

Sheridan Books Presents ...

FRONT MATTER

Make Digital Print Advantage Your Advantage

SBI is excited to announce it's print on demand initiative, Digital Print Advantage is up and running with the first digital print order being placed online May 9, 2008.

This web-based ordering system, where you can submit, order, and ship one-off books or multiple copies efficiently and economically on-demand offers **three ways for you to make titles available in your E-Warehouse Title Library** (your "master list" of digital titles available for ordering). These methods include:

1. **SBI Archived Files**—Previously printed titles in our offset archive can

easily be moved into your E-Warehouse Title Library.

2. **Publisher Supplied Files**—New and reprint files from publishers can be submitted on-line and made available in your E-Warehouse Title Library.

3. **New Offset Files**—When placing a new offset order at SBI you can have your files added to your E-Warehouse Title Library.

After submitting your files they will be made available in your E-Warehouse Title Library for on-line ordering in six business days.

What's Your Advantage:

- Streamline your reprint ordering process and minimize ordering costs.
- Respond quickly to satisfy market demands.
- Harvest backlist titles capturing revenue that might otherwise be lost.
- Reduce inventory and associated inventorying costs.

Contact your SBI sales representative to find out if your new or archived titles are compatible with digital printing and to learn more.

Transition from FTP to InSite at SBI

InSite, installed at SBI in November of 2007, is an extension of our Prinergy system and is designed to automate and ease the process of file submission, online proofing through Smart Review, and supplying replacement pages for corrections.

Smart Review is InSite's online proofing software which provides tools that allow you to review, approve, or reject a page, and supply a replacement PDF for the rejected page. Once the file looks good to you, you will have the ability to sign off on the job making it the contract proof. At that point your project will be ready to go to press.

Since InSite's launch in November, SBI has been transitioning customers from using our FTP site over to InSite and the results have been outstanding. Therefore, at the end of

June 2008 we will be taking down our FTP site. If you still currently use SBI's FTP site and need to be set-up in InSite, or would like to learn more, contact your SBI customer service representative.

Customer Benefits

- You will save time and money by removing the cost of creating a paper proof and shipping it back and forth in the mail.
- Online collaboration when viewing proofs by allowing others to review pages at the same time as you and chat online.
- Because InSite links to our Prinergy system when viewing soft-proofs you will see the actual PDF that will be sent to Plate.

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2008 Raw Material Price Increases

The majority of the paper purchases for Sheridan Books are in the uncoated free-sheet product area. All producers of uncoated free-sheet, as well as all other mills, have experienced rising input costs in the past twelve months. These costs are in the area of energy, transportation, chemicals, and pulp costs. Therefore, the paper mills have been forced to pass along these costs as they continue to rise.

The reasons for the cost increases are the weak US dollar and the rapid run up in energy prices, both oil and natural gas. The weak US dollar has led to fewer imports and more expensive imports.

Also, globally there is an increase in demand for pulp and recycled fiber which leads to higher costs.

The rising pricing on paper is more a func-

tion of rising input costs than a case of increased demand in the market place.

In looking at the first quarter, as a whole US demand and operating rates for paper are right on track. US demand was down 2.2% for the first quarter of 2008, compared to our forecast of a 3-4% decline for the year. The monthly figures recently gyrated wildly due in part to the implementation of price hikes in mid-February and March. Demand for the rest of 2008 should continue to decline, but the pace of decline will likely be closer to 4% rather than the 10% eye-opener that was posted for March.

Several paper mills were on some form of allocation earlier in the year, and the big drop in demand for March should have allowed these allocations to be lifted. Actual operating rates at the mills fell to 91% in March, indicating that some downtime

was taken during the month.

Prices moved up further in April in the market as the price increases announced for February and March moved almost completely into place. Prices in April are 8% higher than a year-ago for offset paper. The price increases for 2008 are, so far, just barely keeping up with the escalation in costs at the mills. Therefore, all the mills have announced price increases for July of 2008 in the range of 8-10% based on the reasons listed above.

The same holds true of all other raw materials including cloth, shrink-wrap, ink, glue, and primarily all consumables. These prices have risen from 10% - 20% in the last twelve months.

The above forecasts were based on various discussions with our suppliers.

Mohawk Environmental Calculator

As featured in the June 2007 issue of front matter, Environmental Defense offers a calculator where you can perform calculations to show how many trees, gallons of water, total energy, etc., will be saved by using recycled paper.

Now, Mohawk Fine Papers, Inc. offers its own easy to use environmental calculator where you can perform similar calculations.

To find the environmental savings on your next project, go to www.mohawkpaper.com and simply enter the pounds of paper you will use, the percentage of PCW, select if it is coated or uncoated stock, and your done.

The calculator also has an option to select if the paper was created using wind power ("all of Mohawks papers are made with wind-generated electricity") that will show additional environmental savings.

The chart on the right shows the environmental savings for using 4000 pounds of uncoated paper that is made with 30% PCW. (This is the approximate number of pounds of paper used in book with a 6x9 trim size, 400 pages, and a quantity of 1,000 books).

Source: www.mohawkpaper.com



11.52 trees preserved for the future



33.27 lbs waterborne waste not created



4,893 gallons wastewater flow saved



541 lbs solid waste not generated



1,066 lbs net greenhouse gases prevented



8,160,000 BTUs energy not consumed

Book Sales Grew in 2007 and Slow Growth Expected in 2008

The Book Industry Study Group (BISG) estimates that in 2007 total book sales rose 4.4% over 2006's total to reach \$37.26 billion and unit sales reached almost 3.127 billion.

How is it that BISG reports an increase in sales of 4.4% while the Association of American Publishers (AAP) noted a 7.4% increase (as featured in the previous edition of *Front Matter*)?

BISG includes small press revenue along with the larger publishing companies in its estimates while placing audio and digital book sales in different print segments, unlike AAP.

According to BISG, Elhi showed the highest growth in dollar sales at 6.4% in net revenue followed by religious books at 6.3%. Trade publishing overall showed a 4% increase in net revenue with only a 0.4% increase in unit sales. Of the trade categories, juvenile hardcover experienced a 13% increase in dollar sales with a 10.5% increase in net unit sales (not surprising given the release of the last Harry Potter title).

Taking into account the slowing national economy and the absence of a Harry Potter title release, in 2008, BISG projects total book sales to grow 3.2% to \$41.22 billion

with a 1.9% decline in the juvenile hardcover trade category. Below is a breakout of the expected increase for each segment in 2008.

By the end of 2012, BISG projects that total book sales will reach \$43.5 billion with unit sales at 3.15 billion.

Sources:

BISG Press Release, 5/31/2008,
www.bisg.org

Slower Growth Forecast for 2008, by Jim Milliot, 6/2/2008,
www.publishersweekly.com

Projected Book Sales 2007-2008 (in millions)

Category	2007	2008	% Change
Trade	\$15,048.2	\$15,186.8	0.9%
Adult Hardcover	5,827.3	5,941.2	2.0
Adult Paperback	3,749.9	3,809.0	1.6
Juvenile Hardcover	1,896.9	1,860.0	-1.9
Juvenile Paperback	1,760.0	1,799.0	2.2
Mass Market Paperback	1,814.7	1,777.7	-2.0
Religious	2,575.0	2,719.6	5.6
Professional	9,240.9	9,611.5	4.0
University Press	546.9	563.3	3.0
Elhi	5,051.9	5,246.3	3.8
College	4,801.2	4,971.1	3.5
Standardized Tests	2,672.2	2,928.7	9.6
Total	39,936.3	41,227.3	3.2

Sheridan Books, Inc. is a custom book manufacturer providing professional publishers complete book manufacturing services. Available printing options include sheet-fed and web offset printing, and a variety of digital printing options. SBI offers one-color through four-color text and component printing capabilities. Multiple in-house binding styles include soft-bound and hard-bound. Complete digital workflow, and an onsite distribution center provide one-stop service for publishers. Sheridan Books is a division of The Sheridan Group (Hunt Valley, MD).

Upcoming Events

July 13-17, 2008—Christian Retail Show, Orlando, FL

Digital Prepress Q & A — PDF Exports and Converters

PDF Exports

I have noticed that newer versions of InDesign and QuarkXPress have an option to export directly to PDF. Can I use this export to create PDF files for print production?

PDF exports from InDesign and QuarkXPress have evolved in recent years to a point where they are now acceptable. In fact, exporting is the preferred method of creating PDF files from current versions of these applications. How does it work? InDesign uses the Adobe PDF Library to directly create a PDF file. QuarkXPress uses a built-in third party converter to write PDF files. In both InDesign and QuarkXPress, you have options that must be set carefully to create a print-ready PDF file. If configured

correctly, both programs do a great job and you will find the export process to be much simpler than the traditional method of creating PostScript and distilling.

More information on setting your export options is available at www.sheridanbooks.com/help.htm.

PDF Converters

Adobe Acrobat is the industry standard for creating PDF files, but other converters are available. Can I use one of the other products to create PDF files for print production? What should I look for in a PDF converter?

Although Adobe products are recommended (Adobe invented the PDF), the PDF specification is no secret and there are other con-

verters available that do an adequate job of producing PDF files. The converter that is built into QuarkXPress for PDF exports is a great example of this. A PDF converter must be able to fully embed all fonts, maintain high resolution images, and maintain color as specified in your original file (CMYK, spot color, or RGB). In addition to these technical concerns, the resulting PDF files must exactly represent your final book's color, content, page count, size, etc.

The Sheridan Books' Digital Services Team would be happy to consult on this topic and/or test your files for compliance to our specifications. Please contact your sales or customer service representative if you are interested in taking advantage of these services.

PDF for Everything at SBI

SBI is now fully capable of receiving PDF files for all components of a book project. Our Kodak Prinergy front-end workflow uses a native PDF processing engine. Since the workflow is based on the PDF, every file submitted must be converted to a PDF before it is input into Prinergy.

For this reason, **SBI now encourages PDF for everything.** This is the logical next step for streamlining your workflows.

The PDF offers a compressed file size with all fonts and images embedded – no additional files are required. The smaller file reduces transfer time and the all-in-one package greatly reduces the risk of files

becoming lost or corrupt in transit.

To encourage the submission of PDF files, at the end of June 2008, all SBI quotes will state "customer furnished compatible PDF files" for all components when appropriate. (Text files are currently stated this way on SBI quotes).

100 North Staebler Road
Ann Arbor, Michigan 48103
Phone: 734.475.9145
Fax: 734.475.7337
E-mail: info@sheridanbooks.com
www.sheridanbooks.com

SHERIDAN BOOKS, INC.


A truly great book should be read in youth, again in maturity and once more in old age, as a fine building should be seen by morning light, at noon, and by moonlight.

Robertson Davies