

SIMON&SCHUSTER

Carolyn K. Reidy President & Chief Executive Officer

October 23, 2012

TO EVERYONE AT SIMON & SCHUSTER

At Simon & Schuster we take pride in the excellence of our publishing, our drive to innovate and seek out new opportunities on behalf of our authors, and our ability to adapt and initiate change, building on our strengths in order to grow and maintain our edge in a competitive marketplace. In that vein, I'm writing today to let you know about a new arrangement of our publishing units, one that will lead to a sharper editorial focus for our imprints even as it takes consideration of the natural affinities among them.

Going forward, adult publishing will be distributed among four major groups. We are fortunate to have within our ranks four highly talented and experienced publishing executives whom I am delighted to promote to the newly created position of President and Publisher. Each is more than ready to take on the greater responsibility of leading his or her group going forward.

- The Atria Publishing Group will be led by Judith Curr and will expand to include Howard Books, our Christian publishing imprint. Howard joins a strong family of publishing lines that in addition to Atria includes Emily Bestler Books, Washington Square Press, Strebor Books, Beyond Words, Cash Money Content and Marble Arch Press. Jonathan Merkh, Vice President and Publisher of Howard, will now report to Judith, and the Howard editorial and marketing team will remain in place in Nashville.
- The Scribner Publishing Group, led by Susan Moldow, will expand to include Touchstone Books. Stacy Creamer, Vice President and Publisher of Touchstone, will report to Susan. Scribner's distinguished list of classic American literature and contemporary prize-winning and bestselling fiction and nonfiction will be complemented by Touchstone's popular fiction and strength in narrative and brandbased nonfiction and pop culture.
- The Simon & Schuster Publishing Group will be led by Jonathan Karp, where he and his editorial staff will also become responsible for publishing titles under the Free Press banner. Simon & Schuster has long been known for its general interest fiction and nonfiction, and the combination of Simon & Schuster and Free Press will build upon the strengths of both imprints, particularly in the areas of history and current affairs, business books, and idea-driven bestselling nonfiction.
- The Gallery Publishing Group, under the leadership of Louise Burke and consisting of Gallery Books, Threshold Editions, Pocket Books, Pocket Star, MTV Books, and Karen Hunter Publishing, will continue to publish a wide-ranging list of general interest books, especially strong in women's fiction, popular culture and media properties. Threshold will continue to publish books of appeal to a conservative audience and Pocket Books remains the mass market partner to all of our other imprints.

Unfortunately, as a result of this reorganization, Martha Levin, Executive Vice President and Publisher of Free Press; Dominick Anfuso, Vice President and Editorial Director; and some members of the staff will be leaving the company. Martha and Dominick have both made numerous significant contributions to our success. You can read about their many accomplishments in memos being circulated separately.

I'm also pleased to report on two further promotions in our publishing leadership.

- Our Children's Publishing Division will remain unchanged, but in recognition of the significant results his division has achieved during his time at Simon & Schuster, Jon Anderson has been promoted to President and Publisher. Since he joined us in 2009, each of our children's imprints is showing considerable profitability and all have grown significantly while strengthening their lists with new bestsellers and maximizing sales for existing authors.
- Chris Lynch has been promoted to President and Publisher of Simon & Schuster Audio. The audio business has been in the forefront of the digital transformation, and Chris and his group, including the fast-growing Pimsleur Language Program, have been our trailblazers in this transition. We have learned much from them in understanding how both our creative processes and our outreach to consumers can be transformed through digital means. The Audio division remains a valued component of our overall publishing portfolio

Our new organizational structure will enable us to build on our recent considerable successes. Bob Woodward, Sheila Bair and Arnold Schwarzenegger created headlines with their recent bestsellers. ML Stedman's first novel, *The Light Between Oceans*, had a long bestseller run, Kate Morton's new book is enjoying her fastest launch yet. Persistent effort led to bestsellers for Katie Davis and Kathleen Grissom. Stephen Chbosky's *Perks of Being a Wallflower* has been driven to sustained #1 status. The multimillion-copy *Dork Diaries* books by Rachel Renée Russell have grown in stature. In fact, all of our imprints have demonstrated time and again the capability to acquire and publish books that can have a major impact in the marketplace and will contribute to the overall success of Simon & Schuster

Our group presidents will soon be communicating with you about their plans. Meanwhile, the fall publishing season is in full swing and the critical holiday sales period is just around the corner. We have many exciting books, those just published and forthcoming, along with the staff and expertise to put the finishing touches on another excellent year at Simon & Schuster.

Please join me in congratulating our new Presidents on their well-deserved promotions. I know they all look forward to working together with you to bring our great books to readers everywhere.

Carolyn