



# Simon & Schuster

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**Jonathan Karp**  
President &  
Chief Executive Officer

November 25, 2020

Dear Colleague,

In March, when ViacomCBS announced its plan to sell Simon & Schuster, we did not know that shortly thereafter we would also be weathering a deadly pandemic, displacement from our offices, disruption in the bookselling marketplace, and the sudden death of our longtime and revered CEO, not to mention high-profile lawsuits seeking to quash publication of two of our books. Through it all, we have persevered, adapted and innovated, maintained a keen focus on our authors and our books, and produced some of our best results in recent years. Now, eight months later, I am delighted to announce that Simon & Schuster will be joining together with Penguin Random House for the next chapter in our storied publishing history.

From our company's inception, there has been much cross-pollination between Simon & Schuster and Penguin Random House. In fact, the founder of Random House, Bennett Cerf, met Max Schuster when they were both students at Columbia Journalism School. (Richard Simon was an undergraduate at Columbia University at the time.) They all shared an entrepreneurial approach to book publishing and founded their companies within years of each other. I learned these details from my personal copy of Bennett Cerf's memoir, *At Random*, which was given to me on my first day as a Random House employee. I spent 16 happy years at Random House and can personally attest to what a great work culture it is, and what a deep commitment the organization has to its employees and authors. From our first meeting with Markus Dohle and his team, it was clear that he wants to bring Simon & Schuster into the Bertelsmann family with the same thoughtful respect for our creative independence that accompanied the merger of Penguin and Random House – an integration that took years and was handled with exceptional professionalism.

We expect the transaction will likely close in the second half of 2021 at the earliest, subject to customary closing conditions, including regulatory approval. I understand that many of you will have questions about how this transition to new ownership will affect your work, and your benefits. I assure you that as this process unfolds we will share information with you, but understand that this will be a long process. Expect no sudden changes beyond the normal decisions we make in our regular course of business. As we head into 2021, our upcoming list of books holds the promise of being every bit as exhilarating a year of publishing as 2020 has been, and I know that we will continue to do our best for our authors and our distribution clients.

I want to thank Bob Bakish, Alex Berkett, and everyone else at ViacomCBS and LionTree for managing our sale with such intelligence and consideration of our business. I also want to thank those of you at Simon & Schuster who worked so diligently to provide a comprehensive view of our company to prospective buyers.

Successful companies are dynamic and change can be galvanizing. In our 96-year history, Simon & Schuster has had seven owners. From these transformations we have adjusted to new management, welcomed other companies into our fold, and always emerged stronger, with an enduring commitment to excellence in book publishing. When we join Penguin Random House after closing, we can look forward to benefitting from exciting new relationships and opportunities that will enhance our ability to provide authors with the best possible publication they can receive.

You can read more about our news in the attached press release from Bertelsmann and Markus Dohle's note to all Penguin Random House staff. Once again, my thanks for all you have done to make Simon & Schuster such an outstanding and valuable company.

Sincerely,

Jonathan Karp