



**Contact:**

Claire von Schilling, Penguin Random House  
212-782-9876; [cvonschilling@penguinrandomhouse.com](mailto:cvonschilling@penguinrandomhouse.com)

## **PENGUIN RANDOM HOUSE INVESTS IN GROWTH OF LEADING INDEPENDENT PUBLISHER SOURCEBOOKS**

### ***Companies To Forge Unique & Collaborative Partnership***

(Naperville, Illinois and New York, May 22, 2019)—Sourcebooks, one of the country’s fastest-growing independent publishers, has sold a significant minority-ownership stake to Penguin Random House. The transaction, which was announced today by Dominique Raccah, Sourcebooks’ CEO and Founder, and Madeline McIntosh, Penguin Random House U.S. CEO, will create a performance- and growth-oriented partnership between the two companies. Sourcebooks retains its majority ownership of 55%, with no changes in its leadership, management, publishing autonomy, or entrepreneurial culture. Penguin Random House now owns 45%, as a collaborative investor in the Illinois-based company. Terms were not disclosed.

Established in 1987 by Dominique Raccah from a spare bedroom in her home, with \$17,000 and a Mac, Sourcebooks is now the largest woman-owned trade book publisher in North America. It publishes more than 400 titles each year, more than half of them children’s books, in multiple formats across twelve imprints. Drawing on her strong background in brand marketing and research, Raccah has developed a team known for its innovation, agility, and ability to quickly capitalize on opportunities to bring retailers the books and programs their readers will want.

Sourcebooks’ emphasis on creating book ideas and content in-house, such as HOW TO CATCH AN ELF, and for identifying storytellers with particular appeal to reading groups, like SOLD ON A MONDAY by Kristina McMorris, has resulted in multiple national and regional bestsellers. Beyond bestsellers, Sourcebooks is noted for publishing perennial leaders in such diverse categories as college reference (FISKE GUIDE TO COLLEGES), parenting (1-2-3 MAGIC), kids' science (8 LITTLE PLANETS), gift (IF I COULD KEEP YOU LITTLE), and baby books (WELCOME, LITTLE ONE). It is the home of the customized-content program PUT ME IN THE STORY, which sells a broad range of book and gift items, both at retail and direct-to-consumer. With its rapidly building children's book market share, from such innovative titles as P IS FOR PTERODACTYL: The Worst Alphabet Book Ever and QUANTUM PHYSICS FOR BABIES, Sourcebooks has recently expanded its children's imprints from three to seven, to complement its five adult imprints.

“The future of book publishing,” *Publishers Weekly* wrote in 2017, “is going on right now at Sourcebooks,” noting in particular the company’s data-driven approach to publishing books and series that align with consumer trends and gaps in the market. Sourcebooks’ achievement-centric culture has driven year-over-year double-digit growth for more than a decade, and has allowed for long-term commitments to and investments in their authors’ careers.

Now, through its shareholding with Penguin Random House, Sourcebooks will be able to tap into resources and capabilities that will allow an even broader and deeper approach to domestic and global markets. And the companies expect to work together on any number of new, shared programs aimed at reaching readers and supporting authors.

Dominique Raccach said, “Penguin Random House has a long history of fostering publishing entrepreneurs, and we’re excited to be joining that tradition. “Our new colleagues are brilliant publishers, doing extraordinary work. We are very excited to be working with them. Sourcebooks has developed a new model in the book space that is agile, data-centric, and customer-centric, and we do it all from America’s heartland. This partnership is a continuation of our new model and another example of PRH’s remarkable, diversified approach to the market. We’re very excited to develop this new approach to creating the future together!”

“Sourcebooks is an amazing success story with an extraordinarily strong track record of building sustainable growth,” said Madeline McIntosh, “and Dominique is a great publisher and entrepreneur whom I have long admired. We now have a singular opportunity to forge a partnership of shared vision and values, and together grow our businesses, as we shape readers’ lives through the books we publish.”

Deloitte Corporate Finance LLC served as financial advisor to Sourcebooks for the transaction.

# # #

**Sourcebooks** is a thriving entrepreneurial company that brings extraordinary authors to readers in the most dynamic, data-driven ways. We create books that transcend categories and defy odds and have been honored with hundreds of national bestsellers and awards. We are home to enthusiastic, book-loving employees who are dedicated to connecting books to readers in new and innovative ways. Story by story, book by book, we have touched over 100 million lives. Join us as we change 100 million more. Visit [www.sourcebooks.com](http://www.sourcebooks.com) for more information.

**Penguin Random House**, the world’s largest trade book publisher, is dedicated to its mission of nourishing a universal passion for reading by connecting authors and their writing with readers everywhere. The company, which employs more than 10,000 people globally, was formed on July 1, 2013, by Bertelsmann and Pearson, who own 75 percent and 25 percent, respectively. With nearly 275 imprints and brands on six continents, Penguin Random House comprises adult and children’s fiction and nonfiction print and digital English- and Spanish-language trade book publishing businesses in more than 20 countries worldwide. With over 15,000 new titles, and more than 600 million print, audio and eBooks sold annually, Penguin Random House’s publishing lists include more than 80 Nobel Prize laureates and hundreds of the world’s most widely read authors.