

## TCR Reports from the Field: The Print to Digital Transition Comes to Taiwan

... by Karen Christensen, CEO, Berkshire Publishing Group LLC, <karen@berkshirepublishing.com>

A chance remark in the OUP offices in New York in 1998 first led my company, Berkshire Publishing Group, to China, and 15 years later a brief meeting at ALA in Seattle sent me to Taiwan for the first time, to speak at the Taiwan Digital Publishing Workshop (TDPW) on December 6, 2013.

Taiwan is an island off the southeastern coast of mainland China, the nation officially called the People's Republic of China (PRC). Taiwan is, as far as the PRC is concerned, a province that will sooner or later be reunited with the mainland. The Taiwanese, however, call their island the Republic of China, and until recently official policy has included reclaiming the mainland their grandparents fled when Communists seized control in 1949. (An old name for Taiwan is Formosa, by the way, and one still sees it occasionally on packets of tea.)

The relationship between Taiwan and the PRC has been tense, with military installations on both sides of the Taiwan Strait, and in 2013 remains complicated. But as the PRC has opened, reformed, and developed over the past 30 years, the economic well-being of Taiwan has become increasingly tied to the PRC. Trade between Taiwan and China was US\$180.71 billion from January to November 2013, an increase of nearly 20% over the same period in 2012.

Travel between the PRC and Taiwan becomes easier all the time, and there is an increasing amount of intermarriage, too, as well as closer professional and personal relationships of all kinds. Tourism is growing. I saw many PRC tourists in the National Palace Museum (where one can see the vast PRC treasure trove brought from the mainland by Chiang Kai-shek), and the audience at the TDPW was keen to hear about the Chinese digital market, which my company has been exploring for the past seven years.

Taiwan, I should add, is a democratic, prosperous country with a reputation for electronic manufacturing that dates back to the 1960s. Every American who knows Taiwan well describes

it to me as technologically advanced, with a robust business climate. These friends are surprised when I tell them that eBook adoption is slow in Taiwan, and that Taiwanese publishers have barely begun to use digital opportunities to expand their market. This is something of a crisis because international eBook platforms such as Google, Apple, and Kobo are in the process of entering the Taiwan market, and publishers are not really ready for it. This led the Ministry of Culture (MOC), under the leadership of Chou Pei Chi (Peggy), director of the Department of Humanities and Publications, to sponsor the event I spoke at. I joined Donald F. Brown, a consultant with extensive experience in magazine publishing, and a group of expert speakers from Taiwan and the PRC.

The 2013 Taiwan Digital Publishing Workshop was a two-day event for senior publishers organized by the Taiwan Digital Publishing Forum (TDPF). The forum represents all stakeholders in Taiwan's digital publishing industry, and is a member of both the Book Industry Study Group (BISG) and the International Digital Publishing Forum (IDPF). The latter works to get publishers to adopt Epub3 standards and, more basically, to encourage publishers to convert to, and manage all their content in, standard digital formats.

Although the topic of the workshop was digital publishing in general, the majority of the delegates came from book publishers. There were others from magazine and newspaper companies, and from new online book platforms for children's book apps and eBook collections. I was told I could identify the "online" people by the fact that they carried backpacks, not briefcases.

Politics divide the PRC and Taiwan, but they are also separated by their written and printed language. The spoken language is the same — no more different than New York and Boston English — but the Taiwanese have stuck to the character set now referred to as "traditional," while the People's Republic of China uses "simplified" Chinese, a set of characters designed under Mao in the 1950s to expand literacy.

It was by chance that my company, Berkshire Publishing Group, had just published its first Berkshire book about Taiwan, under a new custom imprints program that allowed the US-Asia Law Institute at NYU to launch *Challenge to China: How Taiwan Abolished Re-Education through Labor* in print and eBook formats in only a month. The topic was timely and pressing — in fact, the PRC announced less than two months later that it would indeed begin the process of dismantling the "re-education through labor" camps. *Challenge to China* was written in English but included traditional Chinese characters in the text and in the glossary. My staff takes this kind of thing very much in stride, but I was reminded that when I first went to China in 2001 I carried along a copy of what I thought was a "Chinese" edition of one of my own books, *The Green Home*. The book I showed so proudly was a Taiwanese edition, read from back to front, printed in columns of traditional characters (rather like the gothic script *Blackletter* that one occasionally sees in 20th-century German books — our standard script is "roman").

*continued on page 3*

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**TCR Reports from the Field** *from page 2*

While the Taiwanese have been technologically advanced for decades, less than 37% of publishers there have any kind of eBook business. Of the top 100 bestselling books in Taiwan, only 15% have digital versions. Most of the medium to large companies that attended the workshop have at least “some eBooks” now, but print is very much their focus. While they see the print business — in books, magazines, and newspapers — declining, they are not optimistic about digital business models.

On the other hand, they know that global eBook companies such as Kobo want to bring their platforms to Taiwan. I was impressed by the publishers’ pragmatism about digital publishing. They were not willing to be forced into a new market because it was fashionable. They wanted to be sure they could make money, and are understandably worried about getting ahead of their customers, who seem content with print and are unwilling to pay for eBooks, as they are accustomed to free digital content. They don’t see a market in Taiwan sufficient to justify the costs, and they are very conscious of IP issues. Their contracts with authors often don’t include digital rights. An art publisher I met said she doesn’t have e-rights to the images. Paying for digital content is probably the single biggest issue for Taiwan publishers, and this means that piracy is a grave danger.

The publishers I talked to were thinking about digital publishing because they had to, but they were unconvinced that Taiwanese readers would take to eBooks any time soon. I argued that their market is not just in Taiwan but with the millions of global readers of traditional Chinese characters. And because it’s easy to convert from traditional to simplified Chinese (but not the other way around), a book published in Taiwan can become a PRC edition very easily.

I argued that they have a bigger market than Taiwan itself — millions of readers around the world — and that because Taiwan’s traditional characters can easily be converted to PRC-simplified they have a vast potential market that is untapped. I also said that Chinese-language eBooks would have a market in libraries, which came as quite a surprise to them.

The latest figures show 12 million Taiwanese using mobile devices (3G/WIFI) to access the Internet. This is 55.2% of the population, where the figure in the PRC is 29.7%, according to the China Internet Network Information Center. The biggest eBook channels are telecom operators such as Chung-Hua Telecom and Taiwan Mobile.

Training editors and others to handle digital workflow is a big challenge, especially since Chinese publishing doesn’t have the style standards we have in English (APA, MLA, Chicago, Berkshire international). The audience sat up when I showed them how my editors use a concordance macro to find and fix inconsistent spellings, hyphenation of terms, and capitalization. This can be crucial for accurate search in digital publications.

We also talked about the difficulties in getting Chinese characters onto Western mobile devices such as the Kindle. I’ve dealt with this for the past few years. The new-generation Kindles handle Chinese quite well, but many people like me see no reason to upgrade their devices, so when Berkshire has a book with Chinese characters (we often include names, places, quotations, and short phrases in the original language) we have to use an image file for every instance in order to be sure that the text will appear completely, and then we add the actual character to the metadata to ensure that we’ll be able to

make the text fully searchable in Chinese, too. It’s a real pain, and we commiserated over these difficulties. But I couldn’t agree with the people I spoke with who thought Amazon was not allowing Taiwanese books because they feared political backlash from the mainland.

One conversation sticks in my mind. My lunch companions were bemoaning the fact that Taiwan’s old global identity, “Made in Taiwan,” is gone — Taiwan now produces few physical products for export — and there’s nothing to take its place. “How about making Taiwan’s brand be ‘Free press’ in contrast to the mainland?” someone said. There were mixed reactions at the table and I’ve had mixed reactions since then. Taiwan does have a free press, and a democratic system. But it was hard for me to see how that could translate into a global brand, and how directly challenging China would be good for Taiwanese business.

Ms. Chou, the MOC director, said that it may not make economic sense to publishers to digitize large numbers of books now but that without doing so, and quickly, Taiwan won’t have the critical mass of content needed to make inroads in the mainland China market and to reach readers elsewhere in the world. Her department plans to fund the conversion of books because it is essential to the long-term health of the industry and also important in maintaining Taiwan’s identity and reputation in the world.

The MOC’s plan, as I understood it, is to subsidize the conversion of thousands of Taiwan publications so they can be sold on eBook platforms, and to add English introductory material and metadata. If this is done quickly and well, then researchers and readers around the world who prefer to read in traditional characters will have a vast range of material at their fingertips, and Western libraries’ ability to build ebook collections in Chinese will be dramatically improved. There will also be far more potential for reaching readers of simplified Chinese, in the PRC and around the world. Taiwan’s opportunity, it seems to me, is to be a bridge between the PRC and the United States and other Western countries, because it has been so closely integrated into the global economy during the period when mainland China was isolated. I’m looking forward to seeing the role that Taiwanese publishers take, and to working with them as more of their content becomes accessible to global readers.

## Mark Your Calendars

**January 24, 2014, 2:00 – 4:00 p.m** — RMG Town Hall 2: Discovery, e-Books, and Demand-Driven Acquisitions at RMG’s Annual Presidents’ Seminar: The View from the Top, ALA Midwinter Conference, Philadelphia Pennsylvania Convention Center Room PCC-117. Registration not required. More information at <http://www.rmgconsultants.com/>.

**February 5, 2014, 9:00 a.m. – 3:15 p.m** — PSP/EIC Pre-Conference on “Expanding Your Markets on a Global Basis!” The Ritz Carlton Hotel, 1150 22nd Street, NW, Washington, DC 20037. More information at <http://psp2014conference.com/conference-seminar-agenda/expanding-your-markets-on-a-global-basis/>.