



Markus Dohle
Chief Executive Officer

September 3, 2014

Dear Penguin Random House Colleagues,

I am writing you today about the beginning of an exciting new era for our Penguin adult publishing colleagues with the creation of the Penguin Publishing Group. This newest division of Penguin Random House U.S. will be formed by the unification and organizational alignment of Penguin's adult publishing imprints, which were formerly managed separately as the Penguin Adult and Berkley/NAL groups, under a single guiding vision and leadership structure.

I am pleased to appoint MADELINE MCINTOSH, a colleague of exceptional experience and leadership skill, to the newly created role of President, Penguin Publishing Group, reporting to me, effective immediately. She will relinquish her current duties as our U.S. President and Chief Operating Officer; the resulting changes for our corporate departments will be detailed separately today.

Adult publishing at Penguin now operates as two separate groups, with the imprints working together to successfully maximize opportunities for authors across the hardcover, paperback and digital formats. Now, as our marketplace continues to evolve, and as consumer demand shifts between formats, it is clear that capitalizing on our authors' opportunities for growth will require even greater collaboration and coordination, and even more unified publishing strategies across all formats. That is why the time is right to create a one-leader management structure for the entire Penguin adult business, while also maintaining the identity of each of its individual publishing imprints.

Every day since our merger, and previously in her many positions of ever-growing responsibility at Random House, Madeline has been one of our greatest champions in identifying and implementing the opportunities for growth and innovation – particularly in the digital arena -- created by the evolving marketplace. Her drive to increase revenue and readership for our authors has been a touchstone for all our constituencies, especially for agents and booksellers, with whom she enjoys longstanding relationships—and, above all, for our colleagues across the company, whom she inspires to excel. In her corporate capacity, Madeline has gotten to know well our Penguin publishing, editorial, marketing, and sales colleagues and their lists. She has quickly become their ardent and knowledgeable advocate and supporter. In her new role, Madeline will clearly be uniquely qualified to ensure that Penguin publishing will continue to thrive.

While Madeline's appointment is a significant change for Penguin's leadership structure, there is no change being contemplated for the creative and entrepreneurial direction of Penguin's individual publishing imprints. We all know that the diversity and autonomy of these publishing programs are indispensable to their success, and integral to the future of our company. A signature ingredient in Penguin's success has been its vigorous investment of energy, creativity and attention by format-dedicated publishing teams to ensuring maximum sales across both hardcover and paperback phases of a book's life. That focus and commitment will continue, with all imprints and their authors benefitting from the even closer collaboration possible under unified publishing leadership. Delivering the largest possible audience across all print and digital formats will always be our goal.

An essential member of Madeline's new senior publishing leadership team is Leslie Gelbman, President of the Berkley and New American Library Publishing Group. Leslie is both a brilliant, nurturing editor and a visionary publisher who is the architect overseeing many of Penguin's most successful adult publishing programs. Her contributions to the further development of Penguin will continue to be pivotal. Leslie remains a member of the Penguin Random House North America Board and the Global Executive Committee.

Newly reporting to Madeline from the former Penguin Adult group are: Kathryn Court, President & Publisher, Penguin Books; John Duff, Vice President, Publisher, Perigee, Senior Editor, GP Putnam's Sons; Clare Ferraro, President, Viking, Penguin, Plume; Joel Fotinos, Vice President, Publisher, Tarcher; Ann Godoff, President & Editor in Chief, Penguin Press; Ivan Held, President, GP Putnam's Sons; Geoff Kloske, Vice President, Publisher, Riverhead Books; David Rosenthal, President & Publisher, Blue Rider Press; Brian Tart, President & Publisher, Dutton, Gotham, Avery; Adrian Zackheim, President & Publisher, Portfolio, Sentinel.

Also newly reporting to Madeline are Paul Buckley, Leigh Butler, Jacqueline Fischetti, Richard Hasselberger, Casey Blue James, Dennis Lee, Catharine Lynch, Pat Lyons, Lily Rudd, and Kristin Spang.

I am very sorry to tell you that as the result of this change Susan Petersen Kennedy, President, Penguin Group U.S., who most recently has led the Penguin Adult hardcover and trade imprints, will be leaving the company at the end of the year. Susan's contributions to Random House, Penguin and now Penguin Random House during her 35 years of service to the company have been extraordinary. Please read the accompanying memo in which we celebrate and honor her career with us. In particular, I want to thank her for the productive approach she has brought to our collaboration since the merger. Her insights and guidance related to the integration, and her passion for Penguin's unique culture, have been extremely valuable to our newly formed company and to me.

The changes we are announcing here for the Penguin adult business do not have any impact on the Penguin Young Readers Group, under the strong leadership of Don Weisberg, its President, who continues to report to me.

Madeline will continue the long tradition of Penguin publishing excellence and distinction. I believe her appointment will position the Penguin Publishing Group strongly for the future. Please join me in congratulating Madeline on her new duties.

A handwritten signature in blue ink, appearing to read "M. Petersen", is located at the bottom left of the page.