

Séminaire Création

organisé avec le soutien de la direction générale de la compétitivité, de l'industrie et des services (ministère de l'Industrie) et du ministère de la Culture et grâce aux parrains de l'École de Paris :

Algoé²
Alstom
ANRT
CEA
Chaire "management de l'innovation" de l'École polytechnique
Chaire "management multiculturel et performances de l'entreprise" (Renault-X-HEC)
Chambre de Commerce et d'Industrie de Paris
CNES
Conseil Supérieur de l'Ordre des Experts Comptables
Crédit Agricole SA
Danone
Deloitte
École des mines de Paris
ESCP Europe
Fondation Charles Léopold Mayer pour le Progrès de l'Homme
Fondation Crédit Coopératif
Fondation Roger Godino
France Télécom
FVA Management
Groupe ESSEC
HRA Pharma
IBM
IDRH
IdVectoR¹
La Poste
Lafarge
Ministère de la Culture
Ministère de l'Industrie, direction générale de la compétitivité, de l'industrie et des services
OCP SA
Paris-Ile de France Capitale Economique
PSA Peugeot Citroën
Reims Management School
Renault
Saint-Gobain
Schneider Electric Industries
SNCF
Thales
Total
Ylios

¹ pour le séminaire Ressources Technologiques et Innovation
² pour le séminaire Vie des Affaires

(liste at january 1^{er}, 2012)

**IS THE SEARCH FOR CREATIVITY MORE
IMPORTANT THAN THE GUARANTEE
OF SUCCESS ?
A COMPLEX PATH FOR A PUBLISHING HOUSE**

by

Olivier Cohen

Founder and CEO, Éditions de l'Olivier

May 10th, 2011

Report by Sophie Jacolin

Translation by Rachel Marlin

Overview

'A publisher is a person who publishes books no-one wants to read.' The publisher Olivier Cohen can easily identify with this description of his profession. He describes his job as a pioneer and mediator. He must do his best to convince an otherwise indifferent public that an unknown author is worth reading, hoping that a few years later his books will be in demand. Unfortunately, this is not what happens in practice in large publishing houses which publish and market best sellers on a massive scale. Neither is it in keeping with the picture of a small, brilliant publisher, shut away in his attic on the verge of bankruptcy. The Éditions de l'Olivier is an independent subsidiary of the Éditions du Seuil. After several structural changes (as an independent unit, and being integrated into the group), it has managed to build a model which combines literary expectations, profitability and practical day-to-day operation. This is a model which reflects its founder's vision, but it must learn to exist without him.

The 'Association des Amis de l'École de Paris du management' organises discussions and distributes the minutes ; these are the sole property of their authors.

The Association can also distribute the comments arising from these documents.

TALK : Olivier Cohen

This year, the Éditions de l'Olivier is celebrating its twentieth birthday. The title of this talk could well have been 'our long series of errors' ! When I founded the Éditions de l'Olivier in 1991, I was a literary publisher with no management experience whatsoever. How have I managed to keep this publishing house going all these years ? My obvious answer is that this has taken place as a result of meetings, convictions, successes and disappointments. There is one motivation which has been present throughout all of this, and that is to let the greatest number of readers know about the books which I like.

Discrete beginnings in publishing

Before discussing literature, I need to refer to my professional career which partly explains the choices I have made as a publisher. My roots are cosmopolitan : my father came from an old Algerian family in Oran and my mother came from Vienna, Austria. This cultural diversity is notable in the Éditions de l'Olivier. I studied French, Latin and Philosophy, and interrupted my studies for a year to study acting which is my other passion. In 1968, I went to the École normale supérieure (a prestigious, higher education institution from which the educational elite is recruited). Even though I took part in the student demonstrations in Paris in May 1968, including the occupation of the Sorbonne, I did not share the anti-American feelings of my fellow students. In fact, I was very attracted to the United States which, compared to European culture, seemed to me to embody a more varied life with greater freedom and imagination. In the United States, one can write without feeling that generations of authors and philosophers are looking over one's shoulder. I have been there on numerous occasions and English has become my second 'mother' tongue.

When I graduated from the École normale supérieure, I did not want to be a teacher. In fact, I had absolutely no idea about what I wanted to do. I met a group of young publishers who knew Gérard Lebovici (an impresario and well-known producer) and Guy Debord, one of the founders of the Situationist International (the Marxist revolutionary group which reached the peak of its influence in May '68). They asked me to work with them at the Éditions du Sagittaire publishing house. Working in publishing had never crossed my mind, but I accepted the job because I was a young, penniless father and needed the money. My job was to welcome visitors, answer the telephone, reply to letters and open packages which arrived in the post. Little by little, I was also given manuscripts and contracts to read. I visited many bookshops throughout France as I wanted to meet people who sold books, and I started meeting a few journalists. Despite all this, I was fiercely opposed to the idea of success. I wanted to remain anonymous even though my friends tried to make me realise that I could not hide myself forever : if I wanted to be the spokesperson for the books I liked, I would have to speak for myself.

Promoting books one likes

My time at the Éditions du Sagittaire quickly came to an abrupt end. I got a job with a small publishing house owned by the Hachette group, and then became an assistant to the well-known editor, Claude Durand. This was when I really started getting to know the profession. Claude Durand gave me *carte blanche* to work for the Éditions Mazarine which was also part of Hachette. Even at that time I was reticent about having to explain my literary choices. Durand must have sensed this. Although he barely knew me, he trusted my instincts. I left the Éditions Mazarine a few years later for the Éditions Payot with the two other people who were in my team.

One day I discovered that I was being sacked by the Éditions Payot with no explanation whatsoever. I was still getting over this shock when Claude Cherki, the CEO of the Éditions du Seuil, asked me bluntly 'Do you want to create a publishing house with Seuil ?' Because

of past experiences, I refused. I did not want that much responsibility. Subsequently other publishing houses offered me jobs. I then realised that in order to fulfil my dreams of being a literary director, I had to accept the taking on of responsibility. If not, I risked wasting my time and energy justifying my projects in front of people who did not understand a word of what I was saying. So I called Claude Cherki who suggested creating a company where I would be the majority shareholder and CEO, and that the Éditions du Seuil would handle the production logistics, circulation and distribution. I could then concentrate on what interested me, literature, and I would be the sole decision-maker. At the time, I did not realize how fabulous – and risky – this offer was ! My project was simple : to publish the best authors (in other words, those I liked), and to market them to journalists, bookshops and opinion leaders so that they would become known and that their books would sell. I was ready to take on the profession, in the words of the publisher Samuel Fischer, ‘publishing books which no-one wants to read !’

American literature as an asset

I had one advantage, my knowledge of American literature. I had got to know more about it, and met several authors during my trips to the United States. As a matter of interest, it was Raymond Carver, with whom I went fishing, who opened the doors for me to the American literary circle. By an unprecedented stroke of luck, and with help from another great writer, Richard Ford, I caught a forty-pound salmon ! This gained me respect from authors who, until then, had regarded this young French publisher in a less than flattering light ! From the very beginning at the Éditions de l’Olivier, I published American writers. Through a friend (who later became my wife) at the École des loisirs publishing house, I also met young French writers who were extremely promising and most of whom wrote children’s books.

I felt that there were possibilities for breathing new literary life into these two groups, American authors and very young French authors. Readers were increasingly interested in foreign novels, but publishing houses did little to satisfy this interest and essentially published French authors. Foreign literature, apart from a few prestigious names, seemed to be reserved for eccentrics. I decided to put all my energy into this area. My ambition was to become the leading publishing house of American literature in France. Also, by choosing to publish young, unknown French writers, I was hoping to reinvigorate a French literary world which was collapsing under the weight of age, boredom and corruption in the choice of literary prize-winners.

In the 1990s, the situation changed. Foreign novels started making a name for themselves in France occupying half the shelf-space in bookshops. A new generation of French writers burst onto the scene including Amélie Nothomb, Michel Houellebecq, Agnès Desarthe, Marie Darrieussecq, Emmanuel Carrère and Jean-Paul Dubois. From 1995 onwards, the Éditions de l’Olivier was literally carried forward by these two waves with authors who had become visible and famous, and were growing in success.

L’Olivier : a mixture of modesty and megalomania

Exactly twenty years ago, the Éditions de l’Olivier started off in a small office in the heart of Paris with just me and a secretary... From the beginning, the company was characterised by a mixture of modesty and megalomania. I had my feet firmly on the ground, started small, but I could not help thinking big.

Freedom under strict supervision

The beginnings were difficult. We had no means of predicting the scale of the crisis in publishing which took place in the early 1990s with the onset of the Gulf War. Bookshops were empty. I had an extremely rudimentary sense of management. The losses began to pile up. Four years after its creation, I was asked to incorporate the Éditions de l’Olivier into

Seuil. The Éditions de l'Olivier became a department. Needless to say, I was extremely demoralised. Nevertheless, the master plan remained the same : even under supervision from Seuil, I still had complete freedom of choice. Indeed, throughout all these years, I have never had to justify my choices. I was actually quite surprised by this situation. Why had Claude Cherki not recruited me to work at Seuil instead ? The answer was that the atmosphere at Seuil was too oppressive and he thought I might be suffocated there. He considered it best that I create my own project. Relatively speaking, it was as if the newspaper 'Le Monde' (politically in the centre) had decided to create a left-wing newspaper like 'Libération'.

The team takes form

The team from the Éditions de l'Olivier gradually increased in size and became more structured but not without controversy. My first secretary resigned and was replaced by a new employee who was also in charge of production. I then hired a second employee who had previously worked for the publishers Actes Sud and was very ambitious. I had my first management crisis in 1996 when I had to sack the person in charge of production, and the second employee left, complaining that he had not been given enough responsibility. I was alone. In the end, I was my own press attaché, my own sales manager, my own production manager, and so on. Luckily, I hired a former colleague, Laurence Renouf, who became my right-hand woman. Thanks to her, the company got off the ground and we were able to make it a success. We hired a press attaché followed by an assistant. The single-engined aircraft had become a four-engined aeroplane. Within this small team, we managed to allocate each person a specific function. Since I was the only publisher in the group, I worked exclusively with the writers. I was helped by a junior editor. Laurence Renouf was the editorial, administrative secretary and she acted as liaison between production and sales. This job was the solution to my problem because, since she was occupied with this side of the business, I was able to concentrate on writers, and relations with journalists and bookshops. This worked well. A number of young writers joined us and we won a large number of literary prizes.

Rebirth of the Olivier

In 2004, we were hit by a bolt from the blue : the Éditions du Seuil was bought by Hervé de la Martinière. Claude Cherki, my benefactor, had to resign. The new owner decided to separate management from the editorial department. Such a practice was unheard of at Seuil. He offered me the job of editorial director of Seuil and its subsidiaries. I accepted provided that I remained in charge of the Éditions de l'Olivier. However, two years later, when Hervé de la Martinière planned to divide Seuil into four specific areas (literature, human sciences, and so on), I decided to leave. It was out of the question for me to be part of this restructuring of the Éditions du Seuil, a company which I had always loved. I told him I was leaving and he made me an unexpected offer. He suggested that I create a company which would use the Éditions de l'Olivier's assets, and Seuil would own 95 % of the capital. I had gained a little more experience than before, and I refused. I did not want to buy 5 % of the capital of this company, and for Seuil to give me back 10 %. I had also fought for the Éditions de Olivier to keep control of the rights of its paperback books, the sales figures of which are considerable. The negotiation was tough. Since 2006, Seuil owns 90 % of the Éditions de l'Olivier and I own 10 %. This leaves me a certain margin of freedom. For example, I was able to refuse to move my office to the HQ of the group in Montrouge (a suburb of Paris). The Éditions de l'Olivier had always been distinct from Seuil and intended to remain so.

Time for success

I was enthusiastic about these new changes, and I wanted to prove how capable we were. Over a few years, our turnover doubled, reaching 5 million Euros. The Éditions de l'Olivier has eight employees and publishes 35 books every year. Economically speaking, the turnover is small. However, the Éditions de l'Olivier now occupies a central place in business culture. We publish most well-known contemporary American authors and a number of young French

authors, regardless of whether they published their first book with us or whether they left other publishing houses (such as Seuil, Gallimard, Actes Sud or the Éditions de Minuit) to join us. Our sales records are impressive even for a group like Seuil. For example, in 2008, 180,000 copies of the French version of Cormac McCarthy's book 'The Road' were sold in softbound editions and 350,000 in paperback. This was not a "one-off" as the Éditions de l'Olivier has been publishing McCarthy for more than twelve years : his first book sold only 16,000 copies. There have been other important successes such as 'Le Quai de Ouistreham' by Florence Aubenas (260,000 copies sold in twelve countries), and Jean-Paul Dubois' 'Une vie française' which won the Prix Femina and sold 240,000 copies in softbound editions and even more in paperback. This amounts to a collection of publications which is extremely lucrative. As well as this, we have great expectations for young, talented authors. Olivier Adam, who arrived at the Olivier as an unknown and diffident writer, was a Prix Goncourt finalist on two separate occasions. He has sold nearly 70,000 books. Véronique Ovaldé, who was unsuccessful at Actes Sud, joined us at the Éditions de l'Olivier and sold 90,000 books.

Today, the Éditions de l'Olivier is a sound organisation. What will it be like tomorrow ? For the past five years, we have not published more than 35 books a year. My projects tend to be aimed more at diversification than development. This is why, in September 2011, we launched a collection of 'illustrated novels', a concept originating in the United States which is a cross between literature and comic strips. Financially speaking I do not expect any miracles. Growth is the be-all and end-all of the big publishing houses, but not of ours. At our level, the most important thing is to remain consistent.

Twenty years after the Éditions de l'Olivier began, what has this experience taught me ? The errors that I made in terms of organisation, management and forecasts have been offset by an apt choice of authors. I made recruitment mistakes which any beginner should have avoided, and which were the result of anxiety and inexperience. I do not intend to publish more books every year in the future, but I hope that those I do publish will be even more successful. At the same time, I will continue to publish writers whom I find interesting but who only have a readership of 500. If these authors are really talented, they will be recognised in time.

DISCUSSION

At the behest of authors

Question : *Authors are your main asset. What sort of relations do you have with them ? Do you devote an important part of your time to them ?*

Olivier Cohen : Our time spent with authors is unlimited ! I talk to them about literature, their work, projects and their wishes. It is an intellectual and emotional relationship which is fuelled by work. Young authors in particular need to be encouraged, protected, supported and helped in order to increase their confidence. Initially we may sometimes send their manuscripts back to them covered with comments. But they quickly manage to become their own critics. Almost none of these young authors has left the Éditions de l'Olivier even though they have been approached by other publishing houses with tempting deals. This proves that our model is correct. The way in which we work with our authors dissuades other publishing houses from attempting to entice them away with a cheque or with enthusiastic talk about their future success. In my opinion, there is only one great publishing house in France : Gallimard. Unless they are very well-known, the authors that Gallimard publishes are less important than the publisher. I chose the opposite reasoning : the authors come first.

Outstanding literature and 'recreational' literature

Q. : *Do you only publish the literature which you like, or also the literature which you find interesting ?*

O. C. : One can like several kinds of books. There are some which one admires, and others which make us dream or think or make us laugh. Outstanding books change the way in which we see life, literature and ourselves. As I get older, I realise how much 'real literature' allows us to have access to a stronger, more intense and real life, and to what extent life goes beyond our comprehension. These ideas gave me the courage to create my own publishing house. However, outstanding books are rare. And in any case, half the publishing world would disappear if we only published the outstanding books ! We also have to satisfy a recreational need, which is fine. At the same time, one should exercise a degree of discrimination in publishing. This is why we have published again Armistead Maupin's 'Chroniques de San Francisco'.

Every person has his own concept of the outstanding literary books and also those which are not as memorable. A few years ago, I hesitated in publishing a relatively sentimental novel written by an American. Nevertheless, I liked the book. When I met an influential journalist, I was ready to justify my choice (the author clearly did not measure up to Virginia Woolf) when the journalist announced that I had discovered a really amazing author. I was baffled. Since then, I have learned to be more careful. After all, perhaps she was right.

Q. : *Why do you only publish 35 books a year ? Is this number equivalent to the workload you can handle or the number of interesting manuscripts which come your way ?*

O. C. : I have always been a compulsive reader. For a long time I used to read all the time, wherever I was, and anything which I could get my hands on. This appetite for reading has lessened slightly, but it is still with me. When I started out in this business, I naively thought that publishers read all the books they publish. This is not true for a large number of them. As far as I am concerned, I have to read. I made a rule for myself that I would not publish more books than I could choose in a year. And when one publishes 35 books a year, that means that one reads at least 350 ! The maximum number of books I publish is therefore the maximum number of books I can read. Furthermore, our team is structured to cope with this number of publications. The size of the company remains on a human scale which is fundamental. This enables us to be in direct contact with our authors, translators, agents, bookshops, journalists and so on. This may appear to be utopian, but it is a characteristic of the Éditions de l'Olivier.

When an author comes through our doors, we do not ask him if he has an appointment ; we welcome him and chat. Incidentally, this is one of the reasons I refused to move the company with the rest of the group to Montrouge into offices which would do for an insurance company. A publishing house is a family, a brotherhood, not an insurance agent.

Q. : *How do you reconcile literary standards with the need to be profitable/make money ?*

O. C. : There is a culture for the masses, such as Hollywood films and Harry Potter, but there are also other genres which resist such an upheaval. Over twenty years, the Éditions de l'Olivier has built up a niche and made its mark. Readers who are not satisfied with mass publications are always on the look-out for something different. What is there for them to read or discover ? My aim is to let them know that the Éditions de l'Olivier publishes books which may interest them. And there are more readers like this than I had thought when I first began ! Three of our eight permanent staff are employed purely to look after sales and circulation. A large part of the company's effort is constantly devoted to letting the public know about our publications. Experience has taught me that this was the correct strategy. When I was my own press attaché, I was always calling up journalists to talk to them about my books, to the point that some of them read the books in question just to be rid of me ! It was a real battle but it was worth it. Today, readers know that they can trust the Éditions de l'Olivier. Even if they do not like a book, it will still be interesting.

The power of the satellite

Q. : *What was the advantage for the Éditions du Seuil to make the Éditions de l'Olivier a 'satellite' ?*

O. C. : Seuil saw the Éditions de l'Olivier as an opportunity to expand its distribution machine and its paperback catalogue selection. It is true that in most cases, Seuil acquires our rights for paperbacks. Even at a relatively reduced scale, it is advantageous. This enables the headquarters to benefit from transfers of literary rights and to market more books. At the Éditions de l'Olivier, strictly speaking profitability is not very high, but I think that our association with Seuil is quite profitable for Seuil.

The Éditions de l'Olivier could not have existed in its current format without this alliance. The protocol which binds us to Seuil makes provision for the supply of a certain number of services including production, circulation, distribution and acquisition of foreign rights. Without this support, I could have published at least five books a year, like some small publishing houses. But I was not interested in that. I preferred to join forces with a strong organisation which could help me become the leader in the publication of American literature.

Q. : *What are the rules and management methods which are specific to your sector ?*

O. C. : I am extremely precise in my daily management. French publishing and bookshops are going through a very difficult time. The first months of 2011 were dreadful. Sales were cut by 10 to 15 %. Very recently, I had to call a meeting to take various decisions as a result of this, including re-evaluating the communication, publicity and marketing budgets. We have to reassign our resources in order to face the start of the literary year which promises to be very rich in new books. This daily micro-management is possible because of the human scale of our company. This allows us to be reactive and overcome crises without too many clashes, especially since our overheads are limited.

Q. : *Are some authors not available to you for financial reasons ?*

O. C. : The authors, our most precious asset, are at the centre of everything. This is why at the very beginning I started investing in authors who were not cheap. This is something which would have been impossible without support from Seuil. The return on investment was so enormous that the expense was justified. Take the case of Jonathan Franzen. Nearly ten years ago, the Éditions de l'Olivier published the French version of 'The Corrections', a novel

which made this American author famous, beyond the United States. At the time, the advance of 20,000 Euros which we had to pay for the rights seemed huge to us. But the choice was a good one : in France, 80,000 copies of 'The Corrections' were sold in softbound editions and 100,000 in paperback. Jonathan Franzen's latest novel, 'Freedom', sold 1.1 million copies in the United States. It goes without saying that the rights were extremely sought-after. It so happens that I have rather close relations with foreign publishers, authors and agents. As a result, Jonathan Franzen's agent sent me two chapters of 'Freedom' and asked me if I was ready to buy the rights immediately. The sum of money was large and I had to make an immediate decision. In this profession, it is essential to obtain the rights to a book before anyone else. From this point of view, the fact that I am the only decision-maker at the Éditions de l'Olivier is very advantageous because I can act very quickly without having to ask anyone else for their authorisation, and as a result beat my rivals.

Another example is that the Olivier will soon be publishing Anjelica Huston's memoirs. Having read an extract of the manuscript her agent sent me, I knew that I really wanted to publish it. I had to put the money on the table very quickly and negotiate with a tough agent. I won the deal in the face of my rivals because I acted quickly and decisively.

Q. : *Can a small publishing house survive today without the backing of a large group ?*

O. C. : The Éditions de L'Olivier model of a small and relatively independent publishing house attached to a large group is very rare. The only other comparable example is the Éditions P.O.L. Gallimard owns 87 % of their capital and there is an agreement which is similar to the one which the Éditions de l'Olivier has with Seuil. P.O.L publishes a small number of very high-quality books, and makes money with a few major successes which then helps to finance the publication of a few books of lesser known authors. As far as the rest is concerned, publishing in France is dominated by powerful groups. There is also a myriad of small publishers who remain very vulnerable because they lack the financial resources. Large groups do not necessarily want to invest in these fragile, small publishers. It takes time to learn how to live in a group. One has to adopt a common language. Small-scale editors tend to regard the large groups as enemies who publish mass culture and smother them. The reality is often more complex. Hervé de la Martinière proved this with the unexpected propositions he made to me concerning the Éditions de l'Olivier.

Having said this, the fact that the publishing sector is dominated by large groups tends to turn publishing into an industry. Knopf sold 11 million copies of the famous Stieg Larsson Trilogy in the United States. Our 'shops' act like haute couture fashion houses in this landscape of mass retailing. I do not see the advantage to us of changing our role.

Q. : *If you left the Éditions de l'Olivier tomorrow, would the company still be able to function ? Have you prepared the way for handing it over to someone else ?*

O. C. : Since the company does not really belong to me, it will be a case of passing on an intellectual heritage and a means of continuing the profession. Today, the Éditions de l'Olivier could not function without me. I am not happy with this situation. The problem is that the 'Éditions de l'Olivier' brand name is currently inseparable from me. I must learn to detach myself from it because if I do not, it will die with me. I have not yet found the solution, but I am working on it. I delegate more, even though I still make the final decisions. The organisation has become more democratic. It is the best way to prepare for the future. I hope that I will manage to create a team to whom I will be able to hand over the business. I think it is above all a question of the people involved.

Presentation of the speaker :

Olivier Cohen : studied French, Latin and philosophy before studying at the École normale supérieure. He is the founder and CEO of the Éditions de l'Olivier.

Translation by Rachel Marlin (rjmarlin@gmail.com)