

# Penguin, Random House unite

LONDON, UK: British publisher Pearson and Germany's Bertelsmann have completed a deal to create a publishing firm, Penguin Random House, the parent groups announced on Monday (1 July).



In October, Pearson, publisher of the Penguin paperback books and owner of the Financial Times newspaper, announced with Bertelsmann plans to form a joint venture.

Bertelsmann will hold 53% of the new company and Pearson the remainder. Penguin Random aims to compete with new forms of publishing epitomised by online giant Amazon for both traditional and increasingly, electronic books.

Penguin Random House had pro forma revenues of £2.6bn and operating profit of £34m in 2012, the statement added.

Penguin's revenue soared last year, helped by demand for its e-book titles including Mark Owen's "No Easy Day" and Ken Follett's "Winter of the World".

Random House profited hugely over the past year from publishing EL James' sado-masochistic romance "Fifty Shades of Grey", which is achieving huge global sales.

Pearson meanwhile has denied a report that media mogul Rupert Murdoch and Abu Dhabi's state media group were in talks to acquire the Financial Times Group for about \$1.2bn.

source: AFP via I-Net Bridge