New Kindle Audio Feature Causes a Stir

By GEOFFREY A. FOWLER and JEFFREY A. TRACHTENBERG

Amazon.com Inc., pushing further into the digital distribution of books, unveiled a thinner and faster version of its Kindle electronic-book reader but raised controversy among publishers and others with a new text-reading feature.

"Our vision is every book ever printed in any language all available in 60 seconds," said Amazon Chief Executive Jeff Bezos at a Monday press conference in a New York library.

The Seattle company also said it has a new work by best-selling novelist Stephen King, called "Ur," which will be available exclusively on Kindle.

Originally launched in November 2007, Kindle has been so popular that it was out of stock over the key December holiday-shopping period for the last two years.

In an interview, Mr. Bezos said he expects to keep the Kindle 2 in stock. "Kindle buyers surprised us," he said of past demand. "We have taken a lesson from that, and are once again taking steps in terms of increasing our manufacturing capacity."

Amazon tweaked but didn’t revolutionize the new Kindle. The new device lacks a color screen, for instance, although it can now display more shades of gray in photos. Amazon said the new Kindle will cost $359, the same as the original version, and will begin shipping Feb. 24.
Kindle 2 is smaller than the first version of the product. The new device also features a five-way navigation element, faster wireless service for downloading books and the ability to wirelessly sync between Kindles and cellphones.

Some publishers and agents expressed concern over a new, experimental feature that reads text aloud with a computer-generated voice.

"They don't have the right to read a book out loud," said Paul Aiken, executive director of the Authors Guild. "That's an audio right, which is derivative under copyright law."

An Amazon spokesman noted the text-reading feature depends on text-to-speech technology, and that listeners won't confuse it with the audiobook experience. Amazon owns Audible, a leading audiobook provider.

It's possible that Amazon -- which charges only $9.99 for Kindle best sellers -- will seek to pay less for the e-books it purchases from publishers. If so, it will likely face some pushback.

"All customers want better terms of sale," said Markus Dohle, CEO of Bertelsmann AG's Random House publishing group. "But we have a lot invested in our digital technology. And e-books are still a very small business -- less than 1% of revenue."

Amazon faces competition in the electronic delivery of books from other e-book makers Sony Corp. and Plastic Logic Ltd., as well as cellphones and multipurpose devices such as Apple Inc.'s iPhone.

"Reading is important enough that it deserves a dedicated device," said Mr. Bezos.

Write to Geoffrey A. Fowler at geoffrey.fowler@wsj.com and Jeffrey A. Trachtenberg at jeffrey.trachtenberg@wsj.com

Printed in The Wall Street Journal, page B9