



FOR IMMEDIATE RELEASE

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**AMERICANS ARE TUNING IN TO AUDIO:
AUDIOBOOK SALES ON THE RISE NATIONALLY**

According to New Survey, Size of Audiobook Market Now Estimated at \$923 Million

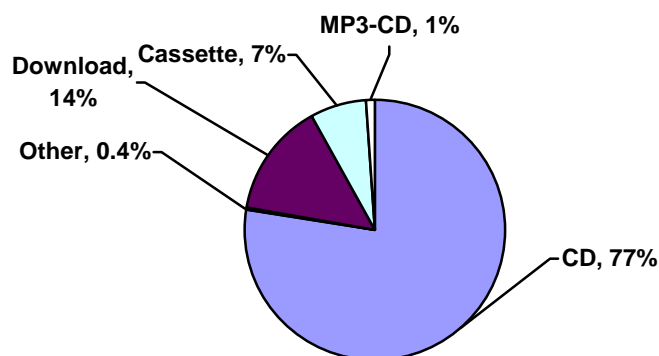
PRINCETON JUNCTION, NJ – August 24, 2007 – The Audio Publishers Association (APA) released the results of the 2007 APA Sales Survey, conducted to gather data and measure the growth of the audiobook industry. Independent research firm Lewis & Clark Research surveyed audiobook publishers during the summer of 2007, analyzing reported consumer sales data from 2006 and comparing current statistics against the previous year's findings. **This year's survey showed a 6 percent increase over 2005 with audiobook sales now estimated at \$923 million.**

Sales Survey Results:

Overall Sales:

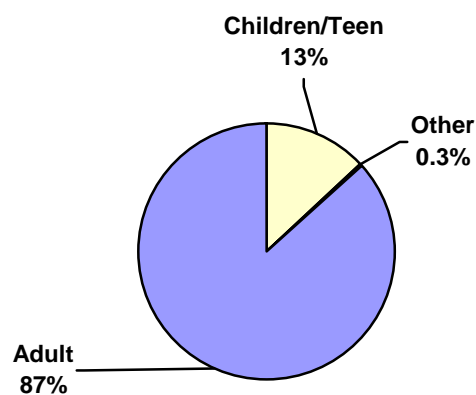
- 30 member publishers participated in the survey, which looked at sales data from a range of sales channels from January 1 through December 31, 2006.
- APA estimates the size of the audiobook market at \$923 million, an increase of 6 percent (factoring in sales from non-reporting APA members and other audiobook companies who are not members).
- Best-selling audiobook products most likely have the following characteristics:
 - CD format
 - targeted at adults
 - sold through retail channels and to libraries
 - unabridged
 - book-based
 - fiction

Format:



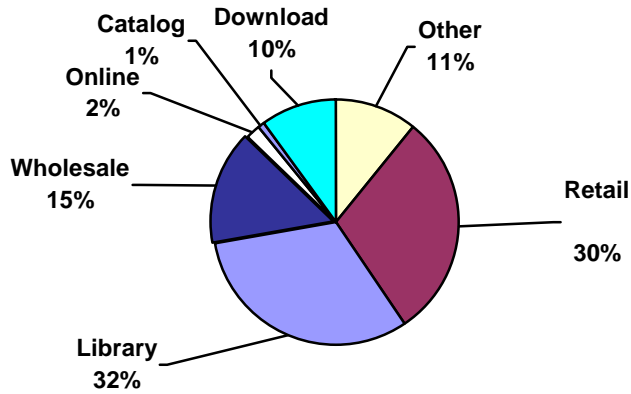
- In the 2006 results, CD sales made up 77 percent of format sales (measured by dollar volume). In comparison, CDs represented 74 percent of the revenue in 2005, 63 percent in 2004, and 45 percent in 2003.
- Cassette sales continued to decrease, representing only 7 percent of sales compared to 16 percent of the sales in 2005. The declining trend shows cassettes represented 30 percent of the revenue in 2004 and 45 percent of the revenue in 2003.
- Other formats such as downloads continued to increase as the adoption of new technologies increases and mp3 players become more widely used. Downloads represented 14 percent of sales in 2006, compared to 9 percent of sales in 2005 and 6 percent of sales in 2004.

Target Age:



The majority of audiobooks continue to be targeted at adults, with 87 percent of the dollar volume. Audiobooks geared toward children and teens accounted for 13 percent, down slightly since 2005, but still showing a growth over 2004 findings, which identified the children/teen market at only 7 percent of sales.

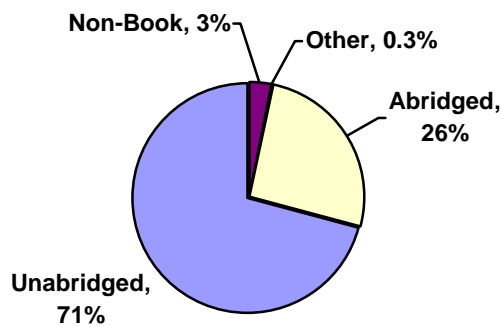
Sales Channel:



Direct to library sales continues to increase in dollar volume, reflecting a large portion of the audiobook market at 32 percent of sales, up from 28 percent in 2005. Audiobooks sold to consumers through retail channels account for 30 percent dollar volume.

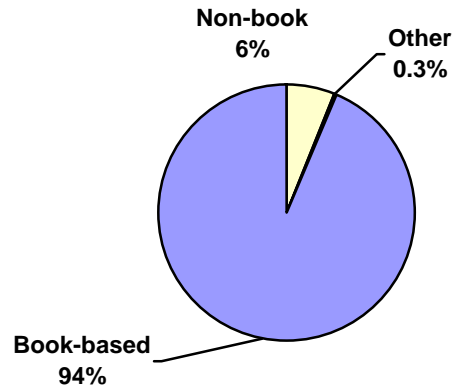
Wholesale accounts for 15 percent of the dollar volume while 10 percent of audiobook sales come from downloading.

Edition:



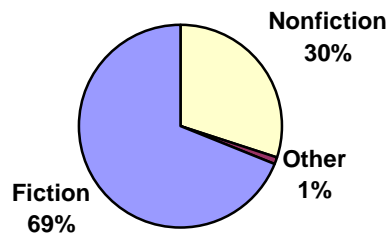
Unabridged titles represented 71 percent of sales, while abridged audiobooks represented 26 percent.

Product:



94 percent of the revenue is generated by book-based product.

Genre:



Fiction represented 69 percent and nonfiction represented 30 percent of sales.

The following companies participated in the 2007 APA Sales Survey:

Audible, Inc.	Listen & Live Audio
Audio Evolution	Live Oak Media
Audio Partners	Naxos of America, Audiobooks
Audio Renaissance	Oasis Audio
BBC Audiobooks America	Random House Audio
Blackstone Audiobooks, Inc.	Recorded Books
Brilliance Audio, Inc.	SbH – Solutions by Heart, Lda.
Canadian Broadcasting Corp.	Simon & Schuster
Cutting Corporation	Sir Fir Books & Music
Focus on the Family	St. Anthony Messenger Press
Hachette Audio	Tantor Media, Inc.
HarperCollins Publishers	Ulverscroft Group
Hovel Audio	Weston Woods/Scholastic
Hyperion Audio Books (Time Warner)	Writer's Audioshop
L.A. Theatre Works	YoKoSpirit Publications

Glossary of Terms

Unabridged—Containing the original content of the printed work being recorded. The material is not condensed.

Abridged—Reducing the length of the audiobook by condensing the text.

Fiction—A literary work whose content is produced by the imagination and is not necessarily based on fact.

Non-Fiction—Literary work other than fiction that is based on fact.

Download—To transfer audiobooks from a server or host computer to one's own computer or device.

For more information on the sales survey data and to schedule an interview with an APA spokesperson, contact Kaitlin Friedmann at (609) 799-6000 ext.21 or kfriedmann@cmasolutions.com.

About Audio Publishers Association (APA)

The Audio Publishers Association (APA) is a not-for-profit trade organization whose primary goals are to promote awareness of the audiobook industry, gather and disseminate industry statistics, encourage high production standards, and represent the interests of audiobook publishers. Since 1986, the APA has worked to bring audio publishers together to increase interest in audiobooks. Please visit www.audiopub.org for more information.

About Lewis & Clark Research

Specializing in mail and online-based quantitative research, Lewis & Clark Research is a full-service market research firm founded in 1983. Lewis & Clark works with a variety of clients located throughout the country, including trade associations, business and consumer service providers, magazine publishers, and manufacturers. www.lewisclarkinc.com.