

## Indian Offshoring in the Publishing Vertical to touch \$1.1 billion by 2010

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*According to the latest research report "Offshoring in the Publishing Vertical" released by ValueNotes Database Pvt. Ltd., current publishing outsourcing revenues in India are estimated at approximately \$200 million and are expected to cross \$1 billion by 2010.*

As per ValueNotes estimates, the global opportunity for publishing outsourcing is estimated at \$8.1 billion, which would be valued at an estimated \$4.86 billion if offshored.

According to the report, even as newly formed BPOs, and larger 'pioneers' scramble to add services that bill higher rates and provide them with the elusive differentiation - one segment has quietly been doing this for many years. Outsourcing in the publishing segment has been prevalent for over two decades now. Macmillan began its offshoring unit in India way back in 1977.

Globally, the STM (Scientific Technical and Medical) segment dominates publishing outsourcing given the high production costs versus lower volume of sales. UK and US are the prominent countries in STM publishing. While STM publishers have been outsourcing their requirements for a long time, offshoring is gaining significant momentum now. Almost all leading STM publishers, including Elsevier, Taylor and Francis, Kluwer, Springer and several others already outsource their requirements to India.

The major drivers of outsourcing to India include:

- More than 100 year history of domestic English publishing industry
- Trained workforce proficient in English language, as well as in publishing
- Success stories of early pioneers like Macmillan
- Significant Cost arbitrage

The vendor landscape in India presents a rather fragmented picture with over 50 players, offering a range of publishing outsourcing services. While smaller players predominantly offer data conversion/digitization services, larger players offer the entire range including design, content development, data conversion and even turnkey project management services to their clients.

According to Aradhana Kolhatkar, analyst at ValueNotes, "The publishing outsourcing industry in India is poised for significant growth. Greater consolidation is expected in the industry as larger players seek to grow in scale and smaller players look to sell out. The acquisition of Maximize learning by TechBooks could just be the beginning of a chain of such events in the industry."

The report is based on secondary data as well as extensive interviews with key people at various publishing outsourcing companies in India.

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ValueNotes Database is a leading provider of business intelligence and research, with expertise across selected domains and types of customer needs. Working with clients across the globe we have significant understanding of international markets.

### ***About ValueNotes Outsourcing Practice***

The ValueNotes Outsourcing Practice is one of the largest information providers on the outsourcing industry. Our Outsourcing Practice uses a comprehensive, analytical framework providing fresh insights into the fast emerging and yet, complex outsourcing space. We extensively track the outsourcing space in-depth through a regular analysis of news and events and continuous primary research and contact with the industry.

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