Michael Tamblyn
@mtamblyn
EVP Content, Sales & Merchandising
@kobo
global ebook retailer
launched: Dec 2010
in 10 months
1M users
+90 days

2M users
+70 days (last week)

3M users
Top Free iPhone Books Apps

1. iBooks
   Books
   Updated Jul 23, 2010

2. Amazon Kindle
   Books
   Updated Aug 23, 2010

3. Kobo Books
   Updated Aug 28, 2010

4. Barnes & Noble NOOK for iPhone
   Updated Sep 03, 2010

5. 100,000 Free Books - Wattpad
   Books
   Updated Aug 26, 2010

6. Marvel Comics
   Books
   Released Apr 01, 2010

7. Love Quotes 500
   Books
   Updated Oct 06, 2009

8. Audible Books
   Updated Sep 20, 2010

9. Comics
   Updated Sep 19, 2010
(the cloud)
200 countries.
English everywhere
Beyond English
The story so far...
North America
“as many titles as possible”
pricing: “let the market figure it out”
“Whoa, didn’t see that coming...”
Agency
20 min
<5 min / country
Germany
France
Spain
Italy
Netherlands
End of May: Germany, Spain
Soon after:
France, Italy, Netherlands
EU markets
the theory...
publishers keep control of files
publishers keep control of prices
standardize DRM
enable independent retail
the most titles
the most titles in ePUB
retailers with websites, eInk devices, a few apps
wholesalers (KNV, Libri, Libreka) significant investments
ONIX
(with some variants)
fastest-moving market
large publishers with US subsidiaries
most unencrypted ePub to retailers
fixed ebook prices
30-40% (or more) off print price
focus on Adobe ACS
(starting to thaw)
fewer ePub
relatively expensive ebooks
20-25% off (but climbing)
few ereaders in market
a lot of metadata variation
less direct exposure to active ebook markets
most ambiguous pricing situation
multiple aggregators: Libranda, Publidisa, et al.
few ePub
lots of PDF
U.S. market
Latin America rights
few ePUB, more PDF
faster growth than France
even with fewer titles
more aggressive pricing (30-40% off)
eDigita
direct relationships with publishing groups
all Adobe, all the time
publisher/retailers planning, launching
Centraal Boekhuis
the dream:
all files in one place,
all metadata in one place
challenge:
owned by Dutch publishers and Dutch retailers
non-Dutch retailers
non-Dutch ebook retailers
key themes
availability of titles
English: hundreds of thousands
tens of thousands
thousands
hundreds
more rights issues
less retailer-driven conversion
the local ebook retail challenge
1st Wave
Adobe ACS + Adobe ADE
+ eInk Device
€150-250K
2\textsuperscript{nd} wave
Adobe ACS + Adobe ADE + eInk Device
  + iPhone app
  + iPad app
  + Android app
  + MacOS + Windows desktop app
  + Blackberry app
  + [custom, proprietary, etc.]
+ cloud syncing
+ annotations
+ recommendations
+ social sharing
(x new revs every 3 months)
$10M+/yr
Which retailers can afford it?
Can you standardize the needs of independent retail?
metadata
subject categorization
map-o-rama
pricing
buy a device
deal with DRM
don’t lend
don’t resell
don’t redownload*
= -20%?
cheaper ebooks = ebook market growth
ebook dark matter
Adobe DRM
What you can do with Adobe DRM...
multiple 3\textsuperscript{rd} party eInk devices
library lending
not tied to retailer
what you can’t do...
cross-platform support
in-app account creation
cloud bookmarking
dictionary, thesaurus lookup
sync’d notes and annotations
social features
Amazon, Apple, Google
The Kobo Compromise
worldwide sales
isolated pockets of demand
rights
price protection
“rights/price leakage”
accelerating conversion
conflicted aggregators
wholesale/publisher/retail
existential crisis
1. “We are a publisher. We should warehouse our own ebooks”
2. “We can warehouse other publishers’ ebooks”
3. “We are a wholesaler – we can enable other retailers”
4. “We are powering other retailers”
5. “We are a retailer”
6. “We are competing with other retailers”
Aggregator value:
Common terms
Standardized metadata
Consolidated files
Impartiality
Adobe DRM
Kobo purchase path
1. Select title
2. Click “buy”
3. Create account
4. Input CC and confirm purchase
5. Automatically deliver to device
ACS-based purchase path
1. Select title
2. Click “buy”
3. Create account
4. Complete purchase
5. Download file
6. Download adobe ADE
7. Register for Adobe ID
8. Authenticate ADE with your Adobe ID
9. Log in to ADE with Adobe ID
10. Import ACSM file into ADE
11. Authenticate file with ADE
12. Register device with ADE
13. Transfer file to device
What could possibly go wrong?
€5
€10 * 50% = €5
€10 * 30% = €3
moving fast
next 6 months