

Amazon's new Kindle e-book reader gets slimmer

01:34 PM CST on Monday, February 9, 2009

Associated Press

NEW YORK - Amazon.com Inc. is releasing a slimmer version of its Kindle electronic reading device, but it still costs \$359 — raising questions about just how mainstream even an improved Kindle can be during a brutal recession.

Rather than lowering the price, Seattle-based Amazon touted several upgrades to the e-book reader and a novella from Stephen King that will be available exclusively for the device. The new Kindle is expected to begin shipping Feb. 24, with owners of the first Kindle at the front of the line if they want to upgrade.



AP

Jeff Bezos, chairman and CEO of Amazon.com, unveils the Kindle 2 electronic reader in New York.

[View larger](#) [More photos](#) [Photo store](#)

"This device is a significant improvement versus the first generation," Amazon CEO and founder Jeff Bezos said in an interview.

He said there was no way to lower the price given the upgraded components in the Kindle 2, which is a bit more than one-third of an inch thick — about half the thickness of the first Kindle. Its 6-inch screen can display 16 shades of gray, compared with the previous Kindle's four

shades. It will be able to read text aloud from two small speakers on the back, and it can store 1,500 books, instead of 200.

Like the old version, the new Kindle weighs about 10 ounces and downloads books — the catalog has 230,000 titles — and Internet content over Sprint Nextel Corp.'s wireless network.

E-books still don't exceed 1 percent of overall book sales, but publishers say they are a fast-growing niche, a rare area of improvement in an otherwise terrible market. The Kindle has enjoyed a steady buzz, with an endorsement last fall from Oprah Winfrey and Amazon's claim over the holidays that it was out of stock.

Amazon has carefully guarded key details, including how many Kindles have sold since they debuted late in 2007. Amazon wouldn't comment on an analyst report last week that it had sold about 500,000 Kindles, which was based on a regulatory filing by Sprint Nextel that indicated 210,000 were bought in the third quarter of 2008.

Bezos said Monday that Kindle orders were strong around the holidays and that he expects that to continue.

"Even in this macro environment, people are buying Kindles," he said.

The Kindle is available only in the U.S.; Bezos said international availability is "clearly something we're thinking about."

Ross Rubin, an analyst with The NPD Group, called the device's hardware "an improvement across the board." He said that there was enough room for improvement in the first Kindle that the second probably will still appeal to people who already have one.

Amazon recently said it would make Kindle e-books available on other kinds of devices, including cell phones, as rival Google Inc. also is doing.

Amazon also hopes to make the Kindle enticing, even at \$359, through exclusive content, beginning with King's novella, called "Ur," which incorporates the device into the story.

King has been known as a digital publishing innovator. In 2000 he released a novella, "Riding the Bullet," as a free download. Web sites such as Amazon and Barnes & Noble.com were swamped by high demand for the 66-page story.

Amazon shares were down 81 cents, 1.2 percent, at \$65.74 in afternoon trading Monday.

<http://www.dallasnews.com/sharedcontent/dws/bus/ptech/stories/021009dnbusKindle.3560c114.html>
viewed 2-11-2009