



Press Release

CHANGES ANNOUNCED AT PENGUIN IN THE UK

London, 6th July 2009... Penguin is today announcing a series of changes to its UK business which are designed to strengthen the appeal and relevance of its publishing, reduce costs in all areas of the business, and prepare the company to take advantage of structural change in the book publishing industry. It is anticipated that these changes will result in the loss of around 100 jobs in the UK, and Penguin is now beginning a process of consultation with employees and their representatives.

The changes announced today include:

- **DK** and **Rough Guides** will be reorganised in response to the long-term pressure on reference publishing. These businesses will in future focus on a more limited range of titles, reduce costs and continue to innovate, digitally and in print. Some aspects of the publishing process will transfer to DK's existing publishing centre in New Delhi. The management of DK and its publishing will remain in London alongside its own dedicated worldwide sales organisation, finance team and production staff.
- **Gary June**, DK's chief executive since 2005, returns to the US as chief marketing and business development officer at Pearson's North American Education company. **Peter Field**, chief executive of Penguin UK, also becomes DK's chief executive, supported by a four-strong senior management team: **John Duhigg** and **Andrew Phillips** as joint deputy chief executives; **Miriam Farbey** as publisher and **Sally Johnson** as director of finance and operations.
- **Penguin's** UK publishing structure will also be reorganised. **Helen Fraser**, managing director of Penguin Books, will retire at the end of the year. **Tom Weldon**, currently managing director of Penguin General, takes on a newly created role as deputy chief executive of Penguin UK. He reports to Peter Field and takes immediate responsibility for all of Penguin's publishing and production. He will work closely with Helen through 2009, and will assume more responsibility for Penguin UK from Peter Field in the course of 2010. Tom will succeed Peter as chief executive of Penguin UK at the end of 2010.



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- The Penguin publishing structure will be reorganised into three adult divisions: Michael Joseph, representing mass market publishing and run by **Louise Moore**; Penguin General, comprising Viking, Hamish Hamilton, Fig Tree and Penguin Ireland, and run by **Joanna Prior**; and Penguin Press, with the classics, Allen Lane and its new imprint, Particular Books, led by **Stefan McGrath**.
- In a move to build on Penguin's market-leading position in children's publishing, Puffin will be combined with the Frederick Warne, Ladybird and BBC Children's businesses, with **Stephanie Barton** as managing director and **Francesca Dow** taking enlarged responsibility for children's publishing.
- To reflect an increased emphasis on digital activities, **Anna Rafferty** will be promoted to a new role as digital managing director.
- **Brian Landers** will be retiring as director of finance and operations and will be succeeded by **Suzi Brennan** as Penguin finance director and **Deborah Wright** as group operations director.

Penguin Group chairman and chief executive, John Makinson, said: "Our industry is changing fast and the new landscape demands something different from us. Digital technology is altering the shape of book publishing, creating tremendous new opportunities but also putting unprecedented pressure on our costs and our traditional ways of working. We have to stay ahead if we are to grow and prosper. There is nothing harder than taking decisions that result in the loss of committed and talented friends and colleagues but I am certain that the changes we are announcing today will reinforce our position as the most creative and competitive company in our industry."