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Sheridan Books Presents *FrontMatter*

BRINGING YOU THE LATEST SBI AND
INDUSTRY NEWS

Hidden Benefits of eBooks

eBook conversion delivers more than just the online availability of titles. There are hidden benefits to eBooks, such as the ability to test a new title prior to printing, or capturing revenue that would otherwise be lost when print quantities diminish. eBooks are always available at the time of order and make a great compliment to printed titles. By offering eBooks in addition to printed books, consumers no longer have to wait to purchase your title while your print inventory is replenished ensuring you don't miss out on sales.

With eBooks you can:

- Generate additional revenue by offering content in multiple formats
- Capture lost revenue by repurposing backlist titles and content
- Test market new titles prior to printing
- Eliminate traditional inventory and associated inventory costs
- Provide consumers with content when and how they want it

To help you convert and distribute your titles as eBooks, Sheridan Books, Inc.

offers a suite of electronic publishing services called Electronic Content Services (ECS). Sheridan's ECS services enable you to convert and distribute titles to today's leading eReaders, mobile devices, tablets, and computers and can increase market exposure and sales revenue. To ensure your content is accessed by authorized users only, enrichment services are available that provide the capability to protect your content with a variety of Digital Rights Management options.

In addition to converting and protecting content, **ECS** offers publishers a **branded eStore** for the sale of their materials direct to consumers as well as online hosting and distribution of their content to third party sellers.

Another ECS offering, called **ShelfWise™**, provides authors and publishers an easy and affordable outlet to sell their eBooks directly to consumers via an **aggregated eStore**. With ShelfWise, Sheridan will convert your title to eBook form and place it for sale in the aggregated eStore that links to your existing website allowing for direct to consumer sales.

No matter if you choose to sell your books through a branded eStore, or through ShelfWise's aggregated eStore, you maintain control of your content and pricing!

Learn More — The newly released ShelfWise video guide outlines the benefits and impact that ShelfWise has on authors and publishers looking to sell eBooks online through an aggregated eStore. Check it out at: www.sheridan.com/books/demos.

While you're on our site, check out our ECS video guide using the same link from above.

IN A NUTSHELL:

eBooks allow you to:

- Generate additional revenue
- Repurpose backlist titles
- Test market new titles
- Eliminate inventory
- Expand your reach



4/c Initiatives at SBI Ensure High-Quality Products

Over the past few years Sheridan Books has made great strides in the 4/c area to help publishers achieve their 4/c goals. From installing new systems and software, to new proofers and presses, SBI can achieve the high-quality color you seek faster and more efficiently than ever before.

Here is a look at some key color initiatives SBI has implemented recently and the benefits they have brought publishers:

To help ensure that your projects are printed with consistent and accurate color quality through the run SBI installed **closed-loop color management** systems on its color presses. This system uses spectrophotometry to scan the color bars on the printed sheet, compare the scans to those of the make-ready sheet, and automatically adjust the ink zone keys to compensate for any discrepancy. The closed-loop technology is able to bring a press up to target densities quicker and maintain them throughout the run.



Closed-Loop Spectrophotometer

To meet the rising demand for producing titles with 4/c text SBI acquired a second **eight unit Heidelberg Perfector press**. The addition of this press increased capabilities and capacities for color text and component printing

allowing SBI to provide you with color pages quicker than before.



Heidelberg Perfector Press

The installation of two new **24" Epson Stylus Pro 7900 proofers** greatly enhanced SBI's ability to provide you a color accurate proof in a timely fashion. Our proofing process has always included the use of a spectrophotometer to verify that every proof produced is color accurate and falls within our tolerances.



Epson Proofer

Now, thanks to the built-in SpectroProofer by X-Rite, each proof output is scanned and logged automatically. This process assures you, and our press operator, that the color proof has integrity and the resulting printed color at press will match your expectations.

Earlier this year SBI achieved **G7@ Master Printer Qualification** from IDEAlliance. The G7 Master Printer status ensures that SBI has the knowledge and skill to produce proofs and printed material that conform to G7 specifications. Implementing the G7 methodology can dramatically improve print quality and consistency. Many publishers are now requiring G7 from their printers because it ensures the

same gray balance and neutral tonality across all printed materials for repeatable color appearance. G7 allows SBI to meet those customers' expectations by providing matching proofs and prints to the latest color industry standards. SBI can match proofs and previously printed materials from around the world that were also produced using the guidelines of the G7 methodology.



To help give you a better understanding of color, SBI has created a "Color Theory Primer." This primer covers topics such as: theory, printing, matching, and proofing. Contact your Sheridan Books sales representative to receive a copy of the Color Theory Primer or to see four-color samples printed on the Heidelberg.

IN A NUTSHELL:



SBI 4/c Initiatives

- Closed-loop color management maintains color densities
- 8 unit Heidelberg Perfector press increases color capacity
- Epson proofers offer accurate timely proofs
- G7 Master Printer status achieved



The American Reader—Book Buying Behavior

Readers are becoming more selective in their book buying. Over the past three years there has been an 8% decrease in the amount of books both bought on impulse and bought as a gift by American readers. With readers becoming less impulsive it is more important than ever for publishers to understand who the consumer is. The following information gives you a look at who is purchasing books in America and their buying behavior.

Thirty-nine percent of Americans over the age of 13 bought a book in 2010, down four percent from 2009 according to data released in July from Bowker's PubTrack™ Consumer.

PubTrack™ Consumer is a publishing industry resource for understanding book buying behavior that surveys U.S. adult men, women, and teens about their book purchase behavior on a monthly basis. The survey was conducted online by a sample of males and females 13+ years and older who were

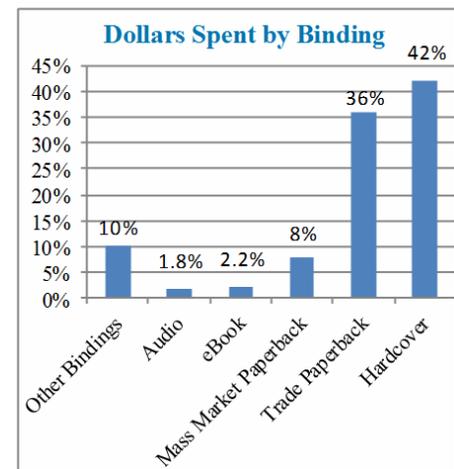
responsible for the purchase of over 96,000 books in 2010.

Other findings show that in 2010:

- The average age of the book buyer was 42
- 65% of books purchased were by females (up 1% from 2009)
- 41% of books purchased were Adult Fiction
- 14% of books were purchased as a gift
- 27% of books purchased were through Internet retailers
- 29% of the dollars spent were through large chain bookstores
- \$12.08 was the average price paid for a book (down \$0.11 from 2009)
- 14% of books purchased were because of the authors name
- 12% of books purchased were due to the title being on the shelf/spinning rack/in-store display

- 23% of books purchased were an impulse purchase
- 56% of book buyers read online magazines

As illustrated in the chart below 44% of the dollars spent on books were paperback (mass market plus trade).



For more information visit:

www.bowker.com

Source: 2010 PubTrack™ Consumer—2010-2011 Demographics & Buying Behaviors: Essential Facts About the U.S. Book Consumer

Technology Survey Highlights

Sheridan Books recently conducted a survey among book publishers to better understand their current and future technology needs and to gather views on the direction of the industry. Survey participants include religious, trade, university press, education, professional/technical, reference/catalog, and independent publishers.

Publishers from all segments of the book industry agree that the transition to digital content and eBook offerings has had a significant impact on the book publishing business. Respondents

felt that interactive eBooks, offering an eBook option for textbooks, and the growing usage of tablets will continue to impact the industry as would additional technological advances.

Here are some of the key findings from those who shared their views.

- 35% of respondents felt that driving additional revenue is their biggest challenge for 2011.
- 30% of respondents felt introducing innovative products/services is their biggest challenge for 2011.

- 22% of respondents identified eBooks as the top game-changing event in the book industry.

These changes, to the way readers receive their content, have everyone thinking differently about how they can best deliver content to their reading audiences. Through the survey, SBI received valuable customer insights and the responses from this survey will help to shape our current and future technology strategies so that we may continue to provide value to the book publishing industry.





Sheridan Books, Inc. is a leading book manufacturer providing publishers complete book manufacturing services. Sheridan Books provides sheet-fed and web offset printing, digital on-demand printing, and eBook conversion and distribution product offerings. Sheridan Books is one of five Sheridan Group companies providing print, publishing services, and technology solutions to the publishing industry. The Sheridan Group is headquartered in Hunt Valley, MD.

UPCOMING EVENTS

October 12-16, 2011
Frankfurt Book Fair
Frankfurt, Germany

November 3-5, 2011
PubWest
Las Vegas, NV

Good News! - CPSIA Amendment Signed

On Monday, August 1, good news was received by publishers of children's books. Both the House and Senate passed an amendment to the Consumer Product Safety Information Act (CPSIA) that exempts ordinary children's books from the law's testing requirements. On August 12, President Obama signed the amendment making it official.

Ordinary books are defined as books printed on paper or board using process inks "and bound and finished using conventional methods" and include

books with spiral bindings and laminates.

Novelty books, book-plus titles, and some others will still need to test for lead. The Consumer Product Safety Committee (CPSC) is still working out



the details for this testing which is under a stay of enforcement until January 1, 2012.

Compliance to the lead limits and tracking labels previously set forth under CPSIA is still required but the burden of sending ordinary children's books to a third party facility for testing has been lifted.

CPSC Website

Visit the CPSC website where you can read more about the CPSIA legislation www.cpsc.gov/about/cpsia/cpsia.html

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have always come to me
through books.*

Bell Hooks