



RANDOM HOUSE OF CANADA LIMITED



McCLELLAND & STEWART
Celebrating 100 Years

RANDOM HOUSE OF CANADA BECOMES FULL OWNER OF McCLELLAND & STEWART

Toronto, **January 10, 2012**. Brad Martin, President and Chief Executive Officer of Random House of Canada Limited, announced today that Random House of Canada (RHC) has become the sole owner of McClelland & Stewart (M&S). Established in 1906, McClelland & Stewart is one of Canada's most revered trade book publishing houses, whose internationally acclaimed authors include such notable Canadians as Margaret Atwood, Leonard Cohen, Rohinton Mistry, Farley Mowat and Michael Ondaatje. We are pleased to note that the needed regulatory approval has been obtained from the responsible authority.

In 2000, Chairman and sole owner of M&S Avie Bennett donated 75% of M&S to the University of Toronto and sold the remaining 25% to Random House of Canada Limited (RHC). M&S retained its editorial autonomy and independence throughout this eleven-year relationship. RHC has been providing a range of support services to M&S throughout this period, including Sales, Production, Human Resources and Accounting.

In recent years, the challenges facing publishers, including a difficult economy and digital-driven transitions facing the industry, have put significant pressure on M&S, and it has been experiencing financial challenges. Brad Martin observes, "We believe with McClelland & Stewart fully within the Random House of Canada family we will more effectively be able to meet these challenges to ensure the growth and long-term stability of this iconic Canadian publisher."

To ensure McClelland & Stewart's ongoing success, RHC has made significant long-term commitments in undertaking this full ownership. They include maintaining the publishing program, including the eponymous McClelland & Stewart imprint and the New Canadian Library, Emblem Editions, and Signal imprints. RHC will also continue to fund and support the M&S Poetry program, the publication of *The Journey Prize* stories, and ongoing support for the Writers Trust Journey Prize. Random House of Canada is also establishing The McClelland & Stewart Lecture, an annual event to be held at the University of Toronto, that will be focused around the advancement of writers and their ideas, a mandate with which M&S has long been closely identified.

Doug Pepper, President and Publisher of McClelland & Stewart since 2004, will continue to run M&S, reporting to Brad Martin. He also becomes a member of the Executive Committee of Random House of Canada Limited. Ellen Seligman, Executive Vice

President of McClelland & Stewart who has been its highly regarded Publisher (Fiction) for twelve years, continues in her role.

RHC is also very committed to the growth of M&S's respected Tundra Books children's imprint. Under the leadership of Managing Director Alison Morgan and Editorial Director Tara Walker, Tundra Books will be the Canadian children's publishing program within Random House of Canada, with Doubleday Canada maintaining its thriving Young Adult publishing program.

Avie Bennett commented, "Random House of Canada has been a wonderful partner for McClelland & Stewart for the past eleven years. The commitments they have made to upholding the tradition of M&S and the ongoing focus on Canadian publishing assures me that M&S is in good hands."

David Naylor, President, University of Toronto said, "We have enjoyed our association with McClelland & Stewart and look forward to our continued association through The McClelland & Stewart Lecture events. We greatly respect the care and attention with which Random House of Canada has managed their 25% ownership over the past eleven years and are confident that Random House of Canada's commitment to McClelland & Stewart will help it achieve even greater success in the future."

Brad Martin remarked, "Avie Bennett's devotion to McClelland & Stewart has been a gift to Canadian authors and readers. His contributions to Canadian publishing and to our literary heritage are unparalleled. I thank Avie and also the University of Toronto for their stewardship and commitment to M&S. McClelland & Stewart is one of the world's great publishers, and we are committed to making it even greater."

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For further information, please contact:
Tracey Turriff, Random House of Canada Limited, 416-957-1568 or
tturriff@randomhouse.com; or
Laurie Stephens, University of Toronto, 416-978-2105 or laurie.stephens@utoronto.ca