

*Family Craft
and Business:
Evolution*

1807–2007

Chapter One



Change and Continuity

By American standards, John Wiley & Sons, Inc.¹ is a very old firm. No other American publishing company can match it in age. For two centuries it has produced books and, against long odds, it has remained an independent, family-controlled business. This Wiley publication, Knowledge for Generations, is written for the firm's bicentennial in 2007. It is the story of how Wiley has endured and prospered, and it suggests how its long history shines light on the path ahead.

Founder Charles Wiley, who opened a print shop in New York in 1807, would scarcely recognize either the book business or its environment today. New York at that time covered the southern tip of Manhattan Island, and Greenwich Village was just that, a village. Country estates and farmland spread off to the north. Today the only green places left in Manhattan are parks, and the city itself has covered Manhattan and expanded to Staten Island, the western end of Long Island, and a goodly chunk of land north of the Harlem River. Across the Hudson River to the west, the New Jersey shore—once dotted by small towns separated by forests and farms—is now an extension of the city, with high-rise apartment buildings, office towers, and the new world headquarters of John Wiley & Sons in Hoboken defining the skyline.



View of Manhattan looking south with the Hoboken waterfront to the right, by John Bachmann, 1866.

View of New York in a lithograph by Currier and Ives, 1876, showing the Brooklyn Bridge still under construction. At top left is the Hoboken shoreline, future home of John Wiley and Sons.

Location of Wiley's world headquarters, 2007.

Location of Charles Wiley's bookstore, 1814-1826.

Some of Wiley's offices worldwide:



Boston

Tokyo

Melbourne

Edinburgh

Oxford

Singapore I

Copenhagen

Chichester

Indianapolis

Singapore II

Toronto

San Francisco

Weinheim

Brisbane

Somerset

Hoboken

Publishing companies like Wiley have also grown apace from small shops run by a proprietor and a helper or two to complex multinational corporations. In the early years, Charles Wiley published a mixture of American originals, English reprints, and an occasional translation of a European title. Today, the largest publishers manage clusters of offices spread around the world—from New York to Tokyo, from London to Delhi, from Moscow to Beijing—recruiting authors on an equally international basis and delivering the results from one end of the earth to another.²

Books themselves have changed physically as what was once a book's content has escaped from the confines of its covers into the digital world. At first glance, a recently published book and a well-preserved one from the early nineteenth century may seem alike. Both are printed on paper enclosed between two covers. They contain similar parts, too: a title page, a table of contents, some prefatory remarks, and a body of text. But while Charles and his helpers edited a handwritten manuscript, set it in type, printed each sheet on a hand-operated press, and then had the sheets cut, sewn, and bound between covers, books today are edited and designed online, sent to the printer via the World Wide Web, printed, and then assembled by machine.

Some say that the old artistic qualities have been lost, yet modern machines put out books of uniform quality for a fraction of the cost—and readers no longer have to cut pages—while acid-free paper has extended their usable shelf life. No one in Charles's day could begin to imagine the lush colors and elaborate illustrations that one finds in a modern text or coffee-table book. While books—and printed journals in Wiley's case—remain essential to almost every publisher's offering, Wiley describes itself as a company that “serves the needs of students, lifelong

learners, professors, researchers, medical practitioners, professionals, and consumers for educational, professional, and personal development” by working with authors to create, market, sell, and distribute “must-have content and services in the global marketplace.”³

What used to appear between the covers of a book is now available in a dazzling variety of formats via tape, compact disk, the Internet, even MP3 and the iPod®. Wiley has gone beyond the mere distribution of content to the creation of tools with which customers can search, shape, and use content in new ways. For example, a student using *WileyPLUS*, the company's online educational platform, can take tests based on a particular text, assess the outcome, and be referred to parts of the text for further study. And in its 200th year, Wiley introduced a new type of textbook: one where instructors can search Wiley's content to create a text designed for a specific course.

The way books are sold has also changed. In the nineteenth century,

peddlers pushed titles door to door and field to field. Prepublication subscriptions were sought, and editors and reviewers, when not the authors themselves, were often paid for favorable notices. Today, formal distribution systems are precise, efficient, and highly specialized, with dedicated sales teams servicing everyone and everything from big franchise stores to online retail outlets to library consortia that license numerous journals and major reference works in a single transaction. Through a little work at a personal computer, a publisher can gather detailed information from Amazon and BookScan about how each title is doing in the marketplace. Although the occasional author may surreptitiously tout his own book in an anonymous online

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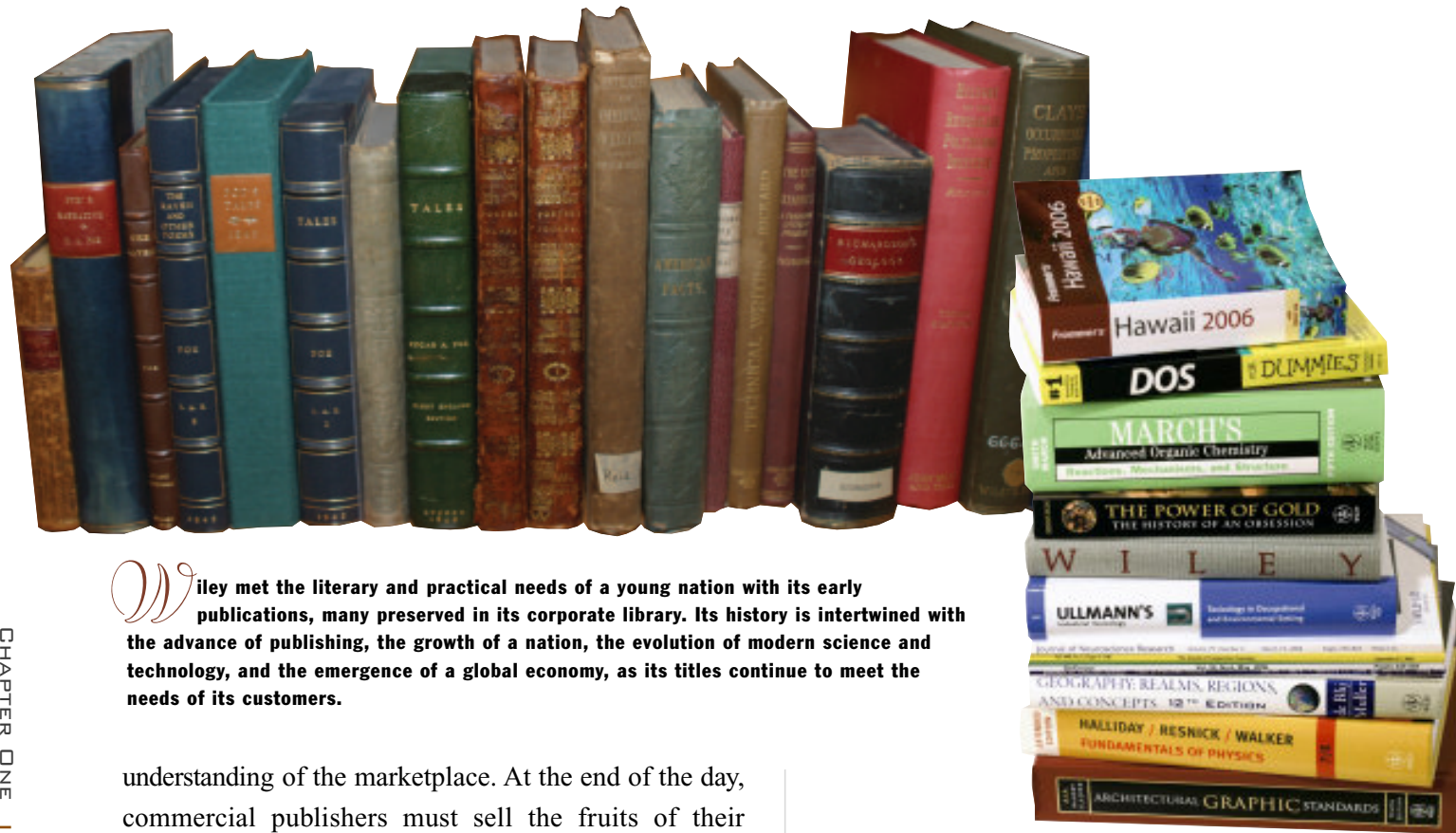
review, for the most part today's review system is honest and informative.

Publishing has its constants and traditions, too. Whatever the form of the final products, the publishing functions that lead to them—acquiring, editing, producing, marketing, and selling—have remained largely unchanged through the years. So has publish-

ing's intermediary character remained constant—in between a business and a craft. Editors bring their individual creativity to their work in shaping and refining manuscripts. Designers, even with sophisticated computers, still must combine artfulness with practicality as they develop the right look for every title. And marketers apply both intelligence and intuition in their



Wiley began as an American literary pioneer and evolved into a global provider of must-have content and services.



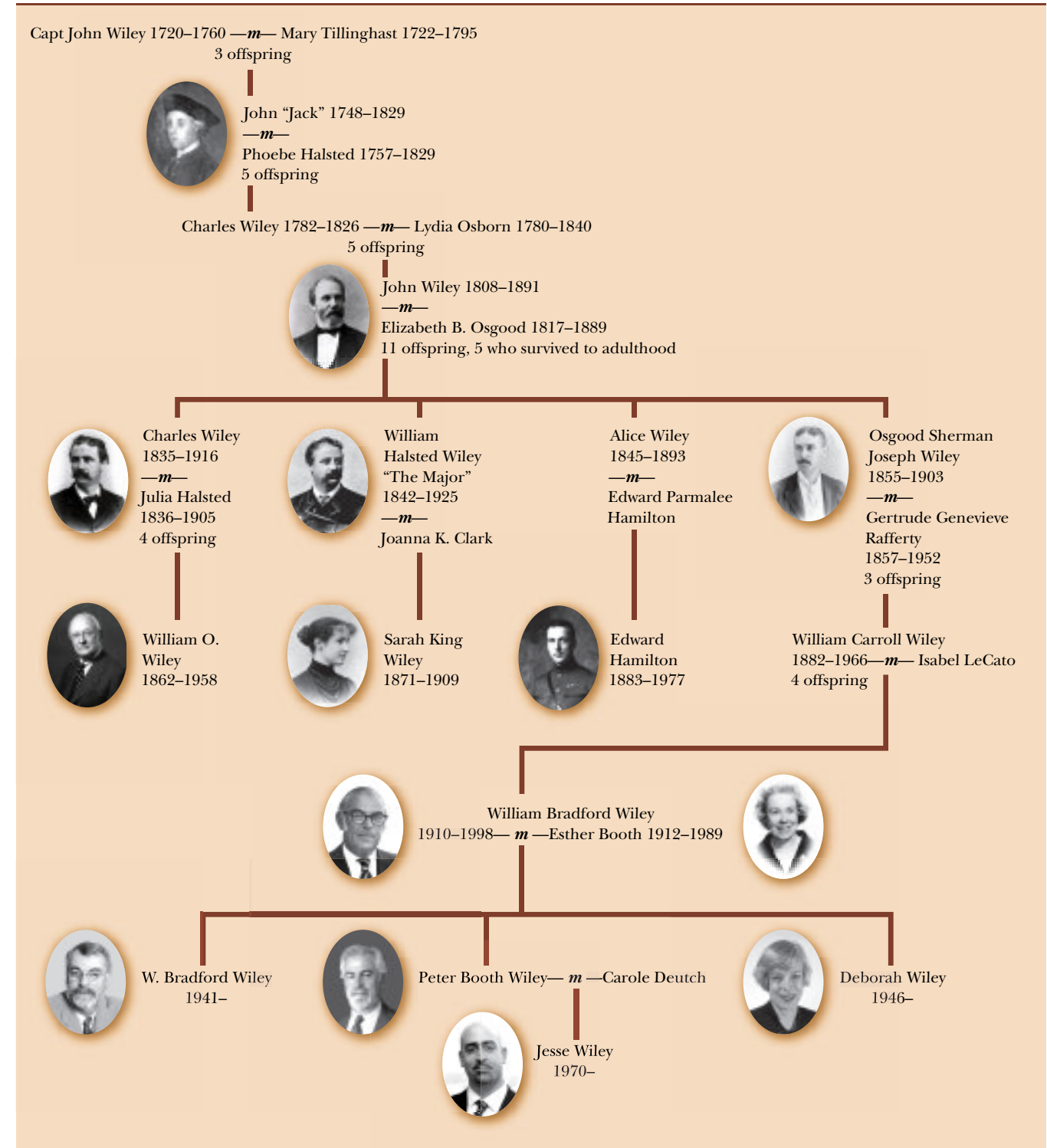
Wiley met the literary and practical needs of a young nation with its early publications, many preserved in its corporate library. Its history is intertwined with the advance of publishing, the growth of a nation, the evolution of modern science and technology, and the emergence of a global economy, as its titles continue to meet the needs of its customers.

understanding of the marketplace. At the end of the day, commercial publishers must sell the fruits of their labor profitably in the marketplace or fail as businesses. They must also exercise respect for time-honored ways when dealing with the world of words and ideas, where authors, editors, and designers together create works of usefulness, insight, and sometimes even beauty. Behind locked glass doors along the softly lit corridor that leads to Wiley's executive offices in Hoboken, today's visitor can see masterpieces of the craft of bookmaking—the physical artifacts of a family's patrimony and a firm's history. That same visitor, from the comfort of home, can also go to the company's website for information about current titles and for samples of Wiley's technology offerings.

Publishing about important topics is intrinsically satisfying, even exciting. Ideas in print can and do change the world. Every now and then a book spawns profound social change or shifts the way we view the world: John Locke's *Second Treatise [of Civil Government]*, Karl Marx's *Communist Manifesto*, Harriet Beecher Stowe's *Uncle Tom's Cabin*, Charles

Darwin's *Origin of Species*, Rachel Carson's *Silent Spring*, none of them published by Wiley. But Wiley has published a great many works that have been part of gentler evolutions as they serve the practical requirements of readers with a need to know. *Dairy Engineering* (1925), *Poultry Breeding* (1932), *Sampling Inspection Tables* (1944, 1945, 1959, 1970, 1998), *Television: The Electronics of Image Transmission* (1940), or *Simplified Drafting Practice* (1953), *Physics* (1960), *[You-name-it] For Dummies*, all Wiley publications, convey important knowledge and help make lives better. Large and small knowledge gains add up, together contributing to humanity's material and cultural well-being. Books are important and can be profitable. They are a business themselves, and they, along with journals, are the business of John Wiley & Sons.⁴

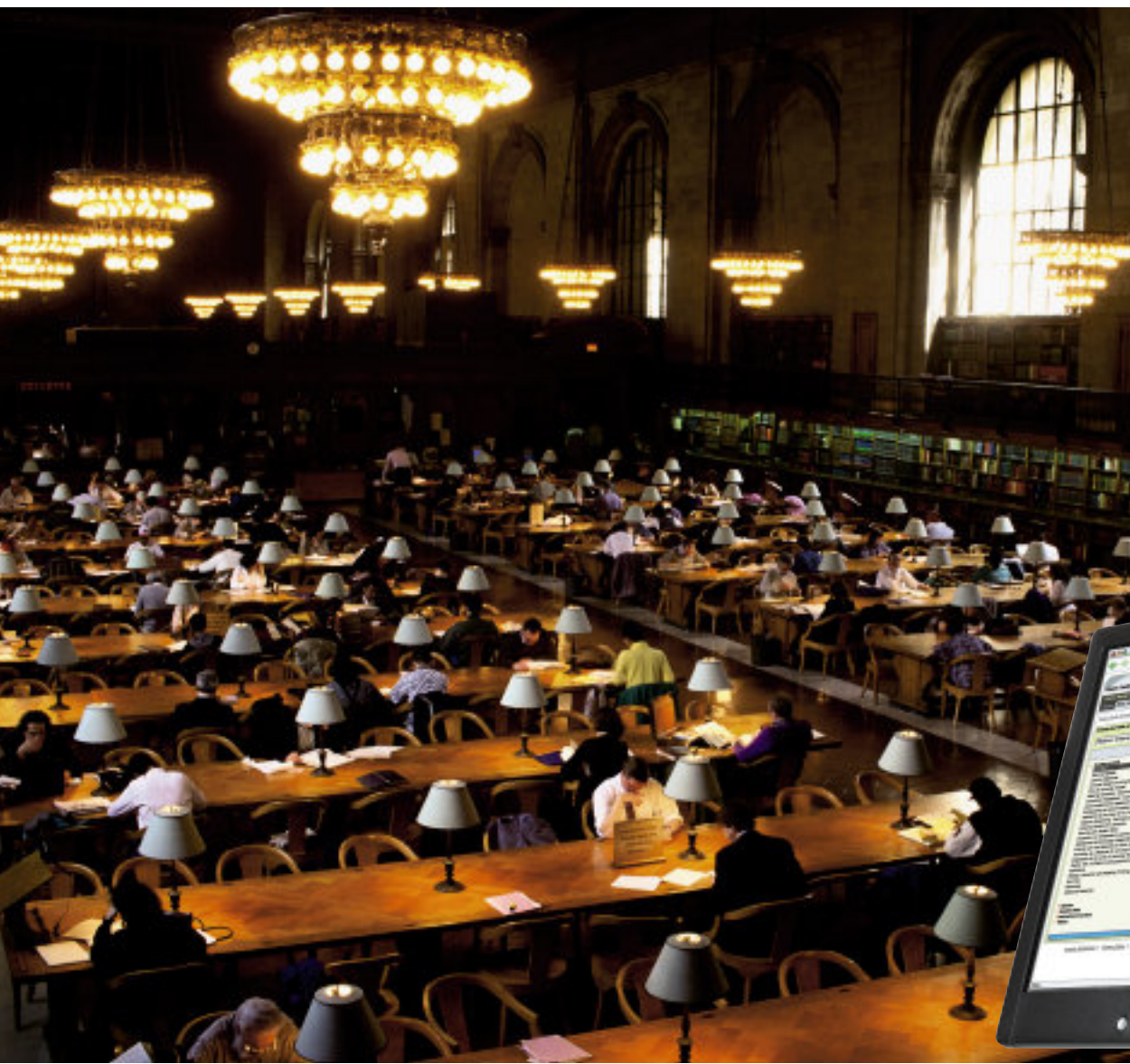
The Wiley Family



Themes

The story of John Wiley & Sons moves along a number of lines. The first is the character of knowledge publishing: how knowledge gets created and crafted, bought and sold by publishers. As used here, the term “knowledge” is distinct from mere data, the simple agglomeration of numbers and discrete facts. Knowledge need not necessarily be “true” in an eternal sense, nor is it necessarily

“fact,” though it has a factual basis. It is at bottom a social construct: what intelligent people believe, because of research or study, to be the best understanding of a topic or question at a given time. A nineteenth-century understanding of physics certainly differs from today’s understanding, after the discovery of quantum mechanics. But for knowledge to advance, it must be spread and tested, verified and built upon. Of all forms of media, books and journals have long been the most



Wiley’s customers have included libraries, such as The New York Public Library, whose Rose Reading Room is as large as a football field. The South Reading Room (left, restored in 1998) gives patrons the setting of the grand European libraries. The North Reading Room has accommodations for patrons’ computers as well as offering the use of free computers.



The need for knowledge is constant, from these civil engineers in the field, circa 1900, to students at the Culinary Institute of America studying from the Institute’s *The Professional Chef*, 8th edition, © 2006.

authoritative mediators of knowledge, and the more respectable the publisher, the more authoritative the work. Much has been written, over the last 30 years or so as telecommunications and computer revolutions spread, about the end of publishing. Much if not all of it has turned out to be wrong. Books, journals, magazines, and newspapers,

While delivery formats may change, the need for the transmission of knowledge through writing remains.

as well as some of the firms that produce them, have proven to be hardy stock. We have learned, and learned with a certainty, that while delivery formats may change, the need for the transmission of knowledge through writing remains. Even if ink-on-paper publications had given way utterly to ether—which they haven’t—society would still

Wiley’s *Introduction to Inclusive Education* by Anne Jordan (Wiley Canada Series in Education) is one of many higher education titles that offer WileyPLUS as a tool for learning beyond the boundaries of the physical book.





Colleagues from 20 nations work at Wiley-VCH in Weinheim, Germany. Members of the Wiley-VCH football team were excited about the World Cup in June, 2006.



Wiley's third Asian sales meeting, 1995, Hua Tin, Thailand. Operations, sales, and marketing staff met to develop strategies for the coming year.



Wiley's legal group at the new corporate headquarters in Hoboken, N.J.



International Foreign Language Association conference held in Bangkok, Thailand, in August 1998 with Jaslyn Tan (far left), Marketing Manager of Wiley Singapore, meeting a professor who was brought to the booth by Mrs. Pranom Anuwatkunnatham (far right), Manager of PB ForBooks Company.



Chichester (U.K.) colleagues at the opening of The Atrium in 2002.

need someone to create, mediate, and disseminate knowledge.

The Wileys over their first three generations moved from publishing a broadly based list of both fiction and nonfiction titles to focus on scientific and technical works. From there Wiley the company, through various permutations of its basic publishing program, moved on to “need-to-know” content for specific targeted audiences. Today Wiley is organized into three businesses—Higher Education; Professional/Reference; and Scientific, Technical, and Medical (now Wiley-Blackwell). Later chapters will describe how each of these businesses emerged and blended to become the company’s essential publishing portfolio.



Today Wiley operates in a global context.

Publishers arose and remain with us for good economic reasons. Wiley as an organization of entrepreneurs and intermediaries fulfills important economic functions that authors and readers cannot efficiently provide for themselves. Publishers carry most of publishing’s substantial risks, managing their lists of publications not unlike portfolios of equities. Moreover, as raw information proliferates, they function as intermediaries in another sense, negotiating a seemingly infinite amount of knowledge to meet the necessarily limited needs of readers. For Wiley, publishing is a business, a way to make a living. When it is well-run, as it usually but not always has been, the business earns profits,

sustains itself, and grows. It pays taxes, wages, royalties, and dividends. It directly creates economic wealth and indirectly promotes economic growth.

Closely related is the story of how the Wileys—*corporate* Wiley beginning with the family’s third generation—managed to develop new and successful publishing programs in response to changing demand. How and why Wiley, for example, developed its engineering list over 16 decades or expanded on its Dummies technology list over a shorter period of time is part of the same story of opportunism, occasional luck, and increasing attention to planning. Over much of its history, Wiley reviewed, renewed, discarded, and on occasion revisited publishing programs once discarded. After World War II, the search for opportunity was more formally codified through strategic planning. As elements of the publishing craft, such as editing, design,

and financial analysis, were refined and differentiated, Wiley moved from a largely intuitive approach to publishing—based, albeit, on constant contact with the market—to a more orderly and disciplined approach. The new approach does not preclude, however, the instincts of a fine editor, designer, salesperson, or marketer. We will see that it took a generation and more for Wiley to effectively link the formulation of plans with their successful implementation.

Today Wiley operates in a global context. Charles and John Wiley’s world was the Atlantic Basin. They interacted and competed with British publishers while publishing translations of French and German titles at a time when the national and international copyright laws were weak and piracy was common. In 1838, Charles’s son John sent his new partner, George Palmer Putnam, to London to open an office through which Wiley &

Putnam increased their import business, arranged to publish popular British writers, such as Charles Dickens, published an occasional title in the United Kingdom, and pushed for a copyright regime that would protect their growing list from piracy. Later, as a scientific and technical publisher, Wiley participated in the flow of knowledge in fields such as chemistry and engineering, which at first ran from Europe to the United States but would soon flow equally in the opposite direction. In the years after World War II, Wiley set up numerous overseas companies and a smaller number of joint ventures. Most of these companies became publishers in their own right, making Wiley in 2007 a truly global operation with publishing offices in nine countries.

Publishing . . . is a business of long horizons.



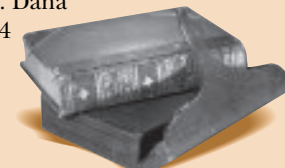






The Long Horizon

For two centuries, Wiley has not only survived, grown, and flourished, but it has done so as a family-controlled business in a competitive environment that has become more so since the era of globalization began in the 1980s. With a staff of 4,700 and \$1.2 billion in sales at the end of fiscal year 2007 (April 30, 2007), Wiley is a substantial organization, but in its chosen areas of publishing, it is smaller than some of its peers, such as Reed Elsevier. Three of its major competitors (Bertelsmann, McGraw-Hill, and Von Holtzbrinck) remain under family control. Through at least two waves of consolidation starting in the 1950s, however, most family publishing firms were sold, becoming, if they survived at all, imprints within larger houses. Even the large and strong sometimes succumb, but Wiley has not. Why not? The answer lies first with good fortune in navigating the often dangerous shoals of generational transitions.

Wiley was, is, and for the foreseeable future will remain a family-controlled company. The relationship between family and firm has evolved from a time at the start when Wiley was a sole proprietorship and the family and the firm were essentially identical, to the current day when professional managers operate the firm while the family, working with independent board members, oversees it.⁵

Family control may be perceived as a pronounced disadvantage in many industries, especially when families manage their properties to their personal advantage at the expense of other stakeholders. Not so with firms like Wiley, argue the authors of a recent study. Extensive research demonstrates that publicly traded firms “with founding family presence outperform those with more dispersed ownership structures.” The salient factor that limits family opportunism and leads to better performance, the authors continue, “is the relative influence of independent and family directors.”⁶

Today, Wiley shares are traded on the New York Stock Exchange. The Wiley family elects 70 percent of the board of directors but has learned through good and bad experiences that a board with strong, independent members responsible for guidance and oversight is one of the keys to success. Additionally, the Wileys have always been patient investors, providing the stability creative people need to do their work. With their responsibilities for managing an important part of the company’s capital structure, the family has had an interest in the continuation of the enterprise from one generation to the next. Their patience continues to complement the business well: Publishing, especially knowledge publishing, is a business of long horizons where economic return, though often substantial, is seldom quick.

E	Chief Executive Officers	 <p>Charles Wiley leads the company 1807–1826 (no image exists)</p>	 <p>John Wiley leads the company 1826–1891</p>							
N										
I	Selected Wiley Publications	<p><i>The Spy</i> James Fenimore Cooper 1821</p>	<p><i>A System of Mineralogy</i> J. D. Dana 1844</p> 	<p><i>Typee</i> Herman Melville 1846</p> 	<p><i>Elements of Descriptive Geometry</i> Edward Warren 1874</p>					
L		<p><i>The Sketchbook of Geoffrey Crayon,</i> Washington Irving 1819–1820</p> 	<p><i>The Raven and Other Poems and Tales</i> Edgar Allen Poe 1845</p> 							
E										
M	Company Milestones	<p>Charles Wiley opens a print shop at 6 Reade St. in New York 1807</p>	<p>“The Den” meets in the back room of Charles Wiley’s bookstore at Wall and New Streets 1814–1817</p>	<p>Charles Wiley forms partnership with Cornelius Van Winkle, W. A. Thompson, and Oliver Halsted 1814–1823</p>	<p>John Wiley publishes 10 first editions 1834</p>	<p>John Wiley forms partnership with George Palmer Putnam 1836</p>	<p>George Palmer Putnam opens London office 1838</p>	<p>Wiley–Putnam publishes 90 first editions 1845</p>	<p>John Wiley forms a partnership with Robert Halsted 1856–1859</p>	<p>Charles Wiley joins his father at John Wiley & Son 1865</p>
I										
T	World Events	 <p>Thomas Jefferson President 1801–1809</p>	 <p>Congress of Vienna ends Napoleonic Wars 1815</p>	 <p>New York Governor DeWitt Clinton opens the Erie Canal 1825</p>	<p>The number of U.S. colleges rises from 140 to 239 1840–1850</p>	<p>First issue of <i>New York Daily Times</i> is published 1851</p>	<p>The U. S. Civil War and Reconstruction 1861–1877</p>			

