Trade Book Publishing

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Throughout the book publishing industry, the period since the end of World War II has been one of unprecedented organization. It has also been a period of market study and increasing effort towards concerted exploitation of markets, and of attempts to modernize business procedures to help combat steadily rising costs. The trade book branch of the industry—the branch that sells the books meant mainly for retail sale—has experienced these problems as have all the other branches.

In addition, trade book publishers and their distributors have had some large problems of their own. The number one problem is inadequate retail distribution. Two other problems are outstanding. One is that ever since the wartime boom tapered off in 1947, many trade books have failed to make a profit on sales alone, so that there has been heavy reliance on income from subsidiary rights to show profits in the total trade book operation. The other major factor is that the reading public is confronted by increasing and competing distractions, not merely television and other media of communication, but the whole tempo of life itself in the present era.

On the other hand, the American trade book industry has taken constructive and cooperative action as never before in its history through the development of more sustained industry-wide promotion and the attempt to bring more order into the admittedly clumsy structure of book distribution.

Other matters of significance to general and trade book publishing should not be overlooked: price-cutting, fair practice litigations, the aggressive development of foreign trade in American books and the successful fight for American participation in the Universal Copyright Convention.

The essential pattern of trade publishing procedure has undergone

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no drastic change during this period. Manuscripts for the most part come to publishers through the established literary agents, aside from the tiny percentage which is accepted after being received unsolicited, and aside from direct-mail items which are originated and commissioned by the publishers. The publishers arrange for the production, then sell the books to retail bookstores or department store book sections and other book outlets, distributing them primarily through wholesalers and also in part directly. It is in warehousing, shipping, billing, order-processing, bookselling, and the handling of returns that the trade hopes to make money-saving, businesslike improvements. The books are promoted largely through advertisements which are usually planned and placed in the literary pages of newspapers and magazines by specialized agencies. During the last decade publishers have made an especially marked advance in sales promotion and publicity.

A look at *The World Almanac* and other references that cite census figures shows that, potentially at least, the market for American trade books has grown immensely since the end of World War II. The United States population increased from about 142,000,000 in 1942 to about 175,000,000 in 1957.

The Bureau of the Census reported in mid-1957 that barely over one-fifth of a cent out of each consumer dollar after taxes was spent on books in 1956. Roughly, the same proportion was true twenty or more years ago. This does not, however, include trade book and other book purchases by libraries and schools. Gallup polls indicated that in 1937, 29 per cent of Americans questioned were currently reading a book (other than a textbook or the Bible) which they could name; from then on the percentage of readers decreased in 1949 to 21 per cent, in 1955 to 17 per cent and stood again in 1957 at 17 per cent. Brightening this picture is the steady growth in school, university, public, and special library sales. The 1958 *American Library Annual* estimates conservatively that book budgets in American libraries for books of all kinds (not only trade books) amounted to $90,000,000 in 1957.

With these figures in mind, trade book leaders agree that the growth of the industry has not been fast enough; while the promise for the future is great, present performance lags. Concerted efforts are needed to expand the active audience of book readers. If reading is convincingly promoted, books must still be made more easily accessible in order to be sold.
Definitive over-all statistics about sales in the nation's retail book outlets do not exist, although the industry hopes, by cooperating with the Bureau of the Census, to get such figures in future years. It is hard, also, to determine just how many book outlets there are. The *American Book Trade Directory* lists 8,000 to 9,000 in its successive editions; qualitative estimates within the industry, however, number the "adequate" book retail operations at anywhere from 400 or 500 to 800 or 900. Clearly, a better geographical distribution and a larger number of effective bookstores are needed to make new trade books easily accessible and familiar to all potential readers who are not already active patrons of the growing library systems. The average percentage profit on operations, before income tax, in the bookstores was reported by the American Booksellers Association to be about two in 1949 and three in 1955—a viable though not enticing average. Bookstore staff salaries, improved over the levels of a decade ago, are still considered low in terms of the education and business background which sound bookselling requires. It is true that among the nation's most imaginative and vigorous retailers are booksellers, but in general, financial incentives are not compelling.

The ordinary bookseller’s life is not luxurious, but he has not taken his lot passively. The postwar era has seen widespread effort in the book retailing field to modernize, to promote effectively, and to fight for orderly trade practices which will help to maintain profits and retain and enlarge the clientele.

A veritable revolution in store design and arrangement has been going on. Color, brilliant lighting, intensive use of windows, new fixtures for extensive front-cover display and other modern retail techniques are exemplified in the Doubleday Book Shops chain, the Baptist Bookstores in the South, the Cokesbury Bookstores, the Burrows chain in Ohio, Kroch's & Brentano's vast book emporium in Chicago, Brentano's in New York, Elder's in San Francisco, and scores of other chains, individual shops and department store book sections. Throughout the college stores the same techniques are applied, together with special arrangement of stock to encourage self-service; especially significant is the role of the new higher-priced paperbacks in improving campus bookstore service. Bookselling chains, independent shops, and department stores have moved into the burgeoning shopping centers to make books accessible where suburban customers converge.

Few bookstores confine their merchandise strictly to books and
stationery, and growing attention has been paid to additional lines to increase dollar volume and draw traffic. Most of the sidelines are compatible with books: among them, toys, games, fine art reproductions, and records. Record departments have suffered from discount-house price-competition in major cities. To aid bookstores in finding good sources for sidelines, the American Booksellers Association (A.B.A.) has provided since 1955 a directory of such sources for its members. Library rentals, once an important factor in bookstore traffic-building, were receding by 1950 partly because of the appeal of the low-cost, newsstand-distributed paperbacks. But in the past three years, many stores were making up the difference by selling increased quantities of the new paperback reprints and original editions of fine literature.

A.B.A. conventions gave attention throughout the era to bookstore promotion techniques. Publishers greatly increased their offering of part payment for bookstore ads in local papers on a 50-50 or even better basis. A number of stores sponsored local radio broadcasts of book talks and interviews, notably those given by Gilbert Highet; many more benefited from the public service broadcasts sponsored by libraries and universities. Books, Inc., a San Francisco bookstore, pioneered a regular television promotion in 1950. Los Angeles area booksellers then jointly sponsored a successful half-hour TV program devoted to new books, The Cavalcade of Books. San Francisco area shops followed suit in 1956. In 1957, the spectacular Sunrise Semester TV literary course given by New York University brought new demands and extra sales to shops that displayed the discussed books.

Cooperation on problems chronically affecting the trade has had ups and downs during the postwar period, but over the years the trade organizations have moved closer together. In 1949, the nineteen-year-old Joint Board of Publishers and Booksellers expired when the publishers, on advice of counsel, withdrew from this organization. Joint discussion of operational problems lagged for a time. However, in 1951, booksellers assisted a committee of the American Book Publishers Council in making a study, which resulted in the publication of *The Situation and Outlook for the Book Trade*, a none-too-cheerful report which incorporated recommendations reflected in improved practices which have since taken place. The A.B.A. and the A.B.P.C. later engaged in highly fruitful discussions of the expensive but necessary service of supplying to customers single copies of books not currently in a bookseller's stock; in 1957, this resulted in a plan
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and a set of forms which is expected to ease and speed the handling of "single copy orders."

The A.B.A. added valuable services for its members. It issued in 1947 an annual basic stock list to aid stores in essential buying; it has provided since 1948 the Book Buyers Handbook, which reports annually the publishers' discount and returns policies for bookstore guidance and reference; in addition, it makes available monthly lists of books eligible for return; tax information; in cooperation with the Publishers Council, an insurance service of industry-wide scope; a trade fair at its annual national conventions which, with publishers' backing, has become in the past five years an important aspect of bookstore planning. Numerous regional meetings are held which are especially useful for small dealers who cannot attend the national conventions. The National Association of College Stores and the Christian Booksellers Association have initiated similar services and trade fairs, and have held institutes and issue instructional materials about store design, management, and techniques of sale for their members. Probably the most vital new trade tools of the era have been Bowkers' annual 120,000-title Books in Print index and the companion, Subject Guide.

Not yet solved, and at the moment more or less subdued, is the bookstores' chronic complaint that publishers compete with their own outlets by selling many books directly by mail and by releasing other titles for sale or free distribution by book clubs. Publishers continue to argue that the inadequacy of bookstore service leaves them no choice but to sell through varied means and that the mail-order and book club advertisements demonstrably increase bookstore sales of the titles in question. However, booksellers point out that for economic and for legal reasons they must generally maintain established book prices. Against these prices book club and some mail-order advertising makes for invidious comparison. Booksellers who complained about this situation to the Federal Trade Commission, and, in fact, the Commission itself, so far have made little progress with legal actions.

Meanwhile, federal fair trade laws (permitting states to authorize price-maintenance of manufacturers' goods offered at retail) have in 1956 and 1957 broken down in practice due to Supreme and State Court decisions. The ruinous price-wars of the 30's have not been repeated, but price-cutting and some loss-leader selling in the book field are now not uncommon. These practices dismay booksellers who are not in an economic position to meet this serious cut-price competition.
Price competition has continued to be a matter of concern for retailers. Some book outlets have dealt with it by specializing in publishers' remainders at greatly reduced prices; some of the specialists have obtained exclusive stocks of some remainders, to the annoyance of other, more general bookstores. A great many shops have in the past three or four years made the new paperbacks, priced mostly under $2, their chief means of low-price appeal to customers, and have done so with success. At the same time, booksellers have encountered only moderate resistance to the high prices of major books of art, pictorial history, and fiction.

Censorship, especially by local police action and local pressure groups, has had less impact on specific hard-cover trade books than on newsstand paperbacks. Some court decisions, however, are significant for all types of book publishers. The concept that a book must be judged in its entirety and not by isolated sections or passages was widely applied in lower federal courts. In 1957, the U.S. Supreme Court established this principle and ruled that the adult public may not be quarantined against books unsuited for children. On the other hand, the Court refused to accord obscenity (defined as prurient interest) the protection of a free press, and left certain issues in dispute.

Book wholesale houses, holding a crucial position in the book distribution mechanism, have, during the years since World War II, attempted to improve their procedures. Various proposals for fundamental reforms have been discussed in the industry. Without going into detail about improvements by specific jobbing firms, it can be said that the established companies have increasingly mechanized their operations and jobbers performing primarily a regional distribution have expanded. On the publishers' side, several groups of firms have combined forces to set up consolidated warehouses and shipping points in low-cost areas just outside of the chief centers of publishing. Even with these facilities it remains difficult to assure immediate deliveries of books to retailers and other customers not located in the same city as the supplying jobber or warehouse. For this and related reasons, several surveys have been made concerning the possibility of unified systems of regional distribution points. So far, the costs of such projects have seemed prohibitive, and the industry has decided to concentrate rather on improvements of the existing mechanism.

One can see most clearly within the publishing end of the trade
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book field the contemporary trends towards organization and cooperation, the search for more business-like procedures, more sophisticated promotion techniques, and the concern with market research and expansion. It would be unrealistic to avoid mentioning here the overlapping functions in an industry where no part of the trade is an entity by itself. Since problems confronting one actually concern all, the achievements of one branch of the industry are rarely accomplished independently.

Individually, but with considerable consultation with colleagues and outside experts, many firms have streamlined their warehousing, packing and shipping facilities with highly mechanized work-flow systems. By 1957, fully two dozen important trade book houses were applying punched-card billing and other aspects of electronic data processing to all or most of their business operations. The installation of these systems in several cases disrupted distribution temporarily, but after the techniques were mastered, service was generally improved and costs became more readily subject to analysis and control, whether absolute cost reductions were possible or not.

Noteworthy among the business aids developed by the American Book Publishers Council (an organization built in 1947 upon the skeleton of the old Book Publishers Bureau) were the refinement of its credit reporting service, the steady development of its statistical reports and its group discussions of operating techniques. One invaluable secondary result of the statistical surveys, carried on by Stanley Hunt Associates, has been the rationalization and greater uniformity of publishers' individual accounting systems. The significant contribution of the surveys, of course, has been the increasingly accurate picture of sales and cost breakdowns of the industry to an extent never known before. The facts now annually assembled provide yardsticks against which publishers assess their own performance and which are essential aids to wise management.

In the promotion and advertising area, cooperative advertising (sharing costs with booksellers, at local rather than national rates) has played an increased role as a means of advertising books outside the major book media and of supporting to some degree the newspaper in many parts of the country. The advertising budget is a substantial part of trade publishing expenses but the size of the country requires funds to be shrewdly allocated lest they be too thinly spread. Mostly since the end of World War II, a corps of publicity executives and aides has grown up virtually as a new profession within trade book
publishing. The men and women in this field make adroit use of the newspaper columns, magazine booksections, radio and television programs which can adapt books for their own purposes. Sales managers in publishing firms have shown great imagination in applying modern merchandising techniques to book sales. Special quantity and discount offers are used to move a promising book, to compensate for booksellers' complaints about competition and to stimulate store promotions. Enticing, often elaborately colorful mailing pieces are prepared for bookstores and their participation in distributing centrally produced seasonal or monthly catalogs is arranged. Through the long-established Publishers Adclub, the promotion and advertising personnel exchange views and compile lists of review and publicity media on an increasing scale.

At least as fundamental and still more conspicuous are the cooperative developments in certain areas of broad concern: the promotion of reading habits, the battle against censorship, the development of foreign trade, the backing of Universal Copyright.

Institutional promotion of children’s reading has been carried on for almost forty years by the Children’s Book Council, and this group's co-sponsorship of book fairs around the U.S.A. in the postwar period has been significant. The American Book Publishers Council has moved into still wider fields. In 1948, it conducted pilot studies of market analysis and cooperative promotion in Ohio. A Committee on Reading Development was set up from which grew new, unprecedented liaison and conferences with the American Library Association, the Agricultural Extension Service, the major national educational organizations, all emphasizing the public interest in the cause of books. These new contacts led in 1954 to the formation of a nonprofit group of distinguished citizens, the National Book Committee, dedicated to "the wider and wiser use of books." Among this committee's accomplishments have been a much-discussed report on a 1954 conference on lifetime reading habits, two conferences on foreign trade, the sponsorship of a major sociological study of "the freedom to read," a conference on college students' reading, and the preparation of National Library Week, held early in 1958 as the first all-out national book promotion campaign held in the United States. The industry's own National Book Awards have, meanwhile, provided nationwide book promotion every winter.

These are only some of the highlights of important organizational efforts which have taken place in the cause of books since 1946. Such
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efforts had, among other results, a strong impact on the distribution of American books abroad, a subject which has already been covered by an earlier issue of Library Trends.1 Suffice it to say here that the flow of books and translations not only from but to the U.S.A. has been enormously stimulated by the agencies of industry, government, private foundations and organizations, and by the reciprocity inherent in the Universal Copyright Convention.

Despite commercial pressures, “best-sellerism,” club and reprint temptations and the difficulties of making a profit on titles of high value but limited audience, the industry is consciously putting forth every effort not merely to produce merchandise but also to serve literature and knowledge. It is for these reasons that the outlook for a growing, appreciative response to American writing is bright and promising.

References