



Red Planet Audiobooks: Ushering in a New Era *Company Background and Market Statement*

Red Planet Audiobooks is a publishing company based in Austin, Texas, that targets independent authors and small publishers who seek to offer their work in audio format. Audiobooks were once produced primarily on cassette tape, but in recent years have largely made the move to compact disc. Most audiobook content is currently not available as downloadable MP3s, or, if it is available, is crippled by studio-imposed Digital Rights Management restrictions. At Red Planet, we believe that the industry is behind the curve on a number of levels. We are positioning ourselves to exploit what we believe is an overlooked and underserved market by leveraging the opportunities that new technology and print on demand (POD) capabilities offer. In doing so, we are positioned to become the premiere resource for authors wishing to produce audiobook content.

While downloadable movies and music have quickly become part of the consumers' everyday experience, audiobooks have remained a largely untapped market in an industry too often dominated by tradition and outdated business models. Traditional audiobook companies continue to cling to manufacturing and distribution models that are no longer effective. Add these limitations to the fact that the traditional publishing model no longer serves the author or content creator, and you quickly understand why Red Planet is revolutionizing today's antiquated publishing system. Red Planet's technology-forward approach and author-centric business model is giving us an innovative edge in the marketplace on many levels.

To examine the ways in which Red Planet is changing the industry, let's first look at the consumer model as it relates to readiness for audiobooks. People are integrating mobile technologies such as MP3 players, iPhones, and other multimedia entertainment devices, into their everyday lives. Consumers and authors are ready to push the stale, staid and slow publishing giants to the margins – or even out of the way entirely – to create and enjoy entertainment on their own terms. The viral impact of content providers such as YouTube and the proliferation of the iPod are just two testaments to the rapid rise of portable content created outside the traditional studio system. As consumers, we are widely adopting a 'take it with you' attitude for our entertainment content. Further to this point, entertainment mobility now spans across all generations, genres and backgrounds to include demographics from every age and income bracket. Red Planet responds to these trends by providing content created by fresh voices in digital, downloadable formats that aren't crippled with Digital Rights Management restrictions; instead, distributing



audiobooks in industry-standard MP3 format that can be enjoyed on virtually every portable media player manufactured today.

Our next advantage hinges on changes occurring in the entertainment industry itself. One of the reasons Red Planet is so excited and energized about our company position is the radical change occurring in other entertainment industry arenas, most notably, the film and music segments. Changes are rapidly altering the playing field in these segments on many levels, not the least of which is their content distribution model. Traditionally, entertainment distribution relied heavily on middlemen; companies and consolidators who did little more than facilitate the transmission of stock from content creators and publishers to media sellers such as book or music stores. The traditional studios who wish to thrive understand that this model is effectively dead and are embracing change in order to survive. At Red Planet we are applying a print on demand (POD) concept to the audiobook publishing world to distribute content directly to consumers. Content is distributed either digitally or through physical media that is instantly manufactured only when ordered by consumers or media sellers. The fact remains that the traditional print book publishing model that is also used by audiobook companies, has not evolved in more than 100 years. We are passionate about the opportunity to revolutionize audiobook distribution. We believe small publisher and author driven spoken-word distributors in general, and Red Planet in particular, will surprise a few industry experts in this new era.

“Publishing has considerable room for improvement, not the least of which is to deliver audio content to the forefront of the entertainment industry,” says Toby Heidel, founder and futurist of Red Planet Audiobooks. “We think there are volumes of overlooked content to be enjoyed on an MP3 device. Mobility has caught on and is contagious. At Red Planet we consider ourselves enablers of the spoken word and are we're thrilled to bring trends, topics and technology together.”

The third advantage Red Planet brings to the industry is our spoken-word experience. Red Planet is actually the product of another venture that we launched in 2002, the Violet Crown Radio Players (www.violetcrownradio.com). The Violet Crown Radio Players produce live, vintage-style radio dramas for theatergoers in the Austin, Texas area. VCRP has provided us the opportunity to write, finance, and produce more than 35 radio dramas to date. We have performed live shows for more than 10,000 people over the past 6 years in a variety of Austin venues. Notable successful VCRP projects include performances at the University of Texas' prestigious Harry Ransom Center and sanctioned radio drama adaptations of the work of Conan the Barbarian creator, Robert E. Howard.



As live-recorded and studio-produced Violet Crown performances have grown in popularity, we have decided to draw upon our radio drama experiences and bring spoken-word entertainment to a wider audience that might not otherwise experience our products. At the same time we're building those audiences through innovative delivery models, Red Planet brings the opportunities available in audiobook publishing to small presses and independent authors by targeting non-mainstream content creators, some of whom are creatively outspoken, perhaps irreverent, and bold in their artistic choices. Our model gives those writers the exciting chance to translate their material to the spoken-word which can, in digital formats, be taken to any audience. Even better, with POD capabilities, authors don't have to stock physical media in any format at all.

Finally, while many innovators and new market entries often fail due to a lack of market readiness or technological limitations, Red Planet isn't waiting on consumers, content, or technology. We offer authors a competitively priced, professionally produced product that brings together the traditions of entertainment, storytelling, information and literacy in a package that supports our quest to be more mobile than ever before. At Red Planet we are your partner; "We Read You Loud and Clear."

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