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Keep on Learning

Professions in Publishing Project
Workshop Opening Speech

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CFCU CENTRAL FINANCE & CONTRACTS UNIT
TÜRKİYE YAYINCILAR BİRLİĞİ TURKISH PUBLISHERS ASSOCIATION
SİVİL TOPLUM DİYALOĞU CIVIL SOCIETY DIALOGUE
THE PUBLISHERS ASSOCIATION
TÜRKİYE CUMHURİYETİ AVRUPA BİRLİĞİ BAKANLIĞI
REPUBLIC OF TURKEY MINISTRY FOR EU AFFAIRS

Early in 1972 on a cold morning in London I went for an interview at George g. Harrap, 182 High Holborn, well-established publishers most famous for the French-English Dictionary, known in France as 'le Harrap'. Little did I know that this was the first step in a career which has so far lasted 44 years and I hope will continue for many more.

Harrap were looking for someone to build a science list for schools, for universities and for the trade. I was straight out of university with a degree in Natural Sciences from Cambridge University and they stupidly hired me. The pay was really lousy but it was a job. On my first day at work someone from the production department asked me how many copies we should print of a mathematics revision guide. 'I don't know' I said. 'But you're the new science editor. It is your job to decide'. I said slightly timidly 'Ten thousand?' 'Fine,' he said. And I suspect that 9800 copies are still luirking in a warehouse somewhere.

This was a family company of maybe fifty people and they were all in a single building – editors, designers, sales, publicity, production, finance, warehouse, and trade counter for booksellers to pick up stock. It was pre-computer. Invoices were written by hand. If I wanted to establish the sales of a particular title I would walk to production to discover how many copies had been printed, to publicity to discover how many we had given away and then to the warehouse to see how many were left. Simple arithmetic did the rest.

This was my apprenticeship. Because nobody in the company was interested in science I found I had to do most things myself which meant learning about all aspects of our industry – going to Frankfurt, selling rights, producing publicity material, visiting printers, in addition to negotiating author contracts and coming up with new ideas for books which might sell.

One thing I learned very quickly was the importance of numbers as well as words. Whilst I was not the cleverest guy around I could do simple arithmetic and it would appear that most of my colleagues could not or could not be bothered. In addition to the on-the-job learning I was fortunate to have been sent to editorial

training courses where I learnt not just what they were teaching but also the importance of networking with colleagues from other companies and the importance of getting out of the office to visit bookshops, attend conferences and built up an understanding of what publishing really involves. I became hooked on the business of books.

After a couple of years I was married and we had our first child. We couldn't afford to live in London on that lousy salary, so we moved to Oxford where I landed a job based at Headington Hill Hall (which was later home to a variety of publishing courses run by Oxford Brookes University). But back then (1974) it was the home of Pergamon Press whose chairman was Robert Maxwell, the Czech British media magnate who ended up drowning in the Mediterranean. He was a crook but we didn't know that then and he was my boss. I had to learn that your boss is your boss. He was also a brilliant publisher who really invented scientific publishing as we know it today.

So what did I learn from this crooked entrepreneur? It was not a formal education but it was an education in publishing. Every morning we would gather for Maxwell to open every piece of incoming post and to be taught lessons. Every piece of paper carries a message. A conference flyer is an opportunity to publish the Proceedings. A magazine with advertisements will give us a list of potential advertisers to contact. Act fast and act decisively.

I was the biology editor and biology was moving fast. He instructed me to launch a hundred journals in a year. Amazingly we did. And we changed the discount structure to retailers. We changed the currency of billing from sterling to Swiss francs. Everything was (and is) possible. We discovered some vast overstocks of hardback textbooks. Students had moved to paperbacks their preferred format. Reprinting these titles in paperback would have been expensive so instead we simply printed a sticker for all the books announcing that they were now paperbacks. And we got away with it. All part of a publishing education.

Inevitably one falls out with megalomaniacs like Robert Maxwell and in 1975 I

moved to the more reputable and apparently steadier Oxford University Press as their medical editor. Unfortunately, as I discovered, they were at that time losing money (hard to imagine today) and it was getting worse. So the next part of my education was how to deal with avoiding bankruptcy in publishing. What did I have to learn? Just about everything.

We started with the warehouse where we employed some 700 people on the outskirts of London of whom only about 500 were real. Two hundred had names such as Donald Duck and Mickey Mouse. It was the heyday of union control in the UK. It took six weeks between receipt of an order and despatch. It was chaos but not the fault of those who worked there. It was the fault of a management which allowed this to develop. I was twenty-eight when I was put on the team to manage the closure of this warehouse. I was obliged to learn about human resource, law, how to handle the psychology. I suspect we handled it badly as the staff took revenge on us by burning (literally) incoming orders. What did I learn? Don't let things get out of control obviously but also to be incredibly careful when hiring staff because you might have to end up sacking them and there is nothing worse.

During this period we also had to address many other forms of waste. For instance, our editorial office in Central London had three separate canteens. One for the ordinary peole, one for middle management (including me) where we were served free wine at lunchtime and cocktails in the evening and three chefs to cook, and then one for the big boss who had a staff of two just to look after his lunch needs! We closed that office and moved everything to Oxford where no such extravagance existed.

But it was not all about closure and retrenchment, there must always be reinvestment and growth potential. In 1981 I was invited to write one of the first strategy documents for OP, entitled 1984 (after George Orwell) to address how we could make money while still fulfilling our scholarly and educational objectives. Re-reading the document recently I have to say was slightly embarrassing. Many

of my proposals were self-serving and ridiculous. Only one was spot on and that was the decision to move typesetting from expensive UK to high-quality and low-cost India. This more than anything allowed scholarly monographs to continue to be published even as the market declined.

What lessons did I learn from my thirteen years at OUP? Firstly, the organization is more important than the person. In my time there I think I only added two titles to OUP's regular top ten – OED Online and Oxford Textbook of Medicine. The other lesson is illustrated by those top titles. The name on your business card which matters is not you but the name of the company. When I had to make deals without the magic word 'Oxford' it was a lot harder.

In 1988 I left OUP. If you're in the least bit interested you can read about my resignation day at https://hbr.org/2010/02/the-day-i-didnt-become-ceo.

So I moved back to London to splendid offices in the Michelin Building in South Kensington. I joined Octopus publishing Group which had just been sold to Reed International by its founder, the brilliant Paul Hamlyn. He was the first person to realize the opportunities of low-cost Eastern European colour printing to produce excellent gift books for the UK and US markets at prices the mass market could afford. I was hired to create and launch a new mass-market paperback house, Mandarin books.

Coming from the staid Oxford University Press to the commercial publishing of books such as Michael Jackson's Moonwalk, Thomas Harris's The Silence of the Lambs or Madonna's taboo-breaking Sex was quite a change. Amongst the earliest books then was Spycatcher by a former British spy, Peter Wright, Mrs Thatcher, then Prime minister of the UK, decided to try to ban it. She failed miserably. Our original print run of 3000 turned out to be one of the great underestimates of all time as we went on to sell over five million copies worldwide thanks to the publicity generated by Mrs Thatcher's ban. We weren't allowed by law to promote or sell in the UK so we published in Australia, hired a bunch of Australians in London to call round

UK booksellers taking orders, and supplied via Ireland or the Netherlands or wherever. It was great fun.

I had to learn a whole new world of publishing and some really stupid things too. For instance, I was once in New York and spotted The Bridges of Madison County had been top of the New York Times best seller list for forty weeks. But I'd never heard of the book in the UK. When I got back to London I asked who was the UK publisher. It was our own company but somebody had decided to change the title to Love in Black and White because it was a bout a photographer and nobody had hear of Madison County in the UK. We had to change the title back to the original and I wrote a letter to booksellers apologising for our complete incompetence. Fortunately we went on to sell more than a million copies. I hope we learned a lesson.

While I was working at Reed International they kindly paid for me to attend the 12-week Advanced Management Program at Harvard Business School. It cost the best part of $100k. So what did I learn of relevance to publishing apart from some worrying insights into my own character?

I think the most important insight was into risk-rewards ratios. Most publishers are quite rightly driven by sales and so one is always looking at the top line first. But what is the cost of that top line and what else might one do with the cash. Sometimes the risk outweighs the reward but we are in the risk business and without risk-taking we would have no business at all. Getting the balance right is the thing.

Secondly globalisation. Clearly English-publishing has a global dimension which is absolutely vital for success. But the other aspect was cultural. Some 120 managers from all around the world came together for twelve intensive weeks, a third from Asia, a third, from Europe and a third from the Americas, from different industries and backgrounds but we found real commonality. We can always find differences but with human beings I learned that the similarities are greater and more important than the differences.

Other things I learned included being able to say 'I don't know'. There is nothing shameful about no knowing but sometimes we try to cover up our ignorance. And

learning how to NOT do things which we are less good at. For instance, many managing directors spend a lot of time on office planning. Who sits where, who gets the corner office, how do you arrange an office move. I don't enjoy that and if you don't enjoy something it probably means you'll do it badly. There is always someone else. I also learned how to ignore the detailed spread sheets attached to an investment profile. Of course the numbers matter but it's understanding the core business which really matters.

While I was at Harvard, Reed merged with Elsevier to create what is now one of the biggest and most profitable publishers in the world. They decided then that books were not part of their strategy. I was in charge of the books division and had to help them sell the business and then departed. The beneficiaries of that sale, incidentally, were Egmont who purchased one of the best children's lists in the world and Random House who picked up the trade list for almost nothing (relatively). If I had known the price I would have bought it myself!

So I joined forces with a friend to build a business, Current Science Group, for eventual sale to Reed Elsevier. It was scary. We had quite a large team, up to 200 people, and almost no income. We were trying to build the first social network for scientists, back in 1995. It was crazy but it was very stimulating. You learn a lot when you have to see the bank manager every Monday to see how much money is left in the account. However, we managed to build the business and two years later sold it, as planned, to Reed Elsevier who promptly closed its main digital component as it challenged their existing highly profitable business model.

I was then appointed Chief Executive of Macmillan Publishers with their main office in the Kings Cross area of London. Macmillan has offices around the world but my office overlooked the Regents Canal, one of the great industrial waterways of the UK. Macmillan was in some ways an old-fashioned business publishing a bit of everything – Picador for high-quality literary works, Pan for the mass market, Macmillan Education for schools worldwide and for English Language Teaching, Palgrave Macmillan for academic monographs and textbooks. We published in all sorts of countries. One such was Gamsberg Macmillan in Namibia. Who would have thought you could publish successfully in a country with a tiny population, thirty or so indigenous languages and where our profitability level was in direct proportion to the amount of rain falling in the rainy season?!

There were a further two thousand people in India and in addition to publishing undertaking typesetting, printing, web development, spread across twenty or so cities.. We had a large Spanish-language business in Latin America and Spain, and pretty big set-ups in the Middle East and China.

Altogether it was pretty complicated, fascinating and challenging. The lesson I learned was that you have to trust people – or get rid of them. You cannot run a business in, say, Argentina and second guess the local management. It is extraordinary though how often people forget that lesson.

Looking back over the Macmillan years, probably the most successful thing was the transformation of the magazine Nature into a major digital scientific publishing company. The magazine itself had sales of 60,000 copies every week and a large share of its revenue came from display and classified advertising. It was perceived and run as a magazine but it was really the potential of a scientific information portal. We went on a journey of launching many spin-offs and new products – Nature Reviews, Nature Clinical Practice, Nature proceedings and so on. Every time we launched a new Nature-branded product someone would say be careful, we mustn't damage the brand. Of course, overextending any brand carries risk but providing you maintain quality, maintain investment, and stay true to the values of the brand, then all should be well. And it was. The cost per article for scientists fell tenfold because readership exploded from 60,000 to 2.5 million through digital availability and access, and the sales and profits increased hugely. What did I learn? Take risks. We are publishers. Put the best person in charge and empower them to make mistakes as well as make successes. The person in charge of Nature and its enormous success became my successor at Macmillan and, after ten years, I was free to pursue another adventure, joining Bloomsbury.

Bloomsbury is located in Bedford Square in London which had been the centre of publishing, with publishing houses on all four corners of the square. With costs of property rising in the late twentieth century the publishers moved away but they are now returning. Everything goes in cycles.

When I arrived, Bloomsbury had just published the seventh and final volume of Harry potter. Or at least we thought it was the last. We had no idea that she would contribute to a play. The question we had to answer was, after Potter what next? We could try to hunt for the next Harry Potter but it had taken more than 500 years since Gutenberg to find the first one the chances of finding another in a couple of years were pretty slim. We had tried spending money on books by rock stars and politicians and big name authors but this didn't work. The Bloomsbury brand is all about quality not necessarily mass popularity (although when they come together...).

We decided on another strategy and started spending our cash on what some people describe as boring publishing but I think of as high-quality academic and professional publishing with a digital interface. I cannot remember exactly how many companies' acquisitions we have made but maybe sixteen in nine years. They were all relatively small and our finance legal teams hate me as the ratio of work to size doesn't help them. But the thing about buying small companies that you know what you're getting. There are not the skeletons which you may or not discover within the bigger companies. We were able to buy selectively and well.

I think the classic example was the leading edition of Shakespeare in English, the Arden Shakespeare. When we acquired it we knew that it had a limited market but equally we knew that market and we knew the books were ideal. It also linked in to our overall strategy where we have a very large list of contemporary and classic plays to which Arden could be added and in due course were able to create the largest database of plays, Drama Online, for sale to universities around the world.

What did I learn from this acquisition strategy? The balance between size and quality, the difficulty of integrating, particularly integrating cultures but also basic IT systems. And the centrality of a strategic vision. Over the last nine years we have probably rejected some 200 opportunities, not because they were bad companies but because they lacked something which would make the whole company better.

So throughout this hugely enjoyable publishing voyage I have tried to learn and to participate in publishing courses both as student and teacher. In the U|K there is a growing number of universities who offer publishing courses, some vocational, some more academic, some more international, some more domestic, some focus on technology, others on creative writing. They are fantastic feeders for our industry worldwide. I sometimes think we don't deserve the quality of people we employ so I am grateful to these universities which is why I now spend a significant part of my time mentoring and lecturing.

Another major part of my life and a vital part of publishing is the role of publishers associations. I am currently President of the International Publishers Association (IPA) based in a hideous building in Geneva. They have rather small offices accommodation three staff who work incredibly hard. And I have been involved with the UK Publishers Association for many years, sat on many of their committees and was President a few years ago. Why do I do it, people frequently ask. It's a good question. I suppose the answer is that I have gained hugely from our industry and it's important to give something back. Secondly, I have so many friends in the industry worldwide and it's good to stay in touch with friends.

However, being involved in these association sis not always fun and I am reminded of a remark by an Oxford University Press author: Being published by OUP is like being married to a duchess. The honour is greater than the pleasure. The same might be said of being President of the International Publishers Association!

The associations do a lot. Much of their activity is below the surface and publishers frequently complain about the subscriptions they have to pay. I understand. What do publishers get for the money they pay towards the associations? Sometimes it is hard to identify the benefits but here are a few examples.

Piracy is till prevalent in many countries but together we are able to represent our industry and we have had successes in limiting piracy in many countries including China, the Middle East, India and Latin America. And now we have to

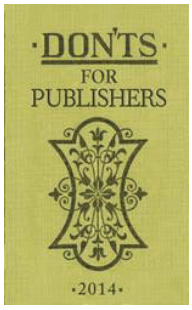
deal with Internet piracy requiring sophisticated legal and technological advice.
And then copyright itself. It is a very simple, incredibly important and incredibly empowering law. These words I write are my copyright. I do not have to register anywhere. I can decide to sell the words, or license them or give them away free. They are my words quite simply and straightforwardly. However, politicians seem to like changing laws and they like to do things which might gain them popularity and electoral votes. The latest threat to copyright is educational exceptions. In various countries some people think that copyright should not have to apply to schools and universities because education is a good thing and photocopying (for instance) without payment should be allowed. It sounds fine but the implications are anything but fine. For instance, the Canadian Government made it possible for schools to photocopy parts of school textbooks or music or whatever. The result is that local Canadian education publishing has diminished as profits decline and schools in Canada are becoming increasingly reliant on US textbooks thus further eroding Canadian culture and identity.
The International Publishers Association is doing its best to stop this crazy idea spreading by virtue of putting the publishers' case to the World Intellectual Property Organisation in Geneva. It is a never ending battle but one that must be fought if publishing is to thrive now and progressively in our more digital future. Copyright is fit for the digital age and does nothing but good in culture, education, scholarship and freedom.
And then there's the issue of taxation. In the UK we are blessed with a zero rate of VAT on printed books which has helped our industry grow and become ever more competitive both in the UK and globally. The IPA fights for low (and ideally zero) tax rates on publications to support national publishers associations. Having a thriving publishing industry is of much more value to a country than the small amounts raised by taxing books. Right now we are running a campaign to eliminate tax on educational books in Kenya which is not just damaging publishers and authors but also has resulted in worsening school results.
And finally I must mention freedom to publish which is IPA's second mission (alongside protection of copyright). Our or job is to support freedom to publish everywhere. This freedom is under threat constantly and in Turkey you know only too well how fragile that can be. And it's not just governments who threaten freedom to publish. The huge technology companies are controlling distribution channels and they can effectively crush freedom of expression through not exposing material on their platforms. The recent cases of Facebook censoring

the iconic photo of the girl running from a napalm attack in Vietnam and Apple's removal of some French magazines because they offended Apple's sense of dignity are worrying examples.

So back to the beginning. What have I learned from 44 years in this industry? Perhaps the single most important rule is to stay in business. If you don't stay in business you can achieve nothing. T the same time we must take risks.

Flat structures are better than complex hierarchies. I sometimes worry that the size of some of the major international publishers and their complex management structures will lead to poor and slow decision making. It also means that hardly anyone, particularly at the top, is close enough to the market place to really understand the trends and developments.

It took me some time to realise the next obvious lesson. It once appeared that publishers thought about themselves first and everyone else second. I now realise that the single most important person in all our lives is the author – writers of schoolbooks, novelists, poets, children's writers and illustrators, scholars, scientists are all at the centre of what we do. We forget them at our peril. Publishers should see themselves as servants not masters.



A few years ago at Bloomsbury we published two 100 year old books from our archives – Don'ts for Husbands and Don'ts for Wives. The advice was not in the least contemporary or politically correct but we've sold 3 million copies and have even translated the books into French and German (maybe one day into Turkish!). When I retire I have determined to write one called Don'ts for Publishers

Here are a few of my don'ts.

- Don't ignore old copyrights. There is value to be found in the old as well as the new.

- Don't overvalue old copyrights. Times and tastes do change.

- Don't pretend you are a retailer. Publishers need to think differently from retailers.

- Don't believe what retailers tell you. They tell you what suits them best.

- Don't believe in spreadsheets. They are created to support whatever case the creator wants to make.

- Don't believe what strategy consultants tell you. Their main interest if their fee.

- Don't create digital ghettoes, don't have a digital strategy. Have a publishing strategy which includes digital.

- Don't over-engineer your systems. Making them too complicated and sophisticated will lead to breakdown.

- Don't abandon good businesses. They are probably still viable for longer than you may think.

But to end on a more positive note here are some Dos.

- Do learn as many aspects of our business however distant from ones core they may be.
- Do keep on learning.
- Do keep on making mistakes.
- Do measure more things and learn from those measurements.
- Do take as many risks as you can and do everything possible to minimise the downside of those risks.
- And do have fun.

Richard