News from Xerox



For Immediate Release

Xerox Corporation 45 Glover Avenue P.O. Box 4505 Norwalk, CT 06856-4505

tel +1-203-968-3000

Xerox Technology to Fuel Espresso Book Machine; Worldwide Agreement Includes Global Marketing and Sales Support

ROCHESTER, N.Y., Jan. 14, 2010 – Xerox Corporation's (NYSE: XRX) digital technology will bring speed and exceptional image quality to books produced on demand by the patented Espresso Book Machine[®]. This cutting-edge book solution, sold by On Demand Books, LLC, produces millions of copyrighted, public domain, out-of-print, or rare texts for consumers in a matter of minutes.

Xerox and On Demand Books will jointly market and sell, on a worldwide basis, the Xerox 4112TM Copier/Printer together with the Espresso Book Machine – a fully integrated solution that prints, binds and trims books with full color covers on demand in retail locations and libraries. The Espresso Book Machine can produce paperbacks in variable combinations of trim sizes between 4.5" x 5.0" and 8.25" x 10.5" for a production cost less than one cent per page.

With the Xerox 4112, the Espresso Book Machine produces a 300-page book in less than four minutes and has the capacity to print more than 40,000 paperback books per year.

"Xerox is a natural fit for On Demand Books and the Espresso Book Machine," said Dane Neller, CEO, On Demand Books. "Their solutions, industry leadership, innovative printing technology and worldwide sales and marketing footprint will help us reach our goal – providing book enthusiasts fast and affordable access to millions of digital titles in multiple languages."

The Espresso Book Machine uses EspressNet, a proprietary and copyrighted software system that connects the device to a vast network of 3.3 million titles obtained with the approval of the publishers. EspressNet assures the security of publishers' titles, tracks all jobs, and provides payments to publishers. Content owners retain full rights and control of their digital files.

"Xerox has provided a variety of digital book solutions for nearly 20 years," said <u>Eric Armour</u>, president, Global Business Group, Xerox Corporation. "Working with On Demand Books, we can apply Xerox technology to meet the incredible opportunities that exist within this industry."

Availability

A phased launch is underway in North America.

About On Demand Books, LLC

On Demand Books was co-founded in 2003 by Jason Epstein, former editorial director of Random House and Dane Neller, former CEO of Dean & DeLuca. The first beta machine was installed at the World Bank InfoShop in Washington, D.C. where it printed thousands of World Bank publications. The Espresso Book Machine was named to *Time Magazine's* "Best Inventions of 2007" list.



Made in the U.S., Espresso Book Machines are environmentally friendly green machines. For more information visit: http://www.ondemandbooks.com.

Customer Contact:

For more information about Xerox production systems and services, visit http://www.xerox.com/tr/products or call 800-ASK-XEROX.

Media Contacts:

Patti Quinn, Xerox Corporation, +1-585-264-2842, patti.quinn@xerox.com
Bethany Ryan, Text 100 for Xerox, +1-585-697-2609, bethanyr@text100.com
Erin Hardy, On Demand Books, +1-212-966-2222, Erin@ondemandbooks.com
Marilyn Gottlieb, On Demand Books, +1-917-207-0649
mgottlieb@crescendogroup.com

Note: For more information on Xerox, visit http://www.xerox.com or http://www.xerox.com/news. For open commentary, industry perspectives and views from events visit http://www.facebook.com/xeroxcorp, http://www.xerox.com/xeroxcorp, http://www.xerox.com/xeroxcorp, http://www.xerox.com/podcasts.

Xerox®, 4112TM and the sphere of connectivity design are trademarks of Xerox Corporation in the United States and/or other countries. Prices, features, specifications, capabilities, appearance and availability of Xerox products and services are subject to change without notice.