Tate Publishing Rewrites Publishing Market

Builds Company to Protect Authors’ Interests And Applies Technology
Table of Contents

Introduction ................................................................................................................................ 3

The Creation of Tate Publishing: From Authors to Publishers ............................................... 4
  Giving Advice Leads to Publishing ....................................................................................... 4
  Success Based on a Solid Plan ............................................................................................... 5

Move into On-Demand Print Production ................................................................................. 6
  Xerox Forges Relationship in Honesty ................................................................................. 6
  Workflow Offers Productivity Gains ..................................................................................... 7
  Another Xerox Nuvera Joins the Fold .................................................................................. 8

InfoTrends’ Opinion ................................................................................................................... 9

About the Author ........................................................................................................................ 10
Introduction

Tate Publishing of Mustang, Oklahoma, is one of the largest booksellers in the nation. The company was founded 12 years ago by the Tate family to create a Christian-based, family-owned, mainline publishing organization with a mission to discover and market unknown authors and provide them with the highest quality books and royalties. It has grown into a multi-million-dollar publisher that prints paperback books on Xerox equipment; the printing facility operates three shifts, 24 hours a day, seven days a week, producing tens of thousands of books per month.

The company employs 250 people nationwide and provides complete production, distribution, and marketing for the few authors it signs. Tate Publishing offers editing, design, e-books, audio books, Website design, marketing services, TV commercials, and book printing. The publishing company receives an average of 3,000 unsolicited contacts and submissions per month from unknown authors, of which only a single-digit percentage are considered. The company also serves high-profile authors, such as Lee Greenwood, Neal McCoy, Heisman Trophy winners, former presidents, and governors.

"The shift from offset to digital book printing has really been our stepping stone to success," says Ryan Tate, president and CEO of Tate Publishing. "Using our demand-based publishing concept, we are able to print short-run jobs in small quantities, enabling us to discover more unknown authors and play an increased role in the religious publishing industry, while remaining profitable."

Indeed, Tate Publishing is part of an irreversible trend to digital book printing. The most recent statistical report released by R.R. Bowker, the publisher of the Books in Print Database and the assigner of ISBN numbers, reports that over 70% of the total titles produced in 2009 came from what Bowker describes as non-traditional channels.
Tate Publishing Website Showcases Breadth of Services Available to Authors

www.tatepublishing.com

The Creation of Tate Publishing: From Authors to Publishers

Dr. Richard and Rita Tate became publishers after publishing their first book with a traditional, mainline royalty publishing company. The Tates decided to publish their subsequent books themselves, using outside resources to print them and developing a production workflow to produce them.

Giving Advice Leads to Publishing

The Tates sold their books at the conferences they organized and spoke at; these events were attended during the year by thousands of people. During one event, a participant who was also an author asked Dr. Tate for advice on becoming a self-publisher. At the time, he had no interest in becoming a publisher, but honored the author’s request by writing and sending her a letter indicating he would share their publishing process for a $500 fee. Dr. Tate hoped that the fee would deter the author, but it did not. Once the author’s check arrived, he documented the process in writing, which eventually led to more authors asking for help, which ultimately led the Tates down the path to publishing.

As demand from authors for help in publishing their work grew, Richard and Rita asked their son Ryan, the executive director of a successful non-profit corporation, and their
daughter, Trinity, then a college student, to join the family business and expand it. Ryan and his wife Christy were published authors.

**Success Based on a Solid Plan**

“We started our publishing business on the family pool table,” recalls Dr. Tate. “Ryan researched the industry and developed a business plan based on identifying authors’ wants and strategies to fulfill them.”

Ryan’s research indicated that the self-publishing market was too complicated for most first-time authors. The Tates already knew from past experience that traditional publishers were not looking out for the interests of authors. The company found its mission: to discover, market, and assist unknown authors.

Ryan set up a Tate Publishing Website, and as a flood of authors looking for a publisher flowed in, the company started to grow. The company moved from the pool table to an office space next to a convenience store. Today, Tate Publishing occupies six locations and is expanding every year.

**High-Quality Books Printed Digitally by Tate Publishing**
Move into On-Demand Print Production

Tate Publishing learned about book production options from a general search of the industry. The company was growing and saw on-demand production as a solution to reduce the minimum print orders of 2,000 to 5,000 units, to compress 6 to 12 week print production cycles, and to delivery higher quality books for its authors.

“We had a vision of producing books on-demand in-house, and the first thing I thought was, who makes copiers, so I called Xerox,” Dr. Tate recalls. That call ultimately brought Bill Leonard, a Xerox production solutions executive, to Tate Publishing.

Leonard worked with Tate Publishing for over four years before the company, in June 2007, purchased and installed a Xerox Nuvera 288 with a full in-line Book Factory with a CMT330 3-knife trimmer. These purchases allowed Tate Publishing to digitally print paperback books on demand. Tate Publishing also installed a Xerox DocuColor ® 8000, along with an off-line CP Bourg BB3001 perfect binder, Challenge Titan 200 paper cutter, and GBC Laminator, which allowed them to print color covers and color children’s books. The company also moved into its current and larger location to accommodate the new equipment.

“I know publishing not printing, but I knew Bill Leonard was not going to lie to me,” Dr. Tate says. “He continually called on us to offer counsel and advice on what kind of equipment would solve certain needs, but he never pressured us to buy.”

Xerox Forges Relationship in Honesty

What impressed the company’s management team the most about Leonard was his honesty and integrity, Dr. Tate says. Tate was ready to the pull trigger on a purchase, but Leonard advised them to wait; this was after the company said no to Leonard dozens of times. “We are debt-free company and pay for everything in full. We said no to Bill many times for that reason,” Dr. Tate explains. “When he advised us to wait, we knew Bill’s interest was in our long-term success. That is one of the many reasons we say ‘no’ today to other equipment vendors’ sales requests.”

The company also wanted to make sure it had the volume to justify any equipment investment. They asked Leonard many times for his recommendations on numerous volume and cost scenarios.

It was the launch of the Xerox Nuvera 288 that prompted Tate Publishing to invest in digital printing equipment. Ryan Tate saw the newly launched device at the 2006 On-
Demand Show. After returning from the event, he called Leonard and asked him to bring a contract for a Xerox Nuvera 288 and DocuColor® 8000 device for producing covers.

“When I first visited Tate Publishing I could see they had a unique approach in helping people that never published a book before, and by definition this was a business model ideally suited to short-run, print-on-demand book publishing, and was a great match to our technology,” Leonard says.

Dr. Tate believes the quality of the pages produced on the Xerox Nuvera is better than what is produced via Web offset, noting that there is no slur on the type on the digitally printed book pages.

“We invested again to expand the plant and produce books that look even better than those produced on a Web offset press,” Dr. Tate says. “We have major publishers now asking us to print books for them, but we don’t print books from outside.”

Like most firms on a fast trajectory, Tate Publishing had some growing pains in its cycle of innovation. Dr. Tate says Xerox and Bill Leonard were at the company’s side helping it resolve issues, not moving on after the sale, but being a true partner.

“Xerox always treated us like a HarperCollins, Simon & Schuster, or Houghton Mifflin,” Dr. Tate says. “We get many offers to buy competitive machines and we ignore them because of how Xerox and Bill Leonard approach our operation; we are grateful for that relationship.”

**Workflow Offers Productivity Gains**

Setting up their own digital book production facility with all Xerox digital equipment allowed Tate Publishing to reduce book production turnaround time from weeks to two days, and it achieved significant cost savings. In March of 2009, the DocuColor® 8000 was upgraded to an iGen3® to accommodate higher color print volumes and provide additional overflow capabilities for printing monochrome book blocks.

The company also installed Xerox FreeFlow Process Manager to automate their color book cover production workflows and eventually to impose book blocks for two-up and four-up production. Driving the iGen® with Process Manager saved Tate Publishing one person per shift through automation. The FreeFlow Process Manager with MAX (Manifest Automation from Xerox) connects Tate Publishing’s order-management system with automated print production. MAX allows for a to-do list to be fed to Process Manager, which grabs all the work files and moves them to the queue at the printer, and operator releases what is the priority from that queue. Process Manager MAX also tackles complex imposition and enables job order details, such as the information in the bleed area of an imposed document or the number of pages in a book, to be incorporated seamlessly making post-print operations more efficient.
Another Xerox Nuvera Joins the Fold

In September of 2010, Tate Publishing ordered a second Xerox Nuvera 288 with an additional off line CP Bourg BB3001 Perfect Binder and a Titan 200 Cutter. The company added the CEM DocuCutt in early 2011 to its existing in-line Book Factory to allow four-up book printing. The new Xerox Nuvera 288 was added to increase book production capacity and support continued growth in publishing operations. Tate Publishing recently expanded its book-publishing model into the music field and now offers a complete music publishing service to artists who wish to produce and publish their own music.

Tate Publishing operates its Xerox Book Production facility three shifts, 24 hours per day, seven days per week. Its monthly book production exceeds 60,000 books per month, averaging about 5.5 million impressions per month on the Xerox Nuvera 288s and over 500,000 on the iGen3®.
InfoTrends’ Opinion

Tate Publishing set out to redefine mainline royalty publishing. The company started with a solid business plan and executed it with practical zeal. Moving into digital printing was a risk, but the company made the move after carefully evaluating that risk against return and holding off investment until it had adequate production volume, and could pay for the equipment in full and maintain its debt-free business philosophy.

A key theme in the success of Tate Publishing is partnership:

1. **Tate Publishing is a good partner to authors.** The company offers an arsenal of services—book signing events, speaking engagements, niche marketing events, media coverage, and book reviews—to ensure its authors success. The company also makes this promise to authors on its Website, “You will retain all rights to your manuscript, PLUS retain the highest royalties in the business from your sales. That’s the way it should be! And that’s the way we do business.”

2. **Xerox is a good partner to Tate Publishing.** Xerox’s Bill Leonard valued the company from day one; he saw how its vision fit with Xerox technology and cared about its long-term success. He and Xerox’s Oklahoma service team have continued to offer solid counsel and timely support to Tate Publishing before and after the sale, recognizing them as a very important and much appreciated Xerox customer.

3. **Tate Publishing is good partner to its employees.** The Oklahoma Chamber of Commerce named the company its Business of the Year two years in a row. The American Business Council included the company two years in a row on its Best Company to Work for in Oklahoma list, and in 2006 named it Publisher of the Year.

Disclaimer (this is included at the end of each document)

*This material is prepared specifically for clients of InfoTrends, Inc. The opinions expressed represent our interpretation and analysis of information generally available to the public or released by responsible individuals in the subject companies. We believe that the sources of information on which our material is based are reliable and we have applied our best professional judgment to the data obtained.*
About the Author

Lisa Cross
Senior Consultant
lisa_cross@infotrends.com
+1 781 616 2192

Lisa Cross is a Senior Consultant for InfoTrends’ Business Development Strategies service. She is responsible for conducting market research, supporting market forecast estimates, managing custom consulting projects, and reporting on industry events.