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To: George

From: Tobia

Re: Marketing and promotion

I am attaching a copy of the OUP contract and the budget notes from Ed Barry detailing their contribution to the Encyclopedia. The paragraphs relating to marketing and promotion have been flagged.

As you can see, these costs are totally their own. I believe that it would be a bad idea for us to offer any subvention. We have approval, therefore a sufficient measure of control. It is, after all, deeply in their interest to do a bang-up job on this, and they will surely do it to the best of their ability. That "best" remains to be seen, but I think we have to allow them to do their thing. Marketing and promotion are always the province of the publisher.

The writing we speak of is your introduction/foreword/preface (we'll sort out the language later) for the front matter of the Encyclopedia. You, Erik, and I (a how-to-read-this-book piece) are each to write a piece from our different perspectives. Yes, we need to talk this over, and perhaps a three-way lunch would be a good idea if it is not sufficient to talk it over on Friday.

Regarding Friday, you should know that Bill is bringing his daughter, a young violinist just starting Oxford, down with him. She will stay in my office and practice. Pls. try to make it as close to 10:30 as possible. Bill will be itching to leave.

12/1/87

annotated for stipulations
affecting spin-offs

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AGREEMENT dated as of the 31st day of August 1983 between THE ANNENBERG SCHOOL OF COMMUNICATIONS, 3620 Walnut Street/C5, Philadelphia, Pennsylvania 19104, a Pennsylvania educational non-profit corporation hereinafter called the "Copublisher" and OXFORD UNIVERSITY PRESS, INC., 200 Madison Avenue, New York, New York 10016, a Delaware corporation, hereinafter called the "Publisher," with respect to the work tentatively entitled International Encyclopedia of Communications hereinafter called the "Work."

COPUBLISHER'S GRANT 1. The Copublisher hereby grants and assigns to the Publisher during the full term of copyright and all renewals thereof, subject to Paragraph 18, book publication rights and the rights hereinafter specifically referred to in this Agreement, throughout the World.

COPYRIGHT 2. The Publisher shall take out copyrights in the Work in the name of Copublisher in the United States of America and such other countries as both parties may deem expedient and shall obtain renewals of the copyright in the Work upon expiration of the term thereof.

MANUSCRIPT 3. The Copublisher agrees to deliver to the Publisher not later than four years from the date of the signing of this Agreement two copies of a legible manuscript of the Work in form and content reasonably satisfactory to the Publisher. The manuscript shall contain about

1.2 million words averaging 5.5 characters in length and, in addition, Copublisher will furnish about 1200 illustrations (both halftone and line art). See clause 26 (d).

ROYALTIES 4. The Publisher agrees to pay to the Copublisher, subject to the provisions of the succeeding paragraphs of this Agreement:

- (a) On regular sales in the United States 15% of net price (the price at which the Work is sold by the Publisher). No royalty shall be paid on free copies furnished to the Copublisher or on copies used for review, sample, or other similar purposes, or on copies accidentally damaged or destroyed, or on copies returned.
- (b) On sales of a special edition at a reduced price, or on sales of the regular edition at reduced prices for special use, or when, in the opinion of the Publisher, the remunerative sale of the regular edition has ceased, a royalty of 15% of net price; but if the Publisher shall sell copies of the Work at less than manufacturing cost, which it shall not do prior to five years after publication of the Work, and only with the consent of Copublisher, no royalty shall be payable to the Copublisher on such sales.
- (c) On all copies of the Publisher's regular edition sold for export in unbound sheets or in bound form a royalty of 15% of net price.

- (d) On all copies sold through the medium of mail-order or coupon advertising a royalty of 15% of net price.

INEXPENSIVE EDITION (1) 5. The Publisher, with the prior written consent of Copublisher, may publish at a published price no greater than two-thirds of the published price of the regular edition an inexpensive edition of the Work. The Publisher agrees to pay to the Copublisher the following royalties on such an edition:

15% of net price.

INEXPENSIVE EDITION (2) 6. The Publisher, with the prior written consent of Copublisher, may license to reprint publishers the right to publish and sell inexpensive editions of the Work. If rights of publication in the Work are so licensed, the Publisher agrees to pay to the Copublisher 40% of the Publisher's gross receipts arising from the licensing of such rights.

SUBSIDIARY RIGHTS 7. (a) BOOK CLUB EDITIONS The Publisher shall have the exclusive right, subject to Copublisher's approval, not to be unreasonably withheld, either to license rights of publication or sell copies of the Work to a book club. If rights of publication in the Work are so licensed, the Publisher agrees to pay to the Copublisher 50% of the Publisher's net receipts after deduction of the costs of any necessary plate manufacture, transportation, or any other expenses arising from the licensing of publication rights to the book club. If copies of the Publisher's

regular edition are sold to the book club, the Publisher agrees to pay the Copublisher 50% of the royalty paid to the Publisher by the book club.

(b) The Copublisher hereby grants to the Publisher, subject to the Copublisher's approval, not to be unreasonably withheld, radio, television, and first serialization rights, and agrees that 75% of the net proceeds from the sale of such subsidiary rights shall belong to the Copublisher and 25% to the Publisher.

(c) The Copublisher hereby grants to the Publisher, subject to the Copublisher's approval, not to be unreasonably withheld, the exclusive right to license the following subsidiary rights in the Work and agrees that the net proceeds received from the license of such subsidiary rights shall be divided equally between Copublisher and Publisher: digest, adaptation, visualization, selection, anthology, quotation, second serialization, syndication, translation, recorded readings, microphotographic reproduction, visual projections of the Work as a book, adaptation of the Work for use in facilities employed in information transfer and retrieval, and Braille transcriptions.

The Copublisher's approval hereunder shall be deemed withheld reasonably if the Copublisher believes that the material not approved of might be detrimental to the Copublisher's image and reputation as a leading institution

of learning in the field of communications.

COPUBLISHER'S WARRANTY 8. The Copublisher represents and warrants that it is the sole proprietor of the Work and has full power to make this Agreement and grant; that the Work has not heretofore been published in book form; that it contains nothing of an obscene, libelous, injurious, or unlawful nature; and that the Work will not infringe upon any copyright, proprietary right, or other right. The Copublisher agrees to hold harmless the Publisher from and against any and all suits, claims, damages, and liabilities, based on or in respect of any violation of any copyright, proprietary right, or other right or any obscene, libelous, injurious, or unlawful matter in the Work. In the case of alleged violations the Copublisher and Publisher agree to share equally in court costs, in excess of costs covered by insurance. The control of the defense of any action against the Publisher in respect of the Work and covered by the foregoing warranty shall be exercised by the Copublisher and at its expense. The Publisher will have the right to employ counsel to join the defense.

PERMISSIONS 9. The Publisher agrees to use its best efforts to secure the necessary permission from third parties to reprint in the Work any material included that is under copyright, or is subject to any proprietary or other right of others, including art, but any fees incurred shall be paid by the Copublisher.

MANUSCRIPT REVISION 10. If, in the reasonable opinion of the Publisher, the manuscript is not in proper form for publication, the Copublisher shall have the option of revising it to the Publisher's reasonable satisfaction or of commissioning the Publisher to have it properly prepared or revised subject to Copublisher's approval and at its expense. Unless otherwise mutually agreed, the Publisher shall make the manuscript of the Work conform to its standard style in punctuation, spelling, capitalization, and usage. If the Copublisher fails to deliver the manuscript to the Publisher as agreed, the Publisher shall have the right to rescind this Agreement by written notice to the Copublisher.

PROOF 11. The Copublisher agrees to read, revise, and correct and return to the Publisher all galley and page proofs of the Work within a reasonable time. If the Copublisher makes alterations in such galley, page proof, or illustrative material, other than corrections of printer's errors, then the expense thereof in excess of 10% of the cost of original composition (as demonstrated by Publisher, with appropriate documentation) shall be charged against any sums accruing to the Copublisher under this Agreement.

INDEX 12. The Copublisher agrees to prepare and deliver to the Publisher, if requested by the Publisher, an index to the Work, in form and content satisfactory to the Publisher, within a reasonable time after receipt by the Copublisher of the page proofs of the Work, failing which the Publisher may have such an index prepared at the Copublisher's expense and charge the cost thereof against any sums accruing to the Copublisher under this Agreement.

SIMILAR PROJECT 13. Both Publisher and Copublisher agree that they will not during the continuance of this Agreement, without first obtaining the written consent of the other party, write, print, publish, or cause to be written, printed, or published, any revised, corrected, enlarged, or abridged version of the Work, or in any way become interested in any such version or in any book of a character that might interfere with or reduce the sales of the Work.

PUBLICATION 14. The Publisher agrees to publish the Work at its own expense and in such style and manner and at such price as both Publisher and Copublisher jointly deem best suited to the sale thereof, subject to the provisions hereof.

COPUBLISHER'S COPIES 15. The Publisher agrees to furnish the Copublisher with twenty-five free sets of the Work and to permit the Copublisher to purchase a reasonable number of additional copies for its own use and distribution for goodwill purposes (but not for resale) at 50% discount (royalty free). The Publisher will sell to alumni of The Annenberg School of Communications at a 25% discount, with the Copublisher receiving full royalty on those sales.

STATEMENTS OF ACCOUNT 16. The Publisher agrees to render semiannual statements of account with respect to the Work specified in this Agreement as of the 31st day of March and the 30th day of September in each year following the publication of the Work and shall deliver the same to the Copublisher on or before the 1st day of July and the 2nd day of January following, together with the amount due.

REVISION 17. The terms relating to preparation and publication of an abridged, expanded, or revised edition shall be subject to a new Agreement to be negotiated.

TERMINATION 18. In the event that the Work shall at any time be out of stock, the Copublisher may give certified notice thereof to the Publisher, and in such event the Publisher shall declare within thirty days in writing whether it intends to have a new printing of the Work. If the Publisher shall declare its intention to have a new printing, it shall publish such printing not later than twelve months from the date of such notice. If within thirty days the Publisher shall not declare in writing that it does so intend, or if it shall not within such twelve months period bring out

a new printing of the Work, or in case after five years from the date of first publication of the Work it gives three months notice to the Copublisher of its intention to discontinue publication, then this Agreement shall terminate and all rights granted hereunder shall revert to the Copublisher, together with any existing property originally furnished by the Copublisher. In the event of any termination of this Agreement, the Copublisher shall have the right for thirty days thereafter to purchase any remaining copies or sheets or film or its equivalent at one-half the manufacturing cost thereof, in default of which the Publisher may dispose of the stock as it sees fit, without prejudice to the Copublisher, subject to royalties as elsewhere provided herein. In the event of any termination of this Agreement as herein provided, the respective rights of the parties hereto accrued to the date of termination shall not be affected thereby but shall survive such termination, and rights accrued or to accrue under any license or sale made prior to such termination shall not be affected by such termination.

ASSIGNMENT 19. No assignment of this Agreement except by operation of law shall be binding upon either of the parties hereto without the written consent of the other; provided however, that the Copublisher may assign or transfer any monies due or to become due under this Agreement upon giving to the Publisher written notice of such assignment.

NOTICES 20. Any notice required under any of the provisions of this Agreement shall be in writing and deemed to have been properly served by delivery in person or by mailing to the party sought to be charged at its

address set forth above or at such other address as may have been furnished in writing to the other party. A copy of each notice to Copublisher shall also be sent to Harry C. Coles, Jr., Esq., at Box 750, Radnor, Pa. 19088.

SUCCESSORS 21. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Publisher and Copublisher and their successors and assigns.

INTERPRETATION 22. This Agreement shall be construed in accordance with the laws of the State of New York.

IMPRINT AND LOGO 23. Dual imprint and logo will be jointly developed and agreed upon by Publisher and Copublisher and will appear in all appropriate places and publications (except as approved by Copublisher), including spine, cover, title page of the Work, and all promotional copy, brochures, news releases, etc. Copublisher will have copy and design approval of all advertising and publicity pertaining to the Work, such approval not to be unreasonably withheld or delayed.

PROJECTED LIST PRICE 24. An initial list price of \$350 is projected, assuming that publication will occur in five years from date of this Agreement and that Publisher will offer a prepublication price of \$295 for six months prior to publication date.

SPECIFICATIONS 25. The Work will be produced according to the following specifications:

- (a) 4 volumes
- (b) 8 1/2 by 11 trim size
- (c) 2-color design
- (d) 1.2 million words
- (e) approximately 2000 pages

PRODUCTION 26. (a) Publisher agrees that the composition and design of the Work will be of high standards comparable to other major works published by Oxford University Press.

(b) Publisher will provide Smyth sewn books, 60# paper, "D" Buckram over 98 pt. binders boards, headbands, colored endpapers, two hits of foil, and a stamped cover. A

decision about using a slipcase will be made jointly.

- (c) Design and dummyming will be performed by Publisher, at Publisher's expense.
- (d) Copublisher will have both design and dummyming approval, such approval not to be unreasonably withheld. The Copublisher will also have finished art approval, not to be unreasonably withheld. Camera-ready art is not required but Copublisher is responsible for selecting and providing all art and half-tones to be included in the Encyclopedia and for the preparation of all necessary captions.
- (e) Art work will be done by Publisher with the costs of work done on the outside shared equally by Publisher and Copublisher. The outside expense for drafting 600 line drawings is currently estimated to be about \$60,000.

PUBLISHER'S EDITORIAL EFFORTS 27. Publisher will employ sufficient editorial staff to insure prompt and efficient coordination between Copublisher and Publisher and to insure high standards of copyediting. A senior project editor and necessary support staff will be assigned to the Encyclopedia.

MARKETING AND PROMOTION 28. It is understood that the Publisher's budget for marketing and promotion will not be less than \$250,000. Publisher agrees to submit all promotional copy and design to Copublisher for approval, such approval not to be unreasonably withheld, prior to distribution.

EDITORIAL BOARD MEETINGS 29. Publisher will provide the services, at its own expense, of a senior representative, to be approved by Copublisher, at regularly scheduled meetings of Copublisher's Editorial Board, at The Annenberg School of Communications in Philadelphia. Such meetings will be held monthly or bimonthly, on a mutually convenient basis.

PUBLISHER'S PROPOSAL 30. The Publisher's proposal of July 13, 1983, is attached and made part of this Agreement for the guidance of the contracting parties. The amounts cited in this proposal are to be taken as estimates and projections rather than as precise commitments.

THE ANNENBERG SCHOOL OF
COMMUNICATIONS

OXFORD UNIVERSITY PRESS, INC.

By _____

Vice President

By Edward W. Barry

President