

## BOOKSTORES: A MAIN DISTRIBUTION AGENCY FOR BOOKS

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I am neither a librarian nor a publisher, and the topic originally assigned to me, "Main Distribution Agencies for Books," is so vast that I know of no single person qualified to deal with the whole of it. However, one sentence in the invitation to participate in this conference put some limit to my assignment and gave me hope of being able to fulfill it; although, the invitation said, "you are particularly interested in bookstores, . . . we feel that your experience and point of view qualify you to discuss this topic for an audience of librarians."

Those are the terms I accepted and those are the terms on which I must be judged. I am not an authority on book clubs except where they hurt the bookseller. I am not an authority on wholesale booksellers except where they are inadequate. I am not an authority on discount houses and price-cutting booksellers except to the extent that they are vultures on the main body of bookselling. I am not an authority on college bookstores except where they take advantage of their tax-free, rent-free status to compete with me. I am not an authority on library jobbers, nor on technical or specialty book stores. I do know some things about retail bookselling. And I am interested in practically everything pertaining to the book.

It is worth remembering that librarians and booksellers are both at the final end of the book distribution system. They are the only ones in the system who face the ultimate reader across a counter. They have problems in common. They each have to choose their stocks from the vast number of available titles, they each have the problem of adequately housing the publisher's product, and they each have to find ways and means of paying for their stocks, either from a budget or from a cash register. Both are directly affected by publishing trends.

I think that in discussing trends it is good to look back at the phase we are leaving in order to get a better realization of the phase we are going through and the phase we are approaching. A good starting point is provided by a report by O. H. Cheney issued in the depression year of 1931, entitled Economic Survey of the Book Industry 1930-1931<sup>1</sup> and prepared for the National Association of Book Publishers. The Bowker reissue of 1960, with an introduction by Robert W. Frase,<sup>2</sup> is still available. The lot of the bookseller as described

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in that report was not a very happy one; nor were the lots of the wholesaler, publisher and librarian any happier.

Here is how it was. The book club was still only a very minor part of the book distribution system. There were few bookstores left in 1931, and of the few, hardly any were really solvent. Most librarians spent what little money was allotted to them at the local bookstores. Then, as now, the publishers and booksellers were at each other over discounts and returns. The competition for the few dollars the public spent on books was fierce.

There was no knowledge explosion and no paperback explosion. There were no electronic bookkeeping machines, and there were no magazine giants publishing non-books. There were no pornographic books, except for a few which were kept well hidden and which were only for a select trade, and there were no children's books written by the selected word count system. There were no government subsidies—C.I.A. or otherwise—to publishers, nor were there any to libraries, and Wall Street kept as far away as possible from the publishing industry. The annual publishers' output was less than 10,000 titles and the Trade List Annual was very, very thin.

I could oversimplify and conclude at this point by saying that all one has to do, to grasp the situation today, is to change all the preceding negative remarks to positive ones. But how has the picture really changed between 1931 and today? It has undoubtedly changed greatly, but has the trend that changed all the negatives to positives really improved the main distribution agencies for the publishing industry? As a trade bookstore operator I can see very little improvement.

One would think that now, with the knowledge explosion and the resulting need for more books, with the immense increase in population together with the increase in education, there would be vast numbers of new book buyers. True, there are more books and more people wanting them, and money to buy them. There are now 250,000 listed in Bowker's Books In Print, and 40,000 titles listed in Bowker's Paperbound Books In Print. It is sad to relate, however, that of the quarter of a million titles listed in Bowker even the best stocked bookstore would carry no more than between 60,000 and 70,000 of them. Of the 40,000 titles listed in Paperbound Books In Print, no more than half a dozen stores in the United States would carry over half of them. The percentage of available books stocked drops very rapidly in the medium-sized bookstore, and drops to an infinitesimal percentage in the small bookstore. There are many reasons for this situation, some of which I will mention later.

A list of the largest bookstores in the country reveals a remarkable fact. Kroch-Brentano of Chicago started early in this century; Barnes & Noble of New York is a very old name in the trade. Brentano's is another old and famous name; the firm went bankrupt

during the depression and has since had two different owners, the present one being Crowell-Collier, publishers and owners of the Macmillan Company. The Scribner bookstore is owned by the publisher of the same name, as are the Doubleday shops. The Cokesbury chain is owned by a church organization. The Pickwick Bookshops started in the middle twenties. I make this listing to indicate the startling fact that, although we have gone through the greatest period of growth ever recorded in the publishing industry, there has not been the matching growth of large, well-stocked retail outlets. True, many of the stores mentioned have opened sizable branches, and many excellent medium-sized and small stores have opened during the publishing explosion, but in all they do not begin to match the growth of publishing.

Of what avail is it to the bookseller to have 250,000 hard bound book titles and 40,000 paperback titles in Bowker, if he can buy relatively few at a discount big enough to allow him to make a profit? Or of what use is this vast assortment if the bookseller cannot afford the proper amount of good business space to house them? Or if the bookseller chooses to stock up, can he afford to meet the competition of book clubs, discount houses, and direct selling by the publishers to the institutional market at discounts equal to and sometimes better than discounts offered booksellers? Can he afford to meet the competition of department store book departments which carry only the top best-sellers and a thousand or two of the best-selling staple stock items?

To cite one example: The Death of a President<sup>3</sup> was to have been to the bookseller the biggest bonanza of the century. It had more advance publicity, good and bad, than any book in my memory. Booksellers were urged to, and did, stock up to the limit of their credit. By the time the book came out the Book of the Month Club was offering it, along with two other best-sellers, for \$1.00 to a new member of the club. Every discount house in the country offered the book at cost or less. The radio and TV news about the book was not about whether it was good or bad, but about the price at which it was selling. Needless to say, the bonanza turned into a fiasco. The bookseller was put to shame before his regular customers who had placed advance orders for the book; his sale of the book dropped to a small portion of what he had ordered, and the cost of returning the unsold copies ate away most if not all the profit on the copies he did sell.

The knowledge explosion has created a vast number of scientific, technical and text books of which but few are available to the bookseller at a profit-making discount. The bookseller who does get special orders for these books faces a loss on every transaction.

The paperback book explosion, fused into the existing inefficient book distribution system, has further complicated the bookstore operators' problems. Space is not available to most booksellers to

stock a reasonably complete collection. The discount to bookstores on mass market books in most sections of the country is a dismal 20 to 30 percent, and the bookseller handling them makes no profit on his sales.

Along with the knowledge explosion has come an explosion of publishers. The bookseller now must deal with hundreds which did not exist as little as twenty years ago. They may be very small or very large, but each has a different discount schedule, different selling policies, different returns policies and different billing procedures. The unending, detailed paperwork is tremendously costly. Roysce Smith, of the Yale Co-op, in a recent editorial in Publishers' Weekly,<sup>4</sup> was quoted as saying that in a recent six month period in his trade book department he dealt with 505 different publishers, and in the textbook department with 365 different publishers; and that the book department, which accounts for only one-third of the total store business, accounts for 85 percent of the store's paperwork.

Bookselling would be much more simple if the bookseller had a few adequate wholesalers from whom he could get his product, or even just a small proportion of his product. The entire industry, publisher and bookseller alike, deplors the lack of enough adequate jobbers. The few existing wholesalers carry only the major titles of relatively few publishers. They cannot afford to carry more because the discounts allowed them by the publishers are too small to enable them to make a profit. Some of the country's largest and best wholesalers such as McClurg, Baker and Taylor, Campbell and Hall, have become library suppliers, and practically ignore the retail bookseller. Most areas of the country have no wholesale book service at all.

The bookseller's investment is in constant jeopardy. The books he buys from the hundreds of thousands in print may be wrong for his locality. The books he buys each season from the publishers' representatives, usually sight unseen, represent mere guesses as to their salability. The pressure to buy more and more titles is terrific.

Some of the new combination firms—publishing and electronics, or magazine and book publishing—have introduced into the present distribution system a product and a type of selling totally unsuited to the main structure of the book trade. Much of it consists of non-books and the selling is on a slide-rule basis. If you are a large account the salesman has already been told to pressure you for a prearranged quantity, and so on down the line, by size of bookstore rather than kind of bookstore. The product offered is very often of an ephemeral news nature, hastily and cheaply put together. For example, within thirty days of the Israeli victory in 1967, bookstores were offered no less than a dozen Life-sized editions of accounts of the war. The text had appeared in newspapers and magazines before, and the illustrations were the same ones the public had been exposed to many times in magazines, newspapers and television. One or two such books would have been sufficient.

A great many of the products which publishers offer the retail book trade are unsalable. A great many are repetitive and imitative. Bookstores do not need six or seven different series of children's classics, each series composed of the same titles. Bookstores cannot sell the thousands of titles of minor fiction issued each year. Bookstores cannot sell children's books written primarily for the school library market. Bookstores cannot sell all the pornographic books issued today, even those of good reliable publishers. Bookstores can sell but a few of the hundred or more expensive oversized volumes which are issued each year for the Christmas book trade. The bookseller is induced and pressured to buy most of them. He sells but a few and is forced to return the balance for credit by a certain date. A costly process. And should he miss the date he is stuck with them for good.

The process of order-filling has become slower since 1931, thanks to the electronic systems. Book-keeping procedures have become more complicated. Mistakes, such as shipment of wrong books, are much more frequent with the larger publisher who uses more sophisticated electronic systems of billing and stock control. Once an error is made in one of these systems it becomes an endless task to correct it. The larger the order the slower the service and the greater the number of errors. All these flaws in the system are costly to the bookseller.

It is, then, no wonder that so few booksellers can cope with all these problems and still make a profit. A recent survey conducted by the American Booksellers Association shows that one-third of the booksellers included in the survey are operating at a loss, and up to 25 percent more are operating at a net profit which equals only a modest salary for their capital investment. We booksellers love our business.

It is no wonder then that so little new capital is being invested in the retail book business, and that the greatest meaningful growth has been within those houses which had gained a secure foothold before the age of the explosions.

As I mentioned earlier, the bookseller and the librarian are the only ones in this distribution system who sell or service the immense product of the publishing industry piece by piece across a counter to one single person after another. It is a very costly process for the bookseller, almost too costly. Is there a better way? In the long history of book selling no better way has been found. I am sure that the publishers are seeking a better way as earnestly as the booksellers are hoping for one. One thing is certain. Only a small fraction of the potential book buyers are buying books, because only a small fraction of the total product is exposed to them.

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