



# **Production on Demand**

**New Opportunities  
for the General Trade Book Publishers  
in Germany**

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**The Power of Digital Printing**  
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Printing on Demand  
or  
Short Run Printing?

Printing of ONE book  
or  
printing variety?

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Because PoD is a solution for his business.

Because it helps him to reach higher profits.

Because it enhances his revenue.

Because it possibly will be  
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We at Verlagsgruppe Droemer Weltbild

try to integrate  
digital into traditional  
book production.

Why do we need  
Short Run Printing?

**70% of all reprints are  
made in runs of less than 4.000 units.**

| average of<br>print runs | <b>Hardcover</b> | number of<br>print runs | <b>%</b>     | cumulativ   |
|--------------------------|------------------|-------------------------|--------------|-------------|
|                          |                  |                         |              |             |
| 2200                     | < 3.000          | 38                      | <b>39,6</b>  | 39,6        |
| 3900                     | 3 - 4.000        | 24                      | <b>25,0</b>  | <b>64,6</b> |
| 6600                     | 4 - 5.000        | 19                      | <b>19,8</b>  | 84,4        |
|                          | > 5.000          | 15                      | <b>15,6</b>  | 100,0       |
| <b>5250</b>              | <b>total</b>     | <b>96</b>               | <b>100,0</b> |             |
|                          | total > 3.000    | 58                      |              |             |
|                          | <b>Paperback</b> |                         | <b>%</b>     | cumulativ   |
|                          |                  |                         |              |             |
| 2500                     | < 3.000          | 260                     | <b>53,0</b>  | 53,0        |
| 4000                     | 3 - 4.000        | 76                      | <b>15,5</b>  | <b>68,4</b> |
| 8400                     | 4 - 5.000        | 48                      | <b>9,8</b>   | 78,2        |
|                          | > 5.000          | 107                     | <b>21,8</b>  | 100,0       |
| <b>6200</b>              | <b>total</b>     | <b>491</b>              | <b>100,0</b> |             |
|                          | total > 3.000    | 231                     |              |             |

Lowest print runs  
of monochrome reprints  
based on traditional web-technology  
are 1.500 - 2.000 copies today.

**To sell them the publisher needs months.  
If he sells, let' s say, 400 copies in 2 month  
and the interest in the title stops  
- usually from now to then -  
the rest can only be sold as junk.**

Consequences are:

**Production at high risk.**

**Long term storage of printed books.**

**Unproductive investment.**

What our business is today:

**Produce bestsellers  
presumably at high profit rate.**

**Meet a broad range of topics.**

**Built up a strong backlist.**

What we need  
to avoid an entire change of our business:

**Availability of books  
without unproductive investment.**

**Broad range of content and authors  
without high risk production.**

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We already agree with our printers on:

- Digital imposition of PDF data
- Creation of standard production lines concerning format, cover and paper
- Print runs between 200 and 500 copies
- Optimizing managing data interchange
  - Solving logistic problems without generating additional cost.

We do **not** agree with our printers on:

Target cost per copy  
(all included, data supplied)

Hardcover 7,00 DEM

Paperback 3,00 DEM

Main results of discussion and perspectives

1

**Digital cover production**  
(possible after drupa 2000)

**Paper standards**  
70 -**80** gsm, woodfree (if affordable)

## Main results of discussion and perspectives

2

Cost per copy

Hardcover 14,00 DEM

Paperback < 7,00 DEM

**still discussed**

## Main results of discussion and perspectives

### 3

Printing companies:

#### **New definition of business field**

#### **Book plus services**

Basic process: 1 book for 1 customer  
i. e. the order is placed at the printer  
who delivers to the customer  
and bills the publisher

Main results of discussion and perspectives

4

Publishers:

**New definition of business field**

**Program plus marketing  
minus distribution**

Basic process: content care

Main results of discussion and perspectives

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### 5

Cost:

**See the entire process**

i. e. printing **plus** storage **plus** delivery **plus** capital cost

**Major sales condition will be**

**the quality of content**

i. e. cost per copy may be higher then before

What are we talking about  
**in fact?**

In 1999 total amount of reprints  
(print runs < 4.000):

**hardcover**

about 180.000 copies

**paperback**

nearly 1.000.000 copies

| <b>1999</b> | <b>number of<br/>print runs</b> | <b>average of<br/>print runs</b> | <b>total of<br/>copies</b> | <b>average of<br/>pages</b> | <b>pages p. a.</b> |
|-------------|---------------------------------|----------------------------------|----------------------------|-----------------------------|--------------------|
| HC < 3000   | 38                              | 2200                             | <b>83.600</b>              | 393                         | 32.854.800         |
| HC < 4000   | 24                              | 3900                             | <b>93.600</b>              | 315                         | 29.484.000         |
| HC > 4000   | 34                              | 6600                             | 224.400                    | 449                         | 100.755.600        |
|             |                                 |                                  |                            |                             |                    |
| TB < 3000   | 260                             | 2500                             | <b>650.000</b>             | 377                         | 245.050.000        |
| TB < 4000   | 76                              | 4000                             | <b>304.000</b>             | 442                         | 134.368.000        |
| TB > 4000   | 155                             | 8400                             | 1.302.000                  | 466                         | 606.732.000        |

**The decision (for trade book publishers)  
will be:**

We will have digital short run printing

or

We won't have print runs of < 3.000  
any more

in the very next future.

## **Consequences will be:**

Book printing business changes -  
anyway.

Traditional printing companies  
will lose significant parts of their market,  
if they don't integrate digital printing  
technology into their business.

**What are the main problems  
of digital book production  
for us today?**

IBM  
Océ  
Xerox

## **That means:**

The pricing policy  
of the providers of digital printing technology  
still is the main obstacle  
for a broad and dynamic development  
of digital book printing -  
at least in the area of general trade books.

If there will be no change in pricing  
these providers will have no market  
in digital printing of general trade books.

If there will be no change in technology  
general trade book publishers  
will have to change their business model.

**Thank you  
very much  
for your attention!**

