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E-Books Outsell Print Books at Amazon

By **CLAIRE CAIN MILLER** and **JULIE BOSMAN**

In the latest chapter in the unfolding tale of the book evolution from ink to pixels, Amazon.com said Thursday that its customers now buy more e-books than print books.

Since April 1, Amazon sold 105 books for its [Kindle](#) e-reader for every 100 hardcover and paperback books, including books without Kindle versions and excluding free e-books.

“We had high hopes that this would happen eventually, but we never imagined it would happen this quickly,” said Jeff Bezos, Amazon’s chief executive, in a statement. “We’ve been selling print books for 15 years and Kindle books for less than four years.”

But people should not exile their bookshelves to storage quite yet, many analysts warned. Overall, e-books account for only about 14 percent of all general consumer fiction and nonfiction books sold, according to Forrester Research.

“E-book reading is a big deal and it’s going to continue to be even bigger,” said James L. McQuivey, a digital media analyst at Forrester. “But we are not to the point where e-books are a majority of unit sales and certainly not a majority of revenue.”

Amazon’s latest milestone was unsurprising to industry observers. The company said last July that sales of e-books outnumbered hardcover books and it said in January that the same was true for paperbacks. For Amazon, though, the milestone is proof that it has successfully leapt from a print business to a digital one, a transition that has challenged most companies that sell media.

It also sets the stage for Amazon to introduce an [Android](#) tablet computer, which is expected this year. E-book reading would most likely be a centerpiece of the device, which would have significantly more functionality than a Kindle to compete against the [iPad](#).

“Just as music helped the [iPod](#) to increase the relevancy of the [iPad](#) and the [iPhone](#), books can do the same for Amazon’s tablet,” said Jordan Rohan, an Internet analyst at Stifel Nicolaus.

Amazon declined to comment on the reports that it is making a tablet.

Amazon credited the surge in e-book sales in part to its newest, **lowest-priced Kindle with ads**, which was introduced in April for \$114 and is now Amazon's best-selling Kindle.

Even if e-books overall do not outsell print books outside of Amazon, the online bookstore is certainly a strong indicator of a trend. E-book sales in March were \$69 million, an increase of 146 percent from the year before, the Association of American Publishers said Thursday. Sales of adult hardcover books grew 6 percent while paperback sales decreased nearly 8 percent.

E-books have become vastly more accessible to consumers in the last year. Across the industry, publishers have been rapidly digitizing their catalog of books, making older titles available in e-book form for the first time. Even smaller independent houses that had resisted selling e-books have changed their position and discovered a new way to sell their older books — traditionally a large part of many publishers' revenues.

Still, David Shanks, the chief executive of Penguin Group USA, cautioned that the Amazon announcement could be misleading. "There are many, many places around the country that sell all physical and no e-books," Mr. Shanks said, adding that there is still "tremendous" demand for print books in bookstores, and at Wal-Mart, Target, airport stores and supermarkets, among other retailers.

Russ Grandinetti, vice president for Kindle content at Amazon, said that e-book sales had helped the publishing industry overall. "Even though some digital sales may be substitutions from print, one of the great impacts that the digital business has is people spend more minutes a day reading. They make reading more of a habit, and that's good for the total book business," he said.

Though Amazon has dominated e-book sales so far, the market is still evolving. Publishers said that Amazon's share of the e-book market has decreased significantly in the last two years as Barnes & Noble has made gains with its Nook devices and new competitors have entered the e-book market, like Apple and Google.

Amazon did not disclose the number of books sold or how its revenue and profit break out for print books and e-books.

In addition to standard-price e-books, from \$12.99 to \$14.99, Amazon sells the majority of its 950,000 Kindle books for less than \$9.99 and some cost as little as 99 cents. Thursday's announcement includes Kindle Singles, which are shorter pieces of writing, like a Fortune magazine article, and "no doubt helped them reach that ratio," said Michael Norris, a senior

analyst for Simba Information.

“They’re taking print sales away from others while their own devices are taking print sales away from them,” said Mike Shatzkin, chief executive of the Idea Logical Company, which advises book publishers on digital change. “That’s the real import of those numbers. It’s one more nail in the coffin of brick and mortar stores.”