

## Return of the Big Six? Interview with Mark Gottlieb, Literary Agent at Trident Media Group

## For podcast release Monday, January 13, 2020

KENNEALLY: Announced in October 2012 and completed the following July, the merger of Penguin and Random House reduced the big six by one. In the years since, trade book publishing has counted its leading houses on a single hand. But that calculation may be quietly changing.

Welcome to Copyright Clearance Center's podcast series. I'm Christopher Kenneally for Beyond the Book. If you're wondering who is the insurgent publisher, then ask Alexa. The Amazon smart speaker and virtual assistant is one element of a multifaceted effort to make Amazon a leading force in publishing trade books for children and adults. Over two decades, Amazon has become a dominant player in book sales. Amazon Publishing, launched in 2009, is also on the rise, says literary agent Mark Gottlieb of Trident Media Group. As its differentiator, he explains, Amazon Publishing has developed strategic marketing programs and sophisticated online author services. Want to know your book's current monthly sales numbers? Just ask Alexa. Mark Gottlieb joins me now from his New York City office. Welcome back to Beyond the Book, Mark.

- GOTTLIEB: Hi, Chris. Thank you so much for having me back on the podcast. I really enjoy my time in speaking with you.
- KENNEALLY: Well, thank you for joining us again. This is an intriguing topic the return of the big six and really by that, you mean the rise of Amazon Publishing. There at Trident Media Group, you've been following the evolution of book publishing over the decades and obviously pay close attention to where the business is headed. What is it you see in Amazon Publishing that makes you think they really are on the rise?
- GOTTLIEB: So I think for a long time, Amazon, they were really sort of the new kids on the block. And because of all of the, let's say, changes in the marketplace, a lot of people have received them and still hold them with a lot of skepticism throughout major trade book publishing. But I think they've really become not just in the retail sector, but as a publisher, a force to be reckoned with for a number of reasons, one being that having filled the ebook space, that has really, for one, replaced the massmarket format. I think the state of book publishing in terms of how publishers like



Penguin Random House have merged, like you mentioned, has also given rise to Amazon, because there's actually less competition in the marketplace as a result.

And there has been talk with others – I spoke about this, actually, with Jim Milliot at *Publishers Weekly*. His belief is that there's a very good chance that we could be looking at a big five among publishers before we know it. But I think that Amazon is really here to fill a space, given that they have bookstores, they have a meaningful publishing sector, and the technological know-how – it's extremely savvy, like what you mentioned about collecting your royalty reports from Amazon Alexa.

- KENNEALLY: Right. Let's take apart some of the arguments you're making here, because it's very important points. You mentioned, of course, the obvious Amazon advantage, which is its own retail distribution system. It's not just that they have that in their favor. It's that the publishers they are competing against are really challenged by the current retail marketplace.
- GOTTLIEB: That's true. With the closure of many bookstores and major chains such as Borders, Barnes and Noble having closed stores, and independent bookstores trying to fill those spaces, Amazon has become a place where people can go online and buy books readily – not just as ebooks, but printed books. And as a result, a lot of publishers, much in the way that they would have to in a bookstore in buying space on the main table – we call that (inaudible) in a bookstore. They have an outwardly facing shelf on the column of a bookshelf in Barnes and Noble. The books weren't always just simply put there. A publisher paid to have those books face out in a place like that.

With Amazon, publishers are really paying, frankly, just to speak to a customer service representative there. And what Amazon is able to do, not just as a publisher but also a retailer, is very similar to what publishers used to do, where you had a publisher like Scribner, for instance, where they had their bookstore in the lobby of the building. Or you had a publisher like Scholastic – they're still very strong in the school and library market, but they also used to likewise have a bookstore in the lobby of their building. Amazon really owns their online storefront in that way, and they can place a lot of their own titles there. Again, it's another thing that makes Amazon kind of a difficult force to be reckoned with with other publishers. Just look at the Amazon top 100 and see how many titles there are from Amazon imprints.

KENNEALLY: No matter how you feel about Amazon, Mark, it's important to give them credit for the thoroughness with which they approach a challenge. In publishing, they really start their work even before a book is ready for sale. This is



key to the success down the line. Take us through some of the steps. Their expertise in marketing is pretty formidable.

GOTTLIEB: One of the things that's very interesting about Amazon is early on, they try to nominate books for a lot of programs in order to market and promote them in their online channels. Some of those are, for instance, like Kindle First programs, where essentially the title will be available exclusively on the Kindle format. The interesting thing about it – obviously at first glance, we know it's Amazon's nature to really want to capture any kind of market space that they can and really own that space. And what they're doing is they're creating a level of exclusivity during the preorder period before a book even publishes or within the first timeframe of publication where people can only go to Amazon to get a book.

But what they're willing to do in those instances in approaching agents and authors is they say not only will we put your book in the program and promote it in the program, we will pay you for that window of exclusivity, a payment non-applicable against the book advance. To an agent and to an author who typically, even in major trade book publishing, it can be like pulling teeth just to get a book publisher to properly market and promote a book. Now, here's a publisher who comes along and says not only will we market and promote your book, but we'll pay you to let us do it. I mean, it sounds very attractive to an author. Obviously, we know it's kind of these monopolistic tactics of Amazon to do these sorts of things. But it's very, very hard to say no to something like that.

- KENNEALLY: It certainly helps the Amazon editors acquire the kinds of books that are going to make the business a success, Mark. At apub.com, you can see some of the titles that they are purchasing. They've acquired a number of different imprints over the last 10 years. This is a pretty comprehensive line of books that they publish. So for an agent like yourself to turn to them with a submission, you can take almost any project there, I imagine.
- GOTTLIEB: That's true. When Amazon first started out, they were primarily in the nonfiction space. We had actually sold them their very first two books. It was Penny Marshall's *My Mother Was Nuts* the film director and actress and a memoir co-written by Deepak Chopra and his brother, who's a professor of liver medicine at Harvard, Sanjiv Chopra, called *Brotherhood*. It was interesting to see the ways in which those books were published and the ways in which the publishing community responded to Amazon just because of what had taken place in the ebook space and how it has forever changed book publishing.

But as an agency, we've seen Amazon go through its evolution all the way from that point up until now where, yes, like you say, they have an imprint for thrillers. They have an imprint for women's fiction, for romance, for science fiction/fantasy,



for literary fiction, for nonfiction. And big authors are making the leap to Amazon. They've just acquired a swath of titles from Dean Koontz, a former client of ours. They're also now publishing a client of mine, *New York Times* bestselling author Kate Moretti.

And many other authors here at Trident – I can't give you exact figures, but I can tell you that the income we're seeing from Amazon as a publisher is robust. They pay their royalties to authors on a monthly basis, which can be frustrating in one sense, because it's a lot to process month to month, because traditionally publishers had paid royalties quarterly. Whereas now, the payments coming in from book publishers – traditional publishers – are so small that a lot of them have moved to paying royalties twice yearly.

- KENNEALLY: What's interesting, Mark, is you hit on a point I was going to raise with you. All the various exclusives that APub offers to its authors really do drive at that transparency that you were just speaking about, and I suppose it also raises expectations with authors that they can get it there at Amazon. They expect to see that across all of trade book publishing. And again, that's putting pressure on Amazon's competitors, who probably can't deliver the kinds of computerized services that Amazon just takes as natural.
- GOTTLIEB: That's true. It's very hard for a mega-publisher like Penguin Random House to just turn on a dime. They're like a massive ship. It's easy to say publishers should take a page out of Amazon's book and try and do some of the things that they're doing, but I think it's very hard for publishers to evolve in that way. To their credit, they've done some things, and they've begun working with Amazon, and they're handling Amazon much better than I think they had in the past. Part of that, too, is that a lot of ebook sales across the industry have leveled off, which have helped publishers in a lot of ways.

But I think the only way to really reckon with a publisher like Amazon would be if a place like, for instance, Google Books or Apple Books really stepped into the market – and I mean in a meaningful way, not simply in the way that they exist now. But if they took the kind of interest in books that Jeff Bezos had taken first in starting Amazon – that's how it all began. He was selling books online out of his garage. It was essentially the eBay of books, and it went from there. Those would be two major competitors for Amazon, and I think for lack of a better phrase, would bring balance to the Force.

KENNEALLY: It is a fascinating picture you're painting for us, Mark. It's an important story for authors to follow, but it's also important for agents to see this and to reckon with it. I understand that not only can authors have their own apub.com



account and check it out on their mobile device and ask Alexa about their current sales numbers, but there's a similar service for agents as well.

GOTTLIEB: That's true. There's an Amazon Author Central and Agent Central where we get royalty reportings. Some publishers have done that for agencies. I know Simon & Schuster does and some other publishers where you can download your sales data real-time or royalty reports that way, which is certainly good. I think any time a major competitor comes about in the marketplace, it'll inevitably force other people to try and compete and improve themselves in the face of that kind of competition.

Some of the other things that I do see from Amazon is, again, a lot of prepublication marketing via their preorder pages, the type of keywords they use, the personalized technology, even what they're able to utilize in terms of Goodreads. Not everyone may know this, but Goodreads is actually an Amazon-owned company where Amazon can host their own book giveaways.

The other sorts of things I tend to see from Amazon – obviously, the launch marketing, including on-site marketing and via mobile devices, custom emails, targeted ads, social media campaigns – it's all very savvy. Whereas with other publishers, what I see really is that there are authors who get this kind of attention and level of marketing savvy, but it's kind of like watching the cream rise to the top. Only some of the biggest authors at publishing houses that are the highest-earning authors for a publisher really get this level of attention, like a TV ad or a bus ad or anything like that, because I think a lot of the marketing and publicity people can sometimes be spread very thin across a publishing house. Whereas Amazon has found a way to automate a lot of these processes and to utilize technology to their benefit, where sometimes there's a human element and sometimes not.

- KENNEALLY: Mark Gottlieb, literary agent with Trident Media Group, thanks for sharing your insights on the rise of a 21<sup>st</sup>-century publisher, Amazon Publishing. We appreciate you joining us today on Beyond the Book.
- GOTTLIEB: Thank you, Chris, for having me. I appreciate it.
- KENNEALLY: Beyond the Book is produced by Copyright Clearance Center. Our coproducer and recording engineer is Jeremy Brieske of Burst Marketing. Subscribe to the program wherever you go for podcasts and follow us on Twitter and Facebook. The complete Beyond the Book podcast archive is available at beyondthebook.com. I'm Christopher Kenneally. Thanks for listening and join us again soon on CCC's Beyond the Book.



END OF FILE