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McHUGH EXPERT INTERVIEW

Innovative Content Distribution: An Interview with Pam Boiros, Books 24x7

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Content can be valuable when licensed to a third-party aggregator. Content aggregators come and go, but one that caught my eye 11 years ago is Books 24x7. As you will recall, around 2000-01 was the period of the big dot.com bust— most disappeared. Not Books24x7, which has grown and prospered over the years. To use a trite phrase, Books24x7 has a solid business model and to my way of thinking, one that is distinctive in the world of content aggregators.

Books24x7 offers over a dozen topical on demand, subscription-based e-reference collections to cover the information needs of corporate and government employees, as well as students and other professionals. These collections include ITPro, BusinessPro, EngineeringPro, and more. New titles are added every week, ensuring breadth, depth and currency of subject coverage. The Books24x7 platform – with its patented search technology – offers a range of features to allow subscribers to search, find, and use the collections.

We will examine Books24x7 from a couple of different perspectives. First, Books24x7 is the type of aggregator some book publishers should consider working with given the extent of their offerings. Second, Books24x7 stands out as an example of pioneering thinking that has translated into a solid business that has withstood the test of the relatively short time span of digitized content aggregators. With those perspectives in mind, here is my interview with Pam Boiros, Vice President, Product Management, Books24x7 SkillSoft, www.books24x7.com

Q What is Books24x7? Are you an ebook publisher?

A We actually don't use the word "ebook" much at Books24x7. We think of "ebooks" as units of titles that are purchased on a title-by-title basis, generally by end consumers. As a digital book aggregator, we consider what we do more akin to creating a massive database where the content locked up within thousands of books is unleashed for immediate, drill-down, online access by subscribers. It comes down to the type of content – reference works that are used often, for short stints in a non-linear way vs. the linear reading experience associated with fiction, narrative non-fiction, etc., where an immersive experience is desirable.

Q What are the benefits to 24x7 licensors?

We have over 300 publisher partners of various sizes and types – from association publishers, to trade houses, and university presses. All enjoy earning a royalty stream

based on digital access (no unit sales), as well as extensive exposure for their titles. In this multi-channel world, and with the book trade taking less and less stock, exposure to a key professional audience is an important way to overcome obscurity.

Q How does exposure of licensors' books on Books24x7 help with sales of books?

Since we reach a largely professional – and global – audience, just getting the cover, title, and short description in front of our subscriber base is a great exposure opportunity for a publisher. Each page of each title on Books24x7 is decorated with a "purchase" link, which links to an online bookseller (or the publisher's own ecommerce site) for subscribers who want to purchase the printed book.

McHUGH EXPERT INTERVIEW

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Q Your background is book marketing prior to joining Books24x7. How has that helped you in your work for Books24x7?

A Yes, I spent 7 years in various sales and marketing roles at Butterworth-Heinemann (now Elsevier Science and Technology Books) prior to joining Books24x7 in 2000. That experience gave me exposure to many aspects of STM (scientific, medical, and technical) publishing – including trade sales, academic sales, direct sales, as well as – in those days – the growth of the superstores and beginning of Internet booksellers such as Amazon.com. My background in the industry has been extremely useful in a number of ways. First, I can certainly relate to the publishers' desire for new licensing revenue streams and exposure channels, in addition to concerns about print book cannibalization and piracy. Secondly, the network of really smart, dedicated people I have met and worked with in the industry is second-to-none. I am always amazed by how small this industry is, and how people might move from publisher to publisher, but remain in the industry.

Q What sort of books are you looking to license in terms of subject matter? What criteria do you use in seeking licensors? Does Books24x7 license other types of content in addition to books; for example, journals?

A In the English language, Books24x7 has 12 topically oriented collections covering technology, business, finance, engineering and wellness topics. There are a total of over 25,000 titles available across all of the collections – so each is broad, deep, and diverse. We also offer collections that cover these same topic areas containing books in German, French, and Spanish for our global customers. Primarily we offer professional reference books, but we also aggregate whitepapers and other analyst research for our AnalystPerspectives collection,

and we are also hosting some video and audio. We do not, at this time, license journals.

Q Associations, institutes, and societies ("nonprofits") are prolific publishers of STM content for their members and the public. Do you actively solicit non-profits to license with Books24x7?

A Absolutely.

In fact, I think association publishers have some terrific resources that are sometimes not broadly available outside of the association's member base. We have a number of association and society publishers already – PMI, ASTD, ISACA, AMA, American Payroll Association, SFPE, SNAME, IET, IEEE – and would welcome conversations with others that publish within our areas of specialty.

Q How are your licensors compensated? How often does 24x7 pay royalties? What is the term of the 24x7 license?

A Books24x7 has a unique model that compensates publishers based on the page views of the collection, and a proportion of revenue. This is a great "equalizer" in royalty earnings as even smaller publishers can earn significant royalties if their books are being used heavily by the subscriber base. We pay on a quarterly basis, and our agreements are multi-year – typically 3 years with an automatic renewal for the convenience of both parties.

Q How do you ensure the integrity of the licensor's copyrighted material and prevent infringement? What is your digital rights management (DRM) and how does it protect the licensee's copyrighted material?

McHUGH EXPERT INTERVIEW

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A As a pioneer in this area, we have been diligently watching the evolution of digital piracy. At its most basic level, Books24x7 is a hosted solution which stores all of the digital content licensed by publishers, and the material is served up to authorized subscribers a page at a time. This in and of itself protects the content, because only small amounts are served up to the user at any given time. We have a variety of traps built into the site to detect page harvesting tools and looking at the volume and rate of page retrieval which can identify suspicious behavior. In addition, our customers tend to be corporate and institutional clients with a keen respect for copyright that they convey to their end user populations.

Q Who are Books24x7's customers? Why do they sign up for 24x7? What are their job titles? How do you charge for access to 24x7 licensed material?

A Books24x7 is a wholly owned subsidiary of SkillSoft, the world's largest e-learning training company. As a result, our clients tend to be large corporate, government, and other institutions that purchase Books24x7 as a component of their employee training and learning program. SkillSoft's e-learning courseware is seen as "formal learning," while the e-reference content in Books24x7 is seen as a component of "informal learning," which tends to be retrieved for performance support, quick Q&A, and career/skills development. Our users run the gamut of corporate professionals, but we have a large number of users who are in technical, engineering, and managerial roles. Books24x7 is sold on an annual subscription model based on collection(s) purchased.

Q How is Books24x7 data made available to the growing array of personal digital assistants (PDA)?

A Great question. The proliferation of mobile devices has been a major factor in the growth of ebooks and electronic access to information. Books24x7 subscribers have been able to access their Books24x7 subscription via internet-enabled mobile devices since 2006. In fact Books24x7 is an excellent use case for the mobile device. Users need a quick snippet of information – and are able to get it anywhere. We have hundreds of new, first time users to <http://mobile.books24x7.com> each week – and we hear feedback from sales professionals, consultants, and other on-the-go professionals who use it heavily.

Q What is Books24x7's new inGenius (<http://www.skillsoft.com/products/inGenius/default.asp>)? How does it work? How does it benefit the participant? How does one participate?

A I am really excited about inGenius. It extends the use of Books24x7 even further, by allowing end users within a specific corporate subscription to use the Books24x7 platform to collaborate, share, and find knowledgeable colleagues by using the books as seeds of discussion. "Social Learning" is getting a lot of media attention these days, and we're doing something different from many other providers. The feedback has been excellent, and we already have several corporate clients who have rolled out inGenius to their end users. There is more information on the URL link you listed above, and we have a short online virtual tour of inGenius available here: www.books24x7.com/ingeniustour.asp.

McHUGH EXPERT INTERVIEW

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Q Are many of your customers libraries? What do you offer to libraries that other content aggregators do not?

A We do have a number of academic and some public libraries as customers. We offer a range of different technical and non-technical collections, that are updated continuously, that serve a variety of student and patron needs.

Q How labor intensive is it for the licensor to license its content to Books24x7? Describe the process.

A Not at all. We really pride ourselves on making the process easier. And as the industry has moved to standard file formats, the process has improved for both Books24x7 and the publisher. Once a licensing agreement is reached (5 page document), we start receiving files from the publisher. Many publishers are still providing PDF files, which are fine, but a number have started providing XML and/or ePub files as they move toward a workflow that is designed to support e-delivery as much as it supports the print process. Once we receive the files, we take it from there. Publishers do not incur any costs, they do not need to create a new ISBN, and they do not need to review the online rendering – unless they want to – we have a fully staffed production and QA team that handles everything. The publisher just needs to wait to receive a royalty payment.

Q How is content available to a Books24x7 customer in terms of slice and diced information?

A Although we sell based on large, topically-oriented collections, the user has complete control over the searching and browsing of the content in order to review the exact chapter, page, section, chart, table,

graphic, that they need for their particular mission. With the annual subscription model, the user gets access to everything in the collection as well as all new titles that get added. Our users love to get our New Titles email notification which tells them all of the great stuff that's been added to Books24x7 in the previous week, and lets them click right into any title.

Q What else do we need to know about Books24x7?

A Thanks for the opportunity to present Books24x7 to your readers, Jack. I think that with all of the noise and hype in the “ebook” world today, it's important to realize that there are a multitude of different digital distribution opportunities with different business models serving a wide variety of audiences. Smart publishers make it their business to be knowledgeable about the market without being overly influenced by what the “Big Five” New York trade publishers are doing. For smaller presses – and especially association and society publishers – the trade market is so wildly different, it may as well be a different industry altogether.

Q Who should the reader contact at Books24x7 for more information?

A I would be happy to speak with any readers about Books24x7. I can be reached at pboiros@books24x7.com, or by phone at 781-440-0550.

McHUGH EXPERT INTERVIEW

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ABOUT PAM BOIROS ,VP, PRODUCT MANAGEMENT FOR BOOKS24X7, SKILLSOFT

Pam joined Books24x7 in 2000, and is currently responsible for the product and content strategy for the Books24x7 product line. Pam has worked to develop new collections, including international language products, as well as new site features designed to enhance the user experience of the Books24x7's On Demand Platform. She is passionate about emerging technologies such as mobile devices and social networking, and the impact such innovations can have on the learning experience, and for the last year has worked closely on the development and launch of SkillSoft's inGenius social networking feature set. Prior to joining Books24x7, Pam was US Sales Director for Butterworth-Heinemann (now Elsevier Science and Technology Books). She is an avid reader and literacy advocate.

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- *Book Acquisitions: An Interview with Claire Reinburg, Director NSTA Press* (I-49, May, 2010)

ABOUT JOHN B MCHUGH

John B. "Jack" McHugh, a 30-year veteran of the publishing business, is a successful publishing consultant. He is the author of the *McHugh Publishing Management Series*—80 practical papers on all aspects of publications management. He also publishes the *McHugh Expert Interview* series, interviews with publishing leaders on various publishing specialties. All of these are available free at www.johnbmchugh.com.

In the book publishing business, McHugh has worked as an executive for Houghton Mifflin, Wadsworth, and Saint Mary's Press. McHugh is also an experienced association publishing executive. For seven years, he was Publisher and Director of Programs at the American Society for Quality, a 100,000-member professional association based in Milwaukee, WI. For a two-year period, McHugh served as the Interim Publisher at the Project Management Institute, a Newtown Square, PA. based, 240,000 -member professional association.

Jack McHugh's specialties include book publishing, executive recruiting, journal publishing, rights and permissions, organizational design, and startups. McHugh has advised a variety of association publishers including: Alliance for Children and Families, ASCD, ASTM, AWHONN, Boy Scouts of America, International Employee Benefit Foundation, NSTA, Police Executive Research Foundation, SAE, SMACNA and SNAME.

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