the website. What’s more, these elements strengthen the firm’s academic publishing division through publicity and potentially through increased sales. Bloomsbury and its academic imprint converge on digital books and the largely experimental world of Open Access because it makes sense from a business and financial point of view. The monetary effects of Bloomsbury’s recent trend towards academic acquisitions and e-books will comprise the final section of this report.
5. Breaking Down the Numbers

The final section of this report outlines the financial effects of Bloomsbury’s recent initiatives. In a 2011 statement to the shareholders, Bloomsbury listed its strategy going forward. The firm intended to increase revenue, increase the proportion of specialty revenue in comparison to trade revenue, increase revenue derived from subscriptions and annuity-based purchases, and increase non-UK sales. The financial statements indicate that recent initiatives have helped accomplish these goals. Overall, the firm experienced its highest annual revenue in five years. More specifically, this section highlights substantial growth in sales in the firm’s e-book, specialist, and non-UK markets.

As highlighted in table 5.1, Bloomsbury’s revenue shrank by almost half in the span of three years: from £150.2 million in 2007 (the year The Deathly Hallows was released), falling to £99.9 million in 2008 and concluding in 2009, where Bloomsbury’s revenue were £87.2 million. However, in 2010 Bloomsbury saw its revenue increase to £103.4 million for the 14 months ended on February 28, 2011 (a jump from the £87.2 million seen in the 12 months ended December 31st, 2009). A few other numbers stand out: Revenue for the year to December 31st, 2010 increased 4% to £90.7 million (compared to £87.2 million in 2009); for the twelve month period to December 31st, 2010 profit before tax was £8.4 million (compared to £7.7 million in 2009). It should be noted that the report that contains these data does not include the £20 million acquisition of Continuum, which would certainly increase its annual revenue and, presumably, profit.

75 Bloomsbury: Unaudited Preliminary Results for the fourteen months ended 28 February 2011.
76 Ibid.
77 Ibid.
For investors who had previously seen Bloomsbury stocks drop due to the completion of the *Harry Potter* series, recent financial analyses have been equally promising. As of June 28th, Bloomsbury stocks had a 200-day Moving Average Price (MAP) ratio of 1.03, which is considered a bullish indicator. Further, this ratio was exceeded 93 times over the same period, which indicated that Bloomsbury stocks were trending positively and suggested future upside for investors.

These data clearly indicates that Bloomsbury’s revenue and profits have grown since 2008. Further, the growth in revenue and profit appear to be a result from the initiatives outlined throughout this report. Despite Bloomsbury’s trade division holding a smaller percentage of the firm’s total revenue (see graph 5.4), the revenue from the trade division increased by almost £10 million from 2009 to 2011, evidence that Bloomsbury’s expansion into the academic and professional markets has not come at the expense of its trade division.

Figure 5.3 illustrates that revenue from specialist publishing (i.e. academic, reference and professional) was £32.8 million in 2011, an increase from £26.4 million in 2009—a number that will only increase with its acquisition of Continuum.\(^78\) The growth in the firm’s specialist publishing division indicates an increased amount of revenue generated from subscriptions while being less dependant on bookshop sales.

\(^{78}\) Ibid.
A large reason for the growth in trade sales is the firm’s focus on e-books. Nigel Newton has stated that e-books are changing the face of the industry: “With the Kindle now firmly established in the UK market and recently launched in Germany, there is now a focused effort to sell e-books throughout the world.”

Within the first three months of 2011, Bloomsbury e-book sales were already over £1.1 million, an explosive growth from 2010’s benchmark of £79,000. Further, digital sales are particularly strong in the US, where they account for 15% of Bloomsbury’s revenues deriving from the US. Figure 5.4 illustrates the explosion of e-books sales in the US market. From 2007-2010, total US market e-book sales have grown from $32 million to $340 million annually! Bloomsbury took full advantage of a trending e-book market through a massive campaign of digitizing new titles within its trade and academic division and by purchasing world English rights – the preferred license by global digital vendors such as Amazon. Bloomsbury also capitalized on the e-book market by digitizing its academic backlist, which includes its acquisitions, Duckworth and the Hodder’s humanities list.

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79 Ibid.
81 Bloomsbury: Unaudited Preliminary Results for the fourteen months ended 28 February 2011.
Finally, the firm’s expansion into foreign markets, seen in its licensing of world English rights, restructuring its firm along division lines regardless of geographical location, and becoming less reliant on UK sales has contributed to its recent financial growth. Figure 5.5 indicates that the firm’s overall growth in revenue from 2009-2011 has occurred globally. While the percentage of North American sales remained at 21%, the total revenue increased from £87.2 million in 2009 to £103.4 million in 2011. Thus, US revenue increased from £18.8 million in 2009 to £21.9 million in 2011. Likewise, Bloomsbury Australia (launched in January 2011) immediately increased the firm’s international revenue.
This section indicates that Bloomsbury has successfully carried out the business strategies put forth in the firm’s recent reports. The firm’s recent focus on global sales (specifically that of e-books) and acquiring academic publishing houses has been a financially successful endeavor. Bloomsbury has experienced growth in revenue in both its trade and academic publishing, and its e-book sales have soared in 2011, all while reducing their exposure to the UK and becoming a more global publisher.

This section has shown the effects that Bloomsbury’s recent initiatives have had on its annual revenue. The recent growth in revenue demonstrates that Bloomsbury has rebounded from 2008 by reinventing its business via new channels of income. The growth in e-books sales, overseas revenue and academic publishing indicates that these were three decisive factors that have been vital in the company’s financial health.
This project report has highlighted the advantages Bloomsbury has experienced by expanding in academic and digital publishing. While the two initiatives do not necessarily have a symbiotic relationship, academic and digital publishing play off each other’s strengths. This report highlighted in what ways these two types of publishing worked in congruence, specifically, in the case study of Bloomsbury Academic.

The first section of this report provided a macro-analysis of the company’s financial standings and its exponential growth as a result of the *Harry Potter* series. Further, this report illustrated how the firm experienced success and failure by using its cash reserves on huge advances for authors due to the capricious nature of the market. The unforeseeable nature of trade publishing was highlighted to juxtapose it against academic publishing. The more predictable market of academic publishing has enabled the firm to restructure its operations for long-term growth due to the lower costs of production and the more reliable sales trends. Bloomsbury’s acquisition of academic publishing houses and a focus on e-books has enabled the firm to create revenue streams that are less dependent on domestic (i.e. UK) sales and bookstore sales. Simultaneously, these ventures are well suited to take advantage of rising popularity of online retailers and e-books.

In recent years, Bloomsbury has been structuring its initiatives to maximize its foreign sales. This is illustrated in the restructuring of its operations into jurisdictions of divisions, rather than geographical areas, in its practice of world English rights and in its new base of operations in Australia. The academic acquisitions by Bloomsbury gave the firm its first editorial team in the US, a point that cannot be overstated. The firm’s growth in foreign markets was greatly achieved through its foray into academic publishing.

Placing its company in the best position to utilize the e-book revolution, Bloomsbury’s initiatives include the digitization of front list and backlist titles as well as a large portion of titles accrued from recent
acquisitions. Many of the titles are commonly placed in course curriculum and will have a market for the foreseeable future. However, even those titles that do not generate many sales can be digitized and made available in digital format only. This inexpensive, one time cost will create a new “shelf life” for titles that have gone out of print. With bookstore sales dwindling and Amazon now the world’s largest bookseller, Bloomsbury’s focus on e-books and English world rights places it in an optimal position to sell its books to a growing audience of people who use e-readers and do their book shopping online. World English rights are best suited for a generation of readers that are increasingly purchasing titles from online vendors that sell internationally. The advent of e-books has also increased the potential for direct sales. Again, the popularity of the Kindle and other devices mean that publishers have a much better chance of reaching the consumer directly via the publisher’s website. Academic publishing, with its subscriptions and institution sales, is well situated to take advantage of direct sales of digital titles.

The macro-analysis of Bloomsbury’s recent initiatives provided a context for the second section of this report. Appreciating the firm’s commitment to academic expansion, global growth and digital sales affords a better understanding of Bloomsbury Academic as an imprint that has successfully carried out the goals put forth by the parent company.

An Open Access business model should not be undertaken in broad strokes but rather, should be employed if it can realistically achieve increased publicity and sales without undermining print sales. Further, this model should provide something that other publisher’s cannot offer, thus attracting new authors.

Open Access works perfectly for Bloomsbury Academic. Due to the nature of academic publishing (i.e., its authors, audience and buyers) a Creative Commons licence for monographs allows for increased creativity in the marketing, publicity and production of titles while potentially losing minimal sales. Perhaps most importantly, it better assists authors in achieving academic clout. The digital production also works in tandem with the other departments, creating a monograph that can be read in numerous formats and on various devices. Further, the additional learning materials that come
with purchasing a copy of the monograph adds further value to the title. The structure of Bloomsbury Academic and its strategic rationale is better understood when the encompassing trends in publishing are understood. Thus, the overview of Bloomsbury brought to focus the trends in digital publishing and the advantages of academic publishing.

The recent expansion into academia would not have been possible if not for Bloomsbury’s impressive cash reserves. Nonetheless, there were many ways a publisher in its position could have attempted to grow and fail. Bloomsbury, conversely, has wisely invested its cash reserves by acquiring academic publishers with impressive backlists that are guaranteed to produce long-term revenue.

Bloomsbury’s tendency to redefine its operations is illustrated in its steadfastness to start up an experimental imprint such as Bloomsbury Academic. It is this openness to adapt with the evolving publishing landscape that is most promising. The movement towards digitizing titles (both front list and backlist) illustrates the firm’s commitment to change its business model and to take advantage of a new publishing landscape, one without borders and bookshops.


Cooper, Deborah, “The Scholarly Review Process at the University of Toronto Press” (2003), Masters Report, Simon Fraser University.


Cooper, Deborah, “The Scholarly Review Process at the University of Toronto Press” (2003), Masters Report, Simon Fraser University.


