

Q&A with Rob Reynolds, CEO of EdBooks, LLC revolutionizing Textbook Publishing with the First Truly Scalable and Sustainable Models for Creating High Quality Affordable Learning Solutions



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CEOCFO: Mr. Reynolds, according to your site, EdBooks LLC is revolutionizing textbook publishing. How so?

Mr. Reynolds: We are revolutionizing textbook publishing two ways.

First, we are innovating publishing by building the first truly scalable and sustainable models for creating high quality affordable learning solutions. Traditional publishers have developed great models for producing content at scale, but that model and its associated processes have not translated to affordable pricing. At EdBooks we began by asking, "What is affordable?" Our answer is that affordable means "under twenty dollars." With that answer as a starting point, we began designing processes that would allow us to create high-quality, flexible content, the equivalent of a modern textbook or course, that could be sold for under twenty dollars but still deliver adequate profit margin. This approach allowed us to build a publishing model for affordable content that was both scalable and sustainable.

Beyond the publishing processes that support this model, we are also innovating the industry through content design. Traditional learning products are built as stand alone, siloed constructs. They are linear and static. In contrast, EdBooks uses a design model called Stackable Lessons™. This means that we break subjects down into their constituent concepts and then create carefully templated lessons around each concept. Each lesson is design build highly designed as self-contained, stand-alone learning objects that can be stacked, like Legos™, to create a product.

CEOCFO: Would you explain how Stackable Lessons™ work?

Mr. Reynolds: Stackable Lessons™ are really a different way of approaching the designing and building learning content. We begin by focusing on a particular course within a subject domain. Next, our content team creates an information taxonomy in which the subject area is broken down into a hierarchical tree of connected concepts. Once we have identified the key concepts for the course, we build self-contained, stand-alone lessons for each one. We achieve this by applying a common learning design model and content template to each.

This strategy has a couple of advantages. First, our Stackable Lessons™ model allows our individual lessons to be recombined or reordered, like Legos™, to create very flexible products. For example, while I may have an Economics course with 90 lessons and an American Government course with 90 lessons, I know I will want to teach some concepts, such as Political Economy, in both courses. Using our Stackable Lessons™ model, I can take that Political Economy lesson developed for my Economics course and place it within American Government without having to rewrite or re-work anything. This gives us an incredible efficiency and advantage with regards to design and production. The Stackable Lessons™ model also affords us a great deal of cost efficiency in the content authoring process. Since each lesson

functions as stand-alone, templated construct, we can distribute authorship among many writers -- each one focused on a certain collection of lessons -- instead of having to find one or two authors to write an entire textbook or course.

CEOCFO: *If an instructor in a university or a teacher in a high school were to go over the American government and put together six or eight lessons, would it be one price for that unit? How does the pricing and business model work?*

Mr. Reynolds: Right now, we are selling what we call mediabooks, or textbook replacements. We sell all of these products for the same price -- \$19. However, our advantage goes way beyond an affordable price. If a university or professor adopts our American Government mediabook, for example, we also allow them to come in and say, "I love the product, but I noticed you have some lessons over in (Western Civilization) or in some other area). Can I bring in some of the lessons from another course area and switch them out?" The answer is "yes."

This means that the EdBooks model is not only scalable and affordable; it is also the first curriculum model that has been truly designed for flexibility. This focus on curriculum is incredibly important. We are not just building the Stackable Lessons™ or individual mediabook products. We are actually building an entire curriculum, Lynne. That is a very different approach. We are creating a library of thousands of lessons that we can collect into products. Better yet, all of those lessons are integrated, so that glossary terms and concept treatments are normalized. From an editorial perspective, when we are working on Economics, we are also aware of what we are writing for American Government and how those two subject areas may overlap. This awareness, in turn, allows us make sure that the Legos fit together nicely.

"EdBooks is an important company because we are the first to prove that it's possible to produce high quality, flexible learning content in education within a model that is scalable, self-sustaining, and affordable."- Rob Reynolds

CEOCFO: *What has been the response?*

Mr. Reynolds: The response has been incredibly positive! We just launched the product. We have been engaged in working with people to set up pilots for the spring, going into our first big sales cycle for adoptions for Fall of 2018. In general, the responses fall into several clear categories. The first has to do with affordability. Potential adopters tell us that \$19 is an extremely reasonable price for their students to pay. People are also telling us how impressed they are with the quality of our content and how surprised they are that we can provide such high quality for \$19. Finally, we are encountering many people who are enthusiastic about our product flexibility. They tell us this is something that they really haven't been able to get from other content providers.

CEOCFO: *How are you reaching out the instructors, school boards or university administrators? Would you walk us through what happens?*

Mr. Reynolds: Right now, our primary target is higher education. We are focused primarily on individual faculty members; what we call individual choice adoptions. We also look at departmental adoptions at select institutions. From a contact perspective, we have created a database of institutions in the U.S., along with the faculty members who teach the courses we cover. We reach out to those contacts via broad marketing campaigns, direct sales from phone calls and emails, and also through conferences. That is our first stage of our marketing and sales approach.

CEOCFO: *How have you decided what topics to work on first?*

Mr. Reynolds: Again, this is part of our philosophy of creating an affordable solution. When we look at affordability in higher education learning content, or for the upper grades in the K-12 market, the highest numbers of users are in what we call general education courses -- English Composition, US History, American Government, Psychology, Economics and so on. Our entire curriculum is focused on those high-enrollment courses in general education. Our finished catalog will consist of thirty to thirty-five courses in English, History and Government, Social Sciences, Humanities, Business, and STEM. Not surprisingly, the same subjects that are taught in the first two years of college are also most of the subjects treated in the AP curriculum in eleventh and twelfth grade. Therefore, private, charter and home schools will also be a market for us.

CEOCFO: *What is the key to engaging content? What is it that you understand at EdBooks to allow for a better product?*

Mr. Reynolds: Our team brings together extensive experience and broad perspectives from educational technology and publishing. We also have strong backgrounds in classroom teaching and the development of online curriculum. We do not see a big difference between what engages people in print, what is engaging face to face, and what is engaging online;

the principals are the same. When we focus on our personal learning experiences that have been engaging and successful, we find that they have generally featured a common element -- clear contextualization. Before someone begins sharing information with me, it's helpful to have an idea of what that information is going to be. It helps to have an idea of where I can place that information when I get it. This contextualization means that the information becomes more than just a stream of words.

Once information is contextualized for a learner, it becomes engaging because it is relevant to the learner's personal situation. We all end to respond to, remember, and get engaged with subjects when we believe the content has something to do with our personal lives, with the jobs we want to have and so on.

As a result, at EdBooks, as we build our lessons we work to create both clear contextualization and relevance. We want to make sure learners understand why the content is important and how it is relevant. Once they understand the context of the information, how it is being presented and how it is relevant to them, learners can begin exploring the content and doing things with it. We are much more old school in that sense. We are not trying to solve engagement through fancy technology. It is about writing content that has a point of view. We encourage our authors to do that; to actually make statements, have a point of view, and have a voice. This is what good teachers do when they present information. They give it color, depth, and texture.

CEOCFO: *It seems to be a trend to rewrite history, pull out pieces that do not sit well with some folks today. How do you incorporate that when you are creating content?*

Mr. Reynolds: That is a great question. For example, when I was in high school and learned about Woodrow Wilson, no one brought up the topic of racism. There was no discussion of other information that we may have known then but that was not broadly discussed and available as it is now. At EdBooks, we believe it's important to provide a fact-based, accurate portrayal of historical events and figures. Our goal is to portray those events and figures both within the historical context of their specific setting and cultural attitudes, as well as through the lens of modern scholarship and sensibilities. When talking about figures such as Thomas Jefferson or Woodrow Wilson we focus first on their actions, how those actions were generally perceived at the time, and the impact of those actions within their historical moment. However, we also share information about these people and events that has come to light through recent scholarship. We do not shy away from pointing out factual weaknesses, demonstrable character flaws, and questionable behavior. We try to be tasteful, but we also want to be factual and balanced in what we say.

CEOCFO: *Creating a new business is always expensive. Are you seeking partnerships, funding or investment?*

Mr. Reynolds: Yes. We have just finished an angel round of investment. We will be seeking more investments, probably in Q2 of 2018. For us, investment is an interesting proposition. On the one hand, we are raising money and must convince investors that we have a profitable model. On the other hand, we are working to align our business models with our mission and trying to keep our costs down. One thing that helps is that we invest more heavily in our content design and development than we do on technology. That is one of the ways that are managing costs. But we are definitely in the growth phase and needing to get product out the door to build market share, so we will continue raising money. Our goal is to be self-sustaining in 2019, but until then we will continue to seek investment.

CEOCFO: *What surprised you along the way so far? What has changed in the concept over time?*

Mr. Reynolds: A couple of things have surprised me. One is how modern technology has reduced the cost of production. I have been in the business for a while, but in growing this company I have really been shocked by some of the things that we are able to do and how technology is really enabling us to do things at such a low price point. One example of this is related to video. We create videos using a Ken Burns, documentary style, with moving images and text callouts. Today's technology allows us to do that without hiring people with strong backgrounds in video production. Most of the production process is fairly automated by an online solution that we subscribe to. It has reduced our overhead immensely. So, the cost of production has been one thing that surprised me.

The other thing that has surprised me is or work with authors or content contributors. is about authors. In a traditional publishing house, you look for "name" authors from large institutions, because that helps you grow the business. I have been surprised that the people we reach out to, our potential adopters, are not particularly concerned about author credentials per se. My initial assumption was, "Since we are not going to use name authors, because we don't want the burden of the traditional royalty model, people are going to look askance at our product." In fact, that has not been the reaction at all. Increasingly, faculty are just concerned about having high-quality, affordable content. They are good judges of what that looks like. More and more, they are saying, "We don't adopt textbooks because of the author's name or because the content comes from a specific publisher." They are simply looking at the content and asking if it meets their

needs, as well as those of their students. That has been the biggest surprise; a welcome surprise to me. I have also been delighted by the number of people that we are finding who want to be authors or lesson contributors for us. We do not pay that much, and yet there are a surprising number who want to work and write for us because of the missional aspect of our work. Honestly, I did not expect that response

CEO CFO: *Why is EdBooks LLC an important company?*

Mr. Reynolds: EdBooks is an important company because we are the first to prove that it's possible to produce high quality, flexible learning content in education within a model that is scalable, self-sustaining, and affordable. No one has really done that before. There are foundations that have funded large affordable content projects, but those are not truly sustainable. They require future donations to continue. There are publishers who have scaled the broad production of learning content, but their solutions are not affordable. At EdBooks, we have put together a unique content-publishing model that is scalable, sustainable, and highly affordable. That's what makes us special.

