

## Dangers lurk in Pearson deal

Authors' lawyer Michael Lennie said Pearson's merger with Simon & Schuster "will not be a boon for authorship or authors." Lennie was responding to the pending merger of Pearson's Addison-Wesley Longman and S&S's textbook units, waiting to be approved by the U.S. Department of Justice this fall.

Lennie said authors should look closely at their contracts, especially if they are in a pre-publication phase, and ask these questions:

- Is the publisher obligated to publish within a finite period of submission of complete manuscript?
- Is there a "reversion clause" that requires the prompt reversion of all rights to the author if the publisher fails to publish within the specified time limit?
- Are there provisions forgiving repayment of the advance in the event of the publisher's failure to publish, or to return the rights to the author upon the author's promise to repay advances from "first proceeds"?

Authors whose textbooks have already been published, he said, should ask: Is the publisher, who may now have conflicted interests due to competing titles within the newly merged company, upholding its duty to devote sufficient resources to market the book such as to give it a fair chance for success in the marketplace? Or is the publisher allowing the author's work to die a slow death without adequate marketing, or without a revision when needed?

"What better way to quell competition than to keep a potential competitor under contract and effectively out of the marketplace?" Lennie asked rhetorically.

With fewer and fewer publishers to publish textbooks, Lennie said, authors need to be alert to their rights under the contract both express and implied. "The best, maybe the only, clause protective of the author in the typical author/publisher contract is the 'implied covenant of good faith and fair dealing,'" he said. "The typical un or under-negotiated author/publisher contract is not a bastion of relief for an abused author, but with the 'implied covenant' the publisher's discretion is not as boundless as you may fear. If you feel your rights have been trampled, it's not inconceivable the law might agree with you."

[www.winonanet.com/taa/ARTICLES/98/09sep/0916lenniepearson.html](http://www.winonanet.com/taa/ARTICLES/98/09sep/0916lenniepearson.html)

**Mark your calendar now for the TAA National Convention, Park City, Utah, June 24-25, 1999**

## NOTABLE AUTHOR: MOLEFI KETE ASANTE

### Changing African-American history texts

Africology Professor Molefi Kete Asante was the first African-American to write an African-American history for high school students. "As I traveled around the country, I saw that there were no textbooks that dealt with African-American history," Asante said. "I thought I'd try my hand at writing a book for that level of students." *African American History: A Journey of Liberation*, was written for high school students, and for the first time gave them African-American history from the standpoint of African-Americans: "Not from the standpoint of others describing African-Americans, but from us describing ourselves," Asante said.

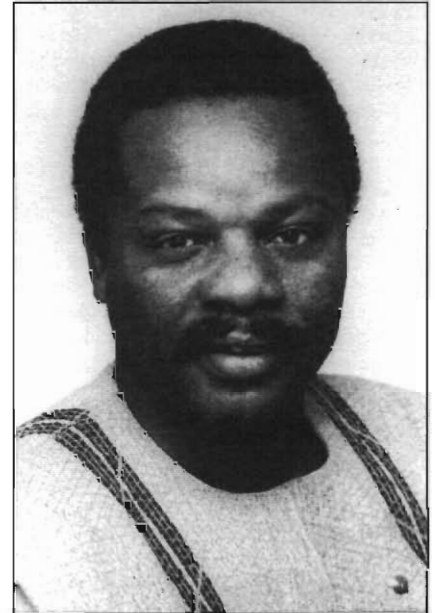
In 16 units and 57 chapters, Asante concentrates on what is significant to the African-American and devotes the book to telling, he said, "the optimistic history of African-Americans based on the authentic voice of African-Americans. It shows an insight that is interior rather than exterior."

His first textbook, *Classical Africa*, written for 9th grade students, teaches them that among the ancient civilizations, the earliest are found along the Nile Valley in East Africa. "The longest lasting is the Ghana Empire," Asante said. The first book by an African-American to deal with the question of ancient Africa as a classical civilization, Asante said, it is also the first time "classical" and "Africa" have been used together. "Civilizations of ancient Africa were the same as the ancient civilizations of Rome, China or India," he said. "The influence of classical African civilizations has been felt in African and North American civilizations as far as medicine, philosophy, geometry, archeology, astronomy and other subjects."

Asante, now a professor of Africology at Temple University, where he was head of African-American studies for 12 years, has written more than 40 books, and is currently working on a high school textbook on contemporary Africa. "I enjoy writing textbooks because I know that they will have a definite influence on students," he said. "Textbooks are much more practical for bringing about change."

Asante has written more than 28 trade-books, mostly on the concept of Africology, the afrocentric study of African phenomena. "It is the study of African people as being agents and actors in history instead of being on the periphery of history," he said. Some of his tradebooks include: *The Afrocentric Idea*, *African American Culture*, *Historical and Cultural Atlas of African Americans*, and *Afrocentricity*.

Asante said he has always had a great love



**Africology Professor Molefi Kete Asante's *African American History: A Journey of Liberation*, was the first book to discuss African-American history from the standpoint of African-Americans.**

for words and knowledge. "My grandfather and father were highly speculative and I am a lot like them," he said. "I've always been inquisitive. I wanted to write and bring about transformation in human lives." And so he has. He received his Ph.D. from UCLA in 1968 at the age of 26. He was a full professor by 30. He created the first Ph.D. program in African-American Studies in the world. He has spoken on more than 250 campuses and debated with black and white conservatives on issues such as Afrocentricity, ulticulturalism, ancient Egypt and education. His work on African culture and philosophy has been cited in several journals including the *Journal of Black Studies*, *Newsweek*, the *Chronicle of Higher Education*, and the *New York Times*. He has also been a consultant for several school districts for re-writing the curriculum.

He said teaching is the most rewarding profession he can think of: "Teaching is challenging. It keeps you fresh, young, new and dynamic."

*Digested from a complete article at [www.winonanet.com/taa/NOTABLE/asante.html](http://www.winonanet.com/taa/NOTABLE/asante.html)*

## Lawyer's Advice: Test reason for e-royalty cuts

Publishing lawyer Steve Gillen has advice for authors who receive a contract addendum from Allyn & Bacon asking them to sign for a flat 10 percent royalty for electronic versions of their work: Don't sign hastily. "Don't be short-sighted or arrogant just because the publisher is or may be," he said. "Explore the options with an open mind and negotiate for a fair deal. Remember that author and publisher are financial partners in the publishing process, with each sharing in the proceeds from commercial exploitation of the work. It is not in either's interest to hamper the fair and reasonable efforts of the other to fully exploit the work."

Gillen's comments follow Allyn & Bacon's new "standard contract" addendum to give authors a flat 10 percent royalty for electronic versions of their work — even if their print royalties are higher. Other publishers and imprints also have tried to clarify contracts on electronic versions, many of them also with a reduced royalty.

Gillen suggests authors ask the following before signing:

- Why is the reduced rate necessary or appropriate?

### TAA guide addresses e-royalties

TAA's contract guidelines recommend against giving away the rights to future applications of authors' works, said TAA President Peggy Stanfield. Responding to publishers who are changing contracts with electronic royalties into the indefinite future, Stanfield noted the TAA contracts committee has long recommended not to sign away future rights: "Authors and publisher should then negotiate a royalty percentage rate at the time the publisher wants to use the book electronically. At that time, both author and publisher will be in a better position to know what's fair."

Stanfield and TAA Executive Director Ron Pynn said electronic versions no longer are mere ancillaries. Book companies are on the brink of putting the core of authors' work online and in CD-type vehicles, they said: "Fair compensation for creation of intellectual property is a right; electronic publishing requires no less." For TAA's Guide to Contracts: [www.winononet.com/taa/DOCUMENTS/contracts.html](http://www.winononet.com/taa/DOCUMENTS/contracts.html)

- Are there any special cost considerations that require this concession?
- What will the publisher offer in return?
- What will the publisher do if you refuse to sign?
- What are the publisher's specific plans for electronic versions?

Gillen said authors should also find out what the publisher's objectives are: "Deter-

mine if they are reasonable and then limit any concession to the publisher's articulated justifications, if they are consistent with yours, and make sure you get something of appropriate value in return — perhaps a guaranteed minimum royalty."

[www.winononet.com/taa/ARTICLES/98/09sep/0909gillen.html](http://www.winononet.com/taa/ARTICLES/98/09sep/0909gillen.html)

## NEWS BRIEFS

**E-royalty cut.** In a cover letter explaining that it needs to update contracts for the electronic age, textbook publisher Allyn & Bacon is offering a flat 10 percent royalty to authors for electronic versions and spin-offs of their work. For authors whose present contracts are more than 10 percent, it's a bad deal, said experts on book contracts. Someone now at 15 percent will some day, sooner than most people think, be at 10 percent with every product in electronic form.

[www.winononet.com/taa/ARTICLE/98/09sep/0908ab.html](http://www.winononet.com/taa/ARTICLE/98/09sep/0908ab.html)

**New I-store.** A new online textbook store, VarsityBooks.com, began serving students at five Washington colleges. The company claims a stock of 250,000 titles, including trade books, at 15 to 40 percent discounts. President Tim Levy said students can place orders from anywhere — their dorm rooms, campus computer labs and home. Three-day delivery is promised with most the second day, Levy said. [www.VarsityBooks.com](http://www.VarsityBooks.com)

**Royalty flap.** A committee reviewing the books at the University of Arkansas Press concluded that authors are being paid 10.5 percent — more than the university press

average of 8.5 percent nationwide. The committee recommended paring royalties. Interim Press manager John Coghlan says something is wrong with how committee members read his bookkeeping. He says the Press is at 8.0 percent, slightly below the national average. Cutting royalties, he said, would be "detrimental to authors" and he doesn't relish doing it. [www.winononet.com/taa/ARTICLES/98/09sep/0910arkansas.html](http://www.winononet.com/taa/ARTICLES/98/09sep/0910arkansas.html)

**No e-cuts.** TAA's executive director, Ron Pynn, said fair compensation for creating intellectual property is a right — and electronic publishing requires no less. Pynn was responding to Allyn & Bacon's "standard contract" that allows only 10 percent royalties on electronic versions. "I cannot see any reason authors should be expected to receive a royalty rate lower for electronic production of a textbook than for any other form," he said. "Certainly publishers have not produced compelling evidence it costs them more to electronically publish a book." [www.winononet.com/taa/ARTICLES/98/09sep/0909pyynn.html](http://www.winononet.com/taa/ARTICLES/98/09sep/0909pyynn.html)

**New site.** Publisher John Wiley and online provider AccountingNet offered peeks at their new accounting web site. Subscription sales begin in October, said Wiley. Among interactive titles, equipped with search engines: *Generally Accepted Accounting Principles* and *Generally Accepted Auditing*

*Standards.*

**Bookstore news.** The Hastings book-and-video superstore chain is planning to establish a division to manage campus stores — much like Barnes & Noble and Follett have done. The division, Hastings College Stores, already is managing the Tartleton State University bookstore in Stephenville, Texas, and a second campus neighborhood bookstore.

**Calling scholars.** A call for research papers and commentaries for academic authors, for presentation at Text and Academic Authors' national convention, was issued by Paul Tippens, program chair. Tippens said the competition will be refereed. "We will take a look at the changing nature of publishing and the publisher-author relationship," Tippens said. He noted that numerous subjects would fit well with the convention theme: "It's a Different World Out There: Authors and Publishing in the New Millennium." [www.winononet.com/taa/ARTICLES/98/09sep/0907call.html](http://www.winononet.com/taa/ARTICLES/98/09sep/0907call.html)

**Watch out.** The National Association of College Stores said online book dealers aren't telling the whole truth in claiming they have the lowest textbook prices. NACS said a study of 44 books showed that campus stores were lowest for 17 books (38.9 percent), in the middle for 16 (36.4 percent), and highest for nine (20.5 percent). Also, said NACS,

# Panel: What to do in publishing merger

Three experts in the textbook business, on a TAA-sponsored panel, identified issues that authors need to address individually when their publishing house is going into a merger or has been acquired. Contracts lawyer Steve Gillen, author consultant Chris Conty, and royalty auditor Paul Rosenzweig, in a presentation at the TAA annual convention in June, agreed the authors should be concerned about:

- Possible consolidation of the combined lists. Some books may be abandoned.
- Allocation of scarce resources. "The surviving publisher will try to do more with less, and some things you have taken for granted will be spread thinner," Gillen said. In short supply may be marketing dollars, time at sales conferences, the attention of the sales staff, production capacity and press time.
- Loss of editorial champion. "Your editor (and spokesperson) may be a casualty and while responsibility for your title will likely be transferred to another editor, that person will not have the same commitment or stake in your work," Gillen said.
- Editorial paralysis. Things will happen more slowly as the editors try to sort out the

online prices don't include postage. Bookstores, of course, absorb shipping in their cover prices.

**Midwest style.** Tongue in cheek, TAA Executive Director Ron Pynn speculates on the possibilities of a Microsoft, TAA joint venture in an after-dinner speech at the association's national convention. [www.winonanet.com/taa/ARTICLES/98/06jun/0613pyrn.html](http://www.winonanet.com/taa/ARTICLES/98/06jun/0613pyrn.html)

**New series.** The publishing company John Wiley will create a new series of books on global business in partnership with the Thunderbird international management grad school. The first title, an anthology, *Thunderbird on Global Business Strategy*, will come out in Fall 1999, Wiley said. Two titles a year are planned into the future.

**Sales projections.** Overall U.S. book sales will grow 4.4 percent in 1998, buoyed by even higher gains in textbooks. In its 1998 projections, the Book Industry Study Group said college texts would be up 6.9 percent, higher than any other trade or text category; professional books, 6 percent; and el-hi, 4.8 percent.

**Wolters sales.** Wolters Kluwer sold its Chapman & Hall math, stats and chemistry list to Information Holdings. Terms were not announced. The deal included the Chapman electronic database.

**Springer purchase.** Intent on building its book business, Axel Springer bought 95 percent of Econ & List. The acquisition, from Reinisch-Westfaelische and Christian

## What to do when faced with a merger: Be proactive

What can authors do when faced with a merger? Plenty, said TAA convention panelists contracts lawyer Steve Gillen, author consultant Chris Conty, and royalty auditor Paul Rosenzweig, in a presentation at the TAA annual convention in June:

- Talk to your editor.
- Look at the other publishers' lists for overlap.
- Talk to other authors from both companies to see what they are being told. Are they getting the same story?
- Talk to the editor from the other publisher. "See if that editor tells the same story your editor tells," Gillen said.
- Document any informal deals with confirming letters.
- Don't allow your work to be overlooked.
- Consider re-acquiring the rights to your work.

new regime.

- Change in sales force. "Consolidation is almost inevitable and you may lose some loyal reps," Gillen said."
- Change in royalty accounting and payment

dates. There will probably be some disruption as records are converted to a new system. [www.winonanet.com/taa/ARTICLES/98/06jun/0612mergers.html](http://www.winonanet.com/taa/ARTICLES/98/06jun/0612mergers.html)

Strasser, will increase Axel Springer's book business to about 4 percent of its total. Axel Springer is strongest in newspaper publishing.

**Biz-list online.** The John Wiley accounting and finance product line went online under terms of a deal with Digital Springs of Austin. The joint project is aimed at the continuing professional education market. The materials include interactive features.

**Pub gain.** The leading educational publishers who sell books in the United States increased their sales 20.1 percent in 1997, the trade newsletter *Subtext* reported in a periodic industry analysis. The top 11 publishers reached \$6.7 billion in domestic and international sales. Simon & Schuster was at the top, with \$1.4 billion, but that will change in 1998 because all the S&S educational divisions have been sold to Pearson. Undoubtedly Pearson will lead 1998 sales.

**Reed sale.** The European Union approved the joint Bertelsmann-Havas acquisition of Doyma, a major Spanish medical. Germany-based Bertelsmann and France-based Havas each will own 50 percent. More joint Bertelsmann-Havas acquisitions are planned, an insider said.

**E-books here.** The manufacturer of a new electronic book due out next fall, Everybook, is aiming at professional and student markets. Everybook is now testing its product with 17 publishers including McGraw-Hill and Glencoe McGraw-Hill, IDG Books and Macmillan Computer Publishing. Publishers are lending Everybook PDF files of their textbooks to demonstrate its capabilities. Said Everybook

President Dan Munyan: "It costs them nothing, risks them nothing." Two other forthcoming e-books, RocketBook and SoftBook, are focusing initially on trade books. [www.winonanet.com/taa/ARTICLES/98/09sep/0915ebooks.html](http://www.winonanet.com/taa/ARTICLES/98/09sep/0915ebooks.html)

**B&N buy.** Barnes & Noble will jump-start the academic part of its web sales site with material from the *Reader's Catalog* database of 40,000 works from university and small presses' academic and literary works. B&N acquired rights to use the catalog's content from the owners, who also produce the *New York Review of Books*. In print form, *Reader's Catalog* is 2,000-plus pages. The database includes reviews.

**E-price test.** Six months into an experiment to study pricing models for electronic journals, University of Michigan researchers and librarians are getting a feel for what works and what doesn't. One model being tested is \$4 per limited access. One model asks libraries to buy tokens that patrons can use for access. The experiment runs to August 1999. [www.winonanet.com/taa/98/09sep/0916michigan.html](http://www.winonanet.com/taa/98/09sep/0916michigan.html)

**CD-ROMs.** Software developer Timothy Larson, who has created an interactive product with 40,000 screens, said CD-ROMs and other software need to be good. Larson told a TAA-sponsored conference: "If the students are not happy with it, it will fail." [www.winonanet.com/taa/ARTICLES/98/06jun/0613larson.html](http://www.winonanet.com/taa/ARTICLES/98/06jun/0613larson.html)

## Pearson awaits federal OK of merger

Executives at Addison-Wesley Longman and Simon & Schuster, which are being merged, are waiting to hear what the U.S. Justice Department anti-trust division thinks about the deal. Addison spokesperson Susan Stockman said final approval is "still in the hands of the Department of Justice." She said that Pearson, which already owns Addison and is buying S&S's education units, hope to have any anti-trust issues resolved by late fall.

In the meantime, a transition team, made up of executives from Pearson and Simon & Schuster, and chaired by new Pearson Education CEO Peter Jovanovich, has been working to identify major priorities and oversee integration activities.

The 10-member team, appointed in June, include: Peter Jovanovich, president of Pearson Education, chair, Kathryn Costello, president of AWL's School Publishing Group, Steven Dowling, president of AWL's International Publishing Group, George Goldberg, AWL's director of human resources, Henry Hirschberg, president of S&S Higher Education, Martin E. Kenney Jr., president of S&S Educational Technology and Supplemental, John LaVacca, AWL's chief financial officer, Michael B. Packer, director of strategy for S&S Technology & Operations, Benjamin Roter, S&S's director of human resources and David Wan, president of S&S's K-12 Group.

## YOUR INDEX TO TAA ONLINE NEWS

*Visit TAA online for more valuable information on textbooks and academic authoring at [www.winonanet.com/taa](http://www.winonanet.com/taa). Full versions of these stories, and more, are available online.*

### **A&B swipes at authors' royalties**

[www.winonanet.com/taa/ARTICLE/98/09sep/0908ab.html](http://www.winonanet.com/taa/ARTICLE/98/09sep/0908ab.html)

### **E-book maker courts text publishers**

[www.winonanet.com/taa/ARTICLES/98/09sep/0915ebooks.html](http://www.winonanet.com/taa/ARTICLES/98/09sep/0915ebooks.html)

### **Royalties at heart of Arkansas flap**

[www.winonanet.com/taa/ARTICLES/98/09sep/0910arkansas.html](http://www.winonanet.com/taa/ARTICLES/98/09sep/0910arkansas.html)

### **TAA exec challenges e-royalty cut**

[www.winonanet.com/taa/ARTICLES/98/09sep/0909pynn.html](http://www.winonanet.com/taa/ARTICLES/98/09sep/0909pynn.html)

### **TAA seeks papers for refereeing**

[www.winonanet.com/taa/ARTICLES/98/09sep/0907call.html](http://www.winonanet.com/taa/ARTICLES/98/09sep/0907call.html)

### **A Microsoft, TAA joint venture? What a thought!**

[www.winonanet.com/taa/ARTICLES/98/06jun/0613pynn.html](http://www.winonanet.com/taa/ARTICLES/98/06jun/0613pynn.html)

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