

## iUniverse Secures Additional \$18 Million in Funding

**CAMPBELL, CA** – October 15, 2001 – iUniverse, the leading provider of publishing technology solutions, today announced that it has secured an additional \$18 million in venture capital funding from Warburg Pincus. iUniverse plans to use the proceeds from this strategic financing round to expand its footprint in the market and increase capacity to meet the growing demand from individual authors, companies and publishers.

"This additional round of financing from Warburg Pincus validates our momentum in exploiting a broad range of publishing market opportunities," said iUniverse CEO Richard Tam. "Our course remains the same. We're streamlining the publishing process for companies and publishers by automating the way documents and book titles are produced and setting a new standard in publishing technology by giving individual authors an equal opportunity to share their stories with any size audience"

"Our decision to expand our investment in iUniverse is based on their current success and the long-term potential we see in the company's business model and technology," said Stewart Gross, Senior Managing Director of Warburg Pincus. "iUniverse is uniquely positioned to drive the next evolution in publishing. They're leading the market in publishing technologies and electronic delivery of content for individual authors, and have quickly moved to deliver solutions that bring efficiencies and new publishing possibilities to expanded customer segments."

### **Company Momentum and Milestones**

As the leader in publishing technology solutions, iUniverse has produced more self-published titles than any other provider – over 750,000 books printed and sold. The company also continues to make significant strides to empower companies, boasting innovative programs with industry leaders. Earlier this year, the company announced two custom publishing programs, one with Microsoft Press and the other with Hungry Minds, Inc. The application of iUniverse's advanced custom book programs allow Microsoft and Hungry Minds customers to browse, compile and purchase books compiled from individual chapters of selected Microsoft, Frommer's, Cliff's Notes and Dummies Guide titles. In addition, iUniverse recently announced a partnership with Weekly Reader, the leading educational publisher. Using iUniverse technology, Weekly Reader will allow students and teachers in elementary and secondary schools to create and publish their own high-quality paperback books.

### **Meeting Publishing Needs**

iUniverse's technology helps publishers package and deliver their titles in print-on-demand, eBook and custom book formats, expanding revenue opportunities while reducing costs. It also helps businesses produce and deliver corporate documents and manuals in those formats, reducing inventory costs and decreasing time to market. Once an author or originator has a completed document, iUniverse's publishing system manages the entire publishing process, from creating and proofing the materials to final distribution and royalty tracking.

The company's XML-based publishing system along with its Format Neutral Repository (FNR) creates a single version of a file that can be used in many ways without additional human intervention, effectively automating the way documents and books are produced and delivered. The technology is comprised of several integrated modules that allow customers to capture, manage and deliver content for either hardcopy printed books and book length documents or eBook delivery. The printing is made possible by the company's Integrated Print Network (IPN), which provides digital printing, binding, manufacturing and fulfillment for customers. The result is an end-to-end publishing solution that makes publishing books and documents as simple and commonplace as most standard office productivity tools.

### **About Warburg Pincus**

Warburg Pincus has been a leading global private equity investor since 1971, operating from 10 offices in North America, Europe, Asia and Latin America. The firm has accumulated more than 30 years of experience and built an outstanding track record as a strategic financial partner to operating executives engaged in building durable and successful businesses around the world. Warburg Pincus, which has invested approximately \$12 billion in 450 companies in 29 countries, invests at all stages of a company's life cycle, from founding start-ups and providing growth capital to leading restructurings, recapitalizations and buy-outs. The firm maintains a distinctively long-term and active investment style and has deep domain expertise in key industry sectors including information technology, financial services, business services, media, communications, healthcare and life sciences, energy and natural resources and real estate. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com).

### **About iUniverse**

iUniverse is a publishing technology solutions provider that puts the power of publishing into the hands of individuals and companies, and brings innovation and new efficiencies in book production to publishers. The company's unique technology eliminates the traditional barriers to publishing and allows both individuals and companies to publish and distribute professional quality books and documents – on demand, in print or electronic format. The company has a wide range of customer and partner relationships with industry leaders including Adobe, Barnes & Noble, Hungry Minds (formerly IDG Books), Microsoft, the American Society of Journalists and Authors (ASJA), and Mystery Writers of America. The company has printed and sold a record 750,000 books from an author base over 8,500 strong. iUniverse maintains operations in Campbell, California; Lincoln, Nebraska; New York, New York; and Shanghai, China. The company is headquartered in Campbell, Calif. For more company news and information, visit [www.iuniverse.com](http://www.iuniverse.com).

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