

Allen Press Emerging Trends 2011
Archetypes: A Practical
Look at Apps and eBooks
in Scholarly Publishing

KiwiTech

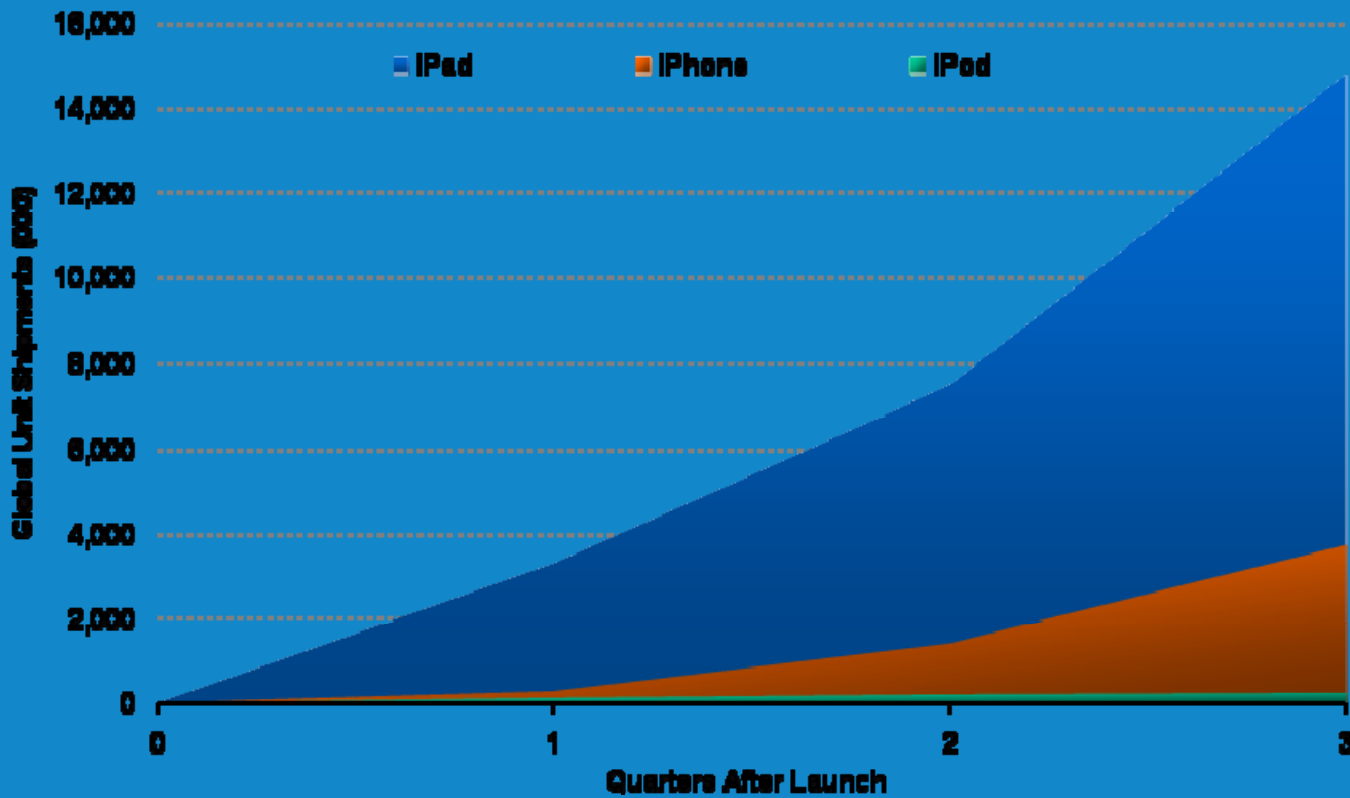
Think Global. Act Mobile.

April 14, 2011

eBooks to Mobile Revolution

- eBooks have gone up and down since 2000...
- eBooks have finally found traction after a few false starts in the past
- Technologies around mobile (Apps, Wi-Fi, GPS, Bluetooth, 4G, etc.) are exploding, even in a recessionary environment
- iPhone adoption rate has far outpaced radio, color television, internet, desktop PC and laptop
- Projections of App sales are \$29B by 2013 and mobile commerce at \$119B by 2015

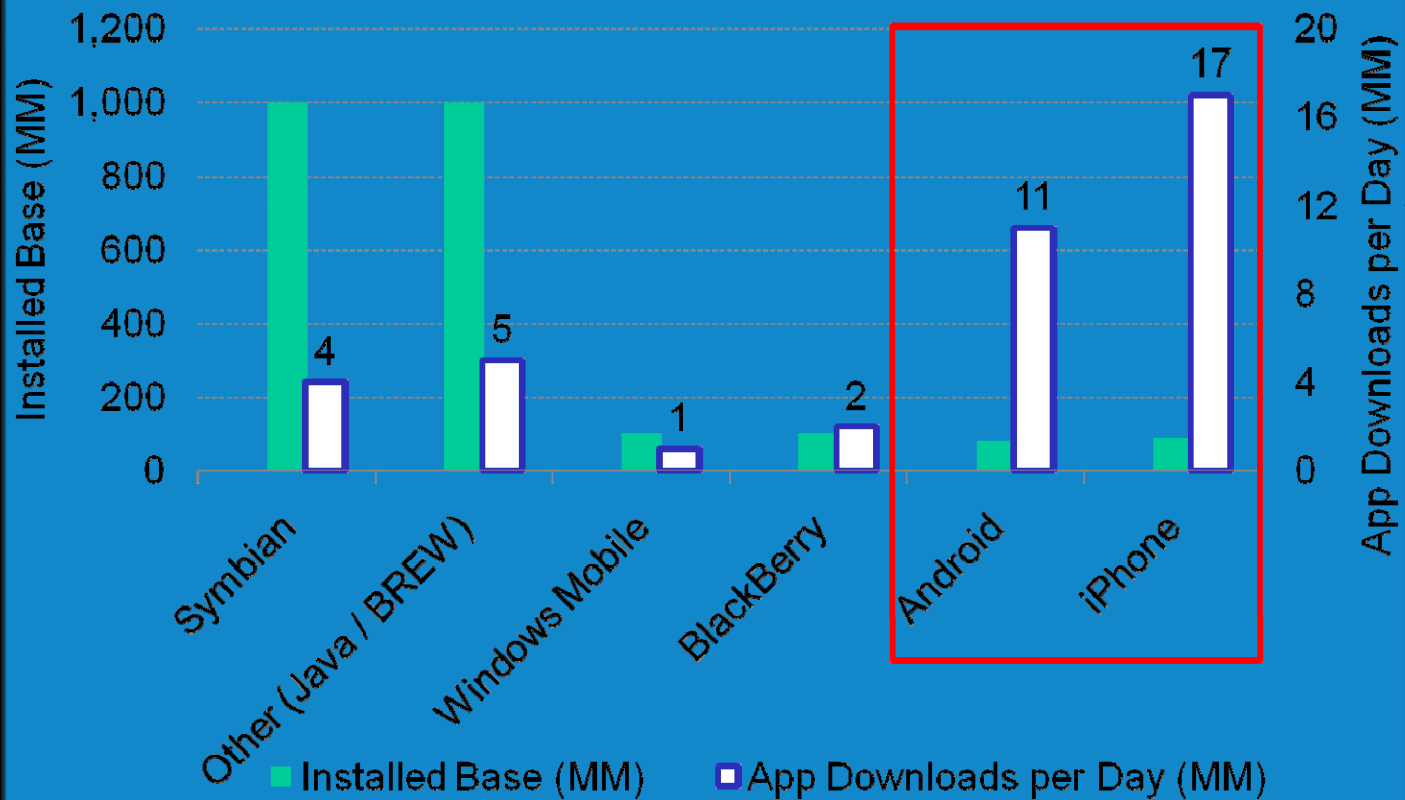
iPad Growth Leaves its "Siblings" in the Dust



Smartphones - Huge Android + iPhone Growth

OS vendor	Q4 2010 shipments (M)	% share	Q4 2009 shipments (M)	% share	Growth Q4'10/Q4'09
Total	101	100%	54	100%	89%
Google*	33	33%	5	9%	615%
Nokia	31	31%	24	44%	30%
Apple	16	16%	9	16%	86%
RIM	15	14%	11	20%	36%
Microsoft	3	3%	4	7%	-20%
Others	3	3%	2	3%	65%

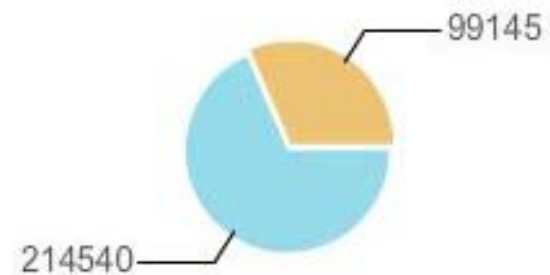
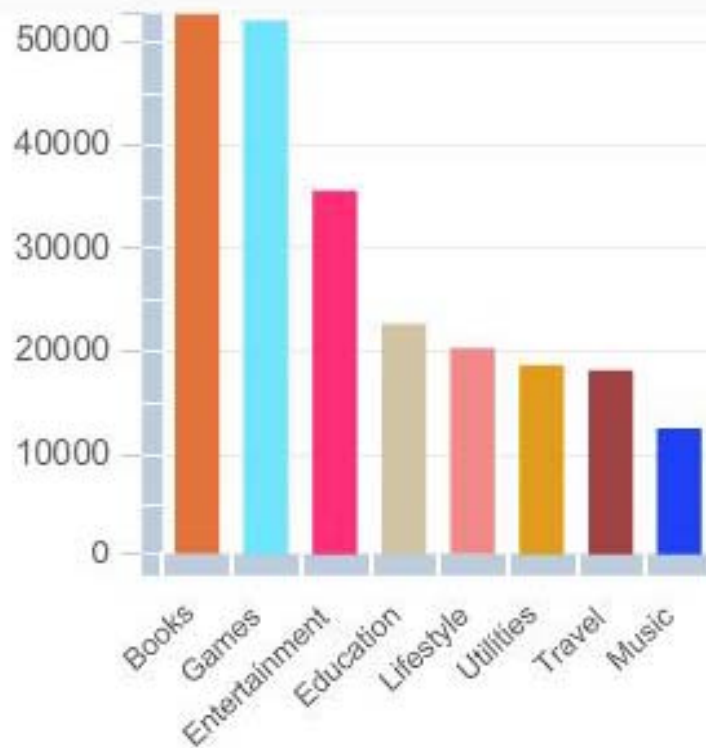
Differences in Platform Engagement



eBooks Outnumber Games in App Store

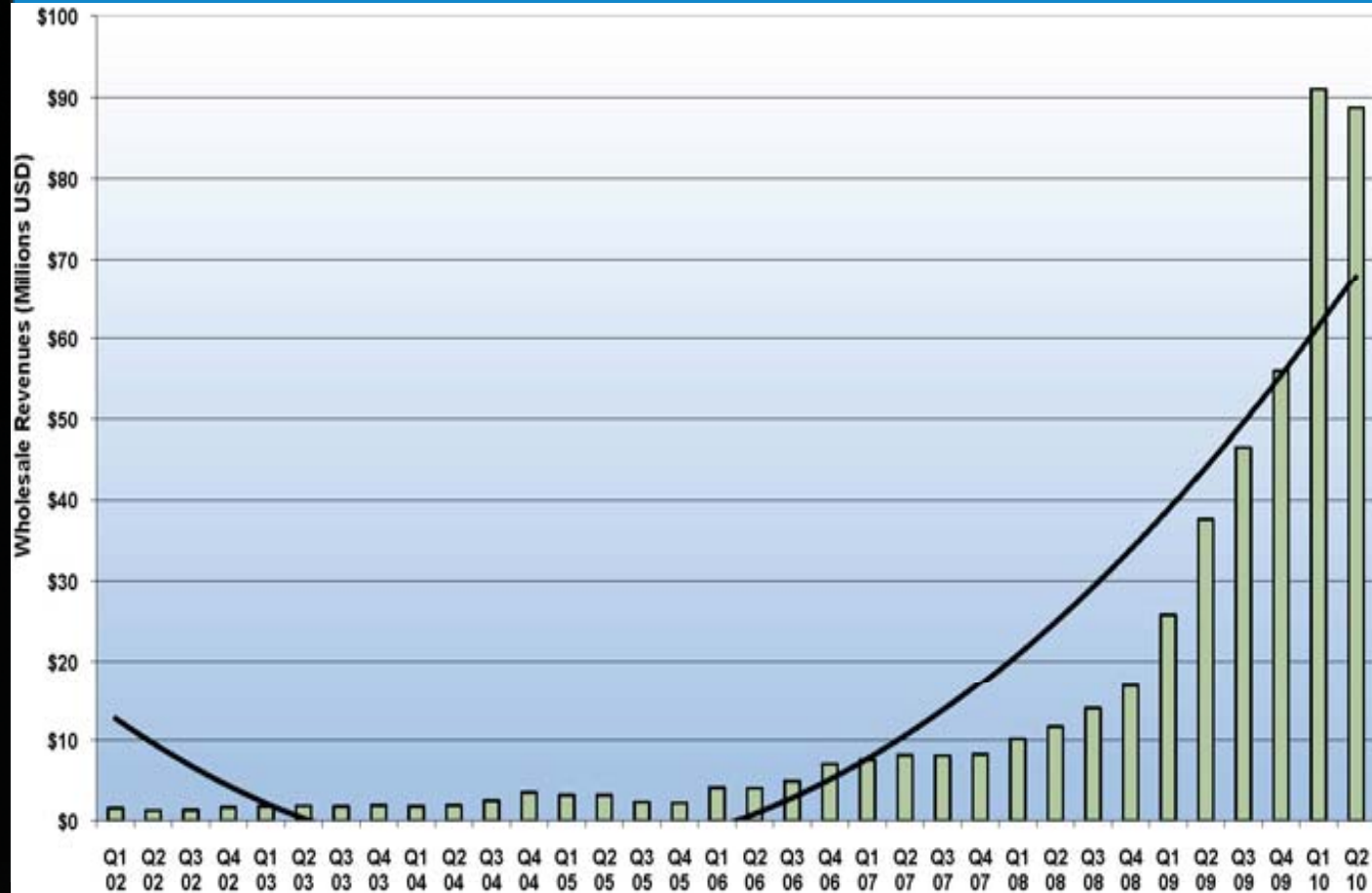
Range: 5d 1m 6m **1y**

Free
Paid



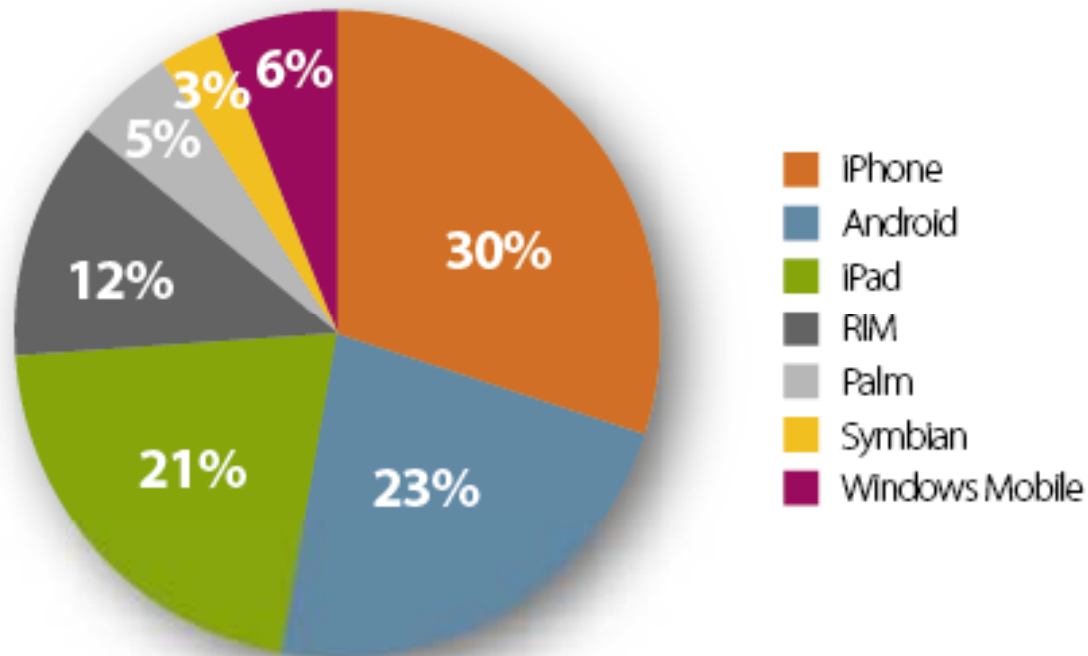
US Trade Wholesale Electronic Book Sales

Q2 2010 = \$88.7 Million, July + Aug 2010 = \$79.8 Million



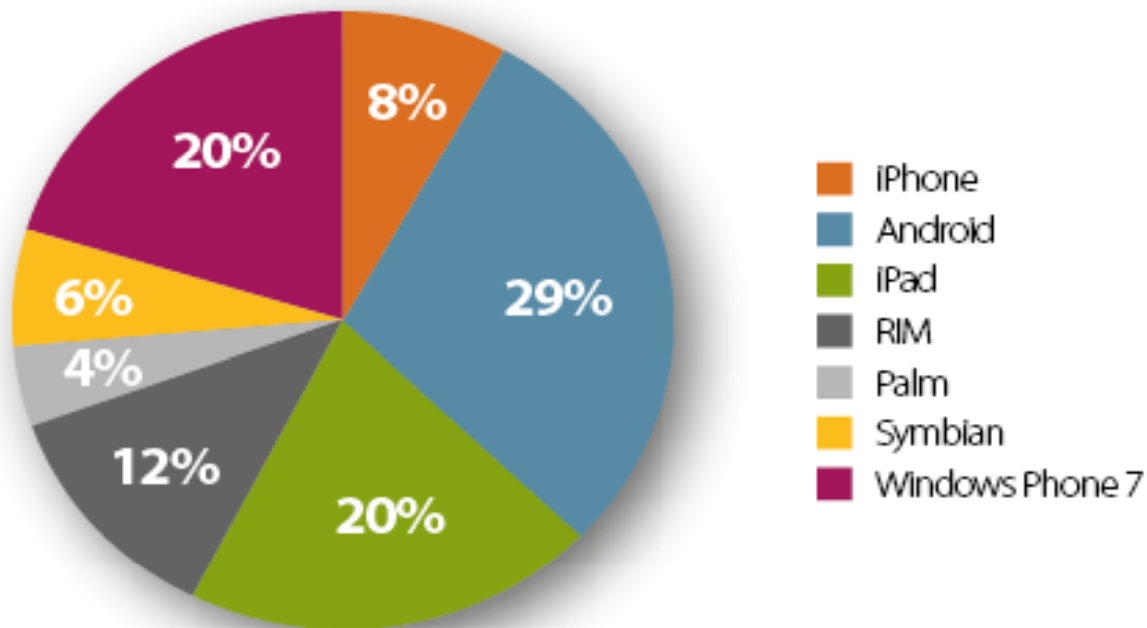
Mobile App Platforms For Which Publishers Are Developing in 2010

CHART A



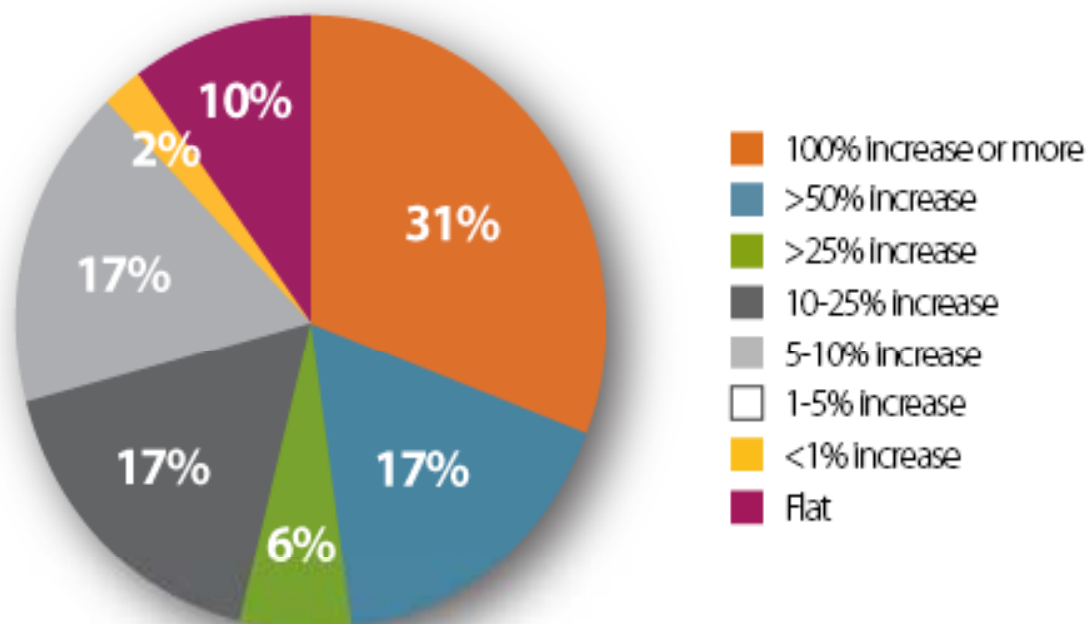
New App Platforms Publishers Plan to Support in 2011

CHART B

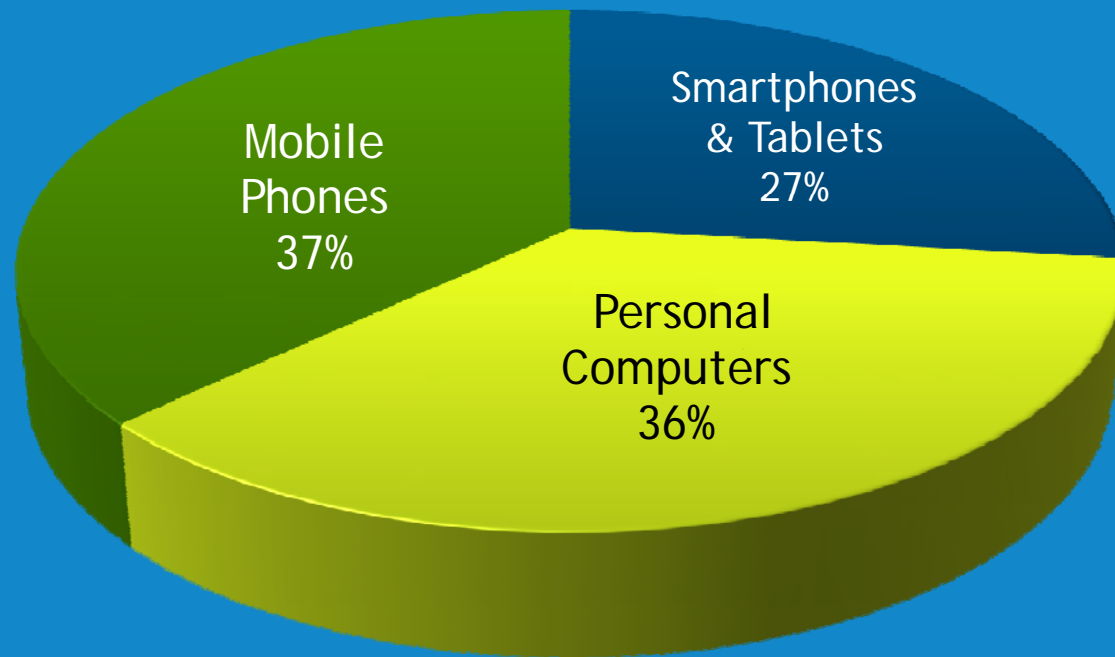


Publishers' Expected Increase in Apps Revenue from 2010 to 2011

CHART C

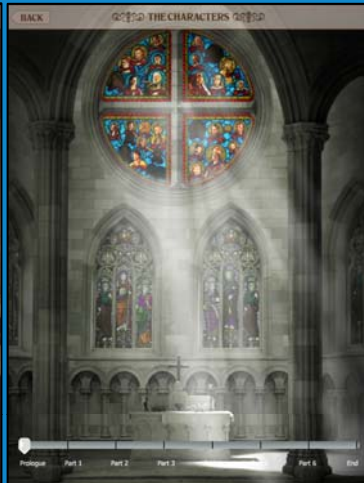
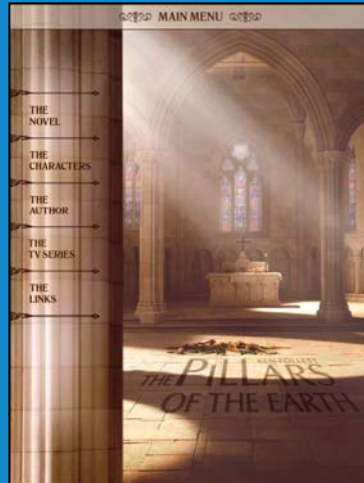


Installed Bases Projected in 2013



Future of eBooks and Apps

- Amazon, Apple and Google will own the eBook digital distribution networks
- Enhanced eBooks is the future of profitable publishing, which converges all media businesses
- Apps provide a custom experience to the user
- Apps take a more interactive approach to the content
- KiwiTech and its clients are seeing short payback periods of 1-2 months on Apps



The Pillars of the Earth 18

rough woodland, on a road not much broader than the width of an ox cart, with the luxuriant growth of summer dying between the oaks on either side.

Tom carried his smaller tools in a satchel and slung his hammers from his belt. He had his cloak in a bundle under his left arm and he carried his iron spike in his right hand, using it as a walking stick. He was happy to be on the road again. His next job might be working on a cathedral. He might become master mason and stay there the rest of his life, and build a church so wonderful it would guarantee that he went to heaven.

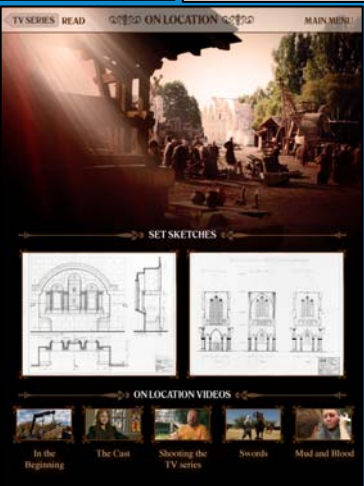
Agnes had their few household possessions inside the cooking pot which she carried strapped to her back. Alfred carried the tools they would use to make a new home somewhere: an ax, an adze, a saw, a small hammer, a breadawl for making holes in leather and wood, and a spade. Martha was too small to carry anything but her own bowl and eating knife tied to her belt and her winter cloak strapped to her back. However, she had the duty of driving the pig until they could sell it at a market.

Tom kept a close eye on Agnes as they walked through the endless woods. She was more than halfway through her term now, and carrying a considerable weight in her belly as well as the burden on her back. But she seemed tireless. Alfred, too, was all right, he was at the age when boys have more energy than they know what to do with. Only Martha was tiring. Her thin legs were made for the playful scamper, not the long march, and she dropped behind constantly, so that the others had to stop and wait for her and the pig to catch up.

As he walked Tom thought about the cathedral he would build one day. He began, as always, by picturing an archway. It was very simple: two uprights supporting a semicircle. Then he imagined a second, just the same as the first. He pushed the two together, in his mind, to form one deep archway. Then he added another, and another, then a lot more, until he had a whole row of them, all stacked together, forming a tunnel. This was the essence of a building, for it had a roof to keep the rain off and two walls to hold up the roof. A church was just a tunnel, with refinements.



A tunnel was dark, so the first refinements were windows. If the wall was strong enough, it could have holes in it. The holes would be round at the top, with straight sides and a flat sill—the same shape as the original archway. Using similar shapes for arches and windows and doors was one of the things that made a building beautiful. Regularity was another, and Tom visualized twelve identical windows, evenly spaced, along each wall of the tunnel.



Click to watch an Enhanced eBook developed by KiwiTech

Challenges...

- Marketing and Discoverability
- Scalability - Production and Cost aspect
- Platforms and Devices
- Availability of Enhanced Content
- Subscription models
- Should there be a 80:20 role... 99% one way and 1% another way?

KiwiTech Background

- Founded in January 2009
 - Over 400 apps developed for iPhone, BlackBerry and Android
 - Top 5 ranked iPhone apps in their categories
 - Over two million downloads as of date
- Blend of U.S. and India resources for cost-effective solution
 - Washington D.C. headquarters
 - New York - sales & marketing
 - New Delhi development team
 - Core team of 80, undergoing expansion
- Strong graphics and animation capabilities
 - Have created several multi-media apps (including video and audio)

KiwiTech Clients

- American Chemical Society
- American Institute of Physics
- American Psychiatric Association
- American Psychological Association
- American Society of Civil Engineers
- Annual Reviews
- Elsevier
- Hachette
- Harper Collins
- McGraw-Hill
- Pearson
- Publishers Weekly
- Random House
- The World Bank

KiwiTech's Founders

- Founding Team

- Rakesh Gupta (CEO)
- Anita Gupta (President)
- Neal Gupta (CFO)
- Gurvinder Batra (CTO)

- Previously Founded Aptara

- Largest publishing services company globally
- Over 4,000 employees globally
- Focused primarily on U.S. and U.K. markets



- Differentiators

- Proven entrepreneurial track record in publishing & technology
- Strong understanding of leveraging offshore resources

THANK YOU!

Gurvinder Batra

Founder & CTO

gurvinder@kiwitech.com

(703) 346-3888

