



Rick Johnson Chief Technology Officer VitalSource Technologies





Distribution: Using IMS standards to solve problems

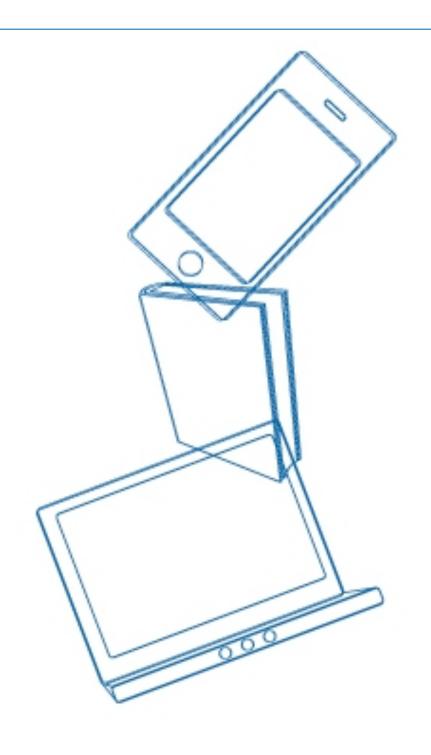
Content: Using epub3 standards to enable new solutions

Transition: How POD can smooth the digital transition gap

WHO IS INGRAM?

the world's

LARGEST AND MOST TRUSTED DISTRIBUTOR of physical and digital content



PENGUIN GROUP HARPERCOLLINS, SONS INC ZONDERVAN PUB HOUSE OXFORD UNIV PR WORKMAN PUB CO DELETED ACCOUNT DK PUB BAKER BOOK HOUSE COMIC DISTRIBUTOR UNIV OF CHICAGO PR ENTERPRISES LTD KENSINGTON PUB CORP STERLING PUBL CO INC ELSEVIER HEALTH SCIENCE EDUC SERIES SPRINGER VERLAG NEW YORK LLC FRANCISF&W MEDIA INC UNIV INGRAM ENTERTAIN HOUSE PUBL BROAD! LEARNING HAY HOUS PR SOURCEBOOKS EERDMAN CO BF **PUBLISHERS** MIDPOINT TRADE OUSE Priest N BOOK DISTRIBUTO INT Scout Fire CATHOLIC BOOK P QUAYSID HEALTH DISTRIBUTORS CREA EMI-CMG ATLASBO FIREFLY BOOKS LT CARSON INCLIPPINCOTT WILLIAMS & TON UNIV PRES Holden Caulfield, PROVIDENT MUSIC DIST AMER PSYCHOLOGICAL ASS Holmes, Conan Doyle, **BLACKSTONE AUDIO BOOKS** ABINGDON P LERNER PUB GROUP Golightly, Gregor Samsa, GREENLEAF ENTERPRISES P SCHOLASTIC Dalloway, Ignatius LIBRARY PUBLISHING SEND TO THE THILLTERAL LIC STEPLING PLANS TRILITERAL LLC STERLING F BARRONS EDUC SERIES S & FRANCISF&W MEDIA II HOUSE PUBL BROADMAN PR OSOTE PUB GALE CENGAGE LEARNING HAY HOUSE HAL LEONARD PUB GOOD NEWS

SIMON & SCHUSTER Jay Gatsby, Holden Caulfield, Humbert Humbert, Leopold Bloom, Rabbit Angstrom, MACMILLAN HACHETTE BOOK GROUP US LIGHTNING SOURCE INC Sherlock Holmes, Conan Doyle, Atticus Finch, Molly Bloom, Stephen Dedalus, Lily JOHN WILEY & Bart, Holly Golightly, Gregor Samsa, The Invisible Man, Lolita, Aureliano Buendia,, HOUGHTON MIFFLIN George Smiley, Mrs. Ramsay, Bigger Thomas, Nick Adams, Yossarian, Scarlett O'Hara, HARCOUR PEARSON PTR W W NORTON & CO INC THOMAS NELSON Scout Finch, Philip Marlowe, Kurtz, Stevens, Cosimo Piovasco di Rondo, Winnie the INCROWMAN & LITTLEFIELD PUB GROUP INDEPENDENT PUBL Pooh, Oskar Matzerath, Hazel Motes, Alex Portnoy, Binx Bolling, Sebastian Flyte, TYNDALE HOUSE PUBLISHERS MCGRAW HILL BOOK CO Jeeves, Eugene Henderson, Marcel, The Cat in the Hat, Peter Pan, Augustus McCrae, CENGAGE LEARNING Sam Spade, Judge Holden, Willie Stark, Stephen Maturin, The Little Prince, Santiago, DIAMOND Jean Brodie, Muriel Spark, 1961The Whiskey Priest, Neddy Merrill, Sula Peace, HARLEQUIN Meursault, Jake Barnes, Phoebe Caulfield, Janie Crawford,, Saul Bellow, Jay Gatsby, TRILITERAL LLC Holden Caulfield, Humbert Humbert, Leopold Bloom, Rabbit Angstrom, Sherlock BARRONS Holmes, Conan Doyle, Atticus Finch, Molly Plann, Stephen Dedalus, Lily Bart, Holly TAYLOR & Golightly, Gregor Samsa, eliano Buendia, Clarissa INC CAMBRIDGE Dalloway, Ignatius Reil homas, Nick Adams, HARVEST Yossarian, Scarlett Stevens, Cosimo CENGAGE Piovasco di Rond Alex Portnoy, BL NAV Binx Bolling, Sel at in the Hat, IAM B Peter Pan, Au ark, Stephen VIDEO Maturin, The he Whiskey INGRAM. lett O'Hara. T DBA Pooh, Oskar tian Flyte, ITAKER Jeeves, Eugen us McCrae, VIV PR Sam Spade, Ju e, Santiago, HOUSE Jean Brodie, N Sula Peace, GLEAF SERV Meursault, Jake B w, Jay Gatsby, strom, Sherlock

> **11 million** titles

lus, Lily Bart, Holly

ano Buendia. Clarissa

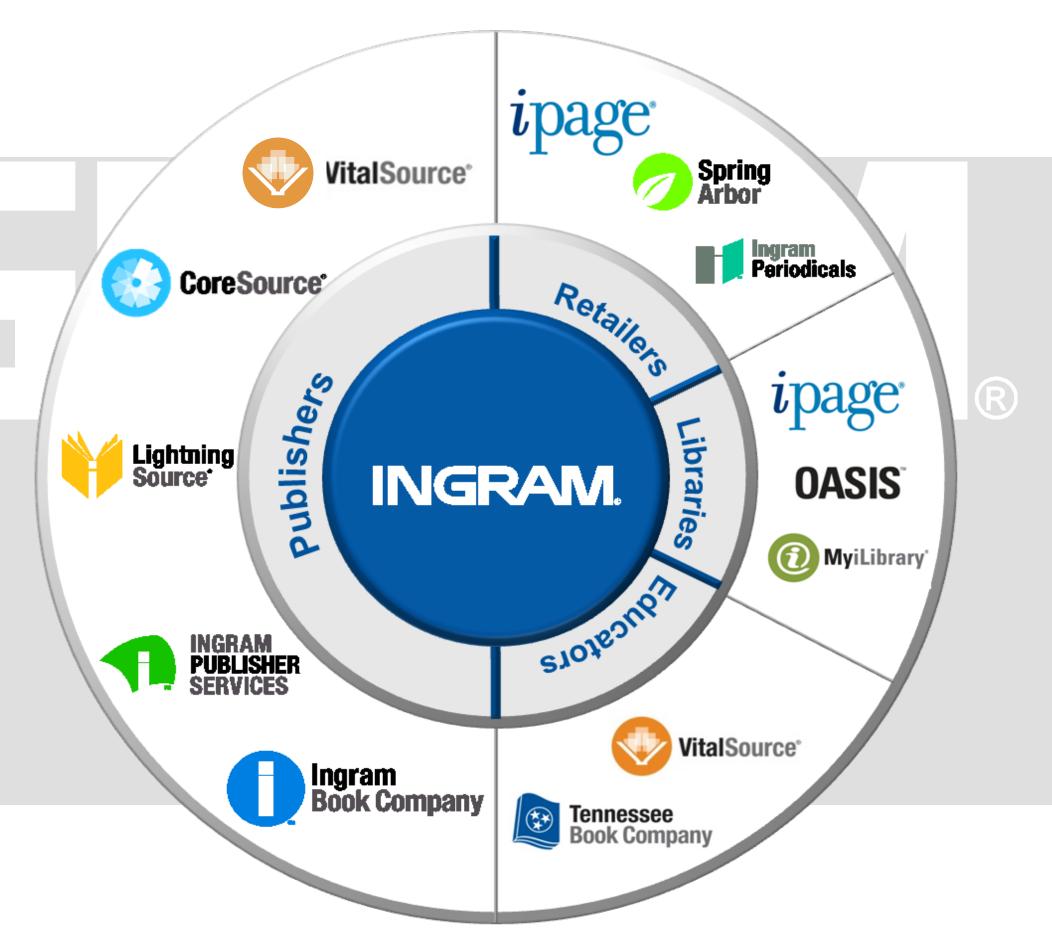
ARISE! BOOKSTORE, COLLEGE SUPERSTORE, THREE RIVERS MARKET, TOUCH OF GRACE (DBA), STRANGER THAN FICTION BOOKS, CANTERBURY TALES, YORK DRUGS, HOPENOW, ROBINSON COMPANIES (DBA), TECHBOOKSOLUTIONS INC, WT'S BOOKS, OLD FIREHOUSE BOOKS (DBA), CIELO HOME AND CHID (DBA), MENTORHOPE LLC, FRY'S ELECTRONICS INC, NEW BEDFORD WHALING MUSEUM DBA, TALULAH JONES, KMS GROUP, JANET BROWN INTERIORS, GARDEN STATE PERIODICALS LLC, DRIFTSTONE PUEBLO INC, BOOK EXPRESS, DANCERS, PLANET PULSE, CONNECTICUT CHILDRENS, HH NASHVILLE LLC (DBA), CARDBOARD MEMORIES, HANNA LIQUIDATORS, HARBOR BOOKS & GALLERY, MAIN STREET BOOKS, OYSTER ISLAND EMPORIUM INC, STONEHOUSE BOOKSTORE, CACHE MOUNTAIN TRADERS, SUPERMART.COM, COLOURS INC, NATIONAL ELECTRONIC TYPE INC, QIVIUT BOUTIQUE OF ALASKA, PAPERBACKS PLUS, MYRA HOEFER DESIGN LLC, ART THINGS INC, BOOKS FOR LESS LLC, JAZZ STORE, SOLUTIONS FOR DYSLEXIA, NOVA SOUTEASTERN UNIVERSITY, BUTTER PADDLE, CARTOON ART MUSFI' COMPUTING, ORANGE ELEPHANT (DBA), TALKEETN' LLC, EVERYTHING ABOUT LEARNING(DB/ OOKS, SAINT THOMAS HOSPITAL, KINAC ISLAND STATE PARK. O' OOKS, NORTHFIELD **BOOKST(** GIFT SHOP, AIA ST LOUIS F OLIVE BARN INC, **NORMAN MAILER** SAINT **CHANNELS FAMILY FRIENDLY BOOK** AYVILLE GENERAL STORE. BOOKSTORE (DBA), **BOOKS** A LLERY, SALVATION ARMY, D AIA BALTIMORE DRTABLE HOME INC, FLOWERS ON PLUS, MYRA HOEFER **DESIGN LLC. AR** partners LOUIS

OURMISSION

Helping content reach its destination

INNOVATION

Print innovation
Digital content
Global reach



INGRAM



THE INGRAM CONTENT COMPANIES

PHYSICAL DISTRIBUTION

2 million+ active titles in-stock, shipped to 130+ countries



LIBRARY

8,000+ academic, public, and professional libraries in 30+ countries MyiLibrary® e-book platform with 270,000+ e-book titles



PRINT ON DEMAND

Lightning Source has 8 million+ titles in inventory

1.9 million titles printed per month. Average 1.8 units per order



coresource°

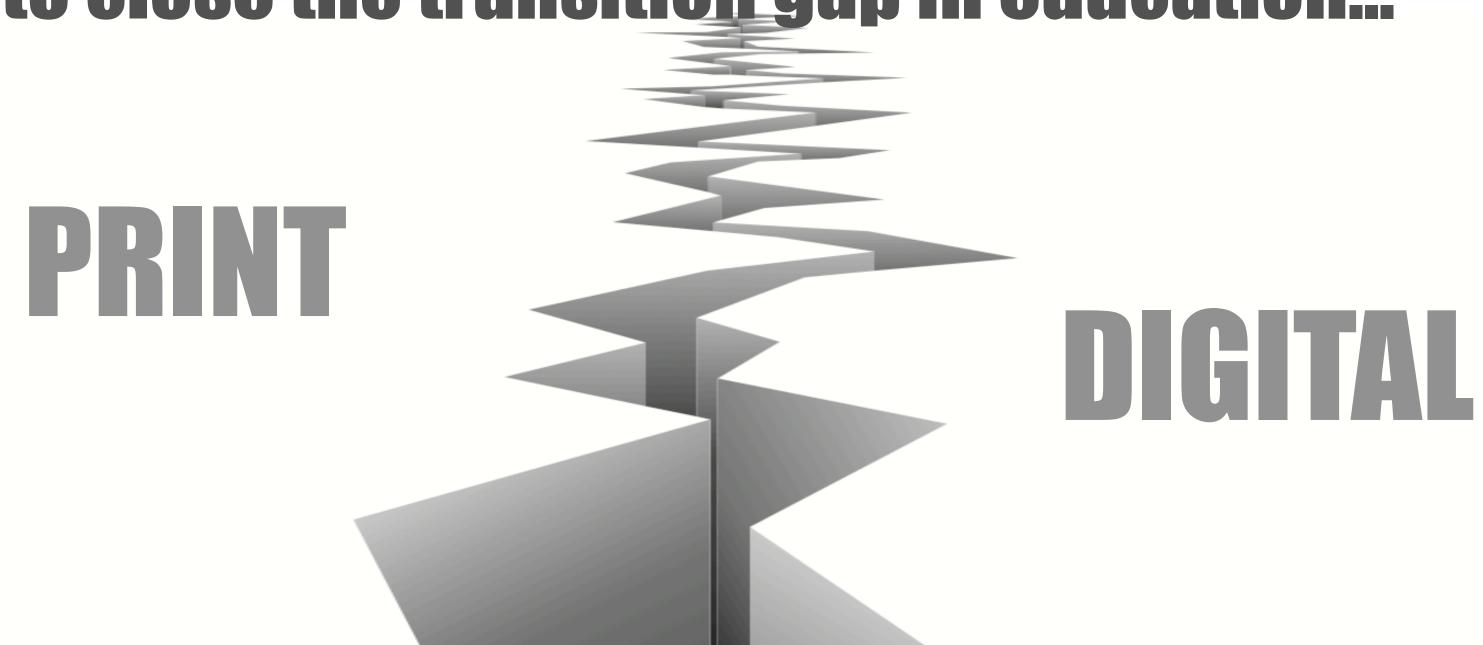
DIGITAL DISTRIBUTION

CoreSource® Digital Asset Management

VitalSource® E-textbooks and services for higher education



Using our experience, technology, manufacturing, and logistics leadership to close the transition gap in education...

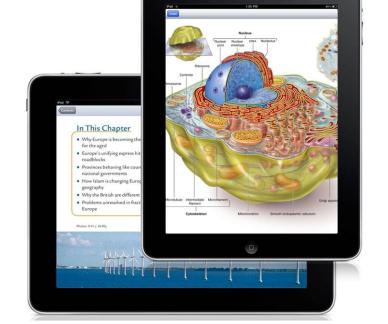


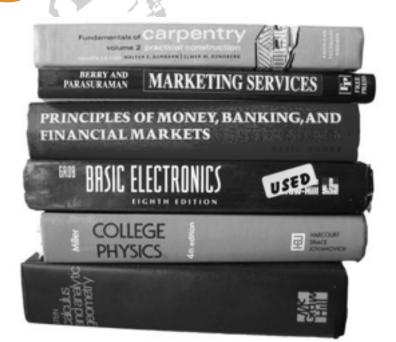


TRADITIONAL BOOK PRODUCTION

A partner that is innovating in digital but also in print

Currently testing giving a print option to digital users with a single click!





DIGITAL DISTRIBUTION





More than 30% of the top global publishers, and every major educational textbook provider

1,875+ CoreSource Publishers

270+ VitalSource Publishers

170+ Distribution partners

470,000 CoreSource Titles

100,000 VitalSource Titles







































Graw Higher Education









ENTERPRISE E-TEXTBOOKS

Who we are

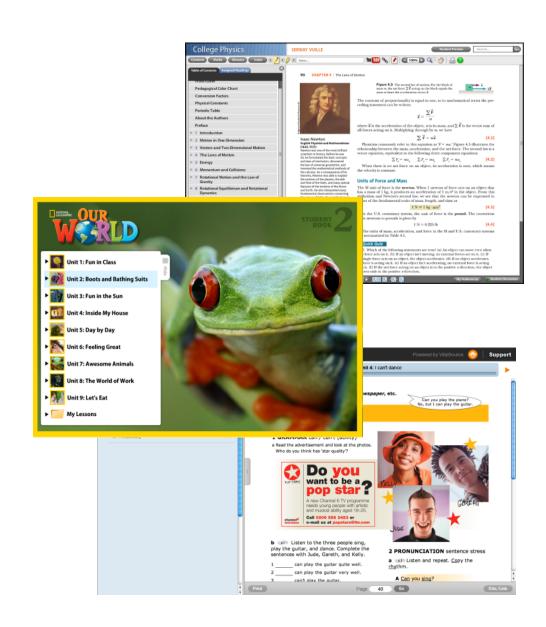
Enhanced e-textbooks

Easy distribution

Many publishers, one platform

Consistent, rich interaction

Integrated with VLE/LMS or stand-alone







VitalSource is a

comprehensive

platform for education

VitalSource Bookshelf

World's Leading E-textbook Platform

5 million e-textbooks delivered in 2011

More than 270 publishers

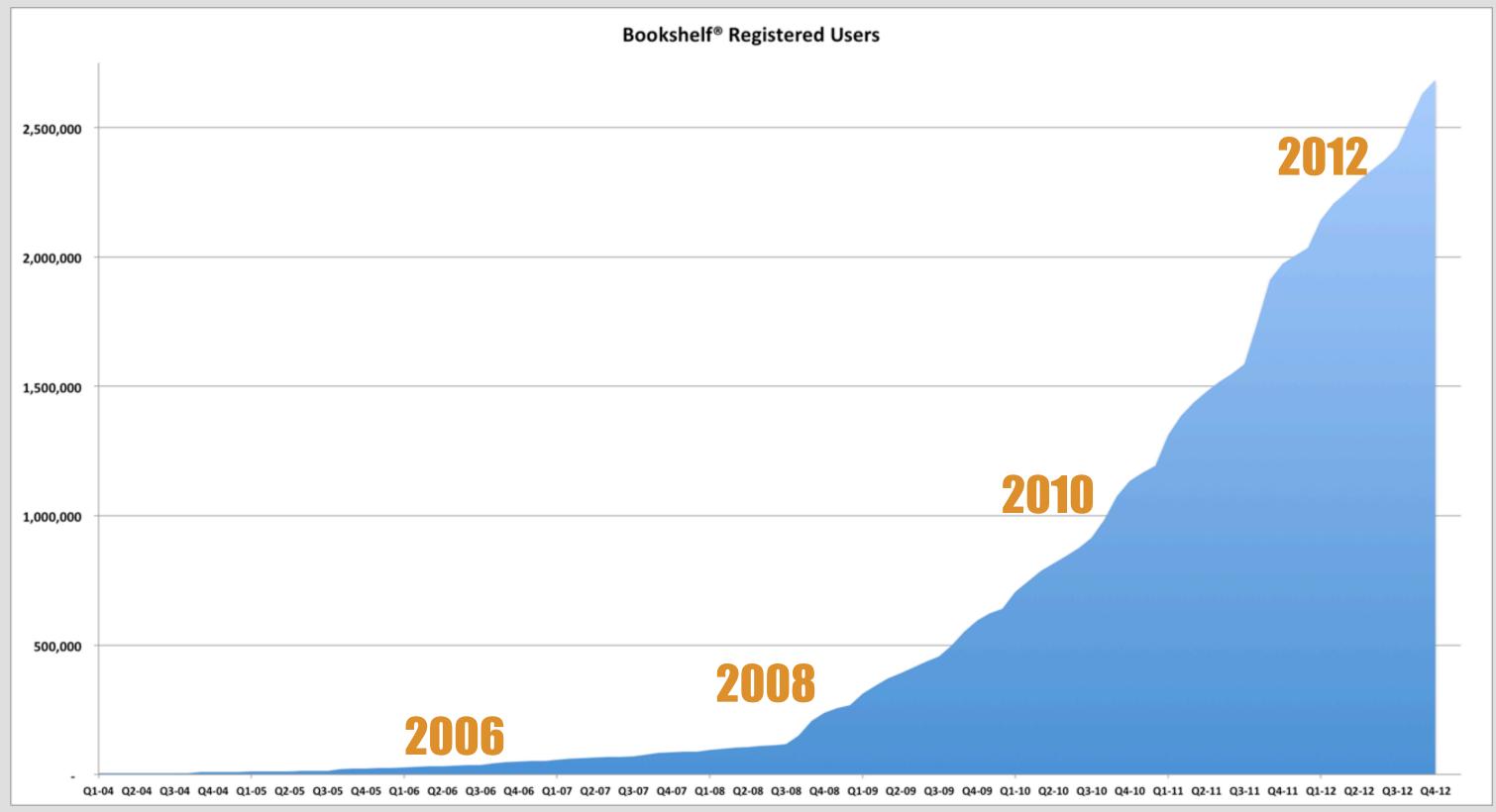
100,000 titles in distribution

2.5 million users worldwide on 6,000 campuses worldwide

Adding 10,000 new users weekly



Rapid growth in registered users, now over 2.5 million





200 countries

and territories worldwide





VitalSource Bookshelf®

Support for more than a dozen different platforms

Android

iOS

Offline Support

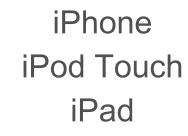
Windows/Mac

Web Browsers

Online Only

Tablet
Phone
Kindle Fire









Internet Explorer
FireFox
Safari















HISTORY OF INNOVATION

In Higher Education

2011

• First re-flowable e-textbooks

• First full curriculum solutions

• First integrated online / offline e-textbooks

• First inline media support, and shared notes

• First LMS/VLE integrated solution

First integrated e-text / print fulfillment program



HISTORY OF INNOVATION

Today

First education platform to support EPUB3 standard

First platform to support LTI 1.1 outcome reporting

Multipublisher Blackboard, and other LMS/VLE integration

Integration of media learning objects into EPUB3

Section 508 and MathML support

First native download support iOS, Android, Kindle Fire











What does the future look like?

(today!)

Fundamental Shifts in...

CONTENT EVOLUTION &

CONTENT DISTRIBUTION

Driving changes in both creation and consumption



"Interactivity no longer has to cost a fortune."

▼ Lesson 2 - Minerals

What are minerals? Section 2.1 An overview

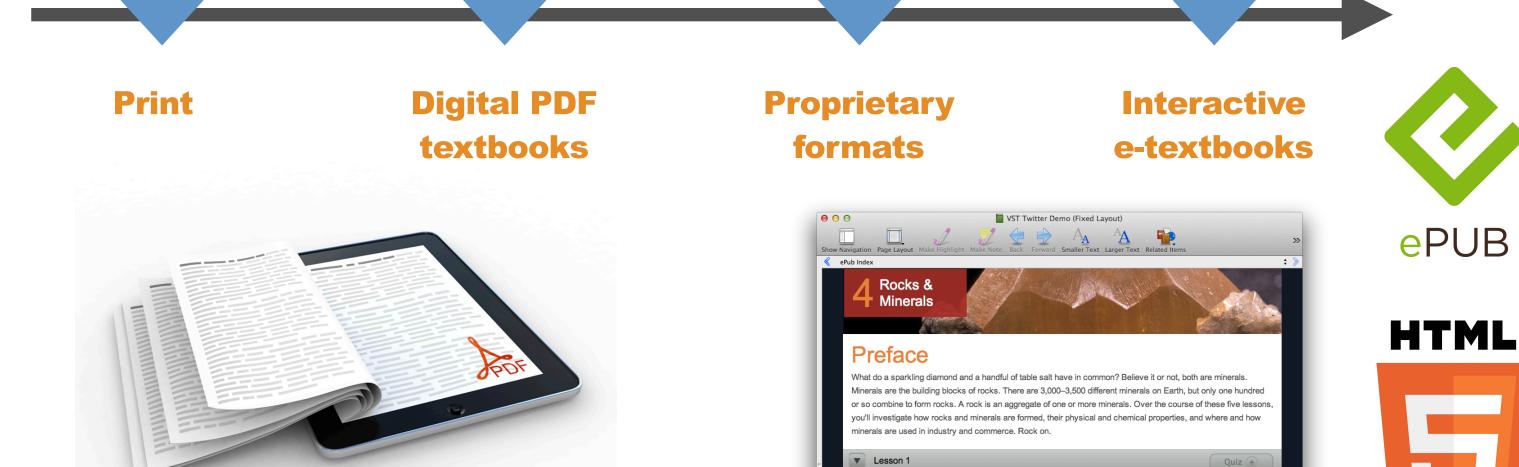
ePUB

Quiz +

Static content is rapidly being obsoleted by mainstream interactive content

Digital compels us to do more

than replicate the printed book.



Content Distribution

"The standalone book is being

replaced by the interconnected

etext with the online course"























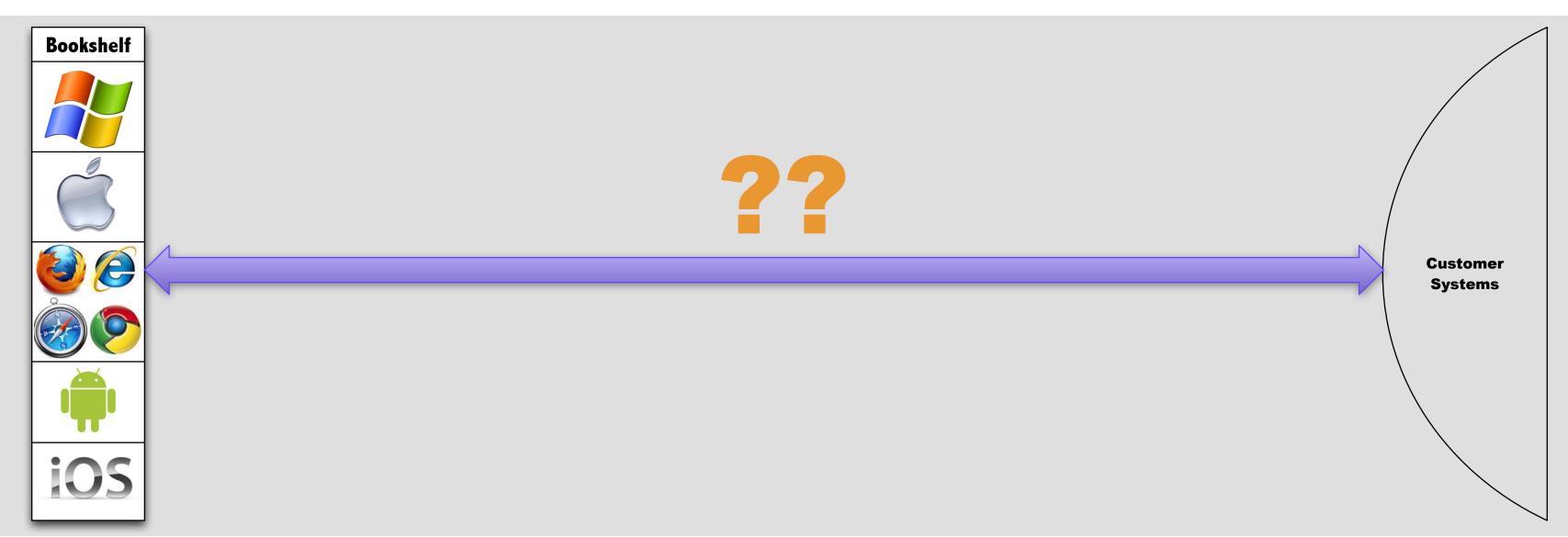
ENHANCED CLIENTS TECHNOLOGY INNOVATION OPEN STANDARDS

Bridging the Gap...

The problems:

How to get these systems talking? How to leverage new technology?

How to integrate with my existing systems?



The Bookshelf® Platform From your system to the end user



Bookshelf: Providing users with access to their content where and when they need it

Bookshelf Windows MacOS X Safari **FireFox Chrome Internet Explorer Android Kindle Fire iPhone** iPod Touch

iPad

New updates for seven different clients on more than a dozen platforms

supporting rich new content with native epub3

New learning objects now integrated inside the content.

supporting media elements an interactive objects

User interface updates coming for all clients.

starting with Bookshelf Online, and moving thru the rest

epub3

HTML

What is it?

A major update, and a road to the future

Rich layout options

Accessibility

Multiple language support

Interactivity

Javascript Support

. . .

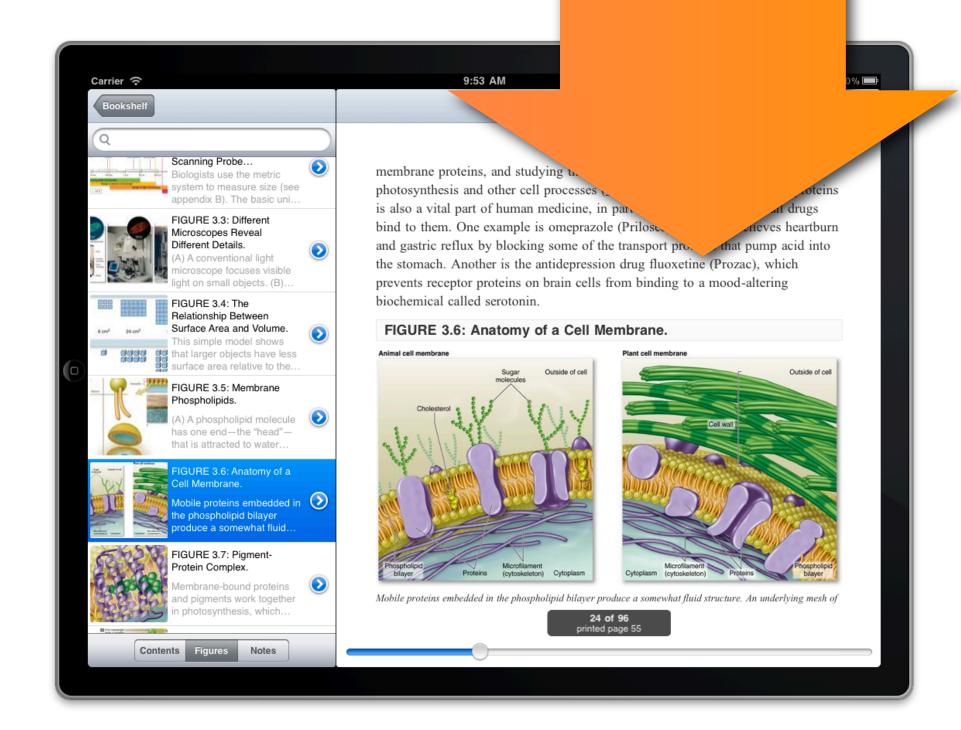




epub3

Major driver...

rise of the tablet



epub3

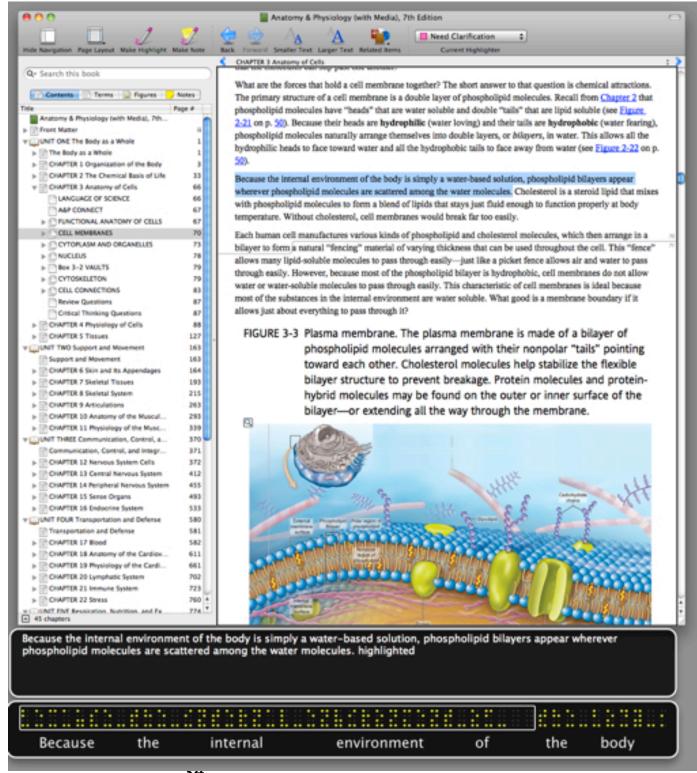
Major driver...

importance of

accessibility

Text to speech feed

Braille reader feed



Demonstrations of

epub3
learning objects
new user interfaces

The Bookshelf® Platform

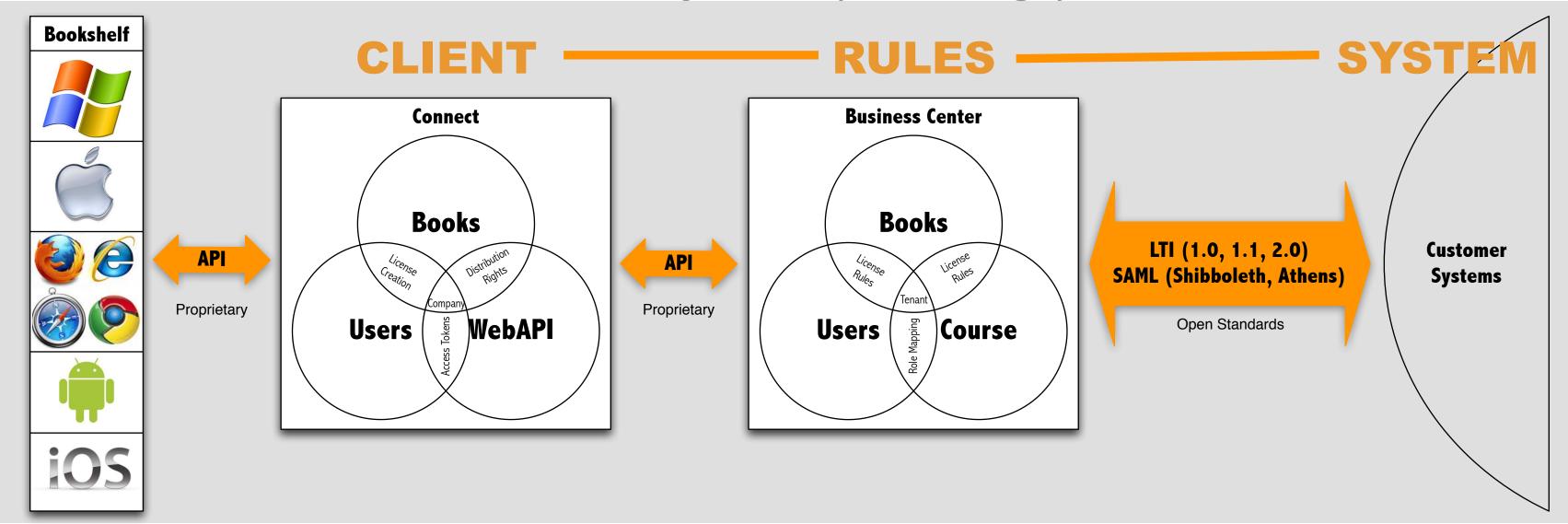


From your system to the end user

Bookshelf: Providing users with access to their content where and when they need it

Connect: Management of a user's rights to enable access to content

Business Center: Customizable integration with your existing systems



Key Announcements

May 2012

June 2012

July 2012

November 2012











Next Generation Integration



- O Simplified Setup
- No Code Distribution
- Integrated Content Selection
- Enhanced Course Construction
- Analytics & Usage Reporting

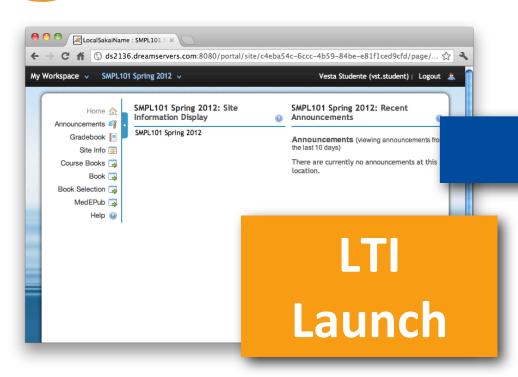


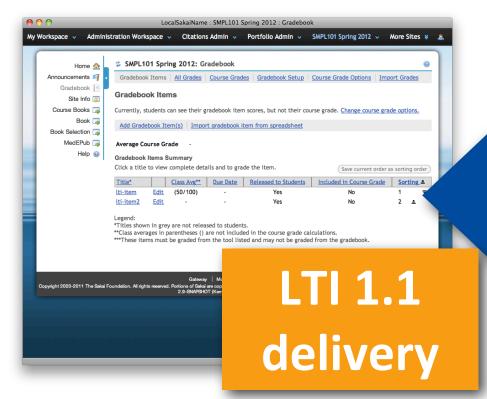
Demonstration of

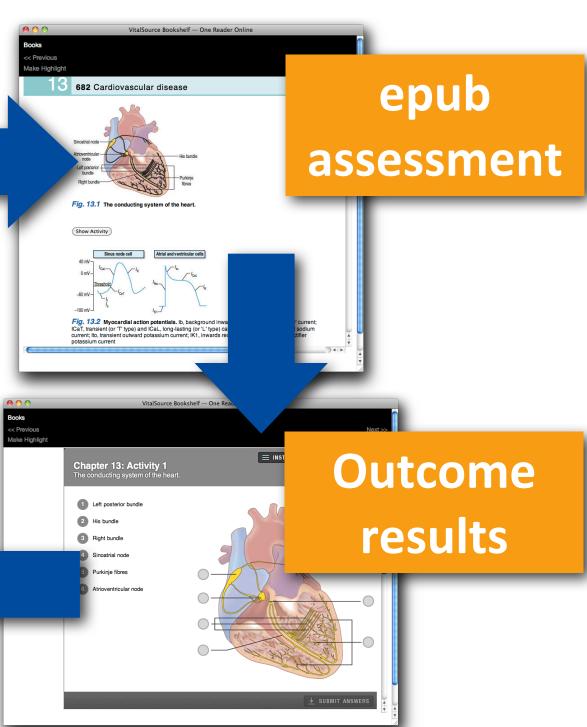
LMS integrations & outcome results

Returning an outcome













Distribution: Using IMS standards to solve problems

Content: Using epub3 standards to enable new solutions

Transition: How print can solve the digital transition gap

User Surveys

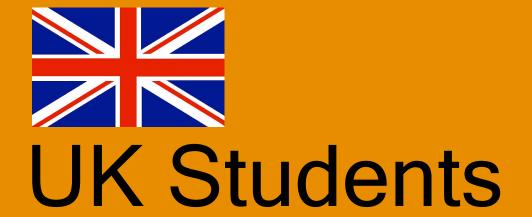


Bookshelf Enterprise

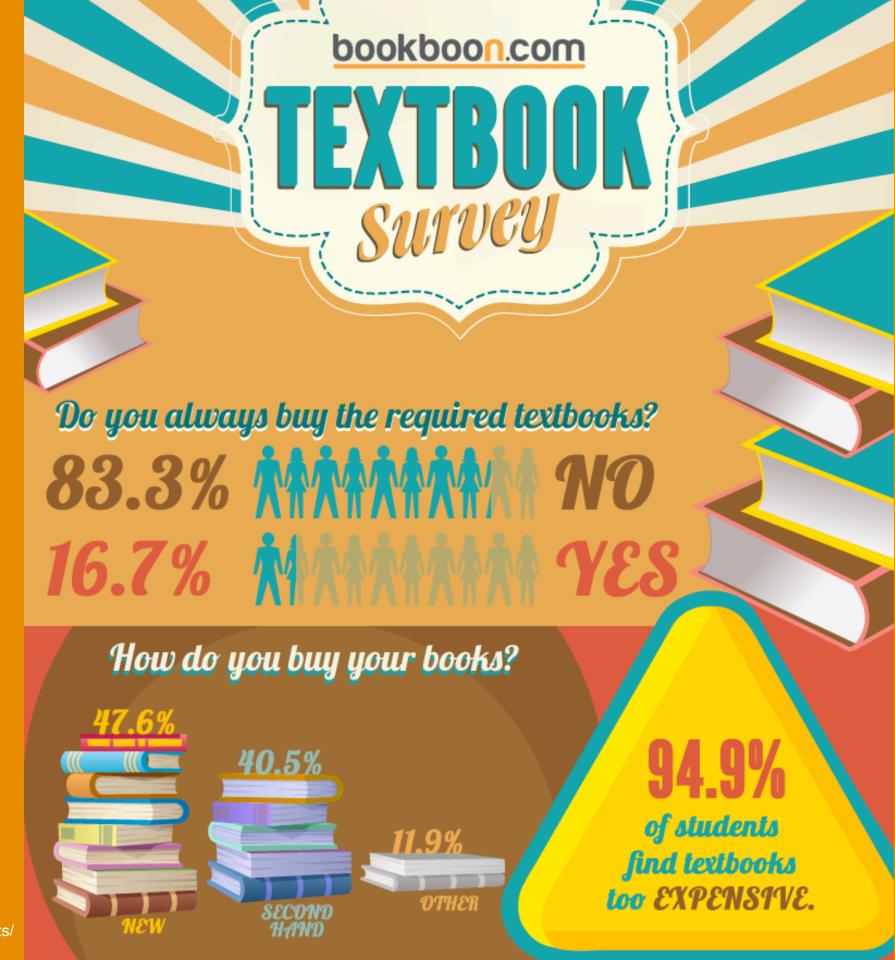
• ECAR Study 2011:

- Nearly every higher education student in the U.S. has BOTH a computer and a smartphone
- 87% own a laptop
- 36% own two computers
- 12% own e-readers
- 72% prefer a course with an online component





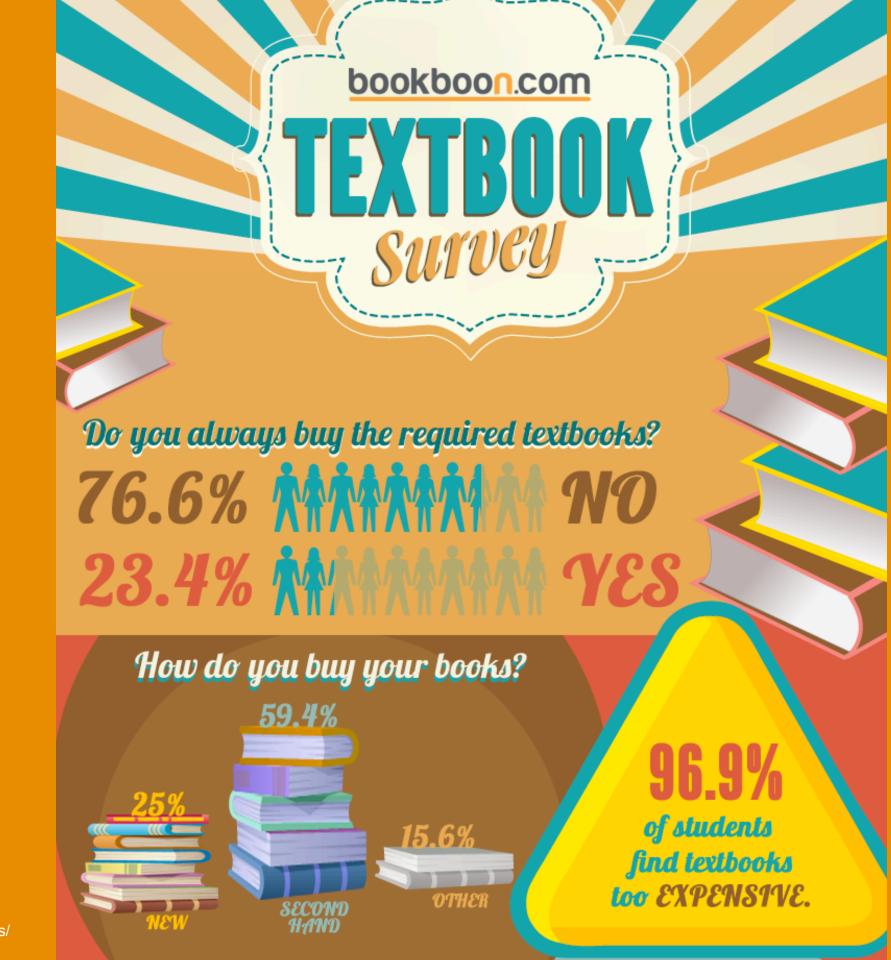
- 94% think textbooks too expensive
- 16% always buy
- 40% buy second hand





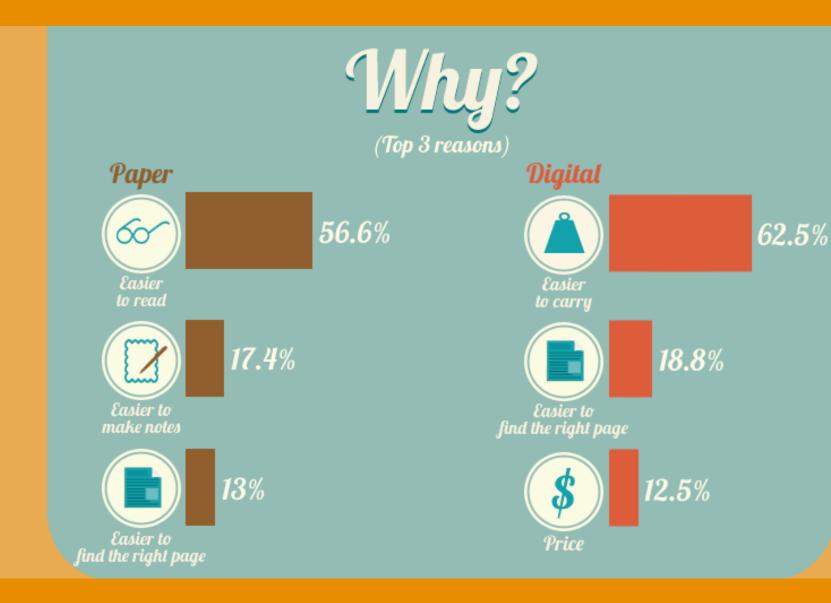
US Students

- 97% think too expensive
- 23% always buy
- 60% second hand



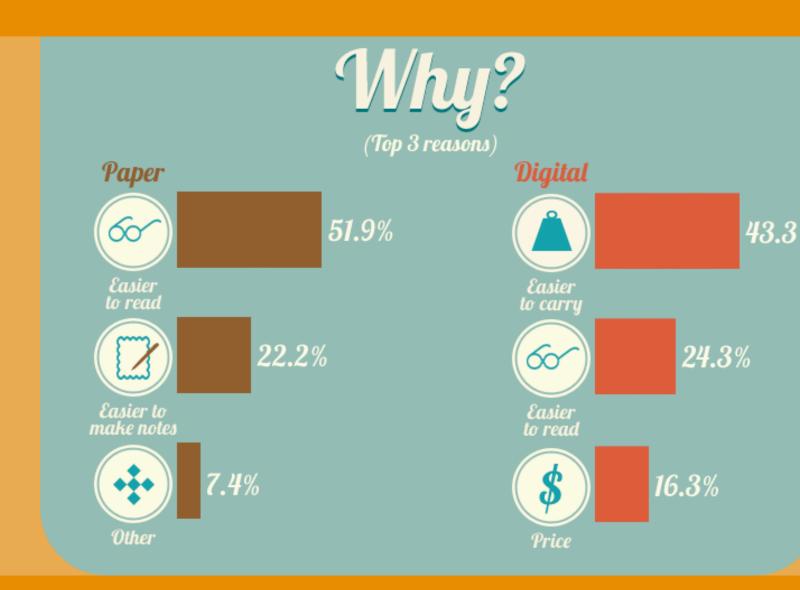


Paper 1/8 Digital 410/0



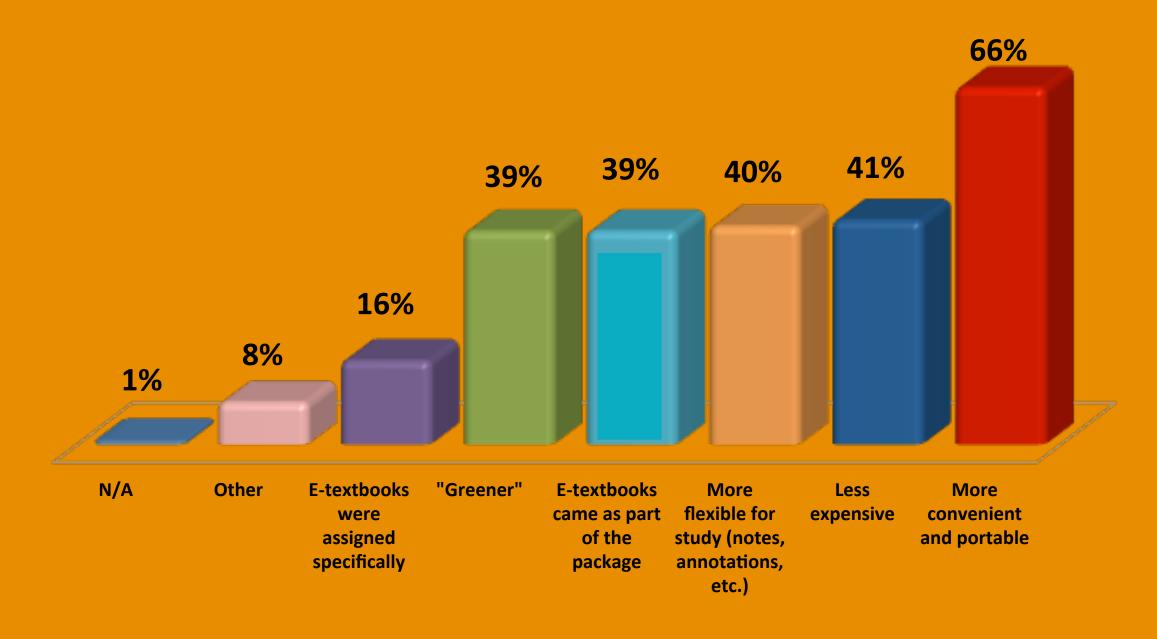


What do you prefer? Digital Paper



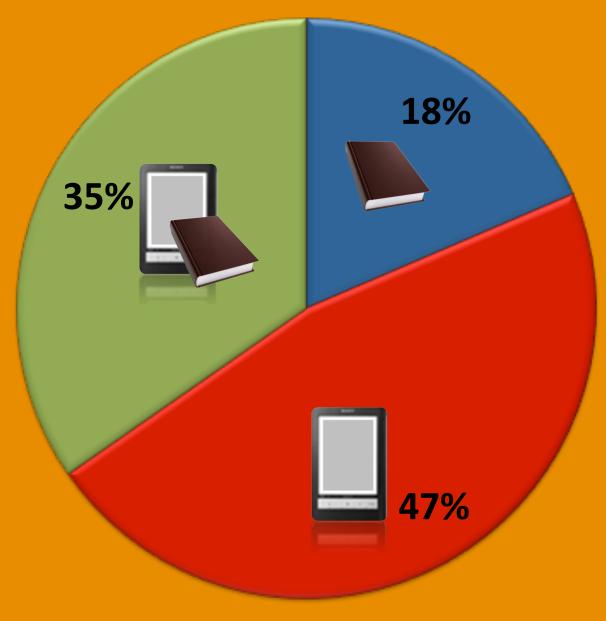
Motivation for trying e-textbooks...

In the past, why have you opted to purchase e-textbooks instead of physical textbooks?



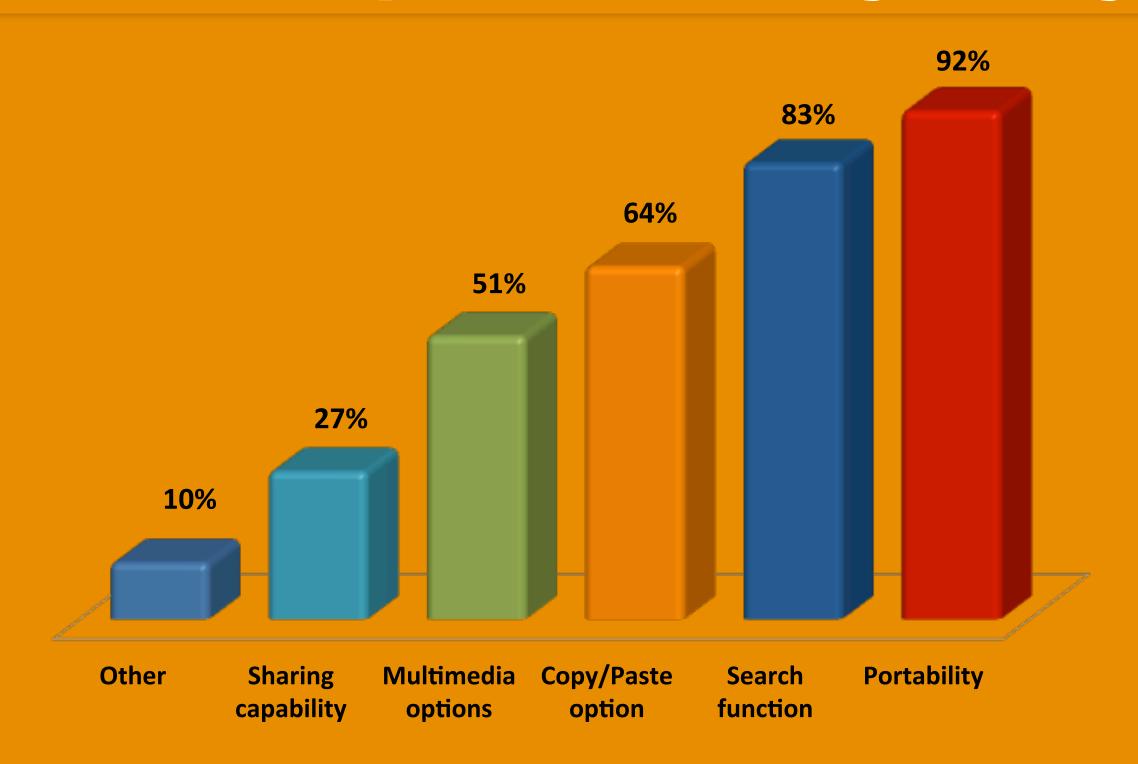
Once you have used an e-textbook....

If you have the option of using an e-textbook or a physical textbook—assuming cost and availability are the same—which would you select?*

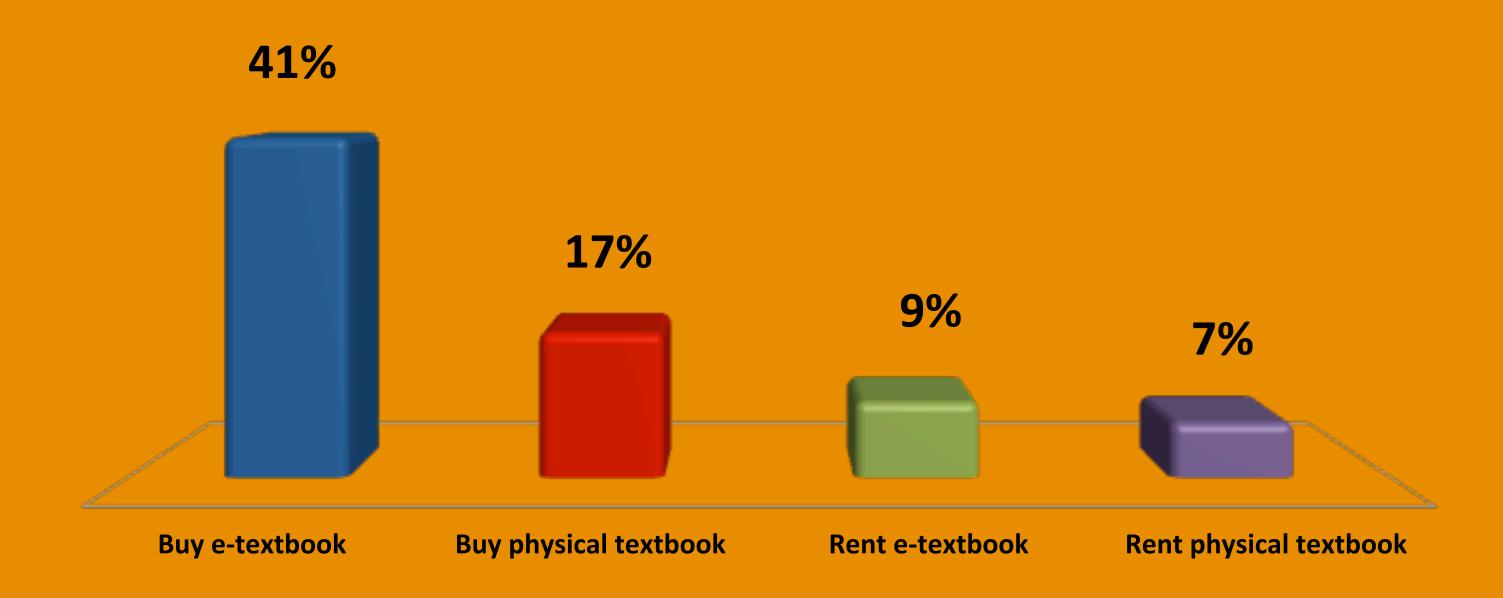


If price and availability were the same, 47% of students who have tried both would select e-textbooks <u>only</u>.

Of the 47% who prefer "e" only... Why?



Prefer rent or purchase?



18% would choose based on price alone, regardless of format