More Canada

How can we increase public awareness and reading of Canadian-authored books?

Resource Materials
Volume 1

Think Tank Sessions: December 6-8
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Chapter 1
Canadian Reading Statistics and Discussion

Canadian Reading Statistics and Discussion

Overview of Materials

Print book market English Canada

According to BookNet Canada's (BNC) recent *The Canadian Book Market, 2016 edition,* the print book market in English-language Canada in 2016 was down 4.4% in units sold to 50M units from 2015 and down 1.8% overall sales to $984M on a total of 726,000 ISBNs.

Canadian-owned publishers' unit sales of print books in 2016 were 2.7M with sales of $48.2M representing a decrease from 2015 of 3.4% in units sold and 0.82% decrease in sales revenue. Earlier BNC studies showed a slight decline from 2013 to 2014 where the total 2014 market was $934.7M with Canadian publishers selling $39.9M that year, down from $52.4 million in 2013.
From 2014 to 2016 as percentage of total market, Canadian-owned publishers' sales show a small increase from 4.27% to 4.9%.

BNC's data comes from 2000 stores including chains, independents, newsstands, general retail, online retailers, and library wholesalers. It does not include institutional sales to schools or textbook sales. BNC estimates that their data constitutes 85% of the market.

These numbers confirm the downward trend indicated in *An Economic Impact Study of the Ontario Book Publishing Industry, September 2013* undertaken for the Ontario Media Development Corporation (OMDC) by Nordicity and Castledale, Inc. which documented a steady decline in sales over the period 2006 to 2012. Figure XVI on page 81 of the study, taken again from BNC data, indicates the disparity between sales of all publishers in the Canadian market and those in the Canadian-owned sector. Sales for all publishers grew by 16% but the sales from Canadian-owned houses decreased by 13.4% from 2006 to 2012. Factoring out Harry Potter sales in 2007, the decline would be less dramatic but still evident.

Looked at from a different perspective, according to the OMDC study, domestic market sales of Canadian-owned publishers increased from 70% of all sales in 2003 to 76% in 2011, while export market share decreased from 30% to 24% in the same period. Statistics Canada data for 2014 shows a further increase in this breakdown at 85% domestic/15% export. This data is now relatively old and has been disputed, though if accurate, shows that Canadian publishers are increasingly reliant on the domestic market. (p. 34)

Ebook market

Further to ebook sales, the Ontario Media Development Corporation (OMDC) industry profile of book publishing, quoting a *Publishers' Weekly* article, "Canadian Publishing 2015: E-book Sales Level Off", September 18, 2015 draws on BNC consumer panel data. The article points out that "ebook sales in Canada have leveled off. Roughly 17% of industry sales were from e-books in 2015, the same level seen at the end of 2013." This same study points out that 64% of Canadian publishers derived 1-10% of

their revenue from digital book sales, while 18% derived between 11-20% of revenue from digital sales.

The OMDC profile also noted BNC data that shows that while ebook sales represent a relatively small percentage of overall sales for most Canadian publishers, they continue to sell through a broad range of channels aside from retail that are not captured by BNC data. These include subscription services (27%) and direct to consumer sales (46%). The study notes that an increasing number of publishers are selling ebooks wholesale from 45% in 2013 to 82% in 2016 and that ebook sales to libraries increased to over 75% from 61% in 2013.

How do Canadians discover titles and where do they buy them?

BNC's *How Canadians buy books,* 2015 reveals the marketing challenges for book publishers. How do their marketers reach buyers when two of the top three ways in which readers found their books in 2015 were through browsing online or in bookstores (19.3%) and word of mouth or review (13.4%).

This data was updated in the BNC blog on *The reading habits of Canadians*, August 2017 in which the BNC shows that 50% of readers discover the books they read or buy from word of mouth. An equal number of readers discover books by browsing online (38%) or in a physical store (38%). Readers also discover their next read through social media and public libraries at 30%. The rest of the discovery channels are broken down as follows: online communities like Goodreads (21%), print news or magazines (13%), e-reading apps (11%), radio or television (10%), and "none of the above" came in at 8%.

Clearly enhancing the discoverability of books through complete metadata is suggested, though challenging in short-staffed marketing departments. BNC has contributed hugely to addressing this issue through research and professional development.

According to the 2015 BNC research noted above, there are areas in which beleaguered marketers may take heart. Author recognition and series titles at 18.4% on the awareness scale points to paying attention to searchability tools and comparative marketing to booksellers, and other sources of awareness such as bestseller lists (4.8%), previews of other books in the back of the book (3.8%), and author interviews or events (3.3%). Given that, as BNC points out the marketing *rule of three* has now become the *rule of seven* with the increased avenues for discoverability on the internet and social media, it behoves publishers to pay attention to all potential awareness avenues including those at the lower effectiveness level such as prize winners and nominations at 2.7%, gifting at 2.6%, and ads or trailers at 1.9%.

BOOK READING IN CANADA

The audience, the marketplace, and the distribution system for trade books in English Canada

BOOK READING IN CANADA

The audience, the marketplace, and the distribution system for trade books in English Canada

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THE ASSOCIATION OF CANADIAN PUBLISHERS

Toronto

1983

This study and its publication were funded by the Canadian Book Publishing Development Program, Department of Communications.

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SECTION I

THE AUDIENCE FOR TRADE BOOKS IN ENGLISH CANADA

In the course of an average week, about half of all adult English-speaking Canadians report that they spend some time reading a book. Almost two out of three report that they have read a book in the previous six weeks, and a considerable additional number report book reading over the past twelve months.

Books attract a surprisingly large audience in English Canada. Indeed, in terms of the numbers of people reached, books are "mass media" in the same sense as are newspapers, television, radio, records, and the movies.

At the same time, however, books are quite different as a medium of communication from these other media. The single most important difference is that the book medium is highly diverse in its content. There are roughly half a million different English-language trade book titles in print; there are more than 30,000 Canadian books in print alone. New books are added to this enormous inventory at a rate of at least 50,000 titles a year. So book readers have a huge range of choice in terms of the books they can read. And this is a practical, not a theoretical, reality. Book readers can and do obtain many of their books from public libraries offering them a choice of 25,000 different titles in a small neighbourhood branch to several hundred thousand in a main branch of a large-city system.

Table A: Actual number of respondents and weighted sample in readership survey by province

Province	Actual sample		Weighted sample	
	No.	%	No.	%
Newfoundland	1,316	7.9	382	2.2
Prince Edward Island	397	2.4	89	0.5
Nova Scotia	1,342	8.0	610	3.5
New Brunswick	1,432	8.5	505	3.1
Quebec	2,763	16.5	4,784	27.4
Ontario	3,258	19.5	6,367	36.4
Manitoba	1,315	7.9	753	4.3
Saskatchewan	1,415	8.5	696	4.0
Alberta	1,953	11.7	1,379	7.9
British Columbia	1,513	9.1	1,912	10.9
Totals	16,704	100.0	17,477	100.0

Source: Ken Watson, Leisure Reading Habits, p. 127. New Brunswick is missing from the source table, and has been recalculated from the totals for this table.

Table 1: Number and percent of men and women book readers by reading category

		Men		Women		
		No.	%	No.	%	Total
Book readers (last six weeks)	No.	3,023	44	3,816	56	6,839
	%	52		64		58
Other book readers (last 12 months)	No.	796	46	677	54	1,473
	%	14		11		13
Others	No.	2,007		1,421		3,428
	%	34		25		29
Total population	No.	5,826	50	5,914	50	11,740
	%	100		100		100

than non-fiction; amongst them, those with post-secondary education have the most positive attitude to Canadian fiction, 64%, and those with grade eight or less the least positive at 48%.

The reading preferences of romance readers are as diverse as those of all book readers, though certain fiction categories such as mysteries, other novels, and drama and short stories, are relatively popular with these readers.

Book reading by major subject category

Data on the reported reading preferences of survey respondents offer a portrait of the potential audiences for books in broad subject categories. As already noted, the potential audience for any specific book is a fragment of that category audience -- the fragment whose specific tastes and interests would lead it to a specific title in that subject category. The readership survey also gathered data about the actual reading habits of book readers. This came in the form of a set of questions about the last book which the respondent had read.

The last title read data. For this study, an analysis was carried out on all the English-language book titles cited by survey respondents. For each title cited, information was obtained from bibliographic sources regarding the author, the publisher, the date of publication, and the subject category of the book. This additional information was entered on the computer file for that respondent, and tables were then run to analyze

this information.

Data on these book titles read by survey respondents give information about actual conduct. In that respect, the data differ from the data just discussed on expressed preferences by book categories. In the previous section, we analyzed the audiences of people who reported that they were regular readers of the various categories of books. Here we present data on readers who were actually reading books in each of those categories.

Before turning to this information, there are some preliminary points to be made about the way in which the title information was classified. The analysts dealing with the titles had book titles only; usually there was no author, no publisher, and no indication as to hardback, quality paperback, or mass market paperback format. Standard bibliographic sources for 1978-1979, mainly Books in Print for Canada, the U.S., and the U.K., were used for author and publisher information. A more detailed breakdown of subject categories, about 30 in all, was used to classify each title by subject. It was possible to identify precisely the subject of non-fiction titles. Most fiction titles, however, were not classified according to genre, that is, romance, mystery, science fiction, and western. The bulk of the fiction titles were classified simply as "fiction".

Titles were classified as Canadian or other. For the purposes of this survey, a Canadian title was defined as a book listed in Canadian Books in Print or a book not included in Canadian Books in Print but written by a Canadian author. Canadian Books in Print lists all books in English published under the imprint of Canadian publishing houses; books from both Canadian-owned and foreign-owned publishers are included. The

bulk of the titles listed in CBIP are written by Canadian authors, but also included are titles by foreign authors which originated in Canada or were co-published (under a Canadian publisher's imprint) in Canada. The only significant number of non-Canadian authored books in this category are Harlequin Romances, which account for about 11% of all Canadian-published books read by the survey sample.

Not all Canadian-authored books are included in CBIP. Out-of-print titles by Canadian authors are not, for instance, nor are books from sources other than publishing houses. All titles identified as authored by a Canadian by the analysis were included in the category of Canadian books. Hence, the working definition of Canadian books in this analysis is titles available in Canada under the imprint of a Canadian publishing house and listed in CBIP, together with titles by identifiable Canadian authors but not listed in CBIP.

Further analysis of the titles classified as Canadian books under this definition would indicate what share of the total is represented by Canadian authors and books on Canadian topics. Since most of the books listed in CBIP are by Canadian authors or on Canadian topics, it is likely that a high percentage of books termed Canadian books under the working definition used would be books by Canadian authors or on Canadian topics. In the analysis, a specific subcategory was created and used for Canadian books whose contents were identifiably "international" rather than Canadian. Very few books fell into this subcategory.

The last title read data is an extremely valuable source of information about English-Canadian leisure reading. The information is hard,

reliable data: we are dealing here with an analysis of actual books, the titles which survey respondents reported as the last books they had read. The only potential difficulties with the data arise from problems in the identification and categorization of the titles. Though there are some problems of this kind, they are relatively minor ones. Whereas in the previous section we were analyzing data for people who reported that they were regular (and sometimes) readers of various book categories, here we are dealing with data which describe the actual audience of readers of books in each of those categories.

In this discussion we will look at some overall information about the origin and age of the books people read, and then look at the audience for a number of major categories of books. We compare the actual audience (those who reported a book in the category as the last book read) with the potential audience, those who reported that they usually read books in that category. Then we turn to an analysis of the audience for Canadian books. We look at the share of reading in every major category represented by Canadian books and examine the characteristics of the readers of Canadian books compared to all leisure readers.

The data. The titles were classified according to the date of publication recorded in the books in print sources used (Table 54). As the next table shows, 38% of the titles were shown as published within the previous year, in 1977-78; the survey was, of course, conducted in February 1978. Another

Table 63: Canadian content percentage and share of all reading by book readers for Canadian books and all books, by subject category

Subject category	Content of reading in category by %		% distribution of last books read	
	Canadian	Non-Canadian	Canadian	All books
Biography, autobiography	17	83	10	12
History/Social science	44	56	26	13
Religion	3	97	1	6
Psychology, self-awareness, family guidance	1	99	-	3
Practical personal information: medical, health, child care	9*	91*	-	1
Practical information: gardening, hobbies, travel, handyman	29*	71*	2	2
Other non-fiction	22*	78*	5	5
Science fiction	3*	97*	-	3
Mysteries	15*	85*	3	3
Westerns	-*	100*	-	1
Romance[1]	99*	1*	11	2
Other novels	15	85	36	46
Classics*	-	-	-	1
Drama*	-	-	-	1
Poetry*	-	-	1	1
(Average)	(18)		100	100

* sample size too small for reliability of results.

[1]The definition of a Canadian book used in the classification was a book written by a Canadian author or published in Canada by a Canadian publisher. Under this definition, Harlequin Romances published in Canada by Harlequin would be included as Canadian books. Reclassifying Harlequins as non-Canadian books would reduce the percentage of books read which are Canadian from 18% to 16%.

Table 93: Men and women book readers by source of awareness of last book read in rank order by number citing

	Book readers citing					
	Men		Women		Total	
Source of awareness	No.	%	No.	%	No.	%
Bookstore display and browsing	899	31	1,129	31	2,028	31
Conversation	494	17	854	23	1,348	20
Library display and browsing	372	13	557	15	929	14
Interest in author	343	12	566	15	908	14
Gift	416	14	475	13	891	13
Article or book review	213	7	263	7	476	7
I saw it as a movie at cinema or on TV	183	6	257	7	440	7
Television	155	5	267	7	422	6
Book club	96	3	176	5	272	4
Advertising in newspapers or magazines	125	4	97	3	222	3
Number	2,917		3,708		6,625	

Table 110: Last book read, by source of acquisition

	%
Bookstore	29.8
Borrowed from friend or relative	21.3
Gift	12.3
Public library	9.7
Other store	6.5
School library	5.7
Book club	3.7
Mail order	2.3
Other library	1.2
Other	4.7
No response	2.7
Total	99.9

Table 111: Ultimate sources of books read by book readers after allocation of gifts and loans, by source

Ultimate sources of books read	Books from market source	Books received as gifts or loans: (34%) allocation of market share*	Total share of all books read
	- - - - - - % share - - - - - - - -		
Bookstores	29.8	23.8	53.6
Other stores	6.5	5.2	11.7
Book club	3.7	3.0	6.7
Mail order	2.3	2.0	4.3
Total	42.3	34.0	76.3
Public library	9.7		9.7
School library	5.7		5.7
Other library	1.2		1.2
Total	16.6		16.6
Other, no response			7.4
Grand total			100.3

* This is calculated on the assumption that books given as gifts or lent as loans are purchased from the available market sources: bookstores, other stores, book clubs, and mail order. The assumption is that the purchasing of books for giving or lending is divided between suppliers in the same ratio as books purchased for use by the buyer.

Table 126: Canadian books as a percentage of total books supplied, by major distribution channel

Distribution channel	Canadian books as % of all books supplied
Public libraries	17
School libraries	21
Other libraries	6
Bookstores	19
Other stores	12
Book clubs	16
Gifts	27
Mail order	14
Borrowed friend	17
Other	19
Average	18

Table 126: Canadian books as a percentage of total books supplied, by major distribution channel

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Gifts	27
Mail order	14
Borrowed friend	17
Other	19
Average	18

Public libraries and book awareness. For all visitors, public libraries are a very important source of awareness in leading them to read particular books. While library browsing and display is cited as a source of awareness for 14% of all books by book readers generally, it is cited for 27% of all books read by public library visitors (Table 162). Libraries come close to matching bookstores as a source of awareness about books for their visitors. For frequent visitors, libraries are even more important as a source of awareness of books. For this group, libraries were the source of awareness for 40% of books read for men, 35% for women. For this group, many of whom are heavy readers and who together account for a disproportionate amount of public library use, public libraries are the single most important source of information leading them to the books they read. For occasional visitors, on the other hand, public libraries are no more important a source of information than for book readers on average.

So heavy book readers are more likely to be frequent library visitors. And frequent library visitors, accordingly, are much more dependent on public libraries for the books they read. Whereas public libraries were the source of the last book read for 13% of occasional visitors, they were the source of the last book read for 32% of frequent visitors (Table 163).

The reading preferences of public library visitors. The next table presents data on the reading tastes of public library visitors compared to all book readers, and of frequent library visitors (Table 164). Compared to book readers, public library visitors generally express more interest in certain book categories: biography and autobiography; history, documentary, current events, and war; medical, health, and child care; gardening,

Table 162: Men and women occasional, average, and frequent public library visitor by selected sources of awareness of last book read

Source of awareness		Number visits in past 6 weeks: 1 visit		2-3 visits		4 or more		Total		All book readers	
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Article or book review	No.	15	38	30	46	38	56	82	140	213	263
	%	5	10	7	8	9	10	7	9	7	7
Displayed in bookstore	No.	69	48	69	100	48	71	185	219	496	614
	%	21	13	17	17	11	12	16	14	17	17
Browsing in bookstore	No.	34	49	69	58	49	73	152	180	403	515
	%	11	13	17	10	11	13	13	12	14	14
Displayed in library	No.	16	29	41	82	77	90	134	201	177	273
	%	5	8	10	14	18	16	11	13	6	7
Browsing in library	No.	19	31	54	89	96	110	169	231	195	284
	%	6	8	13	15	22	19	14	15	7	8
Interest in author	No.	37	67	44	77	68	112	149	256	343	566
	%	12	18	10	13	16	19	13	17	12	15

Table 163: Men and women public library users* and visitors, by frequency of reported library visits

Number of visits to public library in past 6 weeks	Public library as source of last book read						All public library visitors			% of all visitors
	Men		Women		Total		Men	Women	Total	
	No.	%	No.	%	No.	%	No.	No.	No.	
1 visit	36	11	57	15	93	13	324	366	690	25
2-3 visits	77	18	153	26	230	23	416	589	1,005	37
4 or more visits	139	32	188	32	327	32	438	581	1,019	38
Total	251	21	397	26	648	24	1,178	1,535	2,713	

* Reporting public library as the source of last book read.

Buying Children's Books in Canada : In-Store Survey

Roger Barnes and Rowland Lorimer
604-272-4309 604-291-5240
April 22, 1999

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This report was commissioned by the **Canadian Publishers' Council.**
Additional copies can be purchased from the Council:
By phone: 416-322-7011 By e-mail: www.pubcouncil.ca
By mail: 250 Merton Street, Suite 203, Toronto, Ontario M4S 1B1

The Canadian Publishers' Council acknowledges
the financial support of the Government of Canada through the
Book Publishing Industry Program for this project.

INTRODUCTION

In 1996, Roger Barnes and Rowland Lorimer undertook a small-scale marketing research study of purchasers of Canadian-published books. Over 300 book buyers were interviewed as they left the store with freshly purchased books in hand. This was followed in 1997 by a similar but much larger and more comprehensive survey among buyers of all categories of books, sponsored by the Canadian Publishers' Council (CPC). This study among 1,000 book buyers, reflecting the totality of retail book purchasing in Canada, was conducted to give an understanding of the reasons Canadians purchase books, the sources of awareness of books and what leads buyers to buy specific titles.

Although both of these earlier studies included a small proportion of children's books, the sample of buyers of this specific category was not large enough to be a reliable base for analysing this segment separately.

The Canadian Publishers' Council has now sponsored a research study specifically focused on children's books. This will allow the same objectives as were defined for the earlier studies to be addressed specifically for this category, to give publishers of children's books guidance for their marketing planning.

In addition to the total sample size of 400 buyers being a reliable base for the children's category as a whole, the study also provides the means to break down results into different genres, and to determine the buying motivations and influences in the different sectors.

This report presents the findings of the 1999 study of children's book purchasing in detail. Where relevant and available, results have been compared against equivalent findings from the two earlier studies to give extra context.

Research Approach

404 book buyers were interviewed immediately after they had purchased an English-language children's book in a trade bookstore.

The study took place in 33 different stores across four cities between March 19th and April 3rd, 1999. The majority of the interviewing took place on Fridays and weekends, at urban and suburban bookstores. Interviewing was conducted by a professional marketing research company.

Interviewers stationed themselves near the check-out in co-operating stores, and approached customers who had just made a purchase. They asked if the respondent had purchased any children's or young adult books.

Such a categorisation is inevitably somewhat judgmental. To clarify the matter for respondents, interviewers read a definition "any books from the children's, young adults or young readers sections, or other books written or prepared for readers up to 14. Adult books bought for a child do not qualify." This procedure seems to have been very effective in identifying children's books, all but a few reported titles being children's books.

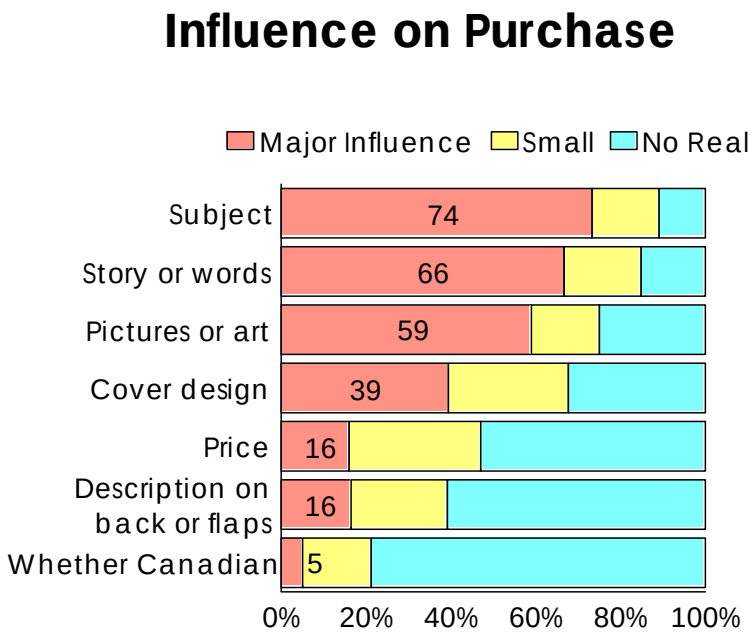
Interviewers physically checked the books the customers had just bought. If buyers had purchased just one children's book, questions were asked about the buying decision around that title. If a buyer had purchased two or more children's titles on that occasion, one title was selected at random to be the basis for in-depth questioning. The title, author and ISBN of the book was recorded for later review and classification against Canadian Books in Print CD-ROM and other reference sources.

A survey sample of 404 interviews is subject to statistical confidence limits of +/- 5 percent, 19 times out of 20. Survey results are also subject to respondent recall, and the survey being conducted mostly in larger stores in major cities.

This research was made possible only through the co-operation of 33 chain and independent bookstores, who allowed on-site interviewing with their customers. The sample included chain stores (mall stores and new 'superstores'), general independent and specialty children's stores, in downtown and suburban locations. Without reliable estimates of the importance of each store type in the trade children's book market, it was not practicable to set proportionate quotas for interviews in each type of store. Instead, interviews were distributed across the store types, to provide representation of each store type, and to give a base for analysing customers of each retail type separately.

Beyond display and merchandising, publishers also affect in-store decision-making by means of the actual books themselves – for example by the book's cover. Four factors about books are a major influence on shoppers. The subject, the story/words, the illustrations and the cover design are all cited as a major influence by 40 percent or more of buyers. Important to smaller proportions are the price, the description of the book, and whether it is Canadian.

The influence of the subject, story and illustration is to be expected. Cover design is actually more important than indicated. Cover design works in ways which the consumer does not think about. For example, the cover must gain initial attention, and without this, the other factors would not come into play. The cover design also has to quickly establish that the book's subject, story or illustrations are of interest, and worth more consideration.



Price is one of those dimensions that is very important in broad terms (i.e., is a book $5 or $25), but less important for small differences. The reading that 16 percent found the price to be a major influence ties in with a separate question in which 16 percent said they made their purchase at a promotional price.

Many children's books do not have descriptions on flaps or the back, helping to explain that factor's lower importance. Only five percent feel whether the book is Canadian to be major influence, that is, the overall merits of the book as a book are more important than its origin.

The Book Retail Sector in Canada

The opinions expressed herein are those of the author and do not necessarily reflect those of the Department of Canadian Heritage.

September 2007

turner-riggs Canada

This market study was commissioned by the Department of Canadian Heritage and prepared during the spring and summer of 2007.

September 2007

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EXECUTIVE SUMMARY

Commissioned by the Department of Canadian Heritage and conducted from April to July 2007, this study aims to create a comprehensive overview of the changing book retail sector in Canada.

In its structure, *The Book Retail Sector in Canada* functions as a collection of linked studies, each of which explores a major aspect of the market: reading and book buying behaviour, the size and composition of the consumer book market in Canada, the traditional book retail channel, the book market in Quebec, non-traditional sales channels, and online book retail.

KEY FINDINGS

The paper begins by exploring a series of key developments—so categorized due to the frequency with which they occurred during the study, the weight given them by study respondents, and the degree of their actual or potential effect on the consumer book market in Canada:

> The Canadian book retail sector is highly concentrated. The main issue here has been the shift in market share from the independent bookstores to a single national chain throughout the country and powerful regional chains in Quebec. This process has unfolded over the past decade or more, and the result has been to place a majority share of the Canadian consumer book market in the hands of a small number of retailers.
>
> New sales channels are emerging. Aside from the potential of export markets, we expect the major growth channels for most publishers will be in non-traditional retail and online sales. Growth in these channels will be driven by increasing Internet usage and growth in online shopping, and the strong market position of major non-traditional retailers in the mass market and specialty categories.
>
> Exchange rates are fuelling imports. The Canadian dollar has appreciated greatly against the US dollar, reaching $.95 in July 2007, effectively resulting in Canadian list overpricing for many imported titles. This currency-price relationship has created a situation where Canadian retailers can now source some books outside of Canada at lower cost. This appears to have contributed to a recent spike in parallel importation within the Canadian trade.
>
> The supply of books in the Canadian market is growing much more quickly than is consumer demand. Canadian publishers produce more than 16,000 new titles per year; publishers in the United States, 300,000. These books join the many millions of already published titles that are now virtually all available to consumers via improved search and ordering tools in bookstores and online retailers. In addition to this growth in new title output, there are burgeoning product categories, notably remaindered stock and used books, which further compete for readers' attention.

READING AND BOOK BUYING BEHAVIOUR

The habit of reading books for pleasure continues among Canadians despite increasing demands on and options for their leisure time. However, reading rates have been dropping in many comparable world markets, and Canadian readers face many of the same barriers and challenges to reading regularly as do the populations of these markets. Chief among these are pressures on time (leisure time in particular) and the perception that books are expensive.

Available consumer behaviour research is unanimous in declaring that book buyers are greatly influenced by the way books are displayed in-store. Many impulse buys are made as a result of book displays, and impulse buys account for a large number of book purchases. This provides the rationale for the co-op or placement fees increasingly requested of publishers by retailers.

THE CONSUMER BOOK MARKET IN CANADA

The study estimates the overall value for Canadian consumer book sales for 2006 at $1.59 billion. The latest available Statistics Canada figures indicate that Canadian-owned firms hold 41% of domestic sales by Canadian-based publishers (with Canadian subsidiaries of foreign-owned multinationals accounting for 59%).

We note the Statistics Canada survey methodology has likely resulted in an overstatement of the market share for domestic firms, but, even so, illustrates the significant volume of imported books in the Canadian marketplace.

TRADITIONAL BOOK RETAIL

Despite all the changes in the book trade over the past ten years, traditional book retail channels still account for the majority of consumer book sales in Canada. The traditional channel is fairly easily defined as the domain of the specialist bookstore (i.e., the retailer whose primary business is selling books), whether chain or independent or whether a general or specialty bookstore.

The market share held by chain bookstores has increased in recent years, as the share held by independent bookstores has gradually declined. Canada's national book retail chain, Indigo, accounted for 44% of domestic book sales in 2006. Independent bookstores held a 20% market share, with non-traditional retail and online booksellers accounting for 20% and 4%, respectively[1].

Indigo operates 85 large-format stores under the Indigo and Chapters brands, and 152 smaller Coles, The Book Company, and SmithBooks outlets throughout Canada. At its June 2007 annual general meeting, the chain announced plans to open six new superstores in the next 18 months along with six new mall stores.

[1] We estimate that roughly 4% of Indigo's market share is composed of online sales, meaning that the online channel's share of the consumer book market in Canada is approximately 8%.

There are nearly 2,000 independent booksellers in Canada, ranging from single-outlet retailers to mini-chains of four to five outlets (such as Toronto's Book City or the Librairie Raffin chain in Quebec) to larger regional chains like Renaud-Bray. This retail category includes campus stores, large book departments in grocery stores, and also used bookstores.

THE BOOK MARKET IN QUEBEC

The Quebec book market is in many ways structurally similar to the rest of the Canadian market; it is characterized by market concentration, powerful chains that claim a large market share, a vast majority of consumer book sales made via bookstores, high levels of returns, and a large volume of imported product. However, the market in Quebec has a number of distinctive characteristics as well, including a greater level of government support for the book trade, accreditation of bookstores, the role played by major regional chains, the vertical integration of publishers, distributors, and retailers under the same ownership, and cooperative arrangements for the distribution of new releases.

NON-TRADITIONAL RETAIL CHANNELS

The study defines non-traditional accounts as anything other than a specialist bookstore, and employs a broad categorization of non-traditional channels into mass market retail, warehouse clubs, and other non-traditional accounts.

The US market provides a fascinating window into the world of non-traditional book retail. Not only do non-traditional channels hold a major market share, but mass market, grocery, and specialty retailers are also among the fastest growing retail channels for books. One US publisher, Simon & Schuster, recently reported that its sales to non-traditional accounts had grown by 50% from 2002 to 2006, and had surpassed total sales to independent bookstores.

Non-traditional sales occupy a much smaller share for many Canadian publishers at present, mostly in the range of 10–20%. Several factors contribute to the difference in what this channel represents for American and Canadian publishers. In part it reflects a greater maturity and critical mass of retail channels in America. However, there are also a number of practical issues that determine the level of access that Canadian publishers have to non-traditional accounts. These include required investments in technology, fulfillment systems, inventory, and sales, as well as buying procedures and vendor arrangements.

ONLINE BOOK RETAIL

Indigo, Amazon, and AbeBooks have established themselves as the leading competitors in online book retail in Canada. Many of the patterns and principles of the bricks-and-mortar world apply to the online sales channel. For instance, location is important, as expressed in the role played by major online brands. So is selection, in terms of available titles, the way in which they are featured, and the shipping times at which they can be conveyed to customers.

Online booksellers have played an important part in entrenching price discounts on new books—a consumer expectation that now extends to bricks-and-mortar book shopping as well. With widespread discounting, transparent pricing, and a vast selection of listed titles, online booksellers represent a serious competitive challenge to all book retailers. At the same time, the online sales channel brings real benefits to consumers, in the form of more price and selection options, and to publishers, for whom it represents a way to efficiently connect with readers.

As such, online bookselling is both a constructive and a disruptive force. It provides new choice and valued services to consumers, and it is a new sales channel for publishers; yet it breaks down conventional boundaries related to territory, trading information, and roles within the supply chain.

INTRODUCTION

The Canadian book retail landscape has shifted considerably in the past ten years, and it remains in flux, with significant implications for the book trade and for the choices available to book buyers. This study aims to contribute to our understanding of the book trade by presenting a comprehensive overview of the book retail sector in Canada.

Commissioned by the Department of Canadian Heritage and conducted from April to July 2007, the study began with an extensive research phase that identified and examined existing data and analysis pertaining to book retail in Canada. This first research phase was followed by a country-wide interview series with book professionals, including executives at various industry associations, booksellers, publishers, and sales agencies. Finally, the study includes some aspects of original research, carried out with the cooperation of statistical agencies and industry groups, which solicited sales data directly from publishers and distributors.

The study explores the book retail sector from three important perspectives: the publisher, the bookseller, and the consumer. The findings are summarized in this paper and organized in the following chapters:

- Key Findings. An overview of major trends that have the potential to materially affect the book trade in Canada in the medium to long term.

- Reading and Book Buying Behaviour. A review of published and proprietary studies that examine book reading behaviour and consumer behaviour with respect to books.

- The Consumer Book Market in Canada. A summary of the size, composition, and other key characteristics of the Canadian market.

- Traditional Book Retail. An overview of traditional book retail in Canada, and a discussion of the issues shaping the book trade today.

- The Book Market in Quebec. A summary of the Quebec market, and a discussion of its unique characteristics.

- Non-Traditional Book Retail. An examination of all other retail channels, outside of the specialist bookstore channel, in which books are sold.

- The Online Marketplace. A discussion of the development of the online sales channel, and the factors that are shaping online book retail today.

KEY FINDINGS

We begin with some highlights from the research carried out during this study. These developments have been categorized as key findings due to the frequency with which they occurred in the study, the weight given them by our research sources and respondents, and the degree of their actual or potential effect on the consumer book market in Canada.

1. Concentrated Market Share. As is the case in many world book markets, the Canadian consumer book trade is highly concentrated among a relatively small number of players.

   There is one national bookstore chain in English Canada, Indigo, and two regional chains that have comparable market power within Quebec, Archambault and Renaud-Bray. Beyond this, the retail market is composed of a number of mass market retail chains, notably Costco Wholesale, that have embraced the book category; a growing number of players in the online channel, led by the web retailer Amazon; and an independent bookstore sector that, while reduced in numbers in recent years and still under pressure, has lately shown some signs of recovery.

   Leaving aside for a moment the important developments in mass market and online retail, the most significant development affecting the Canadian book retail market — "the tectonic event," as one of our study respondents termed it—has been the shift in market share from the independent bookstores to a single national bookstore chain throughout the country and powerful regional chains in Quebec. The result has been to place a majority share of the Canadian book retail market in the hands of a small number of companies.

   This process of concentration began in the mid-1990s and has had the following market effects in the years since:

   - A retailer with a majority share in a market without a comparable competitor is a very powerful trading partner. In the case of Canada's consumer book market, this is reflected in the ability of major retailers to negotiate terms of trade with vendors[2], notably in the areas of trade discounts and co-op promotions[3], and in the discretion that a single buying team (or two buying teams in the case of Quebec) has over the product mix and title selections available nationally.

     This suggests by extension that a retailer holding a majority market share can also have a direct effect on production decisions within Canadian publishing houses. A new title that relies on the trade sales channel and that does not gain the support of such a key buying team will almost certainly be published with a lower print run, and so will be less widely available to Canadian book

[2] We use the term "vendor" as a general reference to the different types of firms that sell to retail accounts. These include publishers, distributors, and wholesalers.
[3] Please see "A Brief Introduction to the Canadian Book Trade," pg 29, for an overview of key players in the supply chain and terms of trade.

buyers, than it would be if it had the strong support of a major national or regional chain.

- A dominant market position reinforces itself. A retailer with a majority share in a market without a comparable competitor enjoys a number of structural advantages. It can occupy prime retail locations and invest in marketing to reinforce its position, thereby discouraging new market entrants or existing competitors. It is inextricably linked—by virtue of its ability to provide national market access, its material effect on inventory holdings and cash flow, and its share of vendor receivables—to its major vendors, and vice versa. This is especially true in the book trade, where vendors are often undercapitalized and operate with relatively slim profit margins. The result is a climate in which trading information is closely held, and in which the conduct of a major account—particularly with respect to buying procedures, inventory management, returns practices, and accounts payable—can have a direct effect on the financial condition of publishers and distributors.

2. The Importance of Emerging Sales Channels. While the retail market is highly consolidated today, it will be less so in the years ahead. With overall sales in the traditional book channel trending close to flat, and with the current concentration of market power in the channel, Canadian publishers are motivated to find new outlets for their books.

Aside from the potential of export markets, the major growth channels for most publishers in the years ahead will be in non-traditional retail and online sales. Along with publishers' natural interest in increasing sales, there are other factors that will drive growth in these channels: increasing Internet usage and growth in online shopping, and the strong market position of major non-traditional retailers in the mass market and specialty categories.

While it currently accounts for only a small percentage of sales for most publishers, online bookselling represents a compelling range of opportunity. Already, a major online account like Amazon is the second- or third-largest customer for some Canadian publishers. The Internet's ability to filter and present a vast selection of books, and to support innumerable niche markets, will continue to encourage more consumers to buy books online. Some publishers will continue to realize increased sales via a major online retailer (such as Amazon or Chapters.indigo.ca), and some will take the extra step of selling directly from their own websites and/or other niche sites.

We expect that non-traditional channels will develop along these lines:

- Larger publishers and distributors will have greater access to mass market and discount retail chains in the short- to medium-term (this may change as the book category matures in this channel and adapts to better match its product mix to local markets);

- The costs of serving these larger accounts (which are often associated with requirements for significant investments in inventory and marketing) will likely mean that smaller firms will find specialty and gift accounts more viable.

The increasing share of sales that non-traditional outlets are likely to represent in the years ahead raises a number of issues with respect to cultural policy and market access for Canadian titles.

First, many of these large retail chains are owned by foreign firms. If, as expected, these accounts gain market share in the Canadian book trade, this will dilute the share of Canadian-owned retailers. In addition, an increasing market share for these non-traditional accounts will likely increase the total sales claimed by a relatively small sample of bestselling frontlist[4] titles. In other world markets, notably the United Kingdom, this pattern has been accompanied by aggressive price discounts that have shaped consumer expectations regarding book prices and pressured bookstores to match prices and/or offer additional customer incentives.

Finally, as the range of trading accounts becomes more varied by publisher and more widespread across a greater range of retail accounts, the overall consumer book market may become more challenging to measure and understand.

3. The Impact of Exchange Rates and Technology on Parallel Importation. The large volume of imported titles in the Canadian marketplace has created a situation where Canadian list prices[5] are markedly informed by the list prices established in the originating foreign market, and by extension, by the exchange rate between the Canadian dollar and the relevant foreign currency. This relationship is generally true in the Canadian consumer book market as a whole, and especially true for foreign-published books imported by a Canadian-based subsidiary or Canadian-owned publisher or distributor.

   The book importation regulations of the *Copyright Act* require that the Canadian list price for such titles not exceed the Canadian-dollar equivalent of the foreign currency list price by more than 10%. If the Canadian price exceeds this point, a Canadian bookseller is permitted to source the book from outside of Canada. This provision has very much been in play in recent years as the Canadian dollar has appreciated greatly against the US dollar, reaching $.95 in July 2007, and effectively resulted in Canadian list overpricing for imported titles. More to the point, this currency-price relationship has created a situation where Canadian retailers can now source some books outside of Canada at lower cost.

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[4] The term "frontlist" refers to books whose publication is imminent as well as those published within the previous year. Books published more than one year ago are generally referred to as backlist titles.

[5] The list price (the established retail price of the book) is determined by the publisher and printed on the cover of the book. The list price provides a fixed reference point for the calculation of trade discounts extended by publishers to booksellers, price discounts extended by booksellers to consumers, and also author royalties. Prices may be listed in various currencies for imported titles or for Canadian books sold outside the country, in which case the currency of the nation where the book was originally published often provides the basis for a foreign-currency equivalent price. Publishers generally establish foreign currency prices (or Canadian dollar prices for imported titles) up to a year in advance based on anticipated exchange rates.

This appears to have contributed to a recent increase in parallel importation within the Canadian trade[6]. Anecdotal reports describe cases where a Canadian rights-holder or distributor places X copies of a book in the Canadian market, but then observes the actual number of copies in the supply chain are X + Y (where "Y" is an additional supply sourced from outside of Canada). Such discrepancies are now more visible because of point-of-sale tracking data and other supply chain improvements.

Another contributing factor may be an unintended side effect of recent supply chain improvements in Canada. Through tools such as BookManager, an integrated inventory and accounting system for independent bookstores, and BookNet Canada's SalesData, a point-of-sale tracking system, booksellers and publishers can now better monitor sales performance and easily determine product availability and pricing from suppliers both inside and outside Canada. As the Canadian dollar strengthens against the US currency, booksellers have a good reason to consider foreign suppliers if they can buy from them at attractive terms and recover greater margin due to the strong Canadian dollar. In many cases, booksellers are able to do so at reduced shipping costs or shipping times relative to buying from a Canadian supplier.

Booksellers in Canada operate in an era of high consumer expectations with respect to product availability, at a time when distribution costs are rising to keep pace with high fuel costs. All of this means that ordering from suppliers outside of Canada is, from the bookseller's point of view, an entirely rational act. Commenting on Canadian-US list price discrepancies, Cathy Jesson of Black Bond Books noted recently, "We're just reducing the prices [ourselves], but the way we're doing it is we're having to bring [books] in from the US.[7]"

The structural effects of increased parallel importation activity are significant. First and obviously, increased foreign sourcing undermines the territorial rights of Canadian rights holders. This issue is relevant to Canadian subsidiaries of multinational publishing firms, Canadian distributors, and Canadian publishing houses that also act as distributors for foreign publishers (and so rely on distribution revenues to varying degrees to support domestic publishing programs). More broadly, increasing parallel importation could also contribute to imported books claiming a larger overall share of the Canadian market.

The Canadian dollar's appreciation has had additional immediate effects on the book trade in Canada. First, Canadian list prices on many imported titles have been reduced to bring Canadian prices more in line with the foreign list prices and current exchange rates. Through the first six months of 2007, this had mainly meant price reductions in the $2–$4 range—a significant amount, as it is not enough of a

[6] Parallel importation occurs when one party imports non-pirated goods into the domestic market, but outside of the authority of the Canadian copyright owner or distributor. Within the Canadian book trade, the practice is colloquially known as "buying around."

[7] Leigh Anne Williams in "Publishers try to narrow gap between US and Canadian prices," *Quill & Quire*, July 10, 2007.

discount to notably affect consumer behaviour or demand for books but more than enough to create a corresponding decrease in revenues for Canadian booksellers (i.e., as unit volumes remain roughly the same and dollar volumes decrease to reflect the price deflation). However, additional Canadian price adjustments announced during summer 2007 will result in overall reductions in the 11–12% range for some imported books (compared to 2006 prices). This level of reduction may have a more noticeable effect on consumer behaviour.

This level of price deflation on imported titles also creates downward pressure on list prices for titles originally published in Canada, which further squeezes the margins of publishers and booksellers alike. Further, the current level of Canadian list price reductions may strengthen consumer demand for imported titles, particularly for bestselling books in the commercial fiction or topical non-fiction categories.

4. More Product Competing for Readers' Attention. Title output—the number of new books published each year—is on the rise. Canadian publishers produce more than 16,000 new titles per year; publishers in the United States, 300,000. These books join the many millions of already published titles that are now virtually all available to consumers via improved search and ordering tools in bookstores and online retailers.

   In addition to this major growth in new title output and availability, there are now new product categories available in bookstores and online that further compete for readers' attention. The two following scenarios will illustrate, from the consumer's point of view, the sheer volume of available product.

   Scenario #1: Walk into an average large bookstore in Canada and observe the types of products there. In many stores, you will see roughly this product mix from the front door: featured frontlist and bestsellers, deeply discounted remainders[8], non-book inventory (e.g., stationary, gift, magazines), and in the case of major national accounts such as Indigo or Costco, books self-published by the retailer[9].

   After years of market shifting, expansion, and upheaval, growth via increasing market share is harder to come by in the Canadian book retail sector, and overall sales are flat. In this climate, growth in revenue and profitability has to come from increased margin on the products sold at retail. This places pressure on vendors to increase trade discounts and marketing spending through co-op (which in turn accounts for the featured frontlist we see upon entering a large store). But this drive for more margin affects the product mix in other ways.

[8] Remaindered books are those the publisher has determined are no longer saleable at their established list price. Such books are liquidated by the publisher at greatly reduced prices and sold at retail at deep discounts from the cover price. Note that this practice applies only to hardcover and trade paperback editions. Mass market paperbacks are generally pulped and recycled rather than liquidated through a remainder sale.

[9] The practice of self-publishing inventory is well established among large retailers in many markets, including Canada and the United States. Essentially, the retailer publishes public domain (i.e., works on which copyright has lapsed) or packaged books (i.e., created and manufactured at very large volumes for multiple publishers in various national markets) for sale in its outlets.

First, it encourages the retailer to set aside more square footage for non-book product. As square footage is something of a zero sum game in a stable retail sector, this generally means less room for books. Second, it encourages the retailer to make ever more space available for higher-margin product, including remainders and retailer-published book inventory.

The remainder trade has been characterized as a highly liquid component of inventory in a Canadian bookstore (i.e., it's rapidly changing and sells quickly at deep discounts from the list price). This is a product category that is generally well supplied as the book industry in Canada and the US (and, of relevance to Quebec, France) continues to produce high levels of returned inventory. We note American remainder inventory here since a disproportionate share of American remainders seem to be finding their way to Canadian bookstores.

This remainder trade is not exclusive to national chains in Canada. Vancouver's Book Warehouse outlets have carved out a value-based market niche fuelled in part by discounted remainders, and Quebec's leading regional chain, Renaud-Bray, has one store set aside to largely handle remainder stock from France.

Regardless of venue, the consequence of this considerable remainder inventory is to reduce the retail square footage available to trade frontlist or backlist titles, and to put a large amount of excess stock on sale at very low prices. This has the effect of lowering the consumer's general perception of the value of books (i.e., the price they are prepared to pay, and the cultural, information, or entertainment value a book represents for them). In the case of deeply discounted imported remainders that are also published or distributed in Canada, this can also undermine the position of the Canadian rights-holder.

The available floor space for traditional trade frontlist and backlist titles in certain bookstores is further reduced by books that are self-published by the retailer. Typically, these books are sold at lower prices than conventionally published titles. They can represent an important product category for the retailer, and are particularly attractive for the relatively higher profit margins they offer.

Indigo publishes books of this type for sale in Canada, but the practice is in some ways more visible in the United States. Barnes & Noble, the leading bookstore chain in the United States, publishes an extensive series of public-domain titles under its Barnes & Noble Classics imprint. It acquired Sterling Publishing, an established trade publisher with several thousand titles in its catalogue, in 2003. In a 2006 teleconference with industry analysts, Barnes & Noble executives noted that titles published by the retailer accounted for more than 5% of total sales, and returned higher margins than those books not published by the chain. Both Barnes & Noble and Borders, America's second-ranked bookstore chain, have indicated they want to realize a higher percentage of sales from self-published titles in the future.

This is significant because it reflects an emerging strategy among larger retailers to increase profitability by devoting more floor space to higher-margin product. It also illustrates the retailer's natural interest in providing self-published product with

premium display space in stores. The result is that correspondingly less space is available for books sourced from trade publishers and distributors.

Scenario #2: Type the address of a major online bookseller into your web browser and take a look at the type of product selection there. In the case of a high-profile online retailer such as Amazon, we can see discounted frontlist, a vast selection of backlist, and a considerable supply of used books integrated with new stock. But consider as well the case of a major online bookselling platform like AbeBooks, where the majority of the stock is used, out-of-print, or collector's editions, and you quickly understand that the Internet has unveiled a vast inventory of book product that resides in used bookstores and private collections of all sizes.

Victoria-based AbeBooks handles no inventory directly but instead aggregates the used book holdings (and, to a lesser extent, inventories of new books) of booksellers from around the world. The AbeBooks bookselling community is large, currently numbering more than 13,500 booksellers. Its inventory is correspondingly vast, with more than 100 million titles listed at www.abebooks.com. Moreover, AbeBooks is the relatively low-profile partner that provides used book inventory to major e-commerce players like Amazon and eBay.

We do not have concrete figures on the share of market for used book sales in Canada. However, the US-based Book Industry Study Group recently estimated that used editions account for more than 8% of total US consumer spending on books.

The tipping point for used books seems to have come in 2002. Studies indicate that more used books were sold through the Internet that year than were sold to walk-in customers at used bookstores. In the years since, the growth of second-hand book sales has outpaced that of new books. Used editions now account for about 15% of total unit sales in the US. This dramatic web-enabled growth in used book sales suggests that the category will figure more prominently in our understanding of the consumer book market in years to come.

Taken together, these scenarios illustrate the ways in which structural and technological changes in traditional and emerging retail channels are drastically affecting the book marketplace in Canada today. The result is a very large volume of low-priced product in the market, which represents a major source of competition for the book-buying dollars of Canadian consumers. Even more fundamentally, these new product groups are a source of competition for the attention and available reading time of Canadian readers.

READING AND BOOK BUYING BEHAVIOUR

This chapter will present available research on Canadians' reading and buying behaviours as well as spending on books, and examine this research to see what implications it suggests for Canadian book retailers.

READING

Canadians are living in an increasingly saturated media environment, and in an era in which we have more and more options for our leisure time. The extent to which these factors are influencing Canadians' book reading behaviours are the subject of much debate, and their impact is in fact quite hard to gauge through studies based on self-reports. Reading is arguably a habit that connotes thoughtfulness, education, and even high-mindedness, and study respondents may be reluctant to admit a slipping reading habit.

In other words, many reading studies will overstate reading behaviours, simply because they rely on respondents' subjective estimations of an activity that is often laden with values. That said, the studies are useful for benchmarking and tracking purposes, as well as general trends.

The studies cited in this chapter point to some common general traits of the Canadian reading public in 2007, which we can observe before embarking into more detailed breakdowns of findings.

- Reading for pleasure remains a popular leisure activity in Canada, and there are no conclusive studies proving that Canadians are dropping books read for pleasure in favour of the Internet or other uses of leisure time.
- That said, Canadians face many more demands on—and options for—their leisure time today, and they are finding it difficult to fit everything in, including reading for pleasure.

GENERAL READING HABITS AND DISPOSITION

A 2005 readership study by the Department of Canadian Heritage (PCH), *Reading and Buying Books for Pleasure*, found that nearly 9 in 10 (87%) Canadians said they read at least one book for pleasure in the 12 months preceding the study[10] and that half (54%) read virtually every day. The average time spent reading is 4½ hours per week (unchanged since 1991); the average number of books read per year, 17 (down only slightly from 1991). Fully one-quarter (26%) reported that reading is the leisure activity they most commonly engage in, as many as cited TV-watching, putting reading and TV-watching in the #1 spot among leisure pursuits in Canada (and dwarfing "Internet activities," which only 9% cited). These findings support the PCH report's conclusion that "reading for pleasure remains a solidly established and widespread habit with little or no change over the last 15 years."

[10] Another 2005 study, Hill Research Strategies' *A Profile of the Cultural and Heritage Activities of Canadians in 2005*, came up with a different percentage: it said that 67% of Canadians read at least one book in the 12 months preceding the survey. The study did not specify type of book. Despite the dissonance in the statistics from the PCH and the Hill Research Strategies study, both studies found that the rate of book reading in Canada has remained stable since the 1990s.

Canadians' attitudes toward reading appear to be very positive. The following attitudinal findings are pulled from the PCH study as well as a report from the Canadian Publishers' Council (CPC), *Book Buying Attitudes and Behaviours* (conducted in 2004 among only English-speaking Canadian adults).

- Nearly half (43%) of Canadians said they enjoy reading "very much," and a further 39% like to read some of the time (PCH).
- Eighty-five percent indicated that "reading is very important to me" (PCH).
- Eighty-two percent said they "read for fun" and 72% to "relax/unwind," higher than the 60% who read to "learn" (CPC).
- Forty-three percent picked "reading books" as an activity they would choose to do if they had more time, virtually tied with the #1 pick, "visiting with friends in a home" (45%) and the #3 pick at 40%, "out of home entertainment" (CPC).

The PCH study, which included both French-language and English-language readers, found that only 13% of Canadians consider themselves non-readers. This group is divided into low literacy non-readers, reluctant non-readers, and dormant readers. In terms of potential audience for book retailers, aliteracy (the condition of being able to read, but not wanting to) may pose as serious a threat as low literacy (which puts up more practical barriers to reading). While the number of aliterate citizens seems to be growing faster in the US than in Canada, the book reading (and buying) market in Canada is small enough already that both retailers and publishers are justifiably concerned about increasing demands on and options for Canadians' leisure time, and the accelerant effect this could have on aliteracy.

Such concerns are underlined in the CPC study, in which 37% of the English-speaking respondents said they are reading fewer books than five years ago, compared to 22% saying they are reading more.

SOCIO-DEMOGRAPHIC TENDENCIES

The PCH study showed that the general intensity of Canadians' reading behaviours goes up with age and level of education; that women are significantly more engaged with reading than men are (e.g., less than half of men read regularly and twice as many women as men are heavy readers); and that Canadian anglophones are more bibliophilic than are francophones (especially those living outside of Quebec).

The aging Canadian population was cited as a potential boon for reading and book culture in the years to come, given that older people tend to read more and that the baby boomer generation is relatively highly educated, interested in continuous learning, and enjoying longer life spans.

CANADIAN-AUTHORED BOOKS

There is conflicting evidence about Canadians' commitment to reading Canadian authors. For example:

- The PCH study found that 71% of Canadians are interested in reading Canadian authors, and 72% had done so (48% within the 12 months leading up to the survey).
- The CPC study found that more English-speaking Canadians disagreed (64%) than agreed (37%) that "it is important to read books by Canadian authors."
- The CPC study found that an author's being Canadian was ranked very low as a purchase driver for books, and the PCH study estimated that despite its respondents' high claims of interest in Canadian books, Canadian authors made up only 12% of all books read in 2005 (down slightly from 17% in 1991).

However, whether or not they consciously seek them out, Canadians are buying Canadian books in significant quantities. Statistics Canada data reports that 2004 sales of Canadian-authored books (including both trade and educational titles) exceeded $750 million.

THE EFFECT OF THE INTERNET ON READING FOR PLEASURE

The PCH study found little evidence that growing Internet use has deleteriously affected Canadians' reading of books for pleasure, and even found a positive correlation with reading rates and use of the Internet at home. At the time of the study's writing, the Internet was found to have a greater—and negative—impact on Canadians' consumption of magazines, newspapers, and TV.

However, Canadians today do face many demands on their leisure time, including the Internet. The following graphic from the CPC study shows how reading books is competing against other entertainment options among English-speaking Canadians. As we can see, audio-visual entertainment is exerting more pull on the Canadians surveyed than is reading.

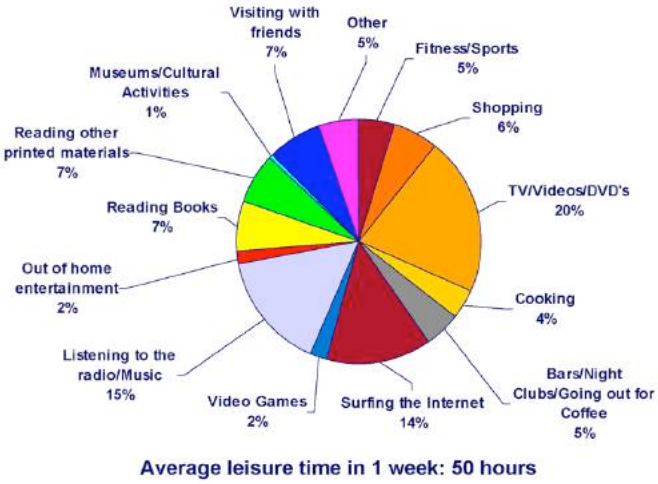

Figure 1. Canadians' Leisure Activities.
Source: Canadian Publishers' Council, *Book Buying Attitudes and Behaviours,* 2004

READERS' SOURCES OF AWARENESS FOR BOOKS

The PCH study found that Canadians deem the four following sources the most important for finding out about books: recommendations from friends (40% "often helps"), gifts (24%), book reviews (23%), and advertisements (19%).

READERS' SOURCES OF BOOKS

Canadian book readers in the PCH study said they most commonly obtain their books from bookstores (62%), but sizeable proportions also rely on public libraries (32%) and borrowing from other people (19%). Nine percent said they source books from second-hand bookstores, but we note that sales of used books had been expanding over the period of the study (and since) and this percentage may be higher now.

Heavy readers (reading 50+ books per year) represent high potential sales to retailers, but they are not generally the heaviest buyers. While avid readers do buy some of their books from bookstores (62%), they are disproportionately reliant on public libraries and second-hand bookstores (PCH, 2005).

When the PCH study looked specifically at buyers (as distinct from readers but often overlapping with them), bookstores increased in their importance as a source of books (81%). Similar to heavy readers, heavy buyers are more reliant than lighter buyers on alternate (often cheaper) sources of books, including second-hand bookstores, big box stores, and the Internet, which is very likely related to the bigger volume of books they buy.

COMPARISONS WITH THE UNITED STATES

Despite many market similarities, Canada and the US appear to be following different trend curves at the moment regarding reading. For example, looking at the 2005 PCH study and the American Census Bureau's 2002 *Reading at Risk* study:

- Canadians' reading rate remained virtually constant over the past two decades, while Americans' declined.
- Where 87% of Canadians read a book in a 12-month time frame, 57% of Americans had.
- Where 79% of Canadians read literary materials in a 12-month time frame, 47% of Americans had.
- Where one-half of Canadians read virtually every day, almost half of Americans read an average of less than one book per year.

THE QUEBEC MARKET

Reading rates in Quebec are the lowest measured in Canada. According to the PCH study, the percentage of Quebeckers who read books regularly is now estimated to have dropped below the one-half mark (46%), and fewer than 4 in 10 (37%) are mainly literary readers (compared to between 43% and 48% elsewhere). Reading rates among Quebeckers appear to be on the decline, especially among francophones.

BOOK SPENDING

According to Statistics Canada, in 2004, half (50%) of Canadian households reported purchasing books (excluding textbooks). The average household expenditure on books was $106, higher than reported spending on magazines and newspapers in the same year. While magazine and newspaper spending appears to be on the decline, spending on books has actually risen by 25% since the mid-1980s to $85 per person per year, according to the 2005 PCH study.

A 2005 report by Hill Strategies Research, *Consumer Spending on Culture in Canada, the Provinces, and 15 Metropolitan Areas in 2005* (based on Statistics Canada's *Survey of Household Spending)*, provides further insights into book buying in Canada. This study pointed to strong growth (48% between 1997 and 2005) in overall cultural spending in Canada and reported that:

- $1.4 billion dollars was spent on books (excluding school books) in Canada in 2005, representing a 55% increase since 1997, and representing 6% of total spending on cultural goods and services ($25.1 billion) in 2005.
- The $1.4 billion spent on books was higher than spending on movie theatre admissions ($1.3 billion), newspapers ($1.1 billion), and magazines and periodicals ($730 million).
- While book spending grew since 1997, movie theatre admissions and magazines and periodical spending was relatively stagnant and newspaper spending decreased.

The following table breaks down spending on books by province (excluding school books) according to Hill Strategies Research (2005):

Table 1. Spending on books by province, 2005

	TOTAL	PER CAPITA
ONTARIO	$610 MILLION	$50.16
QUEBEC	$280 MILLION	$37.10
BRITISH COLUMBIA	$200 MILLION	$48.62
ALBERTA	$140 MILLION	$42.54
MANITOBA	$39 MILLION	$33.96
NOVA SCOTIA	$33 MILLION	$36.12
SASKATCHEWAN	$27 MILLION	$27.88
NEW BRUNSWICK	$23 MILLION	$31.51
NEWFOUNDLAND/LABRADOR	$13 MILLION	$25.72
PRINCE EDWARD ISLAND	$4.2 MILLION	$30.92

Source: Hill Strategies Research, Statistics Canada, 2006 Census

An earlier report from Hill Strategies Research, *Who Buys Books in Canada?* (based on 2001 Statistics Canada data) found that in 2001:

- Book spending was most common in the Prairies, British Columbia, and Ontario, and least common in the Atlantic provinces and Quebec.
- Ontario had the highest spending per household on books ($212).
- The incidence of book buying did not vary significantly between large cities, small cities, and rural areas, but household spending on books rose in large cities.
- Nearly two-thirds (64%) of book buying households spent more than $200 per year on books.

- Book spending went up in households active in other arts and leisure activities.
- Book spending was much more common in high-income households (76%) than in lower-income households (23%), and high-income households spent an average of $282 on books compared to $111 among low-income households[11].
- Those aged 25 to 54 were the most likely to spend money on books.

BOOK BUYING

According to the 2005 PCH study, 81% of Canadians said they bought at least one book (new or used) in the 12 months preceding the study. The CPC study found that among its English-speaking base of buyers, 23% reported buying more books today than five years ago, while 38% said the same number and 39% said fewer.

Book buyers aren't limited to book readers: in the PCH study, 36% of non-readers said they had bought a book in the previous year. This points to an important motivation for book purchases: gift-giving to others. A 2002 Pollara survey*, English-Language Book Buyers in British Columbia, Canada,* found that buying a gift for someone else was the second-most important motivator for buying a book among its respondents after "interested in subject/pleasure/personal interest." The 2004 CPC study corroborates this trend.

GENERAL FINDINGS

The PCH study's general findings on book buying include:

- The average number of books bought per year in 2005: 12.
- On average, the Canadians surveyed said they spent $147.37 over the 12 months preceding the survey on books for pleasure.
- Although they read less, francophones outside Quebec spend more on books than average.
- Roughly one-third (34%) of Canadians reported buying at least one book per month.
- Canadians read more than they buy each year, and an estimated 7 in 10 books read are not purchased.
- An average of 62% of books bought are for personal reading, while 38% are bought for others.
- Heavy readers buy the lowest amount of books on a proportional basis.
- Just over half (53%) of buyers thought they bought a book by a Canadian author in the previous 12 months (but importantly, 25% couldn't say).
- Heavy buyers of books (12 books and more) represent 76% of total books sold and 70% of the monetary value of industry sales.

[11] Hill Strategies Research was careful to note how much more this $111 meant to low-income households as a proportion of total income than the $282 to high-income households: five times more, to be exact. The study concluded, "Clearly, the financial commitment required to buy books is much more significant for low-income households than for high-income households."

More on Heavy Buyers

As well as the PCH study, the CPC study of English-speaking Canadians, *Book Buying Attitudes and Behaviours,* provided these findings on English-speaking heavy book buyers:

- They are a smaller segment of the book buying public than non-buyers and light buyers.
- They use a wider variety of sources for their purchases (in particular, used books—almost a third of the books they bought were used; more on used books below).
- Only 1% of them said they paid full price for all of their book purchases.
- They spent $200 or more on books.
- The author is especially important to them as a purchase driver.

USED BOOK BUYERS

The importance of the used book market continues to grow, as consumers investigate an increasing selection of discount channels (including online) that lessen the financial toll of book buying. The 2005 PCH study found that 41% of Canadian book buyers reported purchasing at least one second-hand book in the 12 months prior to the survey.

Before its discontinuation in 2004, the syndicated study *BookTrends* (by market research firm Ipsos), commented increasingly frequently on the impact of the used books sector in the US. For example, *BookTrends* found that the number of used books bought by Americans in 2003 increased by 5% over the same period in 2002, while demand for new books fell by 2%. Barrie Rappaport, *BookTrends'* manager, summed up the trend this way:

> "Why should publishers need to know about used books? Many have told me that they can't publish against them. All publishers, however, sell against them …. the retailer also sells against them."

BookTrends found that (in 2002):

- Leisure books (i.e., books read for pleasure) composed the most sought after used book genre, led by mystery/thrillers, romance, science fiction/fantasy, and religious fiction novels, while used informational books like cookbooks and relationship/personal health books were the least in demand.
- Most used books were bought in person, with Internet purchases a distant second. But the Internet rose in prominence as a source for used books in the categories of non-fiction and antiquarian.
- The four key channels of used book distribution were used bookstores, independent bookstores, online retailers, and "others" (including library, church and garage sales, and thrift shops).
- The typical used book-buying household resembles a new book-buying household in terms of demographics.

As noted in the first section of this chapter, used books (and used bookstores) are especially important to heavy book readers and buyers.

THE VARIABLE OF PRICE

Having noted the importance of used books to Canadian book readers and buyers, we should also highlight the crucial role that price plays to prospective book buyers. A 2003 *Quill & Quire* article, "Who Reads?", observed that "many consumers perceive books—especially hardcovers—as expensive." This presents a challenge for the book industry given the number of other leisure options competing for Canadians' time.

The 2002 Pollara survey found that "discount price" followed only "author" and "recommendation from a friend" in the attributes British Columbian respondents considered important when buying a book; price outdistanced book reviews, placement in a best-seller list, Canadian authorship, award, book cover, and in-store promotion. Moreover, the Pollara survey found that "price/cost/affordability" was the biggest hurdle respondents encountered when buying books (30%).

In the 2004 CPC study, respondents buying fewer books today compared to five years ago cited price, second only to lack of time, as the main reason they were buying less.

Consumers are looking for, and expecting, discounts on book prices. The CPC study found that more than three-quarters (78%) of its English-speaking respondents bought at least some of the books they purchased in a three-month time frame at a discount; fully one-third (33%) had bought all their books at a discount. This tendency goes up among heavy buyers. Similarly, the study found that loyalty programs do encourage book purchasing, especially among higher buyers.

THE PLACE OF THE INTERNET

The 2005 PCH study found that the Internet is currently more important to Canadians as an information source for books than as a channel for book buying. Specifically:

- Nearly 4 in 10 (37%) Canadians went online in the 12 months prior to the survey to find books or information about books.
- Just over 1 in 10 (12%) went online in the same period to buy books.

The study also found that the rate of going online to seek information about books is growing at a much faster rate than is the rate of buying books online. But the study did note that interest in buying books online is increasing: in 2005, 1 in 5 (21%) buyers said they were interested in making an online book purchase in the near future versus 14% in 2002. The PCH study estimated that in 2004, about 4% of all books sold in Canada were bought online.

Convenience is a key draw for online book buyers. The 2002 Pollara study found that by far the top two reasons British Columbians cited for buying books online were "couldn't find the book in-store" (44%) and "it's easier/for convenience/to save time" (29%).

Despite respondents' professed satisfaction with Internet book buying (in both the Pollara and PCH studies), both studies found that Canadians still prefer traditional purchasing to the

online sort for their books: the Pollara study found that 67% of respondents' preferred mode of purchase was the bricks-and-mortar bookstore, versus just 15% for the Internet.

RETAIL FACTORS IN BOOK BROWSING AND BUYING BEHAVIOURS

Hewlett-Packard conducted a fascinating (if sample-limited) qualitative study in 2003 called *An Observational Study of an Independent Book Store*, the contents of which suggest what advantages traditional book retailers have over the online channel. The authors observed and interviewed customers and staff of Kepler's, a large independent bookstore in Menlo Park, California, over a two-week period. The resulting research underlined the importance of tactile, visual, and environmental stimuli in influencing book purchasing decisions. Some of the study's most interesting observations included:

- Most people in the store had come in to look around and browse; many were there to kill time before meeting someone or passing through from some other place.

- Many of those who had an intention to buy something were looking for a gift for someone, which often led to their buying something for themselves, too.

- But customers often didn't know what they were looking for, and most spent more than half an hour browsing books before leaving with or without purchases. Very few customers brought lists, suggesting a very different experience than that of grocery shopping or other task-oriented missions.[12]

- The *experience* of being in the bookstore emerged as very important; buying a book was not necessarily customers' main motivation for being in the store. Looking around, talking to staff, comparing books—all these generally happened before a purchase was made. One could extrapolate from this and imagine that the Kepler's customer who buys a book is in one way paying for an experience *as well as* a product.[13]

- The average Kepler's customer used a good deal of the store's space to wander around, sample products, and socialize with other customers or staff.

- Customers' main focus was the display tables—much more than the shelves. Tables highlight books' visual attractiveness and convey much more information than shelves do—pictures, comments, quotes, award stickers, etc.

- Bookstore customers are *samplers*. As with so many other important purchase decisions, consumers want a sense of what they are committing to before purchasing

[12] This exploratory impulse contrasts with the more purposeful behaviours prompted by online book sites; as one Kepler's customer explained, she only ever bought online when she knew exactly what she wanted.
[13] This hypothesis gains ground when we look at one customer's admission that he ended up buying something to justify his having used, in effect, the bookstore: "He liked spending time reading in the physical store because it was the only time he got to read properly and even if he didn't read the whole book, it was time away from other things. He did, however, feel some need to buy something just because he had been in the store and would often walk away with a magazine 'at least.'"

a book. The study noted, "People came to the store because they could see what was there, touch it, flick through it, compare it to other candidate products …"

- Related to the previous bullet is the importance of tactility to book buyers: "The people who bought the most books were those who touched them …. the very hands-on approach led to more time being spent in the store and more books being bought."

- The majority of Kepler's customers wanted more information, and "this was demonstrated by the fact that they spent time reading the front and back of book covers, read staff recommendations, and valued passing comments by other shoppers." Information provided in-store can lead to an impulse buy, which as we detail next, is a crucial component of book sales.

The Importance of Impulse

Pollara's 2002 *English-Language Book Buyers in British Columbia, Canada,* found that virtually as many respondents (48%) said they bought books on impulse as said they go into a store knowing what book they want to buy (53%). An earlier (1996) national study by Barnes & Lorimer found that fully "63 percent of purchasing decisions were made in the store, and 39 percent purchased books they had never heard of previously." These findings underline the crucial role the retail environment (including store layout and informational resources) plays in stimulating sales of books. Potential book buyers are looking for cues, as underlined in the following findings.

The Importance of Display

A provoking finding from Barnes & Lorimer's 1996 study was that two-thirds (66%) of respondents bought books displayed face-out (as opposed to spine-out). Pollara's 2002 study with British Columbians also revealed the advantage displayed books have: 32% bought books displayed face-out on the shelf and 16% bought books displayed on a table—combined, much higher than the 22% who bought books displayed spine-out on the shelf.

CPC's 2004 study found a link between display and impulse purchases. Displays (40%) were the top reason cited by respondents for unplanned purchases, followed by the related reason of "book positioning" (27%), and then book reviews (20%).

Final Evaluation Criteria for Purchasing Books

Both Barnes & Lorimer and Pollara found the top three reasons for buying a book to be "interested in subject," "gift for someone else," and "because of the author." The CPC study found that 86% of English-speaking book buyers said they bought books for themselves in the three months prior to the study, while 38% bought books for someone else.

When we look at these figures, we can surmise that the content and authorship of the books is very important to Canadians buying books for themselves. However, given the incredible selection they face, the fact that many of them go into a bookstore not knowing what they want to buy, and that many are looking for gifts, the display and information retailers provide to help potential buyers find books of interest is exceedingly influential.

IMPLICATIONS OF CONSUMER BEHAVIOUR

The habit of reading books for pleasure continues among Canadians despite increasing demands on and options for their leisure time. According to some research, reading for pleasure has so far proved more resistant to the competition of the Internet than have magazine or newspaper reading or TV-watching. But the habit is not to be taken for granted; reading rates have been dropping in many comparable world markets and Canadian readers face many of the same barriers and challenges to reading regularly as do the populations of these markets.

Chief among these are demands on time (leisure time in particular) and the perception that books are expensive. The trend toward used and/or discounted books is well underway, and retailers of all stripes and colours cannot but acknowledge this. The question facing them is what to do about it. One possibility would be stocking both new and used titles to give potential buyers price choice. Another would be rewarding heavy buyers for their purchasing behaviour through loyalty programs or other incentives. Clearly, there is a need for brainstorming on the issue of potential book buyers' price sensitivity.

In terms of online or offline channel preference, Canadians seem to be valuing each for different reasons. They like the convenience and selection of online bookstores, and the experience provided by a good bricks-and-mortar bookstore. The Hewlett-Packard study shows that Kepler's customers appreciated the visual and tactile stimuli, social atmosphere, physical space, and in-person informational aid available in-store—all of which were observed to be key precursors to the actual purchasing of books. The bookstore served as a leisure experience in itself. While we note that these factors will vary by type of retail outlet, traditional Canadian bookstores might be well served by leveraging the Kepler's findings through attention to atmospheric and spatial elements, informational resources (e.g., staff picks or shelf talkers), and staff training, quality, and support.

Finally, the research is unanimous in declaring that potential book buyers are greatly influenced by the way books are displayed in-store. Many impulse buys are made as a result of book displays, and impulse buys account for a large number of book purchases made. This provides the rationale for the co-op or placement fees increasingly requested of publishers by retailers.

THE CONSUMER BOOK MARKET IN CANADA

MEASURES OF MARKET SIZE

The consumer market for books refers to books purchased at retail by Canadians for personal or professional use. As such, it excludes domestic sales of textbooks or scholarly titles, which are mainly sold through academic or institutional channels. While a global view capturing all book retail sales in Canada is often elusive, the country's consumer market for books can be measured in various ways.

Statistics Canada reports total sales for Canadian publishers of $2.15 billion in 2004, and total book sales in Canada of $1.37 billion. This figure does not completely reflect the size of Canada's domestic book market as it excludes some large sales volumes of imported titles (see discussion on following page). As the excluded firms do not report publicly, we cannot account for their sales with confidence. Further, 41% of the $1.37 billion in domestic sales reported by Statistics Canada is accounted for by educational texts (excluding scholarly titles). As such, while it contains much useful information on the Canadian book publishing industry, the Statistics Canada data do not provide us with a complete measure of the domestic consumer market for books.

More recently, Hill Strategies Research released a Statistics Canada-based report[14] that calculated total consumer spending on books (excluding school books) for 2005 at $1.4 billion.

In 2005, BookNet Canada, a Canadian supply chain agency, implemented a point-of-sale data tracking system for retail book sales known as BNC SalesData. This system now gathers sales data from 647 retail outlets[15] in Canada, with an estimated market coverage of 65–70% of retail trade sales for English-language books in Canada.

BookNet reports a total sales volume of $839,714,492 on unit sales of 45,976,827 for 2006[16]. Taking BookNet's estimate of 70% market coverage into account, we can extrapolate this to an approximate value of $1.2 billion for 2006 consumer book sales in English Canada.

Given BookNet's limited coverage in the Quebec market (stores reporting from Quebec are limited to those reporting English-language title sales), we can further extrapolate this figure by factoring in retail sales for Quebec. The *Institut de la Statistique de Québec* (Statistics Quebec) reported total retail sales of books as $585,500,000 for 2006. Statistics Quebec figures also indicate that textbooks account for 20% of this total value. If we factor out these textbook sales from the overall sales volume for Quebec, this gives us an estimate of $468,400,000 for consumer book sales in the province.

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[14] *Consumer Spending on Culture in Canada, the Provinces and 15 Metropolitan Areas in 2005*, Hill Strategies Research, February 2007.

[15] 82% of these are accounted for by Indigo, Costco, and HDS (Hachette Distribution Services) outlets.

[16] In fall 2007, BookNet Canada published a detailed summary of BNC SalesData in its first annual review entitled *BNC Research: The Canadian Book Market 2006*. Copies of the report can be ordered through the BookNet Canada website at http://www.booknetcanada.com.

Given the natural overlap between BookNet and Institut figures—statistics from both include sales by Indigo, Costco, and HDS outlets operating in Quebec—we will reduce this figure to a more conservative estimate of $385,000,000, giving us an overall 2006 value for Canadian consumer book sales of $1.59 billion.

This is perhaps the closest global market figure we can responsibly estimate, but it is still not likely to be a complete measure of consumer sales in this sector. The non-traditional channel, particularly outside of Quebec, will not totally be captured in these values and as we discuss in a subsequent section, the non-traditional channel accounts for an increasing proportion of market share.

Similarly, remainder and used books sales have figured more prominently in the domestic book market in recent years. These sales are not reflected in the other measures of consumer book sales presented here; nor can we estimate them with precision at this time. We should therefore understand the estimate of $1.59 billion given here to refer mainly to the domestic sales of new books to Canadian consumers.

SHARE OF MARKET FOR CANADIAN FIRMS AND TITLES

Beginning with its 2004 survey of book publishers, Statistics Canada adopted a sampling methodology, as opposed to the population-wide survey it had employed in previous years. This change has implications for the ability to capture accurate market share data for Canadian firms and titles. The study sample is now drawn from those firms whose primary business is book publishing, as identified by the North American Industry Classification System. This methodology excludes two types of firms: (1) those whose primary business is something other than book publishing but that nonetheless have an active publishing program, and (2) those that are exclusive agents or distributors of other publishers' titles, but which do not have an original publishing program themselves. Consequently, the survey represents a significant, but not complete, picture of the Canadian book market.

The 2004 Statistics Canada figures indicate that Canadian-owned firms accounted for 41% of domestic sales by Canadian-based publishers (with Canadian subsidiaries of foreign-owned multinationals accounting for 59%). However, due to the methodological changes identified above, these figures likely overstate the share of market for Canadian firms, as some large distributors of imported titles (e.g., exclusive agents) are excluded from the survey sample.

The share of domestic sales held by Canadian-owned firms is a significant market characteristic in its own right, but even more so given the relationship between ownership and production of Canadian-authored titles. Statistics Canada title output figures show a high correlation between ownership and publication of Canadian authors, with Canadian-owned publishers accounting for roughly 77% of new Canadian-authored titles published in Canada. That said, a number of foreign-owned publishers in Canada also maintain an active publishing program of Canadian authors.

Canadian-authored titles represent 80% of the portion of Canadian book sales covered by the Statistics Canada survey. Similarly to the figures for Canadian-owned firms, however, the exclusions in the survey scope mean that this figure is likely to be overstated[17].

TITLE AVAILABILITY

As of 2007, BookNet Canada's BNC SalesData system tracks sales performance for more than 675,000 unique titles available to the Canadian retail market. Statistics Canada indicates that overall title production in Canada, for both Canadian-owned and foreign-controlled firms, grew by 40% from 1998 to 2004.

Table 2. Total new titles published in Canada, 1998–2004

1998	2000	2004
11,980	15,709	16,776

Source: Statistics Canada

The number of total new titles published in Canada provides an important performance benchmark for the national publishing industry, and indeed, the growth in title output over time can be taken as an indication of strength in the sector.

The significance of title output numbers, however, should also be assessed in the context of consumer demand. Title output, as described in the table above, grew by 40% from 1998 to 2004, while the combined sales volume of publishers in Canada grew by only 11% (after adjusting for inflation)[18] during the same time period.

The net effect is that a growing number of books are contending for the attention of roughly the same number of book buyers, a situation that is amplified by a number of the other trends discussed in this study, such as the growth of used and online book sales.

[17] In comparison, the 1996 Statistics Canada survey—the most recent year in which the data included exclusive agency sales (thus providing a more complete picture of the overall Canadian market)—estimated the market share of Canadian-authored titles (both educational and trade) at 47%.
[18] Statistics Canada, Bank of Canada.

MARKET EFFECTS

The estimate of the consumer market given here—$1.59 billion in 2006—is as interesting for what it doesn't measure as what it does. As noted earlier, a number of aspects of the domestic consumer market are hidden from statistical view at the moment, including some book sales in emerging non-traditional channels, used book sales, and sales of remaindered stock. However, the increasing availability of such stock to Canadian consumers, combined with a demonstrable increase in new title output, dramatically increases the supply of books in the Canadian marketplace.

Caveats aside, the various measures of market size available to us indicate modest sales growth in the domestic market. Much of this growth appears to be driven by inflation over time, as opposed to growth in unit sales.

This relationship—between a marked increase in title output and overall supply, and relatively flat unit sales—suggests that both the average sales per title in Canada and average print runs in many title categories have been falling in recent years. This observation is supported by anecdotal reports and proprietary data sets contributed by study respondents.

We believe these patterns create the following market effects:

- More new titles are available to Canadian consumers, as is a wider range of product and price options, including used and remaindered stock.

- Used and remaindered books compete with new books for consumer attention and retail shelf space. At the same time, Canadian publishers increasingly encounter higher costs of sales, having to pay for co-op advertising, placement fees, and other promotional costs to secure retail space for new titles.

- A title's placement and promotion within retail outlets is a highly important selection filter for book shoppers faced with a huge range and volume of available books. Many respondents noted during the study, "There are too many books [competing for a fixed amount of buyer and reader attention]."

- Fewer economies of scale are available to Canadian publishing firms, as they grapple with declining average unit sales per title. This is especially significant for smaller publishing houses, which produce the majority of Canadian-authored titles as well as literary titles and books that are culturally significant but often marginally profitable.

TRADITIONAL BOOK RETAIL

A BRIEF INTRODUCTION TO THE CANADIAN BOOK TRADE

Despite all the changes in the book trade over the past ten years, traditional book retail channels still account for the majority of consumer book sales in Canada. The traditional channel is fairly easily defined as the domain of the specialist bookstore (i.e., the retailer whose primary business is selling books), whether chain or independent or whether a general or specialty bookstore (e.g., a store specializing in cookbooks or children's titles).

TRADING PARTNERS

The major participants in the traditional retail sales channel—those that create the linkages between author and reader for the majority of consumer book sales—are publishers, distributors, wholesalers, and retail accounts.

Publishers acquire and prepare material for publication through a series of integrated, value-added editorial, design, and production processes. They either distribute the finished books themselves or contract this service to a specialized distributor. Distributors provide a wide range of services for client-publishers, including sales management, sales representation, warehousing, fulfillment (processing and shipping of orders), and returns processing as well as invoicing, collections, and comparable office administration services. Typically, the same distribution firm will offer these services in various combinations to different client-publishers.

The line between a publishing firm and a distribution company is sometimes blurry; a number of companies play both roles. Some undertake their own original publishing program as a primary area of business and accept additional publishers as distribution clients to defray excess warehouse or fulfillment capacity and/or underwrite the publishing program. Other firms rely on their distribution business as a primary source of revenue and undertake an original publishing program as a secondary aspect of operations. Still others focus entirely on providing distribution services.

Publishers may retain their own in-house staff to act as sales managers or sales representatives, or they may contract for these services with an independent commissioned sales agency or with a distributor. In each case, the sales representative is the critical point of contact who then represents the publisher's books in the sales process to trade accounts.

Trade accounts can be broadly classified in two categories: wholesale and retail. Trade wholesalers play an important role in the supply chain, particularly with respect to serving lower-volume retail outlets, both bookstores and otherwise, and with respect to providing prompt fulfillment services for key backlist and frontlist titles. A good book wholesaler allows accounts of all sizes to fill re-orders quickly, and smaller accounts to efficiently order small amounts of stock from multiple publishers.

Retail accounts select and present book inventory to the consumer—the final buyer in the supply chain—and can be categorized in various ways. The first distinction often drawn among bookstores is between chain and independent stores.

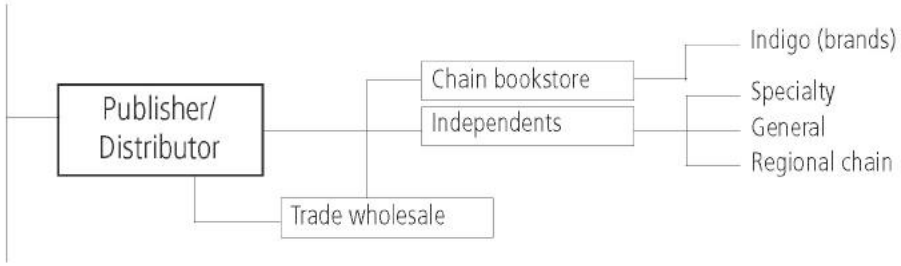

Figure 2. The structure of the traditional book retail channel

Chain bookstores have played an important role in Canadian bookselling since the 1930s, when the first Coles and Classics outlets opened. These early chain outlets were joined in 1950 by the first WH Smith outlets in Canada. Both Smith and Coles went on to establish nationwide chains of bookstores in the following years.

In 1995, a combined 400 SmithBooks/LibraireSmith and Coles outlets, roughly 20% of the country's bookstores at the time, were acquired by a private investment group and merged to form a single national chain: Chapters. The new chain began an ambitious expansion program that saw:

(1) the creation of a network of large-format bookstores—carrying up to 100,000 titles per location and featuring in-store cafés, music, and other product extensions;
(2) the launch of an online bookselling site in Chapters.ca;
(3) the establishment (and subsequent closure) of Pegasus, a trade wholesaler and wholly owned subsidiary.

In 2001, Chapters was subsequently acquired by Indigo Books & Music, a smaller chain that had also established a number of large-format stores throughout the late-1990s.

In contrast to this national network of stores, independent bookstores are smaller, locally owned firms. Independent bookstores can be further broadly categorized as general or specialized bookstores. General stores carry a wide selection of titles for the general public (e.g., Toronto's Book City), and specialized retailers carry a deeper selection of books in a specific category (e.g., Barbara Jo's Books to Cooks in Vancouver).

Barely contained in the independent category are large regional chains, such as Renaud-Bray in Quebec, that operate through several store locations and hold a significant share of a provincial or local market. These regional chains are the exception in the independent category; more common are the large number of independent booksellers in Canada that operate a single outlet.

TERMS OF TRADE

Unlike in other retail sectors, in the book trade, the manufacturer (the publisher) establishes the list price for each book. This price is printed on the cover, and it provides the basis against which trade discounts and author royalties are calculated. In theory, the list price also provides cost certainty for consumers and a level playing field for all retailers by establishing

a common price. In practice, this is not always the case, as price discounting, especially on bestselling frontlist, has proliferated.

Even so, there are well-established price conventions for the different types of trade titles[19]. In the English-language market, prices are usually set at roughly $29.95–$34.95 for many hardcover books, $19.95–$22.95 for trade paperback, and $9.95–$12.95 for mass market paperback. In the French-language trade book market, a regular-format paperback will generally be priced in the area of $23.95, while books in *livre de poche* or pocketbook format are generally priced between $12.95 and $13.95. These price conventions are informed by consumer expectations/price sensitivity, established practice within the book trade, and the list prices of comparable titles imported from foreign publishers, particularly those from the United States and France. Most publishers feel that they have little flexibility to price above these established ranges. The ability to raise prices has been further constrained by the current appreciation of the Canadian dollar, which has created a situation of price deflation in the Canadian book trade, with many Canadian list prices dropping by roughly 6% in 2006–2007. Additional Canadian price adjustments announced during summer 2007 will see overall reductions of 11–12% from 2006 prices.

Books are sold to wholesalers and retailers at a "trade discount" from the list price, which effectively represents the margin for a wholesale or retail account on each copy sold. For example, if a publisher sells a book with a list price of $20 at a 50% discount, the publisher will receive $10 for the book and the retailer will realize a $10 margin, presuming the book is sold for the full list price.

Historically, these discounts have been in the range of 50% for wholesalers and 40–44% for retail. Over the past ten years, however, retail discounts have crept upward (particularly for high-volume accounts) and are now more commonly in the 44–48% range. Given the limited ability of publishers to increase list prices, the deepening of trade discounts has transferred up to 4% of margin from the publisher to the retail account.

The following example illustrates a typical breakdown of the list price of a book, based on information provided by a small literary press in Canada[20]. This approximates the distribution of a dollar received at the bookstore cashier for a publisher's book:

- $.48 to the bookseller
- $.10 to the author (royalty)
- $.10 to the sales representative (sales commission)
- $.15 for fulfillment (distribution fees to a distributor, or costs for a self-distributing publisher)
- $.08 for the costs of producing the finished book (paper, print, and binding)
- $.09 for the publisher (for administration, marketing, editorial, and pre-press production)

[19] Standard book formats differ according to language market. For instance, hardcover books are common only in the English-language market.

[20] This cost breakdown is intentionally simplified here for illustrative purposes. The cost and margin structure of an individual publishing house will vary somewhat by scale of operations and across different types of publishing programs and sales channels.

Three other issues figure prominently in the mechanics of the Canadian book trade: returns, payable periods, and co-op promotions.

Contrary again to the trading practice in many retail sectors, all books sold through traditional bookstores are sold fully returnable; booksellers can return books to distributors or publishers if they find they are unable to sell them. This practice dates back to the 1950s, and it was prompted by intense competition and an agreement between booksellers and publishers to share the risks of the business.

The returns practice persists in the book trade under the following rationale: each book is, at least to some extent, a unique product; even a small general bookstore will carry roughly 20,000 titles (a daunting buying and inventory management proposition for any retailer); and given the oversupply of books there is considerable pressure on retailers to buy aggressively (i.e., to take as many titles as possible and as many copies of each title as they can reasonably expect to sell). Seen in this light, returns practices in the traditional book retail channel can be understood as an accommodation between publishers and booksellers, and as an attempt to establish an equitable distribution of inventory risk, particularly with respect to new titles, across the supply chain.

Under conventional returns practice, the retail account must hold the stock in store for at least 90 days but not more than one year; must return the books undamaged and suitable for resale; and must pay the shipping charges on return shipments. Under this practice, the retailer receives a credit on its account for the value of returned stock. The publisher reduces its accounts receivable and cash flow forecast by an equivalent amount.

Many publishers believe a certain level of returns is a necessary cost of doing business, and that otherwise it would be impossible to get retailers to take the same degree of risk in stocking new titles. In any case, the practice has proven to be extremely entrenched within the book trade and any previous attempts by publishers to move to non-returnable sales to bookstores have been short-lived and unsuccessful.

The issue of returns is tied to another business practice in the book trade: payables. Partly because of established returns practice, most publishers accept a payable period of 90–120 days on bookstore receivables. This is a lengthy period compared to many industries, and one during which the publisher bears responsibility for underwriting all cash requirements of editorial, design, production, and marketing. If a retail account is itself pressed financially, this payable period can stretch beyond the 120-day mark and/or the publisher may receive a shipment of returns, as opposed to an invoice payment, to draw down accounts payable for the current period.

A final aspect of trading practice, the issue of co-op promotions, has become more pertinent in recent years. The concept of co-op is well established in many industries and refers to a budget that a vendor (in our context, a publisher or distributor) makes available to a retailer to subsidize a specified promotional program designed to support both the retailer and the vendor's products. In the context of a publisher-retailer relationship, co-op could range from an in-store promotional event to a newspaper advertisement to a window display to a customer newsletter.

Co-op, as the term suggests, is intended to be a joint initiative of the vendor and retailer, and often an initiative where each will share the costs involved through some combination of cash and in-kind contributions. Increasingly, however, the term is also used to refer to placement fees that a retailer receives to secure a prominent in-store position for the publisher's title(s); for example, a display table, a featured title wall, or an end-cap display. While common in many retail sectors, such placement fees were previously unknown in the book industry. They have become more common in the past ten years, particularly among large retail accounts.

Co-op budgets for a given year are generally based on a percentage of the previous year's sales. The convention in the book business is that this ranges between 3% and 5%, and as such establishes an estimated budget for the co-op contribution of the vendor for the current year. This budget then becomes a framework within which the vendor or retailer may propose various co-op contributions, and against which the level of co-op contributions actually made can be evaluated by all parties.

In practice, these co-op commitments may be made broadly in support of a publisher's list as a whole, or for a subset of featured titles, or may be assigned on a case-by-case, title-by-title basis throughout the year.

MARKET SHARE BY SALES CHANNEL

In Canada, one national bookstore chain, Indigo, holds a leading market share in all regions except for Quebec, where two regional chains—Archambault and Renaud-Bray—hold the major share. In addition to the national and regional chains, there are nearly 2,000 independent booksellers of various kinds throughout Canada. These stores include general booksellers, specialty stores (e.g., children's, cookbooks, genre fiction), campus outlets, used bookstores, and others.

There are certainly other important retail accounts for Canadian publishers, and many other outlets where consumers can buy books. These can be broadly categorized as non-traditional and online and include general merchandise retailers, such as Costco and Wal-Mart, and major online retailers, such as Amazon. We address these sales channels at length in separate chapters in this paper. For the moment, however, we will consider how consumer book sales in Canada break down across these different points of sale.

As with the question of market size, there is no single authoritative source for how book sales are distributed across sales channels in Canada. To arrive at a reasonable estimate, we compiled sales data for a large sample of Canadian publishers. This sample included both Canadian-owned and multinational publishing firms operating in Canada.

The combined domestic sales for firms in the sample are equivalent to roughly 50% of the total consumer market estimate of $1.59 billion given previously, and the sample set of publishers is otherwise representative of the Canadian publishing industry with firms of all sizes and from all parts of the country included. For the sake of creating a meaningful and representative estimate, reported sales percentages were combined with corresponding net

sales volumes for publishers within the sample to create the weighted average breakdown given here.

As such, we believe the distribution given in Figure 3 can be reasonably applied to the domestic book market as a whole.

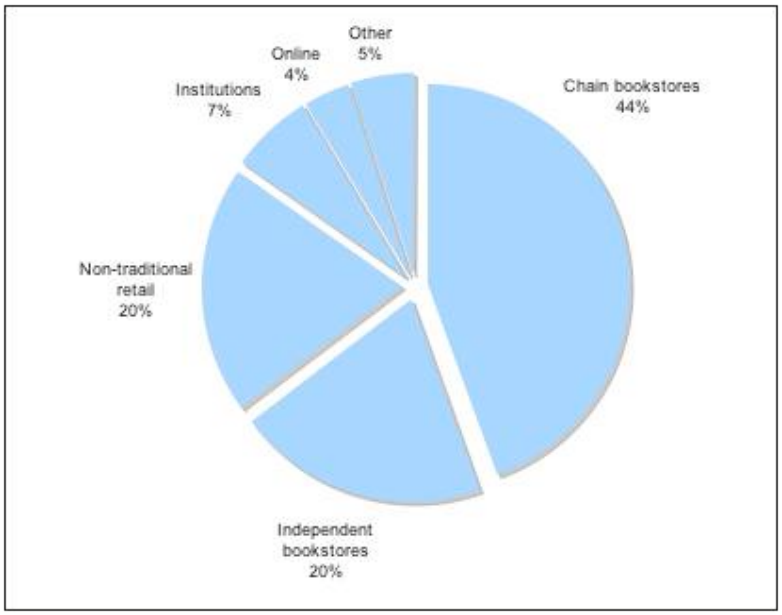

Figure 3. Distribution of domestic book sales, excluding educational texts, in Canada, 2006

As Figure 3 indicates, chain bookstores accounted for 44% of domestic book sales, excluding textbooks, in 2006. Independent bookstores held a 20% market share, with non-traditional retail and online booksellers accounting for a further 20% and 4%, respectively.

There are various ways of categorizing book retailers and sales. Within the breakdown in Figure 3, chain stores include all Indigo-brand outlets. As noted earlier, the two major regional chains in Quebec (Renaud-Bray and Archambault) hold a comparable share of market in the province (44% in 2006[21]).

The independent bookstore category in Figure 3 comprises single-outlet booksellers, including campus bookstores, as well as major chains in Quebec and multi-outlet independent booksellers throughout the country.

The non-traditional retail category includes mass market and discount outlets, such as Wal-Mart, as well as other general merchandise and specialty retail accounts. The online bookseller category includes both online-only retailers, such as Amazon, and bricks-and-mortar affiliates, such as Chapters.indigo.ca. Figure 3 indicates that the online channel accounts for 4% of sales, but we note that most publisher or distributor sales data do not discriminate between sales to Indigo's bricks-and-mortar stores and sales made via Chapters.indigo.ca. Indigo's public revenue reports suggest that its online operations account

[21] L'Observatoire de la culture et communications.

for roughly 4% of consumer book sales. This suggests in turn that the overall share of consumer book sales for the online channel is approximately 8%.

Finally, the institutions category includes sales—both direct-from-publisher and via a specialty wholesaler—of trade books to libraries and schools. "Other" captures direct-to-consumer sales along with any other transactions not captured within one of the other categories in Figure 3.

With the exception of Quebec (see "The Book Market in Quebec"), we do not have detailed historical data that illustrate the distribution of book sales by channel. However, the available data do allow us to make a few general observations.

- The market share held by chain bookstores has increased in recent years, both in Quebec and in the rest of Canada, as the share held by independent bookstores has gradually declined.

- Any nationwide breakdown of sales by channel, including the one given here, is best understood as an average of the individual sales distributions of Canada's diverse publishing community. The actual percentage of sales accounted for by each sales channel will vary by publisher, according to the type of books being published, the sales strategies employed, and the scale of operations of the individual publisher. For example, while Figure 3 attributes a 44% market share to chain bookstores in Canada, this number will be as high as 60–65% for some large firms with more commercial lists, and often below 40% for many smaller firms, particularly those with more niche publishing programs.

- Similarly, there is a correlation between the size of the publishing firm and the degree to which it relies on the independent bookstore channel. Independent bookstores currently account for an average of 27% of sales for publishing firms with revenues of $499,999 or less, but an average of only 15% of sales for those with annual revenues of $3 million or more.

TRADITIONAL RETAIL ACCOUNTS

THE NATIONAL CHAIN

Indigo operates 85 large-format stores under the Indigo and Chapters brands, and 152 smaller Coles, The Book Company, and SmithBooks outlets throughout Canada. Large-format stores (also referred to as "superstores") range in size from 13,000 to 67,000 square feet, with the majority in the range of 20,000–30,000 square feet. The average superstore has roughly ten times the square footage of Indigo's smaller outlets or "mall stores."

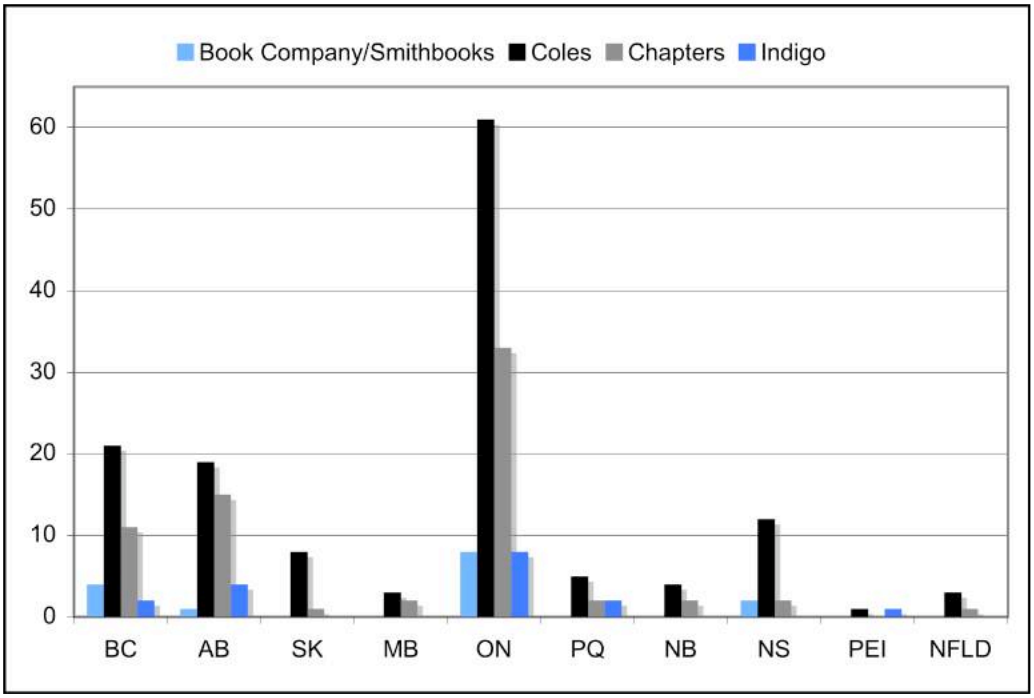

Figure 4. Distribution of Indigo and Chapters brands by province[22]

Indigo carries a wide general book selection—70,000–100,000 titles in its large-format stores and closer to 10,000 in mall outlets—along with significant non-book inventory in the stationary, gift, music, and magazine categories.

In addition to its bricks-and-mortar stores, Indigo also operates a major online bookselling site at Chapters.indigo.ca. (See "Online Book Retail" for more.)

Any market leader will earn its fair share of scrutiny and criticism, and Indigo is no exception. Critics point out that to have only one national chain leaves too much choice in the hands of one retailer, and that the preferences of Indigo, in terms of stock selection and terms or trade, will effectively determine the books available to consumers. Objectively speaking, this is a real possibility. If an Indigo buyer decides not to carry an individual book, the publisher of that title effectively loses access to roughly half of the Canadian retail channel.

[22] Indigo also operates a Coles outlet in Whitehorse, Yukon Territory.

On the other hand, proponents credit Indigo with efforts to work cooperatively with industry groups and with creating more accessible, high-visibility retail spaces that boost the profile of books overall. This is hard to measure, but it appears that the expansion of Chapters, and subsequently the Indigo chain, has resulted in a net increase in retail square footage for books in many local markets across the country.

In any case, and both before and after Indigo's acquisition of Chapters in 2001, trading partners and industry observers have evaluated the national chain's performance against a number of practical considerations: its buying processes, requirements for co-op, effects on trade discounts, level of returns, and payment schedules.

Indigo's Toronto-based buying team buys for all Indigo stores in the country. Each buyer is responsible for a category, or categories, within the store and is evaluated against category performance. Indigo's buying for regional books (i.e., local interest titles) is centralized at head office, but in recent years the regional buyer in Toronto has been supported by a network of regional buying consultants who work together to help ensure that regional titles are properly stocked.

By all accounts, Indigo's buying has become more conservative in recent years as it works to manage its inventory investment and to focus on stock that will turn reasonably quickly[23]. Orders for backlist have been trending downward as have advance orders for frontlist. Following the conclusion of its much-discussed SAP implementation in 2006[24], publishers report that Indigo's buying patterns have stabilized and that orders for backlist have been picking up as a result.

Indigo has also implemented an "open to buy" system that has come more actively into play for 2007–2008 orders. Open to buy is a system for managing inventory budgets and cash flow across the chain. Under this approach, category buyers are given weekly or monthly budgets and charged with managing their buying within them. This new system is likely to have implications for the timing and size of orders as buyers work within their assigned budgets.

As noted earlier, store placement is a vital determinant of sales in the traditional retail channel, and Indigo expects its vendors, particularly mid-sized or larger firms, to contribute co-op dollars in return for premium placement in the store or other marketing supports.

This practice is common in other retail sectors, but remains somewhat controversial in the book trade. Critics argue that this system favours larger firms that can commit to co-op for

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[23] The terms "inventory turns" or "inventory turnover" refer to salability of stock and are used to measure the relationship between inventory holdings and sales. In practical terms, stock that sells more quickly, meaning that the retailer "turns" its inventory more during a given period, is a measure of operational efficiency as every retailer will try to manage its inventory investment to an optimal level in relation to sales.

[24] SAP is a German-based software company, the largest in Europe and the fourth-largest in the world. The company is the category leader in enterprise-level operations and resource management software, and provides extensive customer relationship management, supply chain management, and other systems to large corporate clients worldwide. Indigo began implementing an SAP system in 2004 to achieve greater efficiencies in the areas of sales analysis, ordering, inventory management, and returns.

premium placement, and that this is an inappropriate filter for the book buyer. Others see it as a necessary cost of doing business in today's book trade. In the end, that publishers continue to contribute these co-op budgets, and even compete for optimal co-op placements, suggests that those who can afford to do so not only find it acceptable, but also worthwhile to support their books in this way.

However, the cost can be significant, to the point that this presents a barrier in the chain bookstore sales channel for smaller firms. For example, if a publishing firm with $1,000,000 in annual sales has half of those sales with Indigo, this could translate into a projected co-op budget for the following year of $15,000–$25,000. Given the slim profit margins of many publishing firms, this additional demand on cash flow may simply not be feasible.

The strong market position of Indigo appears to have contributed to some notable shifts in other terms of trade in Canadian book retail. Prior to the launch of Chapters and then its acquisition by Indigo, publishers' discounts to major trade retail accounts ranged from 42% to 45%. They are now more in the 46% to 49% range. While there are hopes that a successful SAP implementation and broader improvements within the supply chain will help to manage returns downward, returns rates have been high under Indigo. At their worst, trade publications and the general press have reported returns rates as high as 50–70% for some publishers, and this as recently as 2005[25].

As the country's largest book retailer, Indigo is the top-ranked retail account for many Canadian publishers. As a result, those publishers that rely mainly on traditional retail channels for domestic sales will have considerable inventory and accounts receivable investments with the chain. Practically speaking, these firms are exposed to risk and instability to the extent that ordering and returns patterns are unpredictable, or that payment periods run too long. These effects are generally felt most acutely by smaller firms that will have lower volumes of business, and so lesser influence, with a major national account.

Indigo recently released its annual financial results for the fiscal year ended March 31, 2007, reporting overall revenues of $875 million and profits of $30 million (an increase of 3% and 18%, respectively, from the previous year). This growth has been fuelled by increases in superstore sales of 4.5% and mall store sales of 8.5%. However, Indigo's online operation was the fastest growing area of sales, gaining 18% in 2006–2007.

Given the company's reported $48 million loss in 2002, these results mark a major turnaround in the fortunes of the combined Indigo-Chapters chain over the past six years. *The Financial Post* recently commented on Indigo's improved financial condition:

> "[Indigo CEO Heather Reisman[26]] has poured in capital, improving disorderly supply chain and warehouse systems, and increased sales through loyalty programs and incorporating more high-margin gift items, stationery, educational toys and games into the stores.[27]"

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[25] Scott MacDonald in "Settling Down," *Quill & Quire*, May 2006.
[26] Indigo is 70%-owned by Ms. Reisman and her husband Gerry Schwartz, chief executive of Onex Corp. The company is publicly traded and listed on the Toronto Stock Exchange.
[27] Hollie Shaw in "Indigo pens next chapter," *Financial Post*, June 22, 2007.

This increased profitability, combined with recent reductions in its long-term debt, has given Indigo new capacity to expand. At its June 2007 annual general meeting, the company announced plans to open six new superstores and six new mall stores in the next 18 months. Indigo has also hinted at a number of additional plans, including a redesign of its superstore outlets (suggesting a new retail concept referred to as "Indigo 2.0"), the introduction of new in-store search kiosks, expanded space for non-book inventory, and the launch of a social networking website for avid readers.

INDEPENDENT BOOKSTORES

The current edition of *Quill & Quire*'s "The Book Trade in Canada" lists 1,937 independent booksellers throughout Canada. These range from single-outlet retailers to mini-chains of four to five outlets (such as Toronto's Book City or Montreal's Librairie Raffin), to larger regional chains like Renaud-Bray.

The term "independent bookstore" can be applied to a considerable variety of retailers, and the *Quill & Quire* listing reflects a wide range of retailers within the category. These include campus stores, large book departments in grocery stores, and used bookstores.

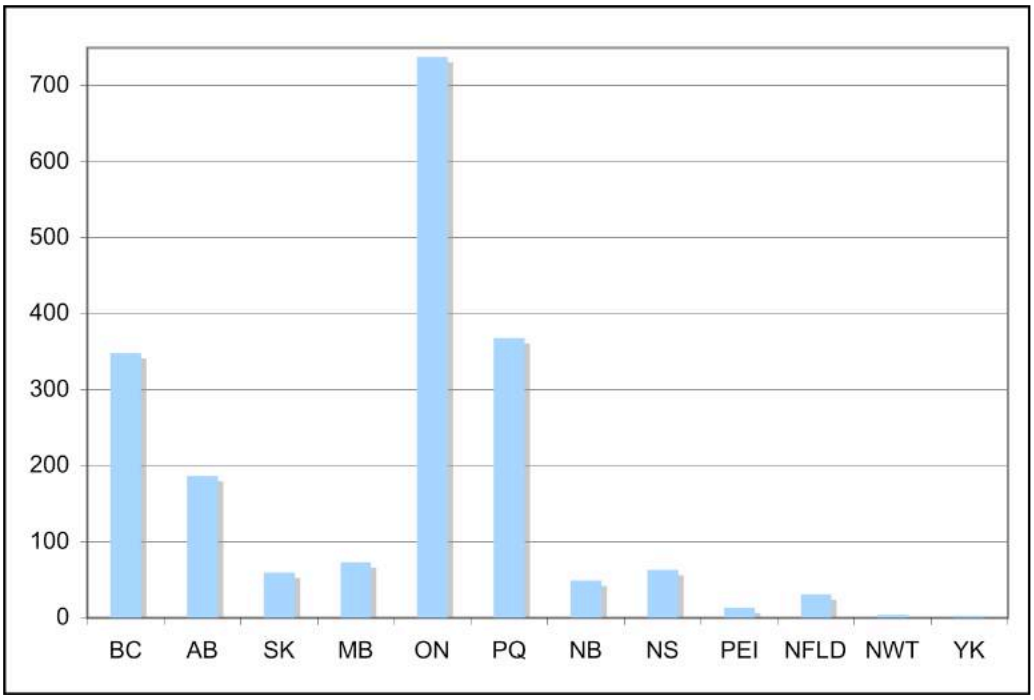

Figure 5. Distribution of independent bookstores by province and territory

The number of independent bookstores in Canada has declined over the past ten years, with notable store closures in most major Canadian cities and in communities throughout the country. A 2001 study commissioned by the Association of Canadian Publishers notes that between 1995 and 1999 alone, the number of independent stores in Ottawa dropped by 19%

and in Calgary by 42%. During this same period, the then-Chapters chain increased its retail square footage by 50% in Toronto, Ottawa, and Calgary, and by 44% in Vancouver[28].

There appears, however, to have been some strengthening in the independent bookstore channel within the last year or two. Many independents that have held their market position through the challenging conditions of the last several years appear to be more stable today. Some, notably Black Bond Books and McNally Robinson, are expanding, and new bookstores are beginning to enter the market, including the high-profile openings of Type and Ben McNally Books in Toronto.

Many of these new outlets target communities or neighbourhoods that are currently underserved by specialist book retailers. As *Quill & Quire* recently commented on the market position of independent booksellers:

> "Independent booksellers who have managed to grow, whether in recent months or over the past 10 years, all say that the key is finding a niche, either in terms of product or location. Indeed, for all of the talk of community involvement and customer service, which are universally considered to be important parts of success, location is essential.[29]"

One study respondent characterized the independent bookstore not as a retail outlet but as a community service whose role it is to reflect the interests of the community and to contribute to an exchange of ideas, perspective, and information. This commitment to intellectual and artistic engagement represents an ethic for many independent booksellers, and reflects the importance of the professional bookseller in helping readers find books.

This also illustrates a major strength of independent bookstores: knowledge of the local market combined with expertise in selecting and selling a wide range of books. It is this combination that has led Canada's independent bookstores to play such a crucial role in introducing new writing to readers across the country, and why the shift of market share in Canada is not just a story of market concentration. There is a widely held view in the book trade that a weakened independent bookselling sector means the erosion of a vital platform for introducing new authors and new work, for supporting quality backlist, and for connecting the book industry to its diverse communities of support. It is difficult to test such ideas with the available data. However, we can make some general observations about how the shifting distribution of sales at retail affects the choices available to publishers and readers. Please see "Current Issues" below.

We underline the notion of community service as ingrained within independent bookstores not to ascribe a higher moral idea to the independent bookseller. Rather, we do so to highlight the reality of the independent retailer as a locally owned and operated business—and to recognize that this local orientation can be a source of competitive advantage.

One of our survey respondents commented, "A successful bookstore is a neighbourhood bookstore." This point of view came through from a number of respondents during the

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[28] *A Review of the Canadian Book Industry*, Evans and Company, February 2001.
[29] Dan Rowe in "Indie booksellers rise again," *Quill & Quire*, July/August 2007.

study, and it reflects the idea that the great opportunity for the independent bookstore is to be responsive to the tastes and needs of the community in which it is based. An independent retailer that is locally owned and operated arguably has a better ability to connect its knowledge of the local market to its inventory and services than does a national or multinational competitor that makes its buying decisions outside the local area.

The implications of this local knowledge stretch beyond the competitive position of an individual bookstore. As noted previously, there is a strong association between Canadian-owned publishing houses and the publication of Canadian-authored titles. Many of these titles have a local or regional interest element that is practically built-in because they are published, authored, or set within the region. A strong community of locally owned booksellers, who make their buying decisions in the local area, are on balance likely to be adaptable and open to such titles[30]. For all these reasons, the health of the independent bookselling sector remains an area of enduring interest for Canadian book publishers.

[30] Indigo has also demonstrated its interest in the sales and strategic potential of this local orientation. As noted earlier, Indigo recently revised its centralized buying process for regional titles to allow for more effective buying of local-interest titles. Interestingly, *Quill & Quire* reported in June 2007 that the chain intends to go further in its efforts to match the inventory of its individual stores with the communities or neighbourhoods in which they are located.

CURRENT ISSUES IN TRADITIONAL BOOK RETAIL

SUPPLY CHAIN MANAGEMENT

If there is one constant challenge across all retail channels, it is operational efficiency. It is extremely important to all retailers and vendors that orders are procured, fulfilled, and shipped efficiently from business to business and business to consumer. A number of factors argue for improved supply chain management in the book business:

- Distribution and fulfillment remains a major cost component throughout the book trade.
- In particular, there are significant costs associated with current returns practices.
- New technologies and technological standards have raised expectations for improved practice among trading partners.

The real opportunities some new technologies present for greater efficiencies in the supply chain have prompted an increasing emphasis on them, and on systems development in general, both on an industry-wide basis and at the level of the individual firm.

Within the broad topic of supply chain management in Canada, there have been three main areas of inquiry in recent years:

- Bibliographic data systems and standards
- Electronic data interchange (EDI)
- Point-of-sale tracking (POS) systems

BookNet Canada, a non-profit organization focused on Canadian supply chain improvements, has introduced new innovations in all of these areas over the past five years, including Canadian Bibliographic Certification (bibliographic data standards), Pubnet (an EDI service contracted from Bowker), and BNC SalesData (a point-of-sale tracking system).

The Canadian industry's use of these new tools reveals a couple of interesting patterns. On the one hand, vendors (e.g., publishers and distributors) are driven to invest in technology to create efficiencies in internal operations and reduce the costs of doing business. On the other hand, these efficiencies, especially in order fulfillment, have meant that retailers are buying stock for a shorter time period and expecting fast turnaround times on order fulfillment. This has the effect of shifting warehousing, small-order fulfillment, and stock management costs from retailers to publishers.

Supply chain improvements have also created greater transparency with respect to title availability and pricing data. As noted earlier (see "Key Findings"), this appears to have contributed to increasing parallel importation, as both consumers and retailers seek the best prices and delivery terms from vendors in and outside of Canada.

These considerations aside, supply chain management systems have found wide acceptance within the book industry, and this is a testament to their current worth and to the potential they represent for further gains. Bookseller respondents to this study described major increases in operating efficiencies associated with supply chain improvements. Publishers

and distributors reported similar time and cost savings and indicated that Canada's supply chain improvements have already had an important impact on sales management, sales analysis, and management decision-making.

BESTSELLER CULTURE AND THE VALUE PROPOSITION OF BOOKS

We have described a Canadian book market in which (1) market share is shifting from independent to chain bookstores, and (2) non-traditional retail and online booksellers are gaining market share and poised for future growth. These market shifts have profound implications for the traditional bookstore channel but also for the Canadian consumer book market as a whole, as detailed below.

Discounts are affecting the perceived value of books. More books are being sold by chain bookstores, online booksellers, and non-traditional retailers, including mass market or discount stores, and these outlets generally offer deep discounts from the publisher's list price, particularly on bestselling frontlist or other featured titles. Such discounts are firmly entrenched as a marketing strategy in these sales channels, and are in fact best understood as a marketing cost for the retailer—one that is often underwritten in part by the publisher in the form of an increased trade discount or a co-op investment.

Amazon, for example, has recently conceded that its deep discounts to consumers will mean it will lose money on the final installment in the Harry Potter series, a book certain to be the bestselling title of 2007 and a loss that Amazon is apparently comfortable to incur as a marketing expense.

Whatever its benefits to consumers—and lower prices are certainly important and attractive to book buyers—this discount strategy also has some adverse effects. Consumers quickly become value consumers, looking for the lowest price, either offline or online. They then develop expectations for what bestsellers and new releases should cost, expectations that are difficult for independent retailers to match.

Many observers note that there is a self-reinforcing quality to this discount practice. Consumers become conditioned to locate retail sources for discounts, and to identify what type of books discounts usually apply to—and they make their shopping decisions accordingly. There is a concern that this undermines the perceived value of books, making it less likely for consumers to buy a book, particularly a new release, at the established list price.

In the extreme sense, this concern describes a process where consumer purchases are more informed by price and less by the unique aspects of the individual book, including its literary or artistic merit. As consumer behaviour becomes more weighted by price, so does the supply chain and in particular the selection of books that are featured, or even available, within a given sales channel.

Concentration means more sales for fewer books. This discounting practice also has the effect of concentrating sales at a couple of levels—both by title and by channel. It concentrates sales by title, in that discounted bestsellers prominently featured will sell in large

numbers. In contrast, books not featured in this way will be left on the shelf or simply not be available in store.

We do not have extensive data on how sales are distributed across all available titles in Canada, but these will likely become more available as BNC SalesData's archive continues to grow. Early data from BNC SalesData indicates that:

- Of the 689,020 unique ISBNs tracked by the system in 2006, 373,402 titles sold one or more copies during the year (i.e., 315,618 titles had no sales during the year).
- The top 500 titles accounted for 22% of unit sales and 23% of sales volume in 2006.
- The top 10,000 titles accounted for 64% of unit sales and 61% of sales volume during the year.
- From this, we can deduce that the remaining 36% of unit sales (39% of sales volume) was distributed across 363,402 unique ISBNs.

In addition, we can also look to comparable data from the United States. Neilsen Bookscan (the American equivalent of BNC SalesData) reported the following figures for 2004 in the US:

- 1.15 million titles—representing 93% of all tracked ISBNs that year—sold less than 1,000 units.
- The remaining 90,000 titles, or 7% of all tracked ISBNs, accounted for 87% of sales, generally selling between 5,000 and 50,000 copies during the year.

This type of sales distribution has long existed in many product sectors, and certainly in the cultural industries. However, the degree of concentration within a shrinking number of bestseller titles is generally acknowledged to have increased in recent years.

In 2000, US journalist David Kirkpatrick prepared a report for The Authors Guild that explores these sales patterns. On the specific question of sales distribution across titles, the Kirkpatrick study found:

> "About a fifth of the frontlist sales revenue at the chains comes from only 100 books. Among backlist books, one-fifth comes from the top 500 titles … Below these elite titles, sales drop off precipitously. The second 20% of frontlist sales revenue comes from 6,000 titles. The next 20% of backlist revenue comes from 25,000 titles. At Barnes & Noble and Borders, the vast majority of the titles in stock sell fewer than two copies a year. Selling them may not pay the rent for their shelf space, but their presence in the store contributes to the atmosphere that draws customers."

In addition, sales of these bestselling frontlist titles, long an important driver of profitability for all booksellers, have been increasingly concentrated among chain bookstores and other larger retailers due to the aggressive price discounts within these accounts. This effectively erodes the profitability and market share of smaller bookstores that are unable to match the deep discounts available elsewhere.

MARKET ACCESS FOR CANADIAN TITLES

In a climate where sales are increasingly concentrated, the question of the availability of Canadian-authored books naturally arises. This is difficult to measure in a comprehensive way, in part because there are several aspects to the question of availability. At the most basic level, title output, as discussed earlier, is one such measure. However, there is also the question of stock selection—whether or not a book is carried in a retail outlet and in what quantities. Finally, there is also the degree to which a title carried in inventory is visible to consumers in the store (i.e., its placement in the store and how it is displayed or merchandised).

In this sense, we can imagine a continuum of availability. Just because a title is published, it does not necessarily follow that it will be widely available to consumers. Further, just because a title is carried in inventory, it does not mean that it will be widely carried within a retail chain, stocked in quantity, or easily visible to browsing customers.

BookNet's BNC SalesData will no doubt make an important contribution in this regard as it accumulates a richer archive of historical data. In the meantime, however, there have been some early attempts to explore the question.

Quill & Quire conducted a survey of chain and independent bookstores in 2006[31] that assessed the availability of a standardized list of 30 new release and backlist titles, including Canadian titles. The survey examined stock selection at roughly 20 chain and independent stores in six Canadian cities, and found that on average the chain bookstores offered a wider selection of both frontlist and backlist titles than did the survey sample of independent bookstores.

> "On average, the chances of finding one of the five recent Canadian fiction titles we selected in an independent store were only 58%, while chances of finding one of the same titles in a Chapters/Indigo were 90%. Chances of finding one of the new Canadian non-fiction titles were similar: 56% in an independent and 77% in one of the chains…When it came to Canadian classics, the situation wasn't much better, with a 60% chance of finding a title at the indies and an 86% chance at the chain.[32]"

Chain stores were also found to offer better selection of the new international non-fiction releases and small press titles included within the survey.

These findings are not entirely surprising considering that the larger-format chain stores will generally stock many more titles than would the average independent bookseller. That said, it is noteworthy that chain stores are playing an important role in presenting a wide selection of Canadian titles to consumers.

Even so, several study respondents commented that current ordering patterns among Canadian bookstores, both chain and independent, may be reducing the diversity of stock

[31] Scott Macdonald in "Indigo vs. the indies," *Quill & Quire*, June 2006.
[32] Ibid.

selection. Aided by improved inventory systems, booksellers are managing inventory more carefully: placing smaller orders, re-ordering more frequently and as needed, monitoring sales performance more closely, and returning or not even carrying slow-moving stock. This approach of minimizing inventory and maximizing the salability of in-store stock is abundantly rational from the bookseller's point of view. We speculate, however, that it is likely to constrain stock selection, and make it less likely that cultural titles, in particular, will be held in store. Such patterns reflect the important role of stock selection in determining which titles are available to consumers, and do not necessarily reflect consumer demand for a given title or category.

Poetry, drama, fiction, and non-fiction from new or established writers may be culturally significant, but they also tend to be relatively slow moving, from an inventory management point of view. They typically require a longer sales window, compared to more commercial titles, to establish a sales pattern. This longer period (often more than the minimum of 90–120 days a book may be kept in stock before being returned) allows review coverage and word-of-mouth to develop, both of which are important sales drivers for cultural titles. If the books are not ordered in quantity or are not held in store for long enough, they are much less likely to establish the sort of track record that would help ensure their remaining in stock for the long term.

With this in mind, we assembled sales data for a sample of 11 English-language Canadian literary presses, all of which shared comparable sales distribution arrangements. Table 3 illustrates the sales pattern for these publishers for the period 2003–2006, a timeframe during which most booksellers in Canada have implemented stricter inventory controls.

Table 3. Sales for a sample of 11 Canadian literary presses, 2003–2006

	2003	2004	2005	2006
Chain bookstores	$135,272	$100,722	$94,835	$69,180
Independents	$136,802	$130,169	$110,375	$114,176
Institutional	$86,973	$76,311	$132,776	$107,897
Non-traditional	$7,556	$9,533	$4,124	$8,132
Online	$7,826	$12,163	$7,749	$20,738
Trade wholesale	$15,561	$11,326	$27,880	$5,568
Misc	$5,568	$4,546	$7,954	$119
Total	$395,558	$344,771	$385,704	$325,910

As Table 3 illustrates, combined overall sales for these literary presses fell by nearly 18% from 2003 to 2006. Sales to chain bookstores fell by the largest amount, dropping almost 50%. (Chain stores accounted for 34% of combined sales in 2003 but just over 21% in 2006.) In contrast, sales to independent bookstores, while declining somewhat in dollar terms, remained steady in terms of their percentage of combined sales (35%). The table also indicates that the greatest sales growth for this group has come from library wholesalers (a 37% increase) and online retail (+165%).

These firms had comparable sales and distribution mechanisms in place throughout this period, and the number of presses involved would suggest that normal variations in sales from year to year for any one press would be offset by the rest of the group. We could reason, therefore, that the sales patterns illustrated in Table 3 have more to do with changes in the channels to market for these presses than anything else. Specifically, it appears that

changing ordering and inventory practices within traditional bookstores in Canada have resulted in declining net orders for many literary presses in this channel.

We could make a couple of additional observations about this sample of literary publishers. First, these are fairly categorized as small firms, all of which have annual in-Canada sales of less than $100,000 per year. We could reasonably imagine that these houses are publishing relatively small print runs and have limited marketing resources—factors that could in turn inhibit their ability to maintain or increase sales with large retail accounts. Second, the decline in chain store sales that we have observed above is a relatively recent development, having occurred in the years since 2003. As such, it is difficult to say whether this decline reflects a near-term market adjustment in response to changing inventory systems and buying practices within Canada's major book retailers, or if the 2003–2006 sales pattern for these presses will persist in the years ahead. Finally, the figures reported above do not include any direct or export sales that the publishing houses in the sample may have made during this period.

This last point is potentially significant as we note that, in contrast to the pattern described above, other literary publishers have been able to successfully diversify and increase revenues in order to help offset stagnant or declining sales through traditional retail channels. A sample of 20 larger English-language literary publishers drawn from BPIDP data indicates a 21% increase in overall sales (including exports) for this second sample over the last five years.

THE BOOK MARKET IN QUEBEC

The Quebec book market is in many ways structurally similar to the rest of the Canadian market. It is characterized by market concentration, powerful chains that claim a large market share[33], a vast majority of consumer book sales made via bookstores, high levels of returns, and a large volume of imported product. Yet it has unique traits that are worth noting in a report devoted to understanding the overall Canadian book retail environment. This chapter will provide some basic information on the Quebec market and outline the ways in which it is different from the rest of the Canadian market.

DISTINGUISHING CHARACTERISTICS

GOVERNMENT SUPPORT

Of all the provinces, Quebec is particularly dedicated to supporting its cultural industries. A recent Statistics Canada report[34] indicates that Quebec leads Canadian provinces in both per-capita federal spending on culture ($153 per person in 2003) as well as provincial per capita cultural spending ($97 in 2003).

Some of the many provincial governmental organizations tasked with supporting writing and publishing in the province include the Ministère de la Culture et des Communications, the Ministère de l'Éducation, the Conseil des Arts et des Lettres du Québec, and the Société de développement des entreprises culturelles du Québec (SODEC).

These organizations work within a context of a government-mandated law designed to bolster and protect Quebec businesses involved in the book trade: *la Loi sur le développement des entreprises québécoises dans le domaine du livre* (the law on the development of Quebec businesses in the book industry, or *loi 51*). Among other effects, this legislation provides a way for Quebec book businesses to distinguish themselves: accreditation.

ACCREDITATION

The government of Quebec established the accreditation system to serve two overarching goals: (1) to ensure effective distribution of and accessibility to Quebec titles for Quebecers, and (2) to establish professional standards for the Quebec book industry and protocols for business agreements between publishers, distributors, booksellers, and book buyers.

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[33] In 2002, the ten major distributors in Quebec fulfilled 98% of sales for chains, according to the 2004 report, *L'État des lieux du livre et des bibliothèques*, by the Observatoire de la culture et des communications du Québec (OCCQ).

[34] *Economic Contribution of the Culture Sector to Canada's Provinces*, Statistics Canada, March 2007.

To be accredited, booksellers, publishers, and distributors must be Canadian and based primarily in Quebec. In addition to these basic requirements, the accredited bookseller must:

- be open year-round;
- be situated in an easy-access location for the public;
- be well-identified and use proper book display methods;
- have at all times at least 6,000 different titles, 2,000 of which are different titles published in Quebec[35];
- demonstrate that in the year previous to the application for accreditation, they have met minimum sales requirements of the Ministry;
- prove that they receive material from at least 25 accredited publishers and that they keep these materials on display for at least four months (unless otherwise agreed to with the publisher in question).

Specialized booksellers must also carry at all times titles that are representative of the entire published works in that discipline.

To promote accredited booksellers, the ministry of culture and communications impresses upon readers/buyers that *loi 51* and the accreditation process exist to provide a diverse selection of titles across the province regardless of location. It encourages them to play a role in this larger cultural ambition by supporting and purchasing from their local accredited booksellers. Perhaps most importantly, public institutions, such as libraries and schools, are required to purchase books from an accredited bookseller.

Due in part to these public-sector buying provisions, accredited booksellers accounted for more than 70% of new book sales in Quebec over the last three years. As one study respondent noted, "[Law 51] is an essential law that guarantees a minimum space for Quebec books."

Table 4. Sales of new books by accredited and non-accredited book retailers, 2004–2006

	2004		2005		2006	
	M$	%	M$	%	M$	%
Accredited	316.1	73.3	326.4	73.1	358.2	76.3
Non-accredited	115.3	26.7	120.4	26.9	111.0	23.7
Total	431.4	100	446.8	100	469.2	100

Source: Institut de la Statistique de Québec, Observatoire de la culture et des communications du Québec

Interestingly, the number of accredited booksellers in Quebec has expanded over time (though there was some slight contraction at the end of the 1990s). In 1983, there were 168 accredited booksellers; by 2000 there were 211, close to half of the estimated 450 book retailers in Quebec. This is a notable contrast to the declining number of independents in the rest of Canada, and, we can imagine, can be attributed in part to the accreditation provisions of *loi 51*.

[35] Except for general bookstores that sell English books, which are required to have 2,000 Canadian-published titles.

REGIONAL CHAINS

Another unique aspect of the Quebec market is the prominence of regional bookselling chains. These regional chains (Renaud-Bray and Archambault) play the same dominant role in the province that Indigo plays in the rest of Canada. Renaud-Bray has at least 25 stores in Quebec; Archambault has 15; and Indigo has just nine stores (including Coles Bookstores). Renaud-Bray is currently the largest French book retailer in North America, partly on the strength of a 1999 merger between Renaud-Bray and two other regional chains: Champigny and Garneau.

As for Archambault, the company began as a music store in the early-1900s and grew into a cultural institution over the past century. In the 1990s, it expanded greatly beyond the music sphere to become a cultural superstore, and was purchased by Quebecor in 1995. Currently, the chain is an important retailer of books, DVDs, newspapers and magazines, musical instruments, and sheet music; it also operates a popular francophone website, Archambault.ca.

VERTICAL INTEGRATION

The Quebec market is characterized by a process of vertical integration that has seen individual companies, or in some cases many companies owned within large corporate structures, integrate a number of functions within the supply chain. These integrated holdings include publishing, printing, distribution, and retail operations, and include the following examples.

- The publisher and distributor Sogides, which had previously acquired the publishing houses Éditions VLB, L'Hexagone, les Quinze, and TYPO, was in turn acquired by Quebecor Media. Sodiges' distribution branch, Les Messageries ADP, has since been merged with Québec-Livres, another distributor previously acquired by Quebecor.

- In addition to the major publisher and distributor Sodiges, Canadian printing and publishing giant Quebecor's holdings now include:

    - large publishers: Les Éditions Quebecor, Groupe Ville-Marie, CEC Publishing
    - smaller publishers: Les Éditions Libre Expression, Les Éditions du Trécarré, Les Éditions Internationales Alain Stanké, Les Éditions de l'Homme, Le Jour, Les Éditions Publistar, Utilis, Les Presses Libres, and Les Éditions Logiques
    - a growing music and book retailer: Archambault
    - a bookstore specializing in computer science: Camelot-Info
    - a key English-language bookstore in Quebec: Paragraphe

- In educational and scholarly publishing, Éditions Beauchemain, Éditions de l'Image de l'Art, FM, and Doutre et Vandal merged to form the Groupe Beauchemain Éditeur, which then merged with Gaëtan Morin Éditeur and Graficor under Chenelière Éducation, which was finally acquired in 2006 by Transcontinental, one of Canada's leading newspaper and magazine publishers (and one of North America's largest commercial printing firms).

- This pattern of integration is found among both large and small competitors. Based in Montreal, Ulysses is a small—and specialized—publisher, distributor, and retailer of travel guides. Not only has it branched out across different sectors of the publishing industry, it also distributes books internationally and in different languages. Originally a bookstore, Ulysses then started distributing other companies' travel-related products, then publishing its own titles. Most recently, Ulysses is increasing product in its online stores. Where it used to only sell its own books online, it has now added all products (e.g., guides, maps, coffee table books) currently distributed in its stores.

This pattern of vertical integration appears to reflect a strategy of growth through acquisition. As noted elsewhere in this paper, the book trade is generally characterized by marginal year-over-year growth and intense competition. In such a market, larger players may elect to grow their share of the market by acquiring smaller firms. In the case of Quebec, it appears likely that acquiring firms also hope to achieve greater margins and operating efficiencies by integrating operations throughout the supply chain. Certainly, we see examples of publisher-distributor integration elsewhere in Canada, but the Quebec context is unique in its integration of publishing enterprises with printing, distribution, and retail operations.

The effect of this strategy on the operations of an individual firm is difficult to measure. However, one result of this pattern of acquisitions is to consolidate more market control within a relatively small number of powerful gatekeepers and at key points of decision making: acquisition (i.e., publishing), distribution, and retail sales.

DISTRIBUTION COVENANTS FOR NEW TITLES

There are notable trade arrangements for the distribution of newly released titles in Quebec. These include the *système d'office*, and a more targeted program for literary titles established through the French-language publishers' association, the *Association nationale des éditeurs de livres* (ANEL).

Introduced in the 1970s, the *système d'office* involves the rapid distribution of new titles from publishers to booksellers, based on the fact that books sell better in their first 90 days in-market. (A SODEC study confirmed that 75% of new titles are sold within the first 90 days.) Under the system, publishers can automatically and regularly send books via distributors to book retailers based on specific book categories and on pre-determined quantities. Distributors pay for shipping, while booksellers assume responsibility for returns. Booksellers must keep books for at least 90 days—or 120 days if they are Quebec books (under *loi 51*). This system was developed for new titles, but it is also used in the case of any book experiencing a surge in sales. It permits booksellers to receive books without ordering them. There is no equivalent to the *système d'office* in the English market of Quebec or Canada; the closest approximation would be "standing orders."

In contrast, ANEL's program is more targeted than the *système d'office*, both in its focus on new literary titles, and in its implementation among a small number of retail outlets in Quebec. Established in 2005, the ANEL program currently operates in four Archambault

and five Renaud-Bray stores. The two regional chains have entered into an agreement with ANEL whereby each of these stores will stock at least one copy of each new literary title published by a Quebec press. The stores have agreed to keep these titles in stock for at least one year following publication.

These types of distribution arrangements represent real innovations in terms of helping to ensure the availability of Quebec-published titles in Quebec. They also recognize important characteristics of the sales cycle for frontlist titles, and literary titles in particular. First, this prompt distribution of frontlist titles helps ensure they are available province-wide shortly after publication. This enables promotions planning, which creates a better likelihood that a new book will enjoy strong early sales.

This is especially important for literary titles, which often take more than 90 or 120 days to establish a track record for sales. The longer stock period specified by the ANEL program appears to be based on this extended sales cycle for literary works. It provides these books with an opportunity to remain in stock long after they would ordinarily.

SALONS DU LIVRES

Salons du livres are a series of publicly funded annual book festivals and fairs that welcome publishers and industry people, as well as millions of readers, for book signings, readings, discussions, conferences, panels, and entertainment. A SODEC study of the *salons du livres* from 1997 to 2002 shows that attendance grew by 6% from 1997 to 2002.[36] The popularity of the *salons* located in areas of lower population density was especially impressive during this time, welcoming roughly 40% of these areas' total populations.

The presence of well-known authors is very important to the success of a *salon* event; authors draw both the public and publishers who want to rent stands for profile. The *salons'* popular success over the years has of course made the presence of such authors more common: from 1997 to 2002, author attendance at the nine *salons* jumped from an average of 670 to more than 1,000, a 52% increase.

In short, these populist literary events draw broad public attention to book culture in Quebec. *Quill & Quire* notes, "Unlike the big American and English-Canadian trade shows, which cater to booksellers and others in the publishing industry, *salons du livre* target the general public. And unlike the one-day Word on the Street festivals…[the salons] are elaborate indoor events that last anywhere from three days to a week or more and play a major role in the Quebec publishing industry's strategy for promoting new books.[37]"

As such, the salons are an invaluable platform for book marketing and also represent an additional sales channel—both for retailers and for direct-to-consumer sales by publishers—that is specific to the Quebec market (and to New Brunswick by virtue of the one affiliated *salon* that takes place in that province each year).

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[36] Publishers' participation in the salons has also grown. From 1997 to 2002, the number of stands publishers rented increased by 20%.

[37] Mary Soderstrom in "The beauty of salons," *Quill & Quire*, January 1998.

MARKET COMPOSITION

The Quebec book market is, in the main (but not entirely), a market for French-language titles. The 2002–2003 L'Observatoire de la culture et des communications du Québec (OCCQ) study, *Enquête auprès des distributeurs de livres du Québec,* found that of the books listed by Quebec distributors, 90% were in French and 11% in English.

Only a minority of the titles distributed in Quebec—French- or English-language—are produced in Quebec. The 2002–2003 OCCQ study found that of the titles its studied distributors carried, 17% were from Quebec, 1% were Canadian outside of Quebec, and 81% were international.

Of the French-language titles, 19% were from Quebec, 80% were international, and less than 1% were from Canada outside of Quebec. Of the English-language titles, 3% were from Quebec, 10% were from Canada outside of Quebec, and 87% were international.[38]

As is the case with the US and English Canadian market, there is an active supply chain between trading partners in France and Quebec. This integration is in some ways exemplified by the Quebec operations of Hachette, a major publishing, distribution, and retail operation based in France. Hachette Canada, a division of Hachette Livres, has a strong presence in the Quebec book market as a distributor (Hachette Distribution) for 40 French and Quebec-based publishers and as a retailer (Relay, Virgin, and other HDS retail outlets in Canada).

Although the Quebec market is flooded by foreign titles, when we look at the actual numbers of books (as distinct from titles) being distributed, things look different.

- A 2004 OCCQ study found that, of the 26.8 million copies of books distributed in Quebec in 2002–2003, 41% were Quebec books (compared to 7% from the rest of Canada, and 52% from foreign publishers).[39]
- Moreover, 90% were in French, while 10% were in English. [40]
- On average there were 193 copies per title of book from Quebec being distributed compared to 83 copies per international title. As such, the average sales of Quebec titles are approximately 2.5 times higher than foreign titles, which may be a good measure to determine the supply and demand of Quebec titles for Quebec readers.[41]

[38] These figures are based on Quebec-based distributors; in other words, they do not represent the total number of English-language books in Quebec. Ontario distributors are responsible for a number of English-language titles (both from Canada and internationally) coming into the Quebec market. As such, it is difficult to arrive at a definite number of English-language titles in Quebec.
[39] Benoit Allaire and Marc Ménard, *L'État des lieux du livre et des bibliothèques,* Observatoire de la culture et des communications du Québec (OCCQ), Institut de la statistique du Québec, 2004.
[40] Ibid.
[41] Ibid.

INDEPENDENTS VS. CHAINS

With the increase in chains, it might be surprising to see that in Quebec, independent book retailers accounted for more than 50% of total revenues in 2001 and from 2004 to 2006, but, given that there are more independent than chain outlets the average revenue per chain store remains higher than that of the average independent bookstore.

Table 5. Sales of new books by independent book retailers vs. chains, 2001 and 2004–2006 (not including university/school book retailers)

	2001		2004		2005		2006	
	M$	%	M$	%	M$	%	M$	%
Independents	205.0	53.7	250.1	58.0	263.9	59.1	263.5	56.2
Chains	176.9	46.3	181.3	42.0	182.9	40.1	205.7	43.8
Total	381.9	100	431.4	100	446.8	100	469.2	100

Source for the years 2004 to 2006: Institut de la Statistique de Québec, Observatoire de la culture et des communications du Québec. Source for 2001: Allaire and Ménard, Chapitre 8, *L'État*, p.152

To counter the growing market share of chain booksellers, the Association des libraires du Québec (ALQ), the association of independent booksellers in the province, and 72 of its members formed a marketing group called "Les librairies indépendantes du Québec." The group will shortly launch joint promotions to position independent bookstores as a strong alternative to chain bookstores and other large retailers.[42] These independent booksellers are officially associated with the magazine *Le Libraire,* whose website serves as a promotional and book news platform for a trade and general audience which will eventually operate as a bookselling platform. While maintaining their independence and unique characteristics, by joining forces, the independent book retailers aim to offer additional discounts and specials, negotiate terms of trade as a buying group, and publish joint catalogues and other promotional materials.[43]

RETURNS

For the period 2001 to 2006, returns rates for independent bookstores have been fairly stable, in the range of 27% (see table below). Over the same period, however, the returns rate for chain bookstores increased by six percent, from 19% to 25%.

Table 6. Distributors' rate of returns based on the market sector for resale 2001–2006

	2001	2002	2003	2004	2005	2006
Booksellers and cooperatives	28.0	27.4	27.8	27.6	26.9	27.7
Chain bookstores	19.2	24.9	21.9	23.0	17.9	25.5
Department stores	15.0	21.5	17.6	17.4	14.2	24.2
Other retail	35.9	36.7	34.0	35.6	31.4	30.9

Source: Institut de la Statistique de Québec, Observatoire de la culture et des communications du Québec

[42] Mary Soderstrom in "Quebec indie booksellers join marketing forces," *Quill & Quire*, February 27, 2007.
[43] Carole Montpetit in "Les librairies indépendantes s'unissent," *Le Devoir*, February 23, 2007.

There are no comparable global statistics for returns in the rest of Canada. However, available OCCQ statistics and anecdotal reports from publishers throughout this study suggest that the returns rate in Quebec is generally lower than in English Canada.

We note, however, that some of the general patterns experienced outside of Quebec are present in the province as well, in that returns from chain outlets have increased over the period in question and that returns from non-traditional retail are higher than those from bookstores. Higher returns from these retail accounts are generally associated with more extensive inventory management systems, and more aggressive inventory management practices, in larger retailers.

EFFECTS OF MARKET COMPOSITION AND CHARACTERISTICS

The distinguishing characteristics of the book publishing and bookselling sectors in Quebec—in particular the accreditation system administered under *loi 51* and the distribution arrangements for new titles—have arguably contributed to a climate that strengthens the position of smaller retailers and helps to ensure a level of availability for French Canadian titles in North America's largest French-language market.

However, we also see some of the patterns in Quebec that have emerged elsewhere in Canada without the benefit of *loi 51* or the *système d'office*. Imported titles hold a majority share of the market, and the channels to market are increasingly consolidated among a small number of players. This suggests that the competitive imperatives that encourage companies towards economies of scale, profitability, and greater market share remain powerful market factors, even in the presence of special provisions to support local retailers and domestic books.

NON-TRADITIONAL RETAIL CHANNELS

> *"Book sales are turning up in the oddest places these days…The point, publishers say, is to follow customers who might not otherwise visit bookstores into the places where they do shop, rather than waiting for customers to show up at bookstores or click on Amazon.com."*
>
> — *New York Times*, November 2006

The dividing line between traditional and non-traditional book retail is often unclear, perhaps more so today than ever. Some accounts once considered non-traditional or even marginal have now become significant retail outlets for books.

For the purposes of this paper, we will define non-traditional accounts as anything other than a specialist bookstore, whether chain or independent. With close-to-flat sales and intense competition in traditional book retail, publishers have been increasing their efforts to open non-traditional channels—a pattern expected to intensify in the years ahead.

Figure 6 illustrates a broad categorization of non-traditional channels into mass market retail, warehouse clubs, and other non-traditional accounts.

CATEGORIES OF NON-TRADITIONAL RETAIL

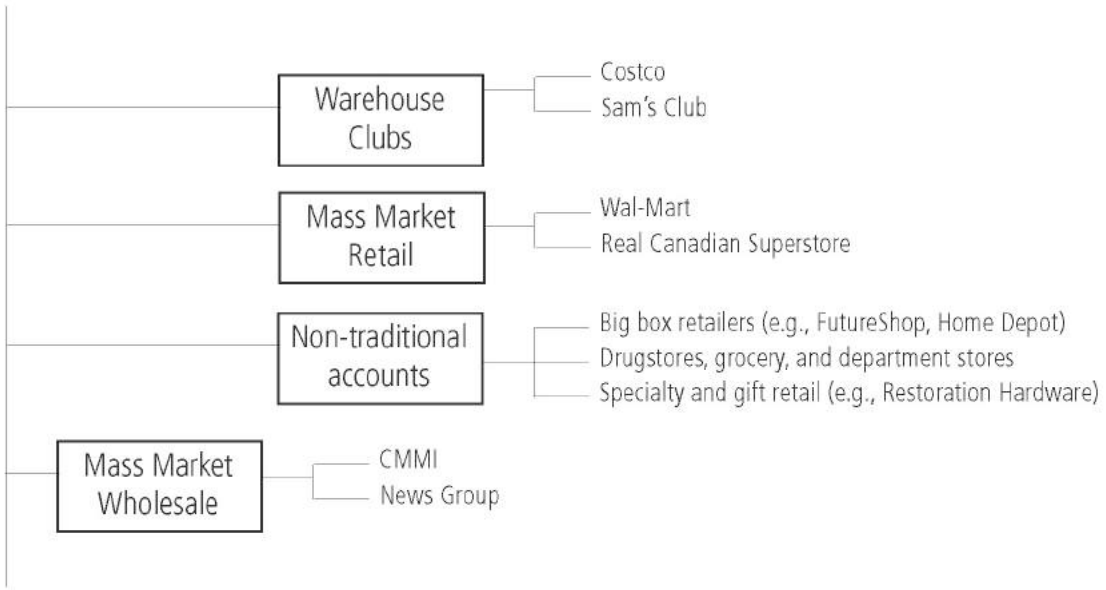

Figure 6. A categorization of non-traditional sales channels

WAREHOUSE CLUBS

US-based Costco Wholesale is Canada's leading warehouse chain and a major non-traditional account (second only to Indigo for many Canadian publishers). As of April 2007, Costco operates 71 stores throughout Canada, and is estimated to hold 10–15% of consumer book sales (and considerably more for some larger publishers).

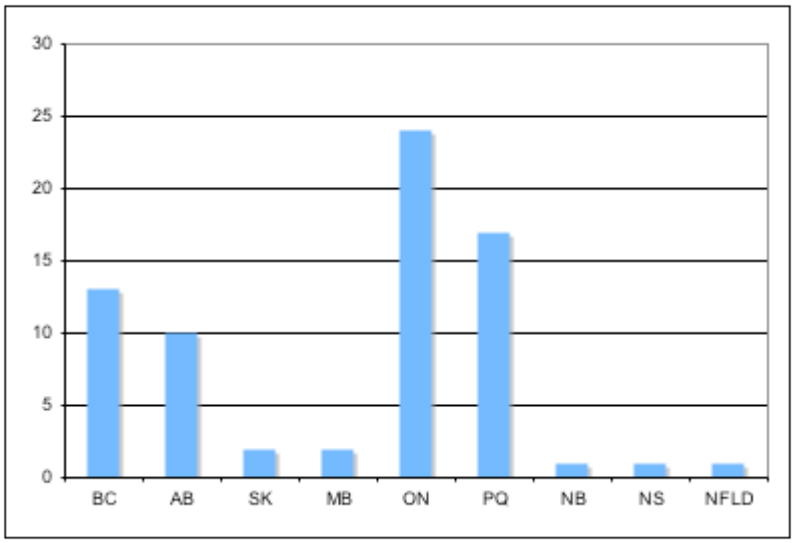

Figure 7. Distribution of Costco Wholesale outlets in Canada, May 2007

The warehouse model is based on low prices and high sales volume, and Costco generally limits its markup to 8–15% above cost (reportedly 12% on books, as compared to the 40%+ markup applied by traditional booksellers). This pricing practice means that all books on offer in Costco are effectively discounted by 30% or more. The warehouse chain supports these slim margins by negotiating maximum discounts with its vendors, and by managing its operations for greatest efficiency. Warehouse outlets are also distinguished by a membership policy whereby all shoppers pay an annual membership fee in return for shopping privileges at the warehouse chain.

Costco has a designated book buyer, based in the Ottawa area, who orders for stores across the country. Costco typically carries no more than 300–600 titles per location, orders in volume, and manages its inventory aggressively. Because of its volume, Costco can sell a lot of books in a short period of time. Individual titles have a short window, often four weeks or less, to demonstrate they can sell in the warehouse. If not, they are packed up and returned to the vendor publisher, and books that don't sell can be returned in large numbers. Needless to say, the prospect of such high-volume returns encourages close cooperation and realistic expectations for both vendors and Costco.

Even titles that do succeed are held in the warehouse channel for only two to three months. Stock rotation is part and parcel of this channel, and Costco has conditioned its shoppers to act on their book-buying impulses—the books may simply not be there on the next visit.

Costco emphasizes bestselling frontlist in its book selection, but has shown that it can sell an impressive range of books within its limited per-store selection, including literary fiction and

regional titles. Costco's sophisticated inventory and buying systems allow it to tailor selections by store so that books with a particular niche or local appeal can be well matched to the outlets where they will have the best chance of success.

In addition to Costco Wholesale, Canada is also home to six Sam's Club warehouse outlets, owned by US-based Wal-Mart and all located in Ontario. Sam's Club operates on the same basis as Costco, featuring high-volume sales at substantial discounts and requiring annual memberships of its shoppers, and is the second-ranked warehouse retailer in North America (after Costco).

MASS MARKET RETAIL

We use the term "mass market retail" here to refer to those high-traffic, large-format retailers that carry a broad range of general merchandise. This channel is dominated by the world's largest retailer, Wal-Mart, and exemplifies the value-based big-box retail experience.

Wal-Mart operates 283 stores and employs a staff of 70,000 in Canada (in addition to the Sam's Club outlets as noted above). It is a channel for high-profile books that will move off the shelves quickly. The book category in a mass market outlet relies heavily on bestselling frontlist, especially books that can be priced aggressively such as commercial fiction and trade paperback. Children's books also do very well in these stores.

As with Costco and other warehouse clubs, the typical mass market outlet stocks a relatively narrow range of titles (in the range of 500–600 per store), moves high volumes of books, and can return correspondingly high volumes of books that don't sell. The overall effect is to concentrate a large number of sales among a small number of bestselling titles. In the US, where they are more established as a book channel, Wal-Mart and other mass market retailers can account for as much as 40% of the unit sales of a national bestseller.

OTHER LARGE-FORMAT RETAIL

Many of North America's major retailers are specialized within a particular retail category, such as Home Depot (hardware and building supplies), Staples (office supplies), or Best Buy (consumer electronics), and many of these are making more space for books. These accounts may buy directly or be served by wholesaler. They tend to buy titles that fit within their product category and/or those that will be of interest to their key demographic targets.

Table 7. Leading US retailers active in Canada, ranked by total sales volume among US retailers

COMPANY	RANKING	OUTLETS IN CANADA
Home Depot	2	150
Sears	6	368
Safeway	7	221
Best Buy	13	48
Gap	18	94
Staples	23	240
Toys "R" Us	26	58

The grocery or supermarket category is another area of growing penetration for books, and a channel where discounted books can move in large numbers. Books are an attractive

product category for supermarket retailers. Even when priced with an aggressive discount, books still offer the supermarket a profit margin better than the single-digit margins made on many grocery items.

Grocery is still a developing category for many publishers in Canada. In the US, however, the channel has gained more and more market share in recent years. The #3 retailer in the US, and the nation's leading grocery chain, Kroger's, has expanded its book departments to carry up to 3,000 titles. Kroger's category manager for books, Lance Parsons, has said, "When you look at our business versus a bookstore, we have the opportunity to capture the same customers three times a week. Now publishers are beating down our doors."

SPECIALTY AND GIFT RETAIL

Specialty or gift retail accounts, whether chain or independent, tend to be smaller operators that are more focused by product and customer. Accordingly, book selections in these accounts tend to be tied to the product category. For example, architecture, design, or coffee table books in Restoration Hardware, or travel guides in Mountain Equipment Co-op.

Even with a limited selection of focused titles, these retailers can be valued accounts for publishers, especially those that publish in a niche that fits well with the retailer's primary product categories. They tend to buy directly through head office-based buyers, and often on a non-returnable basis—characteristics that make them accessible and attractive to publishers of all sizes.

MASS MARKET WHOLESALE

Many of Canada's mass market and non-traditional chain accounts, including Wal-Mart, are serviced by a mass market wholesaler. Canada's two major wholesalers of books and periodicals in this category—Canadian Mass Media Inc. (CMMI) and The News Group—provide buying, inventory management, category management, and merchandising services for major non-specialist retailers in the mass market, grocery, drug, and convenience sectors.

Publishers and distributors selling to CMMI or News Group accounts will work with buyers and category managers within these organizations, and, to a lesser extent, directly with the retailer in the case of very large buys or other major initiatives.

The advantage of this approach for the publisher is that the wholesaler provides a range of specialized merchandising services to the retail account that the publisher could not typically manage itself. The disadvantage is that the publisher largely operates at one remove from the account, through an indirect relationship that is mediated by the wholesaler.

There are also cases where larger firms (H.B. Fenn is a notable example) will establish a vendor of record relationship directly with major non-traditional accounts. Under this approach, the publisher or distributor acts as a de facto wholesaler and as an exclusive supplier of books for the account. Fenn has operated as the vendor of record for Zeller's stores in the past, and currently plays this role for other national chains like Home Depot and Canadian Tire. In such cases, any other publishers hoping to place books with the account must sell them in through the vendor of record.

ACCESS TO THE NON-TRADITIONAL CHANNEL

> *"In the US, the general public has grown increasingly less dependent on traditional bookstores for their reading materials, to the extent that non-book retailers now account for more than half of all books sold. A lot of those sales come from massive general retail outlets like Wal-Mart, Target, and Costco, but more and more they are also coming from specialized retail chains like Crate & Barrel, Crabtree & Evelyn, and Home Depot.*
>
> *Here in Canada, there have been similar attempts to position books in non-book retail stores, but so far publishers have not made the same inroads as their American counterparts."*
>
> — *Quill & Quire*, July 2006

The US market provides a fascinating window into the world of non-traditional book retail. Not only do non-traditional channels hold a major market share, but mass market, grocery and specialty retailers are also among the fastest growing retail channels for books. One US publisher, Simon & Schuster, recently reported that its sales to non-traditional accounts had grown by 50% from 2002 to 2006, and had surpassed total sales to independent bookstores.

Non-traditional sales occupy a much smaller share for many Canadian publishers at present, mostly in the range of 10–20%. Several factors contribute to the big difference in what this channel represents for American and Canadian publishers. In part it reflects a greater critical mass of retail channels in America. However, there are also a number of practical issues that determine the level of access that Canadian publishers have to non-traditional accounts. These include required investments in technology, fulfillment systems, inventory, and sales as well as buying procedures and vendor arrangements.

Each of these is a serious consideration of doing business in this channel for all publishers. In combination, however, they limit access to the channel for smaller Canadian firms. For instance, the natural advantages that smaller publishers may have in the market—such as niche or regional expertise—do not have much traction in the non-traditional channel. Buyers for large retail chains are mainly interested in books that will have a good chance of selling quickly and in large quantities (i.e., established bestsellers).

As observed earlier, the notable exception to this is Costco, where the buying process is open to smaller players and inventory systems are adaptable to local market demand. Within the broader non-traditional channel, smaller firms may also find specialty and gift retail markets more accessible, particularly in cases where the product focus of the retail account is closely aligned with the publisher's list.

REQUIRED INVESTMENT

> *"The nontraditional booksellers are a mixed blessing for publishers… because they increase a dependence on Hollywood-style, fast-moving blockbuster hits. By stocking just a small selection, these outlets become a high-stakes bet for publishers, offering big rewards but demanding big print runs and heavy marketing."*
>
> — *New York Times*, June 2003

Selling to non-traditional accounts of any kind will almost certainly involve incremental investment for the publisher. For the most part, the sales efforts of publishers and publishers' representatives remain highly concentrated on traditional retail and other "key accounts" such as Costco or Amazon. Therefore, a sales effort directed to non-traditional retail will often require an additional investment in staff and other supporting expenses (for promotion, travel, etc.).

Trading with large non-traditional retailers may also require a significant investment in information technology systems for inventory handling and order processing. Large non-traditional accounts use varying systems for ordering, and will require their vendors to adopt their system of choice and otherwise be in compliance with vendor requirements.

Canadian Manda's Ellen Warwick said recently in *Quill & Quire*, "Every account has very specific needs and has them laid out in a big 50-page document." Another publishing executive interviewed during this study added, "[Large non-traditional accounts] don't ask you how you like to do business, they tell you how you're going to do business."

At the extreme end, this "compliance" investment could also extend to additional distribution systems or facilities in order to serve major retail to the standards required for "just in time" inventory management or other vendor requirements. In all cases, these will represent significant advance costs for the publisher.

Finally, there is also the direct cost associated with placing large amounts of product into major non-traditional retail. There are two components to this: (1) the inventory investment required to fill a large order to a national non-traditional retailer, and (2) the marketing investment required to support such an order.

An order of any size from a mass market channel will be enough to prompt an additional print run or print run extension for many books, and, from the publisher's point of view, a corresponding cash expense. These same accounts, however, tend to manage inventory very aggressively and will return a large percentage of the order if the book does not quickly establish itself as a strong seller. The exposure for the publisher, in the worst case, is that it will have paid the printing bill for the additional inventory, and received a large returns shipment in lieu of an invoice payment.

Co-op terms in this channel are comparable with those in specialist book channels, running roughly to 3–5% of the previous year's sales. However, large-volume retailers will negotiate aggressively for co-op dollars to support placement and advertising, and the sales volume of

such accounts often means that the dollar value of this marketing support can be fairly significant.

MARKET EFFECTS OF NON-TRADITIONAL RETAIL

> *"Bookstore owners complain that grocery stores, like warehouse clubs, are killing bookstores and possibly the book business, too. By focusing almost exclusively on best sellers, grocers do not support the thousands of lesser authors whose books are carried at independent and chain bookstores, the critics say. Nor do supermarkets carry large selections of older books, or the backlist, which for most publishers is the most profitable portion of their business and which often supports their publishing of newer, less-known authors."*
>
> — *New York Times*, April 2005

The non-traditional book retail channel affects the broader book retail market in a number of ways. In particular, the channel has an influence on price and value perceptions as well as a market-shaping influence on the selection available to consumers and concentration of sales within a relatively small sample of titles.

PRICING

Non-traditional outlets, particularly in the mass market and discount chain categories, tend to emphasize price and to compete on the basis of aggressive discount prices combined with high sell-through volumes.

As noted earlier, many industry observers speculate that this pricing practice undermines the value proposition—i.e., the perception of value in the mind of the consumer—of books, and positions books as a commodity product. Proponents argue that the high-volume sales associated with discount pricing are an indication of price sensitivity in the market, and that lower prices are a way to expand the audience and sell more books. Along this same line, some respondents to this study speculated that casual readers who are more exposed to books through non-traditional channels could develop into new customers for traditional bookstores as well.

In terms of business-to-business effects, this emphasis on discounted prices places a lot of pressure on vendor-publishers to extend deeper trade discounts to large non-traditional accounts. This, combined with the costs associated with serving these retailers—as discussed earlier in this chapter—can undermine the profitability of the non-traditional channel for publishers.

SELECTION

An emphasis on discounts and lower price points also influences the type of titles that are likely to be carried in large non-traditional chains. These accounts are less likely to carry more expensive hardcovers or literary titles, preferring instead commercial titles, trade paperback, or children's titles with lower price points. These preferred price points are a major criterion for title selection in these channels.

Major non-traditional retailers often further filter selection by choosing only high-profile frontlist, or other titles that can be sold at high volumes. In practice, this often means that

this channel cannot be used effectively to introduce a title to market, but can play a role in selling large quantities of a book that has already established itself as an important frontlist title. As more than one publisher remarked during this study, "[Non-traditional chains] won't make a book, but they'll take a book."

As noted previously, this emphasis on a small selection of high-profile titles—often deeply discounted—concentrates a high volume of sales among a small number of titles, and has an important market-shaping effect. Consumers have come to expect discounts to apply to key frontlist titles, and know to shop for these at mass market outlets. Bestseller sales, and the important contribution to profit they represent, are lost to specialist bookstores as a result. This places further pressure on the profitability of traditional book retail, and the independent bookstore in particular.

ONLINE BOOK RETAIL

THE ONLINE ENVIRONMENT

The Internet is now a significant presence in many spheres of Canadian life. We have gone beyond relying on it mostly for communications (email) and research (search and browse) to participate in a host of other activities, including social networking (e.g., Facebook and MySpace), banking, sharing photos, and shopping. Social and consumer behaviour is increasingly shifting online.

Canadians are among the most sophisticated Internet populations on the planet. Statistics Canada reports that two-thirds of adult Canadians surfed the Internet in 2005. In 2006, the United Nations' International Telecommunication Union counted more than 22,000,000 Canadians (68% of the population) as Internet users. With a population this tapped in to the Internet, it is understandable that companies' interest in the Internet as a marketing channel to Canadians is acute.

Even so, Canadian companies have been relatively cautious in their embrace of the Internet for sales and marketing. Online sales recorded a fifth consecutive year of double-digit growth in 2006, but only 15% of Canadian retail firms sold online in 2006 (up from 10% in 2005)[44].

Meanwhile, Canadians have been inundated online by major American and global brands, such as Google, Yahoo, and MSN, all of which draw a large volume of Canadian traffic. Traffic volume, however, does not necessarily indicate online sales volume, an area where Canadian online firms seem to hold the majority share. According to Statistics Canada, about 57% of the 49.4 million electronic orders for goods and services in 2005 were placed with a Canadian vendor. These orders represented 63% of the dollar value of online orders that year, or just under $5 billion. In other words, for every $100 spent by Canadians online during 2005, $63 was spent with Canadian vendors. (It should be noted that these numbers include business-to-business as well as consumer sales[45].)

The emerging online marketplace has had an effect at both the consumer and supplier levels in Canada. For Canadian suppliers, it has meant investing in the technology to meet retailers' standards for order procurement, fulfillment, and distribution. For Canadian consumers, it has meant access to seemingly infinite shopping and purchase choices, which has turned us into value shoppers. We are more exacting in our research, price comparisons, and spending. The Internet offers a quick and easy way to research products, availability, and price in advance of purchase.

[44] Statistics Canada.
[45] Statistics Canada.

According to a recent report by J.C. Williams Group, *Multi-Channel Shopping—Canadian Style*, Canadian online shoppers spent an average of $447 online in a six-month period in 2006, with 80% making two or more online purchases. The Internet is also making an important contribution to traditional (i.e., offline) sales: the J.C. Williams Group report found that more than 8 in 10 Canadian online shoppers researched online prior to buying in-store.

Of the report, one of its sponsors, Pat Bartlett, vice president of Canada Post's direct marketing division, said, "U.S. retailers who are considering expanding into Canada have an extraordinary opportunity to grab hold of a rapidly expanding market. The study clearly shows that Canadians are savvy consumers whose lifestyle behaviour demands multiple channels to shop and a breadth of brands to choose from."

Statistics Canada reports similar interest in online window shopping:

- An estimated 9.2 million adult Canadians used the Internet to do some window shopping for goods and services in 2005. They accounted for over one half (55%) of all Internet users.
- More than 6 out of every 10 of those online window shoppers actually wound up making a purchase not online but directly from a retailer.

Advertiser behaviour generally reflects consumer behaviour and media consumption, and advertisers are now clearly following consumers online. The International Advertising Bureau of Canada (IAB) noted that 2006 Canadian revenues from online advertising were more than 1 billion dollars, representing an 80% increase over the 2005 actuals of $562 million. Of this $1 billion, 21% (roughly $208 million) came from the French Canadian online market, representing growth of 68% over 2005 actuals.

Canadian retailers dedicated to the online channel are, overall, faring well. Statistics Canada reports that in 2006, non-store retailers, such as those selling exclusively through e-commerce, mail order, or catalogues, posted revenue growth of 7.5%, in contrast to bricks-and-mortar stores' growth of 5.3%.

Canadian publishers and booksellers have long been experimenting in the online channel, with varying degrees of success. This chapter will explore the online channel as it relates to the Canadian book industry, outline what factors have influenced Canadian book businesses' initiatives and outcomes in this area, and explore current threats and opportunities.

HISTORY OF ONLINE BOOK RETAIL

In 1994, Jeff Bezos introduced Amazon, Inc. to the online retail trade in North America, effectively inventing a technology framework and process for consumer engagement that pioneered online bookselling. Amazon grew rapidly in the late-1990s, as did the online retail sector in general. In North America, several bookstores launched e-commerce sites:

- 1996: Libraire Renaud-Bray
- 1997: Barnes and Noble
- 1998: Chapters Online and later efollett.com, a partnership between Follett Higher Education Group and 450 campus bookstores
- 1999: Archambault

From 1998 to 2002, Chapters Online was the only major English-language retailer from which Canadians could buy Canadian editions of books in Canadian currency. However, in 2002, Amazon created Amazon.ca, thereby providing direct competition to Chapters Online (now merged with Indigo) because it offered Canadian-source titles in Canadian currency. Amazon.ca also offered discounts, and shipped faster than Amazon.com within Canada. For publishers, this meant another sales channel and an opportunity to repatriate some of the sales that would otherwise go to the US publishers supplying Amazon.com. For Canadian consumers, it meant increased access to Canadian-source titles and a greater choice of online retailers.

As of 2007, the online retail space has seen the rise and fall of several dot-com sites. Canadian retailers[46], large and small, have entered the online market to varying degrees of success. Independent book retailers have opted for their own e-commerce sites, such as McNally Robinson Booksellers. They have joined networked communities of like-minded retailers, such as Abebooks. Or they have signed on to services offered by data aggregators such as BookManager's WebStore, which allows booksellers to showcase their inventory and stock status on public-facing websites. Despite these advancements, Amazon remains the dominant player in online book retail in many world markets.

[46] The phenomenon applies to publishers as well. Canadian publishers are experimenting with online marketing and online sales direct to consumers. For Kids Can Press, whose US sales represent a third of the company's sales, direct sales have been part of the business model for several years.

ONLINE BOOK RETAIL TODAY

In 2005, Canadians ordered close to $8 billion worth of goods and services over the Internet for personal or household consumption, according to data from the Statistics Canada's *Canadian Internet Use Survey*. Of the nearly 50 million orders Canadians placed online during that year, the second highest product category in terms of volume of purchases was books, magazines, and online newspapers. Second only to travel (36%), online purchases of books, magazines and online newspapers represented 35% of all online orders (17.5 million orders).

Indigo's online sales alone indicate growth in the online channel. In May 2006, Indigo Books & Music stated that its online channel, Chapters.indigo.ca, recorded revenues of $79.5 million, an increase of 23% over the year prior. However, its strongest year to date was recorded in the following 2006–2007 fiscal year. In May 2007, the company reported a 9% increase in online sales, from $79.5 million to $86.7 million. This represents an increase from 5% of total revenue in 2002 to nearly 15% in 2007. Amazon does not report its Canadian sales publicly, but has recently stated that sales through Amazon.ca have doubled since 2002.

Indigo, Amazon, and AbeBooks—the Victoria, BC-based firm described in the Key Findings section of this study—have established themselves as the leading competitors in online book retail in Canada. AbeBooks reported worldwide sales of $181 million for 2006, most of which would have consisted of used books sold outside of Canada.

Between Indigo and Amazon, there is some suggestion that Indigo now has the edge in terms of Canadian market share. *The National Post* recently reported that:

> "Amazon's web sites have always generated more traffic than Indigo's, averaging about 25% higher in recent months. But much more crucial is a metric known as the 'conversion rate', which refers to how many browsers convert to buyers, resulting in a concrete sale. In online retailing, the average conversion rate is a paltry 3% and several sources said that Indigo's conversion rate is significantly above that of Amazon.
>
> 'It is my sense that [Indigo's web sales] are higher than [Canadian sales for Amazon.ca and Amazon.com],' said retailing analyst Brian Pow of Acumen Partners, who covers Indigo. 'It would be fair to make that conclusion. I think one of the big reasons relates to the fact that their presence is endorsed by traditional storefronts. Amazon is dependent on their brand awareness in general [to generate sales].[47]'"

On balance, however, the online sales channel for books in Canada was arguably invigorated by the entry of Amazon. The visibility of Canadian titles—and Canadians' access to them—in online book retail rose significantly with the launch of Amazon.ca and its considerable selection of Canadian-sourced inventory. Faced with increased competition from Amazon.ca, Indigo increased the quality and marketing for its online program, Chapters.indigo.ca, to strengthen the profile and appeal of the site with Canadian consumers.

[47] Hollie Shaw in "Winning on the web," *National Post*, June 26, 2007.

The online competition for book buyers quickly became about what each site could offer. Key considerations for consumers include:

- Price discounts
- Availability of goods
- Personalization of shopping experience
- Limited risk: physical locations for pick-up and returns offered by Indigo and length in business and customer service offered by Amazon

While Amazon and Indigo control a large percentage of the Canadian online book marketplace, opportunities remain open for smaller players and niche offerings. Most prominent of all is the opportunity for publishers, already engaged and invested in business-to-business transactions, to sell directly to consumers.

Publishers who want to take advantage of this opportunity face the challenge that most of their competitors will have longer histories and greater brand recognition (at least in the online channel). To succeed in selling direct-to-consumers online, publishers will need to develop distinct competitive advantages. These might include a strong editorial niche position, price discounting, convenience, depth of information, discovery aids (search tools and filters), personalization and quality of service, speed of fulfillment and/or fulfillment options (e.g., in-store pickup, exchange, or return), ease of use, and trust.

KEY PLAYERS IN ONLINE RETAIL

Online bookselling in Canada is as varied as the bricks-and-mortar retail sector:

- There are online retailers, without physical retail locations, operating proprietary e-commerce sites, such as Amazon.ca.
- There are bricks-and-mortar booksellers who operate e-commerce sites using off-the-shelf or custom-built e-commerce engines, for example, Indigo Books & Music.
- There are networked communities of bricks-and-mortar booksellers using platforms such as Amazon's Web Services and BookManager's WebStore, to name two.
- And there are publishers—from small independents to large multinationals—who are operating e-commerce sites to sell their books directly to consumers.

ONLINE RETAILERS: E-COMMERCE ONLY

Amazon.com, as the pioneer of online retail, remains a popular shopping destination for Canadians. According to the Alexa Traffic Rankings, a tool developed by Amazon.com, Amazon.com is ranked #20 in top destinations for Canadians versus Amazon.ca's #74. Amazon does not disclose Amazon.ca's online sales or the percentage of sales through Amazon.com that are shipped to Canadian addresses, so it is currently impossible to offer a solid estimate of Amazon.com and Amazon.ca's relative market share. Some industry analysts believe, however, that Amazon.com commands greater market share than Amazon.ca, and speculate that this is part of the reason Amazon does not report separate Canadian sales figures. According to its 2006 annual report, however, Amazon's North American net sales (year ending December 31) were $5.8 billion, a year-over-year percentage growth of 25%.

In addition to Amazon.com and Amazon.ca, Amazon offers online retailers access to the Amazon database via Amazon Web Services, which allows third parties to create independent websites that access the Amazon platform and product database. For Amazon, the result is mini-Amazons operating at very little cost to the company, which capture online sales that might have gone elsewhere. For programmers, the Amazon product database can be harvested and represented on third-party websites in a customized way.

Hampstead House Books is an example of a Canadian-owned, family business using the Amazon platform to operate an e-commerce site. Hampstead House sells books by mail order catalogue across the country and specializes in publishers' remainders.

Amazon is not the only online retailer to create a proprietary system. However, it is the largest of the online-only retailers operating in Canada. Smaller players include online retailers such as Northwest Passages, which offers Canadian literature and title and author information on a custom, e-commerce platform, and Aaronbooks.com, self-labelled "Canada's Online Bookstore," representing more than 50,000 books online.

BRICKS-AND-MORTAR + E-COMMERCE (CUSTOM-BUILT OR INSTALLED)

The largest and most dominant player in this category is Indigo Books & Music. In addition to its retail outlets, Indigo continues to operate an online store, Chapters.indigo.ca, and e-commerce kiosks in its retail outlets.

Chapters.indigo.ca, which first launched as Chapters Online in 1998, was one of Canada's biggest online success stories. Prior to its launch in 1998, English Canadians did not have a Canadian-based, major online bookstore from which to buy. In Quebec, Librarie Renaud-Bray (1996) and Archambault (1999) were providing e-commerce to francophones and francophiles around the world. But in English-speaking Canada, the only major retailer was Amazon.com. As a US operation, Amazon.com shipped to Canadians but the pricing was in American dollars, the books were sourced from American distributors and wholesalers, and the delivery times were estimations that did not include border delays. In contrast, Chapters Online originally offered over 2 million Canadian-sourced titles.

Independent booksellers, including McNally Robinson and Munro's Books, are also competing for online sales via custom-built e-commerce systems. McNally Robinson Booksellers is an independent and family-owned chain of bookstores based in Winnipeg. The company's online site features Canadian—in particular, Prairie—writers and bestsellers lists, a searchable database, and a store locations list. Munro's Books of Victoria, BC, is an independent store stocking Canadian, American, and British books-in-print. The company's online site features award-winning titles, bestsellers, bargain books, events and reviews, as well as a searchable database. As noted previously, the two regional chains in Quebec, Renaud-Bray and Archambault, have been operating e-commerce sites since 1996 and 1999, respectively.

The development and maintenance of a custom-built e-commerce system presents a number of challenges for the retailer including:

- The continual update of existing product information and the addition of new product information can be time-consuming unless automated.
- Public-facing inventory and order placement needs to feed into a back-end system that handles fulfillment.
- Expansive product offerings require search and browse functionality for users.
- It is essential to have a good understanding of all aspects of search marketing so that product pages are well placed in search results.
- Custom e-commerce solutions can be expensive to build and require continual technology development.

BRICKS-AND-MORTAR + E-COMMERCE (NETWORKED PLATFORM)

As an alternative to building their own e-commerce platforms, some independent retailers have joined online marketplaces, such as eBay, or collaborative networks such as AbeBooks and BookManager.

Although eBay and AbeBooks offer interesting opportunities for individuals and small retailers to build e-commerce sites on existing platforms, BookManager appears to be the platform of choice for booksellers focusing on new books, as opposed to rare and used books.

TBM BookManager Ltd. was created in 1986 in Vancouver by Michael Neill, then co-owner of a family-run chain of bookstores. Today, BookManager is located in Kelowna, BC, and the BookManager system supports more than 400 retail bookstores, mail order firms, and small- and medium-sized publishers and distributors.

The BookManager system integrates ordering, receiving, returns, accounts payable, inventory control, customers, vendors, point-of-sale, invoicing, accounts receivable, and a host of other book industry-related tasks. It also offers users a template-based and customizable online WebStore. A user's entire active BookManager inventory can be automatically uploaded to the web daily. For BookManager users, WebStore is free and is integrated with their existing business operations, making it a hassle-free option for online retail.

Approximately 70 booksellers—representing all provinces—regularly update their BookManager websites, which appear on Bookmanager.com, with stock updates. Canadian consumers are able to reserve and order books from their independent bookseller of choice.

Of BookManager's online sales option, one study respondent concluded that on the whole, it is well worth exercising: "Given the price—free—booksellers that aren't operating a website would be silly not to use it. It leads to 5–10 inquiries per month that would not happen otherwise."

Some prominent independents that have opted for this approach to online sales include:

- Black Bond Books (BC)
- Vancouver Kidsbooks (BC)
- Inside Story (NS)
- Collected Works (ON)
- Mabel's Fables (ON)
- Bonder Bookstore Inc. (QC)
- Livres Babar Inc. (QC)
- Book & Brier Patch (SK)

A full list of BookManager WebStores is available on the BookManager website: http://bookmanager.com/tbm/?q=h.stores

PUBLISHERS WITH E-COMMERCE

Publishers, whether they are large multinationals or small independents, are also faced with the opportunities and challenges of selling direct to consumers using online channels. For the most part, publishers are using custom, installed e-commerce systems tied to their back-end administrative and fulfillment operations.

Unlike independent booksellers, Canadian publishers and distributors have been driven by major retailers, such as Wal-Mart, Costco, Amazon, and Indigo, to make technology updates to how they store bibliographic data and metadata (e.g., covers, descriptions, and author bios) and how that data is exchanged with the major retailers.

Since publishers are already investing in these standardized means of electronic delivery to their retail partners, they have the means to also make that data available to Canadian consumers on their own websites. That said, as of summer 2007, only 30% of the 125 publishers listed in the Association of Canadian Publishers member directory have e-commerce-enabled sites.

BUYING PRACTICES AND TITLE AVAILABILITY

In Canada, the terms of trade and buying practices for online booksellers are largely modelled on those for bricks-and-mortar stores.

For bricks-and-mortar retailers with online sales, the buying process for the online channel is integrated into the general buying process. For small independents, stock is made available in-store and online, but there is little differentiation in the size of the order placed for a title appearing only in-store versus a title appearing in-store and online.

For those publishers and distributors selling into the major retailers, Amazon and Indigo, the process is as follows.

INDIGO

The bricks-and-mortar buying team at Indigo orders with the online channel in mind and the online team reviews the orders.

- Online stock requirements are taken into account by bricks-and-mortar category managers who place all orders for the chain in their subject category.
- Key titles for the online channel are identified by both bricks-and-mortar category managers and the online team.
- Category buyers and online team members ensure the appropriate levels of stock for strong online titles are held in the Indigo Distribution Centre (DC).

The main role of the online team is to act as online merchandisers. They are subject-matter experts who review key titles in their subject area to ensure product listings include key information such as cover, description and author biography; that editorial content is produced if necessary; and that stock is available and held in the DC. Stock held in the DC is an important factor in the online shopping experience because it is related to the reported delivery times on Chapters.indigo.ca. For customers, the decision to buy online is based on availability, price, and delivery time, and is influenced by associated editorial content, such as the cover image, descriptions, reader reviews and quotes, and other enhanced information.

AMAZON

The buying process is more simplified at Amazon.ca, in large part because it is an online-only retailer. Amazon fulfills customer orders in a number of ways, including through their US and international fulfillment centres, through fulfillment centres operated under co-sourcing arrangements (i.e., in cooperation with distribution partners), and through other third-party fulfillment arrangements. These multiple mechanisms for fulfillment ensure that customer orders are quickly shipped.

The system first checks to see if the title is in stock in an Amazon fulfillment centre. If a title is not available directly from Amazon, the order cascade (i.e., the automated process of selecting a fulfillment centre for an individual order) is determined by availability and historical turnaround times for each vendor.

These fulfillment mechanisms are visible to the consumer in a number of ways. Up-to-date inventory availability information is listed for each product, as well as delivery date estimates and options for expedited delivery. The shortest delivery date estimates are from Amazon fulfillment centres with delivery times from other centres increasing depending on how far down the cascade Amazon must go in order to fulfill the order. Amazon.ca has one buyer who focuses on ordering stock for the Amazon warehouse and fielding publisher requests[48].

Amazon.ca also has online editors who enhance the site content, in particular the main pages for each book category. Despite all titles being listed on the site, the online team is generally most interested in titles forecast to sell 50 copies or more in the first eight weeks of publication. These titles, or those that have already established a strong sales history, are more likely to be stocked in an Amazon fulfillment centre. Books available in an Amazon centre will generally ship more quickly than those found at centres further down the shipping cascade. This is a significant distinction as better availability translates into faster shipping times, and, it is believed, better sales.

Although both Amazon.ca and Chapters.indigo.ca have buyers and editors concentrating on online editorial content, it does not mean they are selectively listing titles; all available titles are listed in the databases. What the online teams are doing is concentrating on getting those titles in front of consumers—similar to front-table placement at the store level. Co-op funds are used to support this process by securing front-page placement or main-page category placement for specified titles, inclusion in specialty pages or online boutiques, inclusion in email marketing campaigns, and the creation of editorial content supplied by the publisher or by the retailer's online team.

The only variation in the buying process and terms of trade between Amazon.ca and Chapters.indigo.ca is how the two retailers approach co-op advertising. Amazon.ca, with a single buyer, sets an expectation for co-op spending and offers guidelines and suggestions for the types of placement that may work best, but the publisher is responsible for deciding on how the co-op funds will be spent. Chapters.indigo.ca has a greater focus on editorial content and often approaches publishers with a co-op request. In both cases, the publisher is responsible for the amount of funds spent and how they are allocated. However, Indigo's approach is influenced by an active group of online merchandisers and editors.

Co-op advertising and publishers' abilities to provide enhanced content significantly improve a title's performance. According to BookNet Canada, titles with a cover image and descriptive content can outsell a title without by a margin of 8:1.

[48] These requests could be for inclusion in feature promotions such as title inclusion in upcoming email newsletters, seasonal promotions, the creation of special pages, or the addition of non-standard content for book pages (e.g., special promotions, contests, or audio or video links).

ISSUES AND EMERGING TRENDS

PRICING TRANSPARENCY

Online marketing and sales result in transparencies to both consumers and retailers, who can easily compare price, delivery times, and stock availability. Consumers and retailers can shop around for the best (cheapest, fastest) supplier.

However, the immediate benefit of lower prices for consumers gives rise to the prospect of a longer-term negative effect for publishers. Deep price discounts at retail tend to create pressure for additional trade discounts from publishers, which further constrain the profit margins and profitability of publishing firms.

As noted elsewhere in this paper, discounted pricing in the online channel:

- exerts pricing pressure on all retail channels;
- lowers the perceived value of products among customers, especially regarding bestsellers and new releases;
- results in narrower margins for suppliers, which restricts their ability to invest in product development or marketing.

THE IMPACTS OF TECHNOLOGY ON ESTABLISHED PUBLISHING MODELS

Decades of technical innovation have made the retail sector, in particular the online channel, what it is today. The various advances in business-to-business technology and business-to-consumer technology have amplified the problems of discounted pricing and supply-chain management, but they have also improved certain business processes. Online book purchases, for example, involve advanced logistics systems for order shipping and tracking, and are enabled by sophisticated product databases and rich product information in the form of various levels of standardized bibliographic data. These advancements support basic bricks-and-mortar business operations as well as those involved in online sales.

Advances in technology will continue to affect business at all levels. The emerging areas of interest for traditional publishing firms are in digital rights management, e-books and electronic publishing, and web-based marketing opportunities. Within online retail, further advances are likely to come in the form of more powerful search and filtering technologies, and improvements in the marketing strategies used to reach niche audiences.

With market challenges also come market opportunities. For instance, visionaries such as Chris Anderson, author of *The Long Tail*, view the Internet as a mass market with millions of niches. Anderson argues that the opportunity for online retailers and publishers is to stop focusing only on the bestsellers. He indicates that there are far more niche goods than hits, and the cost of reaching those niches is falling dramatically due to a combination of improvements in distribution, technology, and broadband accessibility.

The opportunity for Canadian publishers and retailers then is continued investment in the research and development of supply-chain management and technology and the more aggressive use of the Internet as an online marketing and sales channel. The challenge to

Canadian success in this channel is the dominance of US global retailers who bring to the channel decades of expertise and greater financial resources. Without Canadian investment in the online channel, the majority market share held by Canadian vendors may very well dwindle, likely limiting Canadian access to Canadian-authored and published materials.

A CONCLUDING NOTE ON THE ONLINE SALES CHANNEL

Many of the patterns and principles of the bricks-and-mortar world apply to the online sales channel as well. Location is important, as expressed in the role played by major online brands (which operate in practice as online "addresses"). So is selection, in terms of available titles, the way in which they are featured, and the shipping times at which they can be conveyed to customers.

Online booksellers have played an important part in entrenching price discounts on new books—a consumer expectation that now extends to bricks-and-mortar book shopping as well. With widespread discounting and a vast selection of listed titles, online booksellers represent a serious competitive challenge to all book retailers. At the same time, the online sales channel brings real benefits to consumers, in the form of more price and selection options, and to publishers, for whom it represents a way to efficiently connect with readers (either directly or through an intermediary, such as Amazon).

This study has shown that the Internet accounts for only a small percentage of consumer book sales at present. These are early days in the history of online bookselling, however, and it remains to be seen how this channel will develop. But this much is clear: social and consumer behaviour has shifted online to the point that the Internet has now emerged as both a mass medium in its own right and as a legitimate platform for the sales and marketing of books. As the channel develops, it will have a major bearing on consumer awareness of books, the selection of titles available, and the ways in which book retailers in all channels compete for business.

As such, online bookselling is both a constructive and a disruptive force. It provides new choice and valued services to consumers, and it is a new sales channel for publishers; yet it breaks down conventional boundaries related to territory, trading information, and roles within the supply chain.

CONCLUSION

This study highlights and provides context to the important shifts taking place in Canada's book retail sector. We have identified these as:

- a concentration of market share among large retailers;
- the emergence of non-traditional and online sales channels;
- the impact of exchange rates on Canadian list prices and book imports;
- and the growth of the supply of new, used, and remaindered books relative to consumer demand.

What is also clear is that the new bookselling environment is part of a larger pattern of economics and trade, technological change, and evolving consumer preferences and media habits. For instance, independent booksellers, which have long played an important role in supporting Canadian books and literary culture, now hold a smaller piece of the market than larger competitors such as the country's major national chain. These same shifts from smaller to larger retailers have occurred in most product categories and in many national markets around the world. They are driven by competition—by a battle for market share, margin, and economies of scale—and are supported by technological change and integrated supply chains.

Looking ahead, mass market retailers and the online channel represent major change agents for book retail. Traditional roles are blurring among authors, publishers, and retailers, as are the lines between national territories and sales channels. These, too, are common phenomena throughout our economy and around the world. Canada's book retail sector, in other words, consistently reflects the larger societal and market trends of which it has always been a part.

As retailers, publishers, and consumers, we continue to debate the place of books in our society as well as the best way to encourage a healthy cultural ecosystem that produces great books and makes them widely available. As consumers, we value choice, competitive and transparent pricing, and convenience.

These debates, and the tensions they suggest, sit at the intersection of the practical imperatives of the marketplace and the particular context of the cultural industries, including the book trade. Canada's book retail sector faces many challenges today, but many opportunities, too. By being alert to these, and through a better understanding of the structure and issues that drive the book business, we will be better equipped to respond to both.

Appendices:

The Book Retail Sectors in Australia, France, and Scotland

Appendix 1:

The Book Retail Sector in Australia

AUSTRALIA

As in many major world markets, the book trade in Australia is highly consolidated. Seven large publishers hold a combined majority share of the Australian market. Six of these—Pearson, Random House, HarperCollins, Hachette Livre, Scholastic, and Pan Macmillan—are multinational firms that have established substantial publishing and distribution operations in Australia. A seventh—Allen & Unwin—is the largest Australian owned-publisher, and a standout (by revenue) among a growing field of independent publishing houses in the country. Nielson BookScan's sales data for Australia indicates that the top ten publishers hold a combined 70% share of the market[1].

The bookselling sector is similarly concentrated with the country's three major bookstore chains, accounting for 56% of retail sales.

MARKET SIZE AND COMPOSITION

With a population approaching 21 million people, Australia boasts nearly 250 established publishing houses, 1,600 retail outlets for books, and unit sales of 80 million new books per year. In its most recent statistical survey in 2003–2004, the Australian Bureau of Statistics valued the domestic market at AUS$1.4 billion (approximately CDN$1.3 billion at 2004 exchange rates).

The breakdown of domestic sales by category of book is illustrated in Figure 1 below.

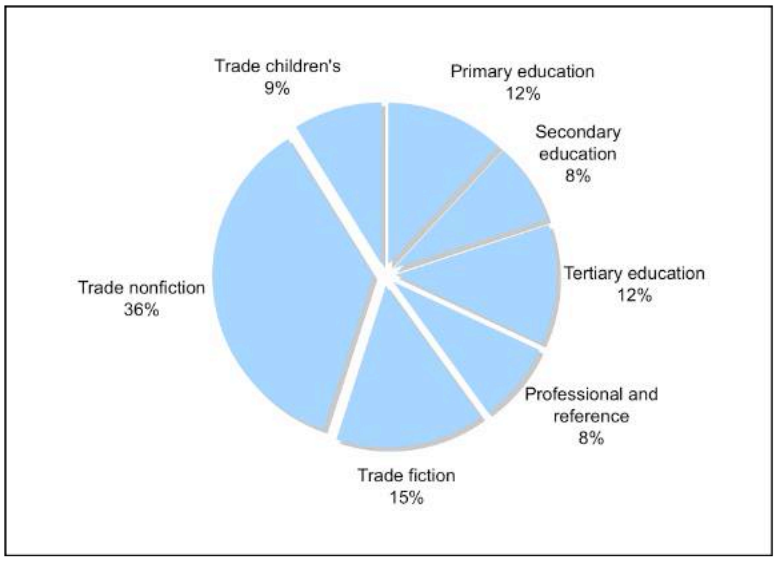

Figure 1. Australian book sales by category, 2003–2004.
Source: Australian Bureau of Statistics

[1] Of the 234 book publishers included in a 2003–2004 industry survey by the Australian Bureau of Statistics, 36 employed 20 people or more while the other 198 employed 19 or less. The 36 larger firms, which include foreign-owned publishers operating in Australia, accounted for 90% of book sales that year.

Interestingly, trade nonfiction has emerged as a more important trade category in recent years, with the share of market for nonfiction titles rising as fiction sales in Australia have fallen appreciably since 2001.

There were 8,602 new titles published in Australia during 2003–2004, including 4,610 educational and 3,724 trade titles, with an estimated 120,000 Australian titles in print as of 2006.

PUBLIC POLICY AND BOOK IMPORTS

The Australian supply chain is highly integrated with those of the United Kingdom and United States—a condition that is arguably reinforced by the dominant presence of foreign-owned publishing multinationals in Australia. Overall, titles originated in Australia hold a 60% market share, with a 40% share for imported books.

Table 1. 2003–2004 book sales in Australia, by origin of title and major publishing category

ORIGIN OF TITLE	EDUCATION BOOKS (AUS$ MILLION)	GENERAL BOOKS (AUS$ MILLION)	TOTAL (AUS$ MILLION)
Australian titles			
Originated in Australia	333.3	447.4	780.6
Acquired from overseas under separate rights agreement	10.1	21.2	
Total	343.3	468.5	811.9
Imported titles	186.2	355.1	541.3
Total	529.3	823.9	1,353.2

Source: Australian Bureau of Statistics

There are two important qualifying notes that could be added to the above table:

1. Included within this 60% share for domestic titles are books published both by Australian-owned and foreign-owned firms.

2. Also included are titles co-published with a foreign publisher and/or titles acquired under license from overseas and then adapted to some degree for the Australian market.

These are likely to be important factors in the nature of Australian title production given (1) the majority market share held by foreign-owned publishers in Australia, and (2) the participation of such firms in Australian educational publishing. However, there are no available statistics to further break down Australian-originated titles along these lines.

The close ties between major players in the domestic market and the international supply chain—further encouraged by favourable exchange rates between the Australian dollar and the British pound or US dollar—have also given rise to a practice of offshore sourcing for Australian bookstores.

The Australian government's major public policy intervention in the book trade has been in the form of restrictions against this practice of "parallel importation"[2]. The current era of Australian policy in this arena began in 1991, when the government amended Australia's copyright legislation to introduce the so-called "30 day" and "7/90 day" rules. These rules specify responsibilities for Australian copyright holders with respect to the availability of titles in the domestic market, and service standards for filling orders from bookstores.

Under these guidelines, Australian publishers holding territorial rights to new overseas titles must publish these works in Australia within 30 days of their foreign publication. Should the publisher fail to do so, its territorial rights are forfeit and its trade accounts are free to source the book from a foreign supplier.

Similarly, the 7/90-day rule applies to previously published foreign works and requires the Australian rights holder to (a) respond within seven days to a written order for a foreign title, and (b) to ensure the order can be filled within 90 days. Should the rights holder fail to do so, the party placing the order is free to source the book from overseas.

Policy in this area remains under intense scrutiny. Opponents argue that such restrictions prevent the efficient operation of the market by limiting choice for Australian consumers and by keeping consumer prices artificially high. Proponents argue that constraints against parallel importation are an invaluable protection for Australian-owned publishers and Australian authors against the integrated supply chain and the considerable economies of scale of the larger multinational publishers and distributors.

In practice, parallel importation restrictions allow Australian publishers to protect their territorial monopoly position with respect to frontlist or backlist titles to which they hold the rights. These restrictions also allow Australian publishers to export finished books or to sell foreign rights to originated titles without undue risk that they will then be competing at home against imported editions of their own books.

The Australian Bureau of Statistics notes that, while publishers' average selling price per book fluctuates over time, imported titles are priced higher than Australian titles.

[2] Parallel importation occurs when one party imports non-pirated goods into the domestic market, but outside of the authority of the Australian copyright owner. This is essentially the Australian equivalent of the Canadian phenomenom of "buying around," where Canadian bookstores may source a book from a US publisher or distributor, either because the order cannot be efficiently filled in Canada or because the order is available at better terms from a US supplier.

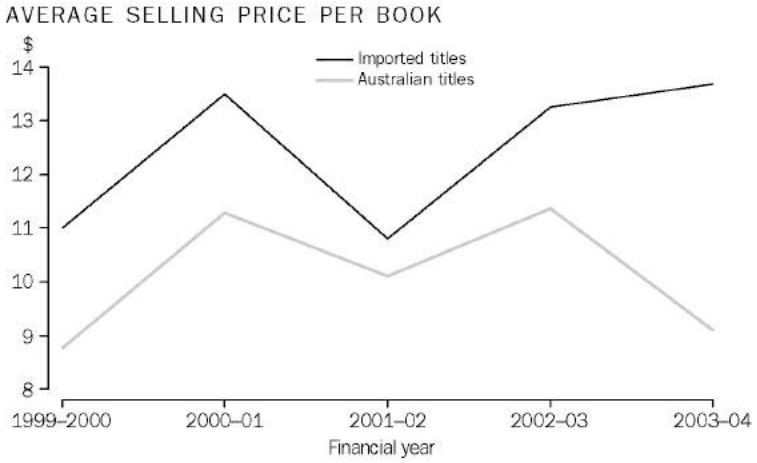

Figure 2. Average selling prices for Australian and imported titles.
Source: Australian Bureau of Statistics

Aside from currency and freight effects, the difference in prices between imported and Australian titles appears to arise, at least in part, from the relatively high proportion of Australian titles that are published as paperback editions. Australian rights holders of foreign frontlist titles appear to have a bias to paperback editions of foreign titles that may be more often published as hardcover editions overseas. Of the 3,724 new trade titles published in Australia in 2003–2004, 3,133 (84%) were published in paperback. Whatever other factors weigh into these decisions, an Australian paperback edition appears to give the Australian rights holder a built-in price advantage against a foreign hardcover edition.

The Australian government acted to remove the parallel importation restrictions in 2000, but the decision was blocked by the Australian Senate of the day and the 30 and 7/90 rules remain in place. The prospect remains, however, that the government may take further steps to weaken or remove these restrictions.

SALES CHANNELS

The Australian Bureau of Statistics counts 1,572 businesses engaged in book sales at the retail level. Of these businesses, 561 are specialist bookstores (both chain and independent), 991 are newsagents (engaged in newspaper, magazine, and stationary sales), and 19 are department stores or other retail chains.

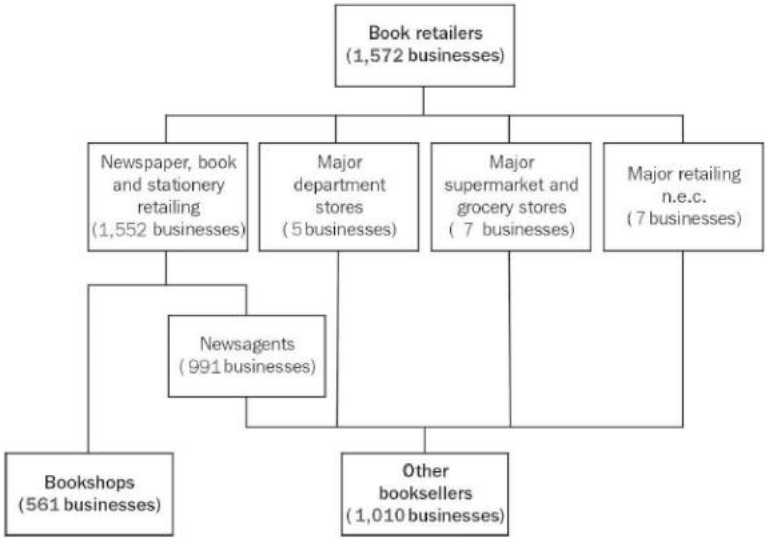

Figure 3. Overview of business category in Australian book retail.
Source: Australian Bureau of Statistics

Seventy-eight percent of Australian book sales (by dollar value) are made by the country's 561 specialist bookstores. In the most recent statistical surveys, unit sales have become increasingly concentrated in specialist bookstores, with some indication of increased price competition in this key channel.

The average retail price of books varies notably by retailer type. In the 2003–2004 ABS survey, the average book price was AUS$21 in bookshops, AUS$16 in the newsagent channel, and AUS$13 in the more price-competitive mass market and department store sector[3].

Neilsen BookScan provides the following additional breakdown of market share within key trade channels. Please note that while large in number, newsagents account for a relatively small percentage of total unit sales for books—roughly 6% in 2003–2004.

[3] At 2003 exchange rates, these values translate into CDN$19.32, CDN$14.72, and CDN$11.96 respectively.

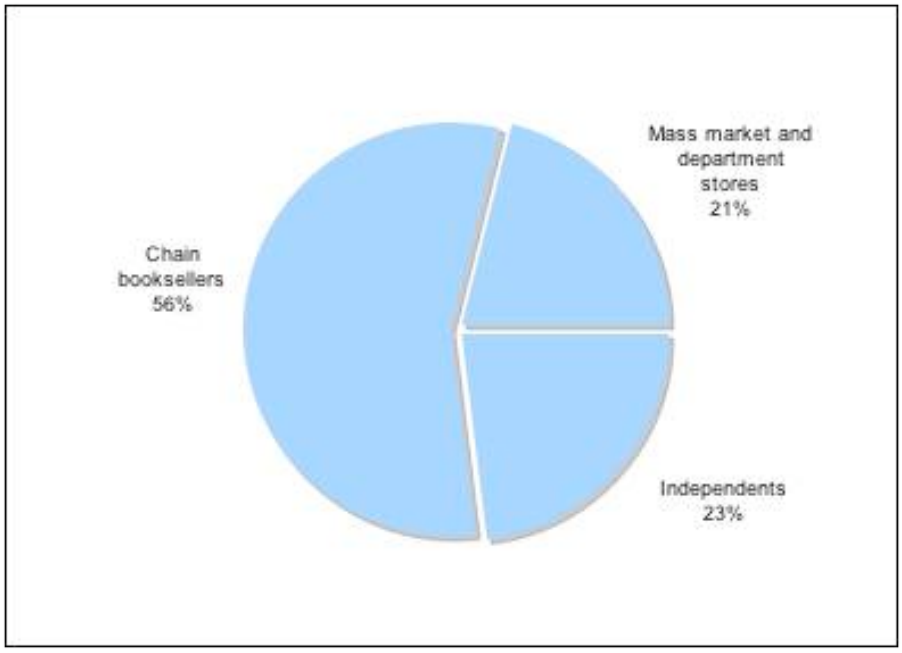

Figure 4. Market share of Australian booksellers by revenue, 2006.
Source: Nielsen BookScan

By virtue of their significant market share, mass market and department stores are included in the BookScan figures. These outlets include the Australian-owned Big W chain (a division of Woolworth's Limited), Kmart Australia, and Target Australia. On a related note, Australian trade magazine *Bookseller and Publisher* observes, "Unlike in the United Kingdom, Australian supermarkets have not yet entered book retailing in a big way."

The independent bookstores' 23% market share has climbed modestly in recent years, fuelled in part by emergence of Leading Edge, an innovative buying group for independent retailers in Australia. Leading Edge counts nearly 200 independent bookstores among its membership, and acts as a buying and promotional support group for independent businesses in a number of retail sectors.

There are three major bookselling chains in Australia. Angus & Robertson is the country's leading book retailer. Owned by an Australian-based private equity firm, Pacific Equity Partners (PEP), the Angus & Robertson chain is currently in the midst of a major expansion that will add 45 stores this year for a forecast total of 215 outlets by the end of 2007.

The second-ranked bookselling chain, Dymocks, operates 84 outlets in Australia, New Zealand, and Hong Kong (70 outlets in Australia). The chain uses a franchise model, where some of its stores are corporately owned and others are operated by local franchisees.

US-based Borders is Australia's third major chain bookseller, with 20 large-format stores in metropolitan areas throughout the country. Australia does not restrict foreign ownership of bookstores, and Borders is the latest high-profile operator to enter the marketplace. UK-based WH Smith has previously had a prominent position in the Australian market through its ownership of the Angus and Robertson chain. When WH Smith opted to wind up

operations in Australia in 2004, ownership of the chain was repatriated with the sale to Pacific Equity Partners.

Borders has been expanding its presence in Australia and New Zealand since 2002, and, by all accounts, these stores have performed well with 2006–2007 revenues estimated at AUS$195 million (approximately CDN$178 million). However, in March 2007 Borders' head office announced that the company would reorganize its operations and as part of this process is now planning to divest most of its international operations. As was the case with WH Smith before it, this latest move from Borders appears to be a response to challenges, and a corresponding refocusing of corporate attention and resources, in its home market.

In May 2007, Pacific Equity Group emerged as a leading contender to acquire Borders' Australian outlets, and has reportedly expressed its intention to continue to build the Borders brand in Australia independent of PEP's Angus & Robertson chain. It remains unclear at the time of this writing if PEP will complete the acquisition, and, if so, whether it will acquire all Borders outlets, or if it will continue to operate all current outlets following any such acquisition[4].

These latest developments illustrate one of the principal challenges associated with the entry and exit of a major market player such as Borders, which is that it introduces a significant element of uncertainty to the retail market. There is little publicly available data that can be used to describe these effects, but anecdotal reports clearly indicate the following:

- Borders has been very aggressive in entering the Australian market and expanding its position there.
- Many of its outlets have been opened in close proximity to existing chain and independent bookstores in major metropolitan centres. Borders has emphasized larger-format stores, each of which typically stocks between 80,000 and 100,000 titles. The net effect of these store openings was to dramatically increase the retail square footage and inventory investment in these local markets, leading to strong opening inventory sales for publishers and distributors in Australia.
- A number of these neighbouring stores have since closed in the face of increased competition from large, well-promoted Borders outlets. Others were compelled to compete more aggressively by offering more choice and incentives for customers or otherwise distinguishing themselves in the marketplace.
- If some or all of these Borders outlets are now closed following Borders' withdrawal from the market, this could have further disruptive effects on these local markets and all overall sales patterns within the market.

[4] Other potential buyers include the Australian management group for Borders as well as the Australian chain Dymocks.

- During its initial entry to the market, Borders was heavily stocked with imported titles, likely reflecting inventory decisions and supply chain connections to its US operations. However, as the chain became more established in Australia, it reportedly changed its stock mix to include more Australian titles in order to better reflect local market conditions and preferences and so to capture more sales.
- The uncertainty around Borders' Australian outlets is now a disruptive element in the market, leading to uncertain/unpredictable ordering patterns and making it more difficult for suppliers and competitors in the book trade to make effective production and marketing plans.

The case of Borders in Australia suggests the arrival of a major foreign chain retailer in a national market has the following effects:

1. Vulnerable competitors will be forced to close or move outlets that are in proximity to a well-capitalized new entrant.
2. Other competing bookstores will respond by strengthening product or service offerings, and/or through other strategic responses to increased competition (e.g., expansion of products or services offered, increasing specialization).
3. The foreign retailer may rely on imported titles and inventory plans in its early phases of operations, but may adapt to local titles and conditions over time, particularly if, as is the case in Australia, there is demonstrable demand for domestic titles.
4. Publishers will have a prospect for increased sales to a major new retailer, to the extent that these new outlets require substantial opening inventories to begin operations and to the extent that the new entrant results in a net increase in retail square footage in the market.
5. Consumers may have an opportunity to benefit from increased choice, service options, and price competition, to the extent that (a) the new entrant provides these and/or (b) competing retailers introduce new products or services in response to increased competition.
6. Unless senior management at the foreign retailer is committed to the national market for the long term, there is a possibility of market disruption if the retailer is forced to reduce its market presence or withdraw altogether.

Appendix 2:

The Book Retail Sector in France

FRANCE

The cultural industries, perhaps writing and publishing in particular, have a special place in France. The country's sectors of cultural production and distribution have long been closely associated at both a political and social level with French identity, language, history, and philosophy—in short, with the protection and promotion of French culture itself.

As a result, France has been a vigorous proponent of cultural protections on the world stage. This has been especially true over the last twenty years, a period during which France's cultural policies have been under scrutiny both within Europe, in the context of EU policy and regulatory measures, and internationally, in the form of General Agreement on Tariffs and Trade and World Trade Organization deliberations.

France was arguably the first nation to introduce the idea of "cultural exception" into these international trade negotiations, and more specifically, to challenge the idea that trade liberalization should be applied to cultural goods and services. While it remains under pressure from the increasing globalization and integration of world economies, the concept of cultural exception has since been accepted by both the European Union and the World Trade Organization, and, as such, continues to have a material effect on France's cultural industries today.

PUBLIC POLICY AND THE LANG LAW

In France, the national government takes a lead role in supporting the arts, with federal budgets for cultural programs having doubled since the early 1980s. The spectrum of cultural activity targeted by national programs has broadened as well to include not only the fine and performing arts, but also popular music, literature, and other categories of cultural expression.

The national government's broad policy orientation toward cultural protection is reflected in France's book retail sector particularly through the *Loi Lang*, a provision that places strict limits on price discounting of new titles. Established in 1981, and named for the French cultural minister of the day, Lang specifies a maximum discount of 5% for books. Such fixed price policies aim to reinforce the cultural significance of books by resisting their commoditization, and to support a diverse community of publishers and booksellers. In practice, such policies allow publishers some relief from downward pressure on book prices—list prices in France, for example, are often notably higher than in other markets, such as Canada—and provide smaller retail players with some protection from the more aggressive discounting practices of larger competitors.

Lang is often credited with supporting a strong national book trade in France, particularly in the face of significant consolidation and expansion among market-leading publishers and booksellers. However, independent French booksellers encounter the same challenges as do their counterparts in many other world markets. The future health of the sector is anything but certain, and, in spite of the Lang provisions, the share of market held by independent booksellers in France is not markedly different from that of smaller book retailers in many other markets.

Benoit Bougerol, president of the *Syndicat de la Librairie Francaise* (the French booksellers association), recently noted, "Large independent bookshops are being bought up, and small ones can barely make ends meet. Only medium-sized outlets are keeping their heads above water for the moment….Independent booksellers are suffering from a stagnant book market and margins; rising supermarket and e-commerce sales; and higher rents, salaries, and transport costs.[5]"

MARKET SIZE AND COMPOSITION

Total book sales in France amounted to €3.2 billion in 2003 (roughly CDN$5.21 billion at 2003 exchange rates), accounting for 48% of all cultural product sales[6]. In terms of units sold, books account for two of every three purchases of cultural products in France[7].

As *Bookseller* magazine reported in 2005, book sales are distinguished from other cultural products in France in two other important ways:

> "Although demand in all cultural product sectors is increasingly concentrated on bestsellers, the trend is less apparent for books. The top 20 book titles made up only 2% of sales, compared to 20% for the top 20 DVDs ... Booksellers [also] maintained a stronger high street presence than other [music or other media retail specialists]. Supermarkets accounted for 23% of book sales in 2004, while they represented 42% for leisure software, 50% for music and 54% for video products.[8]"

Domestic book sales in France grew by 18.47% from 1999–2003. The French national statistics bureau, INSEE, notes that as sales values have continued to climb modestly over the end of this survey period, actual unit sales dipped slightly (by less than one percent) from 2002 to 2003.

Table 1. Consumer spending on books, 1999–2003 (€ million)

	1999	2000	2001	2002	2003
Book sales	2,685.8	2,817.2	3,073.1	3,149.6	3,181.1
% change	-	+4.9	+9.1	+2.5	+1.0

Source: INSEE

[5] Barbara Casassus in "France's indies face collapse," *Bookseller*, November 17, 2006
[6] Institut National de la Statistique et des Études Économiques (INSEE)
[7] Gfk Market Research
[8] Barbara Casassus in "Books lead sales in France," *Bookseller*, February 18, 2005

With unit sales falling marginally, growth has come in part from natural inflationary effects in the marketplace. Table 2 illustrates price movement in the book category, compared against national rates of inflation.

Table 2. Changes in book prices and overall price inflation, France, 1999–2003

	1999	2000	2001	2002	2003
Changes in book prices	+0.8	0.0	+1.8	+1.0	+1.5
Changes in overall consumer prices	+0.4	+1.5	+1.6	+1.9	+2.0

Source: INSEE

As these values indicate, book prices moved inconsistently in relation to overall inflation. In spite of the price protection afforded by the Lang Law, increasing pressure for book retailers to compete on price—effectively increasing downward pressure on list prices for books—created more of a gap between growth in book prices and overall price inflation, particularly in 2002 and 2003.

Growth in overall sales volumes during this period appears to have been driven largely by strength in children's titles and *bandes dessinées* (comics). As Figure 1 illustrates, literature remains the leading category for book sales in France followed closely by sciences (including social sciences).

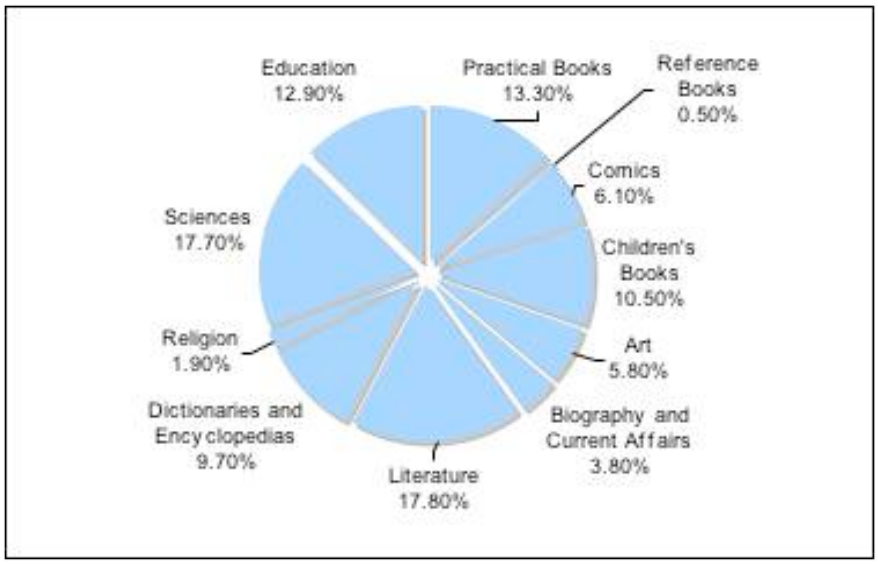

Figure 1. French book sales by category, 2003.
Source: Syndicat National de l'Edition

The Syndicat National de l'Edition (SNE), the association of book publishers in France, identifies the major growth categories from 2002 to 2003, reporting a year-over-year increase of 15.6% for children's books and 6.1% for biography and current affairs.

French trade magazine Libre Service Actualities (LSA) provides a breakdown of French book sales across major trade channels:

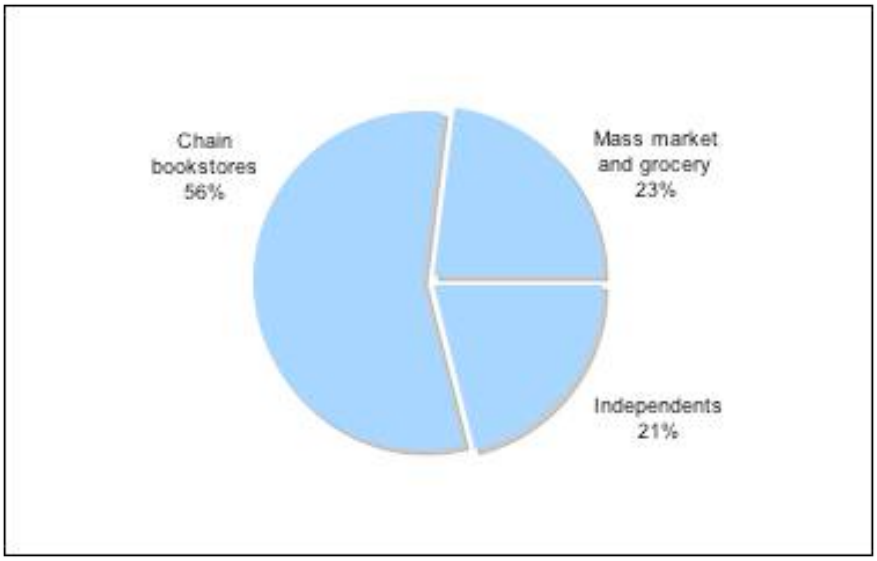

Figure 2. French book sales by channel, 2004. Source: LSA

As in many markets, chain retailers hold the dominant position in French book sales. France's chain bookstores accounted for more than half of the country's book market in 2004, and two retailers—Fnac and Hachette—dominate this category.

Independent bookstores are under pressure from the market presence, technology investments, and expansionary programs of the chain stores. Due in part to the price protection afforded by Lang, however, they remain an important channel in the French market with 21% of total sales.

Mass market and grocery retailers accounted for 23% of total book sales in 2004, much of which was driven by France's large "hypermarket" retailers, such as Carrefour[9], Géant, and worldwide player Wal-Mart.

The French hypermarket is analogous to the mass market or warehouse retailer in North America. Hypermarkets are combination supermarkets and department stores. They carry a vast range of products, focus on a high-volume, low-margin sales model, and feature facilities as large as 210,000 square feet. Most are located in suburban or out-of-town areas.

Despite representing a significant portion of the 23% market share held by the mass market and grocery channel, French hypermarkets hold a much lower share of the national book market than they do of other cultural product categories such as music or video (where their overall market share was closer to 37% in 2004). This is largely due to the intense price competition in the hypermarket channel, and the extent to which aggressive discounting of

[9] France's Carrefour chain is the world's second-ranked hypermarket retailer, after Wal-Mart.

bestselling frontlist titles is prevented by Lang. Even so, the mass market/hypermarket channel tends to emphasize bestselling frontlist, reflecting the concentration of sales among a relatively small number of titles that often characterizes this sales channel in other national markets.

Online and book club sales, while not explicitly referenced in Figure 2, also play an important part, notably Amazon's national site, Amazon.fr, and Bertelsmann's France-Loisirs book club.

MARKET CONCENTRATION

As noted earlier, the French book market is highly concentrated with major cultural product chains, such as Fnac and Hachette, holding a majority market share.

Fnac[10] has been a leading cultural products retailer in France for more than fifty years, and currently holds more than 50% of the total French market for books, music, and video products. The chain was acquired by Pinault Printemps Redoute (PPR[11]) in 1994, and has been expanding its operations throughout France and internationally in recent years. Fnac claims to offer every book published in France (nearly 500,000 titles).

In addition to its market-leading e-commerce site[12], Fnac operated 69 outlets throughout France in 2004, as well as 24 Éveil & Jeux stores (a specialist retailer for children's books, toys, and games). Roughly one-third of these stores are located in Paris and its suburbs. Fnac has expressed a clear intention to increase its retail outlets in the years to come, and to compete for more market share through expanded customer service and online sales programs.

Hachette, in the form of Hachette Distribution Services (HDS), is France's second-ranked book retailer. Hachette is a vertically integrated competitor whose operations include book publishing (Hachette Livre), magazine publishing (Hachette Filipacchi Presse), and radio and television broadcasting (Lagardère Active). These divisions, along with HDS, compose the Lagardère Media group, a major operating unit of the French conglomerate Lagardère.

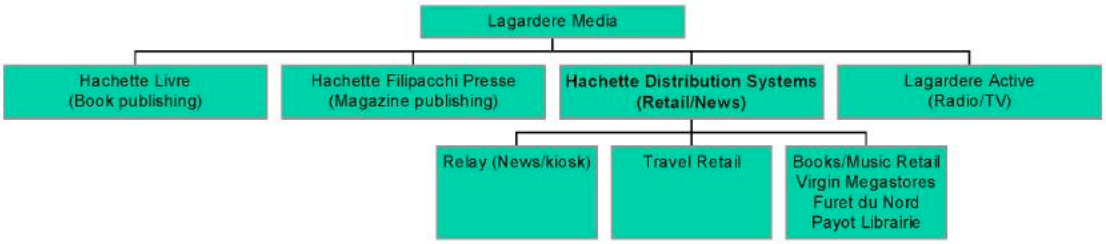

Figure 3. Lagardère Media Group, including HDS retail outlets. Source: Mintel

[10] Originally *Fédération Nationale d'Achats pour Cadres*
[11] PPR is a French multinational holding company specializing in retail shops and luxury brands.
[12] comScore ranked the Groupe PPR website #1 by French retail market share in 2006.

By 2004, HDS Relay and other travel retail outlets numbered more than 1,000 stores worldwide. HDS acquired the Virgin Megastore chain in 2001 and operates Virgin outlets in France as well as Virgin-branded travel outlets in Canada, the United States, Asia, and Australia. After converting its smaller Extrapole chain to the Virgin banner, HDS's network of Virgin outlets in France had expanded to 33 multimedia "megastores" by 2004. In addition, HDS operates the Furet du Nord outlets as a regional chain concentrated largely in eastern France.

Many of France's leading retailers of cultural goods have expanded in recent years. In some cases, notably Virgin Megastores, the product mix within the chains is also shifting in favour of books in response to declining music CD sales. In combination, these expansion programs place additional pressure on France's independent bookstore sector as these smaller retailers will increasingly be seen as acquisition targets by larger operators and/or priced out of the market as larger retailers take more of the prime retail positions throughout the country.

As the following table illustrates, the French market is highly consolidated at the retail level, with the top ten cultural goods retailers accounting for more than 90% of sales in 2003.

Table 3. Share of market for top ten cultural retailers in France, 2003.

COMPANY	SHARE (%)
Fnac	54.0
Hachette Distribution Services	8.6
France-Loisirs	7.1
Amazon	5.9
Espace Culturel	4.5
Cdiscount.com	3.6
Les Libraires Privat	2.5
Gibert Joseph/Univers du livre	2.5
Troc de l'Ile	2.1
Starter	1.6
Total	92.4

Source: Mintel

While it is a highly consolidated cultural market, France is also a strong national market for cultural goods, with domestic retailers holding the vast majority of the market share.

French policy and practice does allow foreign ownership in cultural goods retail, however, and foreign competitors play an important role. These include American-based Amazon, which launched its Amazon.fr site in 2000 (and operates an in-country fulfillment operation)[13], and Germany's Bertelsmann. The Bertelsmann Direct Group operates France-Loisirs, a brand that combines a 206-outlet retail chain with a 4.1-million-member book club[14]. Amazon and France-Loisirs held a combined 13% share of the French market in 2003.

[13] Amazon's sales in France were estimated at €326 million (CDN$508 million) in 2003.
[14] 2004 figures

France-Loisirs/Bertelsmann Direct Group has significantly expanded its market penetration in France in recent years. By 2004, more than 15% of all French households were members of the France-Loisirs club and its revenues had climbed to €340 million (CDN$530 million). The club also acquired another book club—GLM—during that year as well as Privat, then one of the largest independent bookselling chains in France (with 32 outlets in 2004). France-Loisirs/Bertelsmann Direct completed a further acquisition in 2006 with the purchase of the French bookstore chain Alsatia and its network of 23 bookstores throughout France (the transaction was approved by the French government in March 2006).

SUMMARY

These developments indicate that the French market exhibits many of the same overall trends that we see in book retail in other world markets. The market is highly concentrated; major competitors are adding market share through active acquisitions programs; and both online and non-traditional channels are gaining market share.

However, if the French market has these things in common with other national markets in Europe and elsewhere, it also distinguishes itself through the *Loi Lang*. The price protections provided by the law do not preclude the major trends sketched above. However, they appear to have the dual effect of (1) strengthening the competitive position of independent booksellers by limiting price competition from value-pricing channels (such as the hypermarkets), and (2) minimizing the commoditization of books that is often associated with aggressive price discounts in mass retail channels.

Appendix 3:

The Book Retail Sector in Scotland

SCOTLAND

The book retail sector in Scotland is highly integrated with the broader book trade of the United Kingdom, to the point where it is in some ways difficult to reference one without the other. This chapter accordingly explores Scottish bookselling in the context of the UK market[15].

In general usage, the terms United Kingdom, Great Britain, and England are often interchangeable. Technically speaking, however, the state in question—the United Kingdom (UK)—is a constitutional monarchy composed of four constituent countries: England, Scotland, Wales, and Northern Ireland.

Each of these are generally thought of as possessing distinct nationalities, and to one degree or another, the inhabitants of each country may view themselves as English, Irish, Welsh, Scottish, or British (or some combination of these).

Scotland was granted devolution, or devolved government, in 1998, and under this system the Scottish Parliament administers legislative and tax authority in some specified areas (including education, health, and culture) and the British government retains "reserved power" in a number of areas of broader national or international concern.

With a traditional base in heavy industry, Scotland today has a highly developed open economy that is closely integrated with the rest of the United Kingdom, Europe, and the wider world.

THE UK BOOK MARKET: SIZE AND COMPOSITION

Total consumer spending on books in the UK reached £2.36 billion in 2005 (CDN$5.19 billion at 2005 exchange rates), on unit sales of 306,000,000[16]. This represents a 20% increase in dollar value and 10% increase in unit sales from 2001 to 2005. Average prices increased by only 1% during this period, considerably below the rate of inflation in the UK of roughly 2% per year.

Table 1. UK market by share of publishers' invoiced sales by sector, 2006

	VALUE	UNITS
Consumer	68%	87%
Academic/professional	22%	7%
School/English language teaching	10%	6%

Source: UK Publishers Association

[15] Scotland represents an interesting point of comparison with the Canadian market in that it operates in close proximity to England. Scotland shares considerable political, economic, and cultural ties with its larger neighbour, including a shared language and an integrated book supply chain.
[16] The Booksellers Association

The distribution of total UK publisher sales illustrated in Table 1 has remained fairly constant in recent years, as has the distribution of sales by category illustrated below.

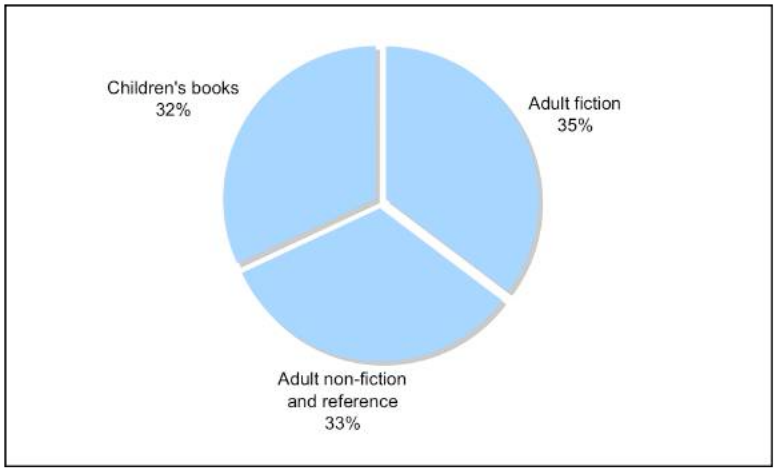

Figure 1. UK book sales by category, 2006.
Source: UK Book Publishing Statistics Yearbook 2006

The UK's publishing sector exhibits the same concentration of market share that is apparent in many world markets. The four largest publishers—Hachette, Bertelsmann, Pearson, and the News Corporation—account for more than 50% of total consumer sales. These large players have been building market share in recent years, partly by acquiring smaller firms.

SALES CHANNELS

Market conditions have been difficult for both publishers and retailers in the UK in recent years. The British market shares many of the characteristics of other world markets—including consolidation and concentration of market share and heightened competition—but the UK market has also been shaken by dramatic gains in market share for massively discounted sales channels.

Online retail—Amazon in particular—and the country's supermarket chains (synonymous with "superstores" or "hypermarkets" in other markets) have seen huge gains in sales in recent years, but this has come largely on the strength of deep discounting on bestselling frontlist titles (discounts of 50% or more from list are commonplace). This deep discounting practice is echoing throughout the British industry today and is affecting everything from terms of trade between publishers and retailers to the stock selection available to consumers in the nation's "high street" (i.e., specialist booksellers) bookshops.

Alan Giles, an executive with book and music retailer HMV, was recently quoted in the *Publisher's Lunch* newsletter as saying, "The stockholding bookshop is being squeezed by two forces: the expansion of online book sales beyond the 10% market share that we initially thought would be a natural ceiling, and the unstoppable growth of supermarkets such as Tesco. The discounting pressure from the likes of Tesco has produced massive deflation [in book prices]."

Speaking at a London retail conference earlier this year, Gerry Johnson, managing director of British bookselling chain Waterstones, said, "We have witnessed the Internet drive down demand for large bookstores. We wouldn't contemplate opening a 15,000 to 20,000 sq ft store, because even if the market will support it now, it won't in the future."

The UK Publishers Association's 2007 market profile provides a concise history of how British bookselling has been transformed over the past 20 years.

> "One major national chain, W.H. Smith, dates back to the nineteenth century, but generally book retailing was a business for local chains and private independents. This situation was supported, in part, by the Net Book Agreement (NBA) – a trade arrangement that meant that the publisher fixed the retail price of most books. This discouraged dynamic retail competition. Since the 1990s, and following the collapse of the NBA, the book wholesaling and retailing markets have become increasingly competitive, with the chains, such as Waterstones, W.H. Smiths and Borders taking market share from the independents, but latterly also losing some business, especially in the top bestsellers, to the supermarkets.
>
> At the same time the e-retailers, notably Amazon, have also grown rapidly, and the book clubs and the remainder and bargain bookshops have lost share in the face of aggressive discounting in the mainstream bookselling market. There has also been consolidation in the wholesale and library supply sectors."

Retail market share (by sales volume) breaks down as illustrated in the following tables.

Table 2. UK market share by sales channel, 2004–2006

	2004	2005	2006
Bookstores	57.2%	56.1%	55.9%
Internet	8.7%	10.9%	12.2%
Supermarkets	5.5%	7.4%	7.8%
Other	28.6%	25.6%	24.1%

Source: BML

Table 3. Changes in UK market share by sales channel, 2001–2005

CHANNEL	% CHANGE 2001–2005
Chain bookstores	+18%
Independent bookstores	-16%
Supermarkets	+90%
Internet	+183%

Source: BML

There are four national chains in the UK: WH Smith, Waterstones, Borders, and Ottakars. WH Smith is held within the UK, Waterstones and Ottakars are owned by UK multimedia retailer HMV, and Borders is based in the US[17].

Table 4. Market share and number of UK outlets for UK bookselling chains, 2005

	STORES	MARKET SHARE
WH Smith	669	15.4%
Waterstones	200	14.5%
Ottakars	141	7.9%
Borders	72	3.5%

Source: UK Booksellers Association; Times Online

Another four national chains dominate the supermarket channel in the UK—Tesco, Asda, Sainsbury's, and Morrisons—each of which operate large-format superstores of 40,000 square feet or more. These chains held a combined 74.3% of the UK grocery market as of 2005[18], and reportedly command discounts of up to 60–65% from vendor-publishers on the strength of high volume sales for a relatively narrow selection of books.

Along with the aggressive discounting practices noted above—deep discounts on list price and "3-for-2" incentive offers—independent booksellers face additional challenges. These include increased marketing spending by larger chain competitors, and shrinking margins as the high-volume bestseller trade is increasingly concentrated outside of independent bookstores and as operating costs, notably commercial rents, continue to increase.

THE SITUATION IN SCOTLAND

As chain bookstores have acquired a larger share of the Scottish market, more attention, both within the book trade and the book-buying public, has been drawn to the selection of books available within these stores, and to the availability of Scottish titles in particular. The question of title availability is in some respects difficult to run to ground as Scottish sales data are not broken out separately from the overall UK market. As a result, there is little in the way of publicly available statistics that describe this aspect of the Scottish market. Much of debate and opinion the surrounds the question of title availability seems to based on the direct experiences and observations of publishers working in Scotland, and by their representative industry groups.

The British trade magazine *Bookseller* noted in 2003 that the range of titles available in UK bookselling chain has been shrinking in favour of greater shelf space for bestsellers. At the same time, increased marketing spending and aggressive price discounting have created an environment where smaller retailers—often, Scottish-owned firms—have difficulty competing with larger national chains. Similarly, Scottish publishers report increased "gatekeeping" effects (i.e., less access to key trade channels for their books) as buying and marketing decision-making has increasingly shifted out of the country to the home offices of the larger UK chains.

[17] In early 2007, Borders announced its intention to sell its international outlets, including its large-format stores and Books Etc chain in the UK.
[18] TNS Superpanel

The twin issues of market concentration and availability of Scottish titles have been raised widely by the country's arts groups and trade associations. A recent report by the Scottish Arts Council noted:

> "The competition for retail space for books produced in Scotland is fierce: the strength of the global English-language publishing industry, where a significant period of consolidation has resulted in the dominance of a few large global players, poses a significant challenge to small- and medium-sized publishers[19]."

Contributing to this trend is the decline in the number of Scottish-owned-and-operated book retailers and library wholesalers in recent years as firms have gone out of business or have been acquired. For example, there are no longer any locally owned regional chains operating in Scotland. The last of these, James Thin Booksellers, fell into receivership in 2002 and its 12 stores were subsequently acquired and rebranded by the English chain Blackwell's (and subsequently by Ottakars). The end result has been a loss of local control in the bookselling sector, as small or mid-sized Scottish firms have been purchased by larger UK chains—with a corresponding transfer of decision-making outside of Scotland.

This problem was exacerbated by HMV's acquisition of the Ottakars chain in 2006. While not Scottish-owned, Ottakars operated in Scotland with a decentralized buying and management model that allowed store staff to make stock selection and promotion decisions at the store level. Following HMV's acquisition of Ottakars, and its subsequent operational integration with the Waterstones chain (also owned by HMV), buying and marketing decisions shifted from Ottakar outlets in Scotland to Ottakar/Waterstones' head office in England.

The Scottish Publishers Association said of the merger at the time:

> "We believe that this merger, by offering no alternative to the Waterstones [centralized] model of stock holding and promotional activity, would severely damage the ability of Scottish publishers to offer a range of relevant material to customer here, and would limit the opportunity for promotion of new Scottish writers which would have a detrimental effect on their career opportunities."

Scottish publisher Hugh Andrew, of Birlinn Limited, added his views on centralized decision-making in the context of the Ottakars debate:

> "Centralized chains ignore granularity in the market. It is too small-scale to worry about in a centralized decision-making model. The obvious example of this is WH Smith: its takeover of John Menzies promptly reversed Menzies very pro-Scottish policy and effectively eliminated Scottish cultural interest from its stores. WH Smith claims 20% of the UK consumer market for books, yet its market share for Birlinn Ltd is 1.75% in Scotland. This experience is common in varying degrees to all Scottish publishers."

[19] Review of publishing. Scottish Arts Council, 2004

The availability of Scottish books in Scottish bookshops has become a local political issue with Scottish parliamentarians lobbying major chains to increase their holdings of Scottish titles. As the leading Scottish daily *The Scotsman* reported in 2006, "[Members of Scottish Parliament] today hit out at [WH Smith's] centralized buying policy which they say means decisions are taken at headquarters in Swindon on what books are sold in Scotland. And the Scottish Executive was urged to draw up a code of conduct for booksellers to protect Scottish interests.[20]"

WH Smith, with its 20% share of the Scottish consumer market and centralized buying process at head office in England, has been a particular target for this criticism. The chain has taken steps to feature Scottish titles more prominently in its Scottish stores as a result, but its performance in buying Scottish titles remains a matter of debate. One parliamentary member argued at the time that WH Smith's centralized buying process has "a detrimental effect on Scottish writers, the Scottish publishing industry, and the Scottish book-buying public. Smaller Scottish authors and small Scottish publishing houses are not getting their goods on the shelves, which means our writers are not getting a fair crack of the whip and it's undermining Scottish culture, never mind the Scottish economy."

As the country's bookshops have passed out of Scottish hands, local industry groups have taken additional steps to help ensure wider availability of Scottish titles. The November 2005 launch of the Scottish Publishers Association's online retail platform, BooksfromScotland.com, has been a major initiative in this regard. The BFS.com site introduces itself as follows:

> "Small to medium publishers face problems in getting their books sold and displayed adequately in the chains and other major bookshops…BFS.com was set up to address some of these issues but aims also to boost export sales for publishers and provide a one-stop shop and information site for Scottish-interest titles…[T]he site will emphasize this dual role: functioning as a showcase of Scottish books and writers and as a straightforward online bookshop."

[20] Ian Swanson in "WH Smith under fire for failing to stock more Scottish writers," *The Scotsman*, November 6, 2006

SUMMARY

The situation in Scotland is an acute, local example of what are worldwide trends toward consolidation and market concentration in book retail. Given the current retail environment in Scotland, BooksfromScotland.com is likely only one of a number of such initiatives that Scottish publishers will pursue to try to open new sales channels for their books.

In summary, the following observations can be made of the recent history of Scottish book retail:

- Increased competition and limited overall market growth are fuelling acquisitions activity. Barring any restrictions in the form of cultural policy or antitrust/competition bureau rulings, larger competitors will naturally acquire smaller firms in order to gain market share, operating efficiencies, and economies of scale.

- Acquisitions activity can disrupt local or decentralized management processes—whether the acquired firm is locally owned or not—with the overall effect of moving management decision-making out of the local area.

- Larger firms are generally disposed to centralized decision-making. In book retail, this approach has the greatest effect at two key contact points between author, publisher, and reader. First, the selection decision (i.e., the buying or inventory decisions that determine which books are on offer at retail, and in what quantities). Second, the promotional decision—that is, the programs and policies that determine which titles benefit from additional promotions, including featured in-store placement.

- Centralized decision-making in larger retailers is naturally biased to stock selections and marketing programs that can be efficiently applied in all outlets across the chain. This reduces the viability of lower-volume titles within such systems—including local interest and cultural titles—and discourages central buyers or marketers from emphasizing these relatively lower-volume titles in their programs.

Public Opinion on the Value of Books in the English Language Book Sector

REPORT ON MARKETING, LIBRARY USAGE, ILLEGAL DOWNLOADING AND PUBLISHING

Submitted to:

The Book Strategy Group
Attention: Carolyn Wood
Executive Director
Association of Canadian Publishers

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January 26, 2015

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ACKNOWLEDGEMENTS

Acknowledgements:

The Association of Canadian Publishers (ACP) and the Book Strategy Group (BSG), an ad hoc committee representing the interests of Canadian writers and publishers, acknowledge the financial support of Canada Council for the Arts and the Ontario Media Development Corporation (OMDC).

Canada Council for the Arts Conseil des arts du Canada

Ontario
Ontario Media Development Corporation
Société de développement de l'industrie des médias de l'Ontario

Disclaimers:

This project was funded by the Canada Council for the Arts. The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Canada Council for the Arts.

This study was conducted in part with the financial support of Ontario Media Development Corporation (OMDC). Any opinions, findings, conclusions or recommendations expressed in this material are those of the author and do not necessarily reflect the views of Ontario Media Development Corporation or the Government of Ontario. The Government of Ontario and its agencies are in no way bound by the recommendations contained in this document.

Study Products:

This Marketing, Library usage, Illegal downloading and Publishing Report is one of five documents produced for this study. The other four documents include reports on:

- Appendix Material: Consultation Instruments
- Usage and Value
- Public Opinion on the Value of Books in the Education Book Sector
- Summary Report

1. INTRODUCTION

The Book Strategy Group (BSG), an ad hoc committee representing the interests of Canadian writers and publishers, commissioned public opinion research on current attitudes of English-speaking Canadians about the cultural and economic value of written works. The research explores matters of pricing, copyright law, file-sharing, ownership and lending models, as well as views on Canadian content, and assessments of knowledge and valuation of self-published books and traditionally published books. This report presents the findings from one component of this study: a public opinion survey with English-speaking Canadians.

1.1 STUDY BACKGROUND AND OBJECTIVES

The goal of this research is to understand the value – social, cultural, economic – that English-speaking Canadians place on books. This research will be used to provide direction to the book industry in its efforts to better engage key influencers and to increase the sustainability and competitiveness of Canadian publishers and writers. This research may be used to inform:

- ongoing public conversation with creators, producers, readers, educators, etc.;
- development of new business models that more accurately reflect demand;
- public awareness campaigns;
- redirection of resources to formats or distribution systems that better serve changing tastes and public interest; and,
- additional research on specific issues emerging from this process.

Two surveys were conducted with the Canadian public as part of this inquiry. The objective of each survey was to gauge broad attitudes, knowledge, and perceptions regarding books and the book publishing industry. A series of focus groups was used to further explore major issues.

1.2 SURVEY METHODOLOGY

The methodology for this study involved two nationally representative surveys of 1,568 and 1,590 Canadians 18 years of age and older. In order to keeps costs at a reasonable level, while ensuring adequate coverage of the target population for a probability-based survey (i.e., at least 90 per cent coverage), the methodology for this study involved an online/telephone hybrid approach for each survey.

In total, 85 per cent of each sample completed the interview as a self-administered form online. The remaining 15 per cent completed the survey over the telephone with a trained interviewer. Each sample was drawn from all provinces and territories, including Anglophones in Quebec, and subsequently

stratified to include a higher than representative portion in the smaller provinces of the country (Saskatchewan, Manitoba and the Atlantic Provinces). The sample source for each survey was members of the EKOS Prob*it* panel, which was specifically designed for online/telephone surveys. Our panel offers complete coverage of the Canadian population (i.e., Internet, phone, cell phone), random recruitment (in other words, participants are recruited randomly; they do not opt themselves into our panel), and equal probability sampling. All respondents to our panel are recruited by telephone using random digit dialling and are confirmed by live interviewers. The distribution of the recruitment process for our panel mirrors the actual population in Canada (as defined by Statistics Canada). As such, our panel can be considered representative of the overall Canadian general public. Each sample size yields a level of precision of +/- 2.5 per cent, 19 times out of 20, for the sample overall and +/- 7 to 11 per cent for most sub-groups that could be isolated in the analysis (including age and gender segments, etc.).

Each survey took an average of 18 to 19 minutes to administer on the telephone, by a pool of bilingual trained interviewers. EKOS Research was responsible for questionnaire development, programming, translation and testing of each questionnaire.

Each survey was monitored for sample efficiency (e.g., rotation and number of call-backs) and gender quotas, as well as for general data quality. Each survey was collected over roughly two weeks; with the first one collected in March 2014 and the second in October 2014. Each number entered into each initial sample was attempted up to eight times before retiring the telephone number, and attempts were spread over the data collection period. The response rate for the first telephone survey was 28 per cent, while the response to the second survey was at a rate of 18 per cent, in part because of collection over Thanksgiving.

1.3 SAMPLE CHARACTERISTICS

The following sections provide details on the distribution of the sample in terms of demographics, geography, and Internet use.

a) Demographics

The sample is largely reflective of the distribution of men and women in the Canadian population. Four in ten in the sample (41 to 42 per cent) are 55 or older, which is higher than the Canadian population according to 2011 census data. One in five (18 to 19 per cent) is between 18 and 34 years old. There is a significant under representation of youth under 25. Survey results were weighted by age and gender to reflect the population for the analysis.

Table 1.1: Gender and age distribution

	March Survey (n=1568)	October Survey (n=1590)
Gender		
Men	53%	49%
Women	47%	51%
Age		
18-34	19%	18%
35-44	35%	38%
55+	42%	41%
No response	4%	4%

Just over one in four in the samples (28 to 29 per cent) have household incomes under $60,000. Just under one in four (23 to 24 per cent) have incomes between $60,000 and $100,000. Three in ten (29 to 31 per cent) have a household income greater than 100,000. The majority have some post-secondary education, including just under four in ten who have a college education or equivalent, and a slightly higher proportion (36 to 40 per cent) who have a bachelor's degree or higher. About one in four in the samples (23 to 26 per cent) has at most a high school education.

Table 1.2: Income and educational distribution of sample

	March Survey (n=1568)	October Survey (n=1590)
Income		
Under $20,000	5%	6%
$20,000 to just under $40,000	9%	10%
$40,000 to just under $60,000	14%	13%
$60,000 to just under $80,000	11%	12%
$80,000 to just under $100,000	12%	12%
$100,000 to just under $120,000	11%	9%
$120,000 to just under $150,000	7%	7%
$150,000 and above	12%	12%
No response	18%	17%
Education		
Some high school or less	3%	2%
High School diploma or equivalent	23%	21%
Registered Apprenticeship or other trades certificate or diploma	4%	5%
College, CEGEP or other non-university certificate or diploma	27%	26%
University certificate or diploma below bachelor's level	7%	6%
Bachelor's degree	25%	26%
Post graduate degree above bachelor's level	12%	14%
No response	2%	1%

Nine in ten people in the March sample (89 per cent) learned English as their first language. Five per cent report their mother tongue to be French, although they currently speak both English and French, and a slightly larger proportion learned a language other than English or French as their first

language (nine per cent)[1]. Thirteen per cent of the sample is foreign-born, which is lower than is found in the Canadian population according to 2011 census data (20.6 per cent).

Table 1.3: First language and birthplace

	March Survey (n=1568)	October Survey (n=1590)
First language		
English as first language	89%	NA
French as first language	5%	NA
Other first language	9%	NA
No response	1%	NA
Born in Canada		
Yes	87%	86%
No	13%	13%

Roughly one in three in each of the samples (29 to 34 per cent) has a child or children under 18 living in their home.

Table 1.4: Proportion of sample with children under 18 living at home

	March Survey (n=1568)	October Survey (n=1590)
Children under 18 living at home		
Yes	29%	34%
No	70%	66%
No response	1%	1%

b) Geographic Distribution

Following is the sample distribution by province/territory, which was stratified to increase the proportion of cases in the smaller provinces (e.g., in the Prairies and Atlantic Canada), reducing the sample in Ontario. There are also relatively few cases in Quebec as the survey sample was designed to reflect the English-speaking/reading public. Results were subsequently weighted to reflect the geographic distribution of the actual population of Canadians who speak English at home in the analysis of the results.

Table 1.5: Provincial/territorial distribution of sample

	March Survey (n=1568)	October Survey (n=1590)

[1] This indicator of language was not included in the October survey.

Province/Territory		
BC	19%	15%
Alberta	19%	13%
Saskatchewan and Manitoba	18%	14%
Ontario	23%	31%
Quebec	6%	9%
Atlantic Provinces	15%	15%
Territories	1%	1%

More than one in three Canadians sampled (37 per cent) live in the largest cities[2]. A slightly higher proportion (49 per cent) lives in smaller urban centres. The remainder in the sample (14 per cent) lives in rural areas.

Table 1.6: Urban/Rural distribution of sample

	March Survey (n=1568)	**October Survey (n=1590)**
Urban/Rural Distribution		
Large urban centres	37%	37%
Smaller urban centres	49%	49%
Rural	14%	14%

[2] The cities with the largest populations in Canada (i.e., over 750,000 in their Census Metropolitan Area) are Toronto, Montreal, Vancouver, Ottawa, Calgary, Edmonton, Winnipeg, Hamilton, and Quebec City.

c) Internet and Social Media Use

Most Canadians in the March sample (87 per cent) access the Internet multiple times a day. Almost all (97 per cent) use a desktop or laptop computer. In addition, half (53 per cent) access the Internet using a smart phone and just under half use a tablet device (47 per cent). All use the Internet primarily for personal use. Additionally, over half (57 per cent) usually use the Internet for work while another 10 per cent use the Internet for school.

Table 1.7: Frequency of Internet use, devices used, and reason for use

How frequently do you access the internet? (n=1368)	
Multiple times a day	87%
About once a day	9%
Several times a week	3%
What kinds of devices do you use to access the Internet for personal use? (n=1368)	
Desktop computer or laptop	97%
Mobile phone with basic Internet access	8%
Smart phone capable of accessing data, video, etc (e.g., iPhone, Blackberry)	53%
Tablet device (e.g., iPad, Amazon Kindle)	47%
Home gaming system (e.g., Sony PlayStation, Microsoft Xbox, Wii)	12%
Usually use the internet for… (n=1368)	
Work	57%
School	10%
Personal use	99%

More than half of respondents in the March sample use social media on a frequent basis, including those who use social media at least once a day (16 per cent) or multiple times a day (37 per cent). One-quarter of respondents are infrequent social media users, who may access social media sites several times a week or less often. Eighteen per cent in the sample never use social media. Almost everyone who uses social media is on Facebook (90 per cent). Four in ten (42 per cent) use LinkedIn and one in three (34 per cent) use Twitter.

Table 1.8: Frequency of social media use and sites used

How frequently do you use social media? (n=1368)	
Multiple times a day	37%
About once a day	16%
Several times a week	10%
Once a week	5%
Several times a month	4%
Once a month	2%
Less than once a month	6%
Never	19%
Don't know/No response	1%

Which of the following do you use, if any? (n=1002)	
Facebook	90%
Linkedin	42%
Twitter	34%
Pinterest	21%
Tumblr	5%
Other	6%

2. FINDINGS

2.1 PROFILE OF READERS

As measured in the first survey conducted under this research, four in five Canadians (80 per cent) read books on a regular basis (i.e., in the last 60 days). The incidence is higher among women than it is among men, as well as among younger Canadians. It is marginally lower in Atlantic Canada, but otherwise fairly even across different segments of the sample.

The average number of hours spent reading over a two-month period is 7.8, although again, this is higher among women. The average number of hours spent reading is also higher among those with less income, likely elevated because it encompasses retirees. Reading intensity is similarly higher among those who do not have children at home. Reading intensity is lower in the Prairies than elsewhere in Canada.

Reading for work is more common among men and is noticeably less common among those over 55 (including the retired, which likely explains the difference in the age cohort). It increases with household income. The incidence is lower in Quebec. Reading for school is of course higher among those under 35 and is higher in households reporting the highest income, likely influenced by students living at home.

Table 2.1: Incidence, intensity and purpose for reading

	Read (%)	Weekly Hours of Reading (Mean)	Leisure (%)	Work (%)	School (%)
Total	**80%**	**7.8**	**94%**	**41%**	**15%**
Gender					
Male	76%	6.4	92%	48%	16%
Female	85%	9.0	96%	23%	14%
Age					
<35	84%	7.3	89%	49%	40%
35-54	78%	7.7	95%	48%	8%
55+	81%	8.4	98%	26%	1%
Income					
<$40,000	77%	10.3	92%	32%	20%
$40,000-$80,000	80%	8.0	93%	36%	19%
$80,000-$120,000	79%	6.2	96%	45%	58%
$120,000+	81%	6.2	94%	58%	13%

	Read (%)	Weekly Hours of Reading (Mean)	Leisure (%)	Work (%)	School (%)
Parents					
Yes	83%	6.8	94%	46%	16%
No	79%	8.1	94%	38%	14%
Region					
BC-Territories	83%	8.0	94%	40%	19%
Alberta	78%	6.7	93%	46%	9%
Sask/Man	78%	6.6	90%	43%	14%
Ontario	83%	8.2	95%	40%	17%
Quebec	79%	7.7	96%	33%	9%
Atlantic	72%	8.2	96%	39%	10%

Roughly half of respondents (49 per cent) read in digital format, which was also the proportion measured in the first survey. This is lower among those 55 years of age or older, although 44 per cent still read in digital format in this age cohort. Those who read for work and school are considerably more likely to read in digital format (66 and 69 per cent, respectively). Those who read more hours per week are also more apt to read e-books than those who read a limited number of hours on a weekly basis. These same patterns were found in the first survey.

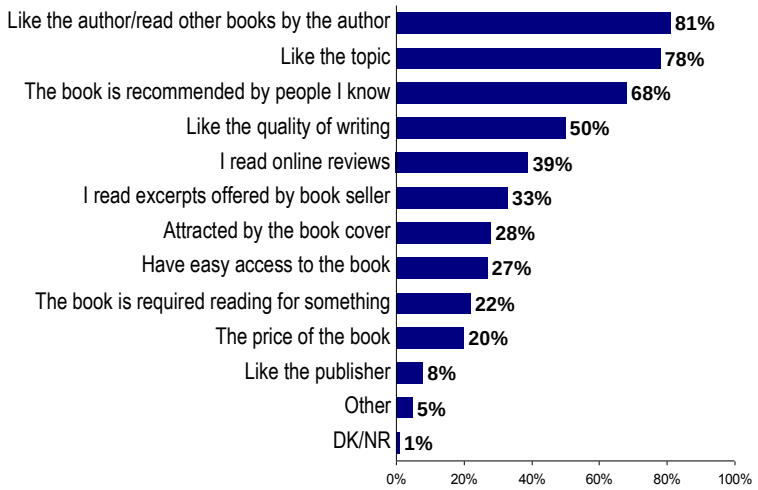
2.2 Reading Decisions and Learning about Books

The decision to read a particular book is based largely on three factors: familiarity with an author and liking other books by a particular writer (81 per cent); topic of the book (78 per cent); and the recommendation of others (68 per cent). The quality of the writing is a fourth but less popular driver in the decision, selected by 50 per cent of respondents who read. Other factors that can help a person decide what book to read include online reviews (39 per cent), reading an excerpt of the book (33 per cent), easy access (27 per cent), and the book cover (28 per cent). Factors that matter to fewer than one in four when deciding whether or not to read a book are the requirement to read it (e.g., for school, work, book club – 22 per cent), an accessible price (20 per cent), and the publisher (eight per cent).

In 1991, *Reading in Canada* found that the topic of the book was a key factor in the decision to read a book (65 per cent), whereas the author was relatively less important (35 per cent). Recommendation was also the third most popular factor in 1991 (22 per cent).

Basis for Reading Decisions

"How do you judge whether you want to read a book?"



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ACP Survey, 2014

- While author and topic are both primary reasons for selection of a book, women are somewhat more apt to make their decision based on the author, while men lean marginally toward judging based on the topic. Like women, seniors are somewhat more apt to judge by the author.
- Recommendations are also more often used by women than men to make the selection, which may translate to whether or not readers are library users or not. This pattern is also found among library users (who are more often women).
- Quality of the writing is also more often used to judge a book among those reporting the least household income (under $40,000).
- Online reviews are more often the basis for selection among library users compared with those who do not use libraries. They are also more apt to be a source for judging a book among those living in major urban areas, individuals who read for school or work and those who read e-books.
- Those who select their books on the basis of having easy access to them are more often younger (under 35), less affluent (with household incomes under $40,000), digital readers and those who use libraries.
- Reading excerpts from books is more often cited as a method for choosing among women, compared with men, as well as by readers of e-books and library users.

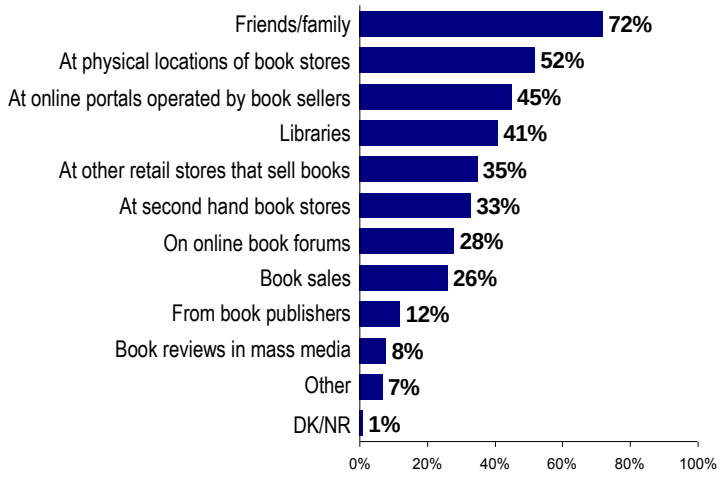
- Those more often attracted by the book cover are women (compared with men), those under 35 and readers with the least household income.

Most participants make their reading decisions based largely on recommendations from personal connections such as friends and family, along with recommendations from other sources such as online reviews (including Amazon.com search recommendations), bookstores (staff picks such as "Heather's Picks"), libraries, and radio (such as *Canada Reads* and other CBC shows). Some choose new books primarily based on a favourite genre or authors.

Friends and family are the predominant source for Canadians finding out about books they want to read. Seven in ten Canadians (72 per cent) learn about books they want to read from friends and family. At a distant second and third, half of Canadians (52 per cent) find out about books they want to read from physical bookstores and 45 per cent go through the online websites of booksellers, which is greater than the proportion learning about books through other (general) retailers (35 per cent). Four in ten Canadians (41 per cent) learn about books from libraries. One in three (33 per cent) find them from second hand book stores, and one in four (26 per cent) from community or library book sales. Almost three in ten (28 per cent) find out about books through online forums like GoodReads, BookTalk, and other websites and blogs. One in ten Canadians finds out about books directly from publishers (12 per cent) and only eight per cent through book reviews.

Sources for Finding Books

"Where do you find out about books that you want to read?"



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ACP Survey, 2014

- Women are more likely than men to find out about books from friends and family, as well as from community book sales and book reviews.

- Readers under 35 are more likely than older Canadians to use online book forums. Seniors are more apt than younger readers to visit second hand book stores and other non-specific retailers, as well as to rely on mass media book reviews (e.g., in the newspaper/on the radio).
- Income is associated with whether or not readers visit second hand book stores; these stores are most popular with those reporting household incomes of less than $40,000.
- Readers reporting a mother tongue other than English or French are more apt to rely on online book forums than Anglophones or English speaking Francophones.
- More intense readers (five hours or more per week) are most apt to get books from libraries. Those accessing online book sellers and book forums are more often reading digitally, and those who go to second hand book stores and physical book stores are more apt to also be magazine readers.

A 2012 Quorus study[3] for Canadian Heritage likewise explored the ways in which Canadians discover new books. The study found that "Word of mouth and browsing at large chain bookstores are the most popular ways Canadians discover books, followed by bestseller lists, awards and critical acclaim, and the library. Internet-related approaches have yet to supplant more traditional bricks-and-mortar outlets as a way to discover new books – roughly four in ten Canadians use book retailer websites often or sometimes to discover books compared to 60% for large chain bookstores."

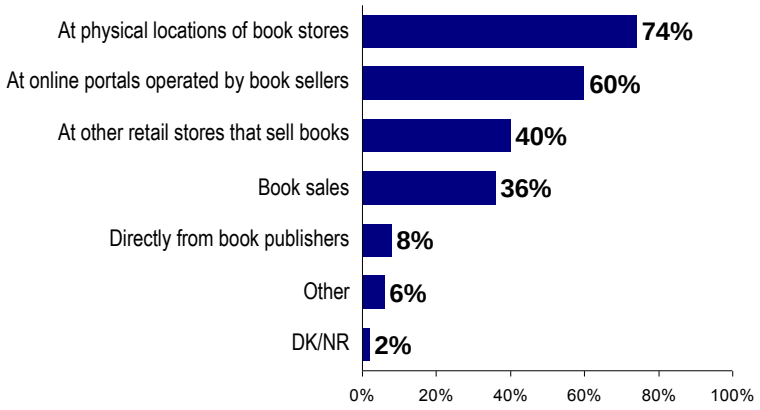
a) Purchasing Print Books

The majority of the population, 74 per cent, purchase their books at physical book stores, although online purchasing has become an important outlet with 60 per cent of readers using online portals operated by book sellers. Other retail stores such as department stores, drug stores, grocery stores also provide books to 40 per cent of the readers, which rivals community/library book sales, found in libraries and communities (36 per cent). Very few readers (eight per cent) purchase books directly from the publisher.

[3] Quorus Consulting Group. *Canadian Books, Film, Periodicals and Music Opinion Survey. Executive Summary*. September 4, 2012. Online: http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/canadian_heritage/2012/090-11/summary.pdf

Sources for Purchasing Books

"Where do you purchase books you read?"



EKOS Research Associates Inc.

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ACP Survey, 2014

- Physical book stores are the main vendor for most segments of readers. They stand out as an even more popular choice among magazine readers and library users, relative to those who do not read magazines or use libraries.
- Online portals are also popular with most book buyers. In particular, 35 to 64 year old readers and the most affluent are even more likely to use online portals for purchasing books.
- General retailers are more frequently chosen as a place to purchase books among residents of Saskatchewan and Manitoba as well as Atlantic Canada, and in smaller urban centres. Women, seniors, residents of Saskatchewan and Manitoba as well as Atlantic Canada, magazine readers, library users, and those who read with moderate intensity on a weekly basis (i.e., 6 to 10 hours per week) are all more likely than their counterparts to go to community book sales for their books.

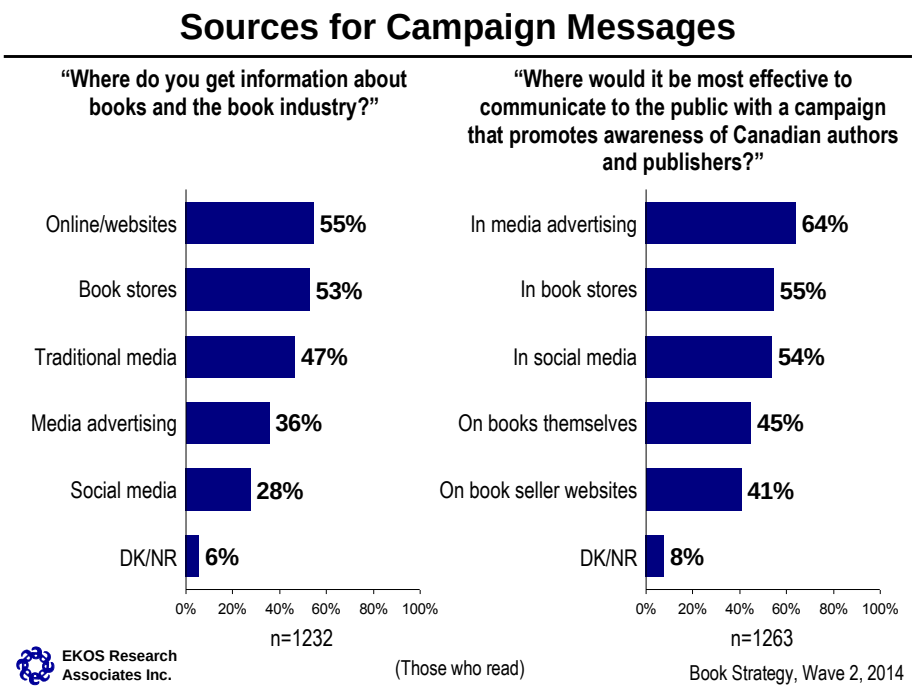
The process of book buying, and discovering a new book, is something focus group participants said they enjoy. Those who are genre- and author-driven go to book stores and search the relevant section for new material. Almost all enjoy destination book stores such as Chapters/Indigo and the "in-store experience", while a few prefer to support local, independent book stores, in order to shop locally and also to make the finding and purchasing of a book more of a "whole shopping experience". Several participants talked about the value of having good (i.e., accurate and compelling) descriptions of the book on the flap to help market the book and make the selection process easier for consumers.

2.3 MARKETING AND COMMUNICATIONS STRATEGIES

a) Sources for Campaign Messages

The three leading sources for information on books and the book industry are: online/websites (55 per cent); book stores (53 per cent); and traditional media where discussions are held about books (47 per cent). Of the two other options offered to respondents, just over one in three (36 per cent) indicated they get information from media advertising. The least used source of information amongst respondents was social media with just over one-quarter of respondents (28 per cent) selecting it as a source of information.

Media advertising was considered to be the most effective way to communicate to the public for a campaign to promote awareness of Canadian authors and publishers (64 per cent). Book stores (55 per cent) and social media (54 per cent) were clear second and third choices, while identification on books themselves (45 per cent) and book seller websites (41 per cent) were selected by fewer than half of respondents.



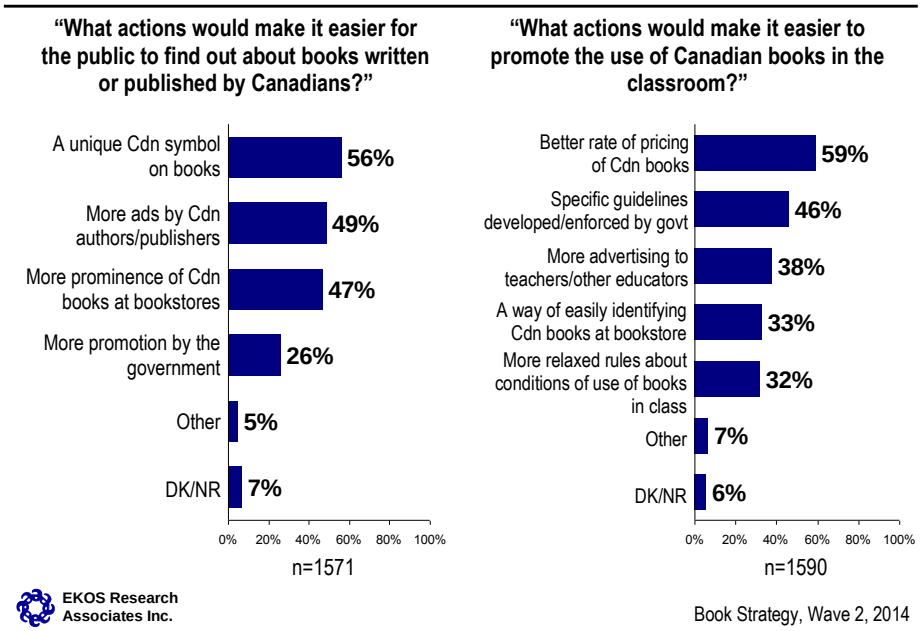
- Women are more apt than men to receive their information from more traditional sources (book stores, traditional media, and media advertising), as are older Canadians (55 or older), more intense readers and spenders.
- Those who use online/websites as a source of information are more likely to be younger (under 35), affluent (household income over $120,000), read for work purposes, e-book readers, and those who spend more on books.
- Those who are more likely to use social media are typically younger (under 35), less affluent (under $40,000), read for school purposes, more intense readers of books (and therefore higher spenders for books), and are readers of e-book readers.
- Women are more likely than men to consider each of the means of communication as effective.
- Media advertising was considered effective more often by older Canadians (55+). Younger individuals (under 35) are more likely to see it as less effective.
- Book stores are more apt to be seen as effective among those who spend the most on books, but least apt to be seen as effective among those under 35.
- Those who selected a social media awareness campaign were more likely to be younger (under 35) and at the same time those who spend the most on books.

b) Actions to Increase Awareness of Canadian Books

In terms of actions making it easier for the public to find out about books written or published by Canadians, three options are viewed with similar favour. A unique Canadian symbol on books was cited by over half (56 per cent) as a good method, followed by increased advertising by Canadian authors/publishers (49 per cent) and increased prominence of Canadian books at bookstores (47 per cent). One in four Canadians believes that increased promotion by the government (26 per cent) would make it easier for the public.

In terms of the education sector, better pricing for Canadian books was seen as the strongest option, according to six in ten (59 per cent). Specific guidelines developed and/or enforced by government were also cited as a good route by just under half of respondents (46 per cent). Increased advertising to teachers, an easy way to identify Canadian books, and more relaxed rules about conditions of use were each cited by about one in three as good methods of promoting the use of Canadian books in classrooms.

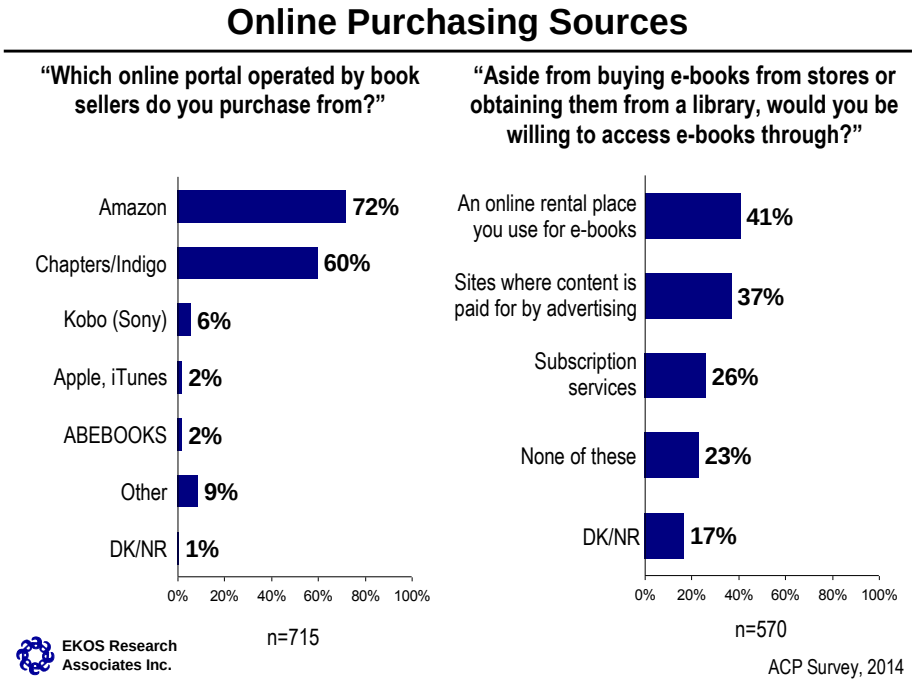
Actions to Increase Awareness



- Women were more likely than men to believe a unique Canadian symbol would make it easier for the public.
- Those who believe more prominence of Canadian books at bookstores would make it easier for the public were more likely to be older (55 or over), and those who read and purchase books more intensely.
- Older Canadians (55+) were more likely to view more advertising as an effective action.
- Income was associated with more promotion by the government; this option was most popular with those reporting household incomes of less than $80,000 and it was less popular with households over $120,000.

c) Book Purchasing from Online Retailers

For Canadians who make book purchases online, the most prominent online seller is Amazon (72 per cent), followed by Chapters/Indigo (60 per cent). Other sources were not selected by a significant number of respondents.



- Canadians who purchase from Chapters/Indigo are more likely to be women, have children at home, and have incomes between $80,000 and $120,000. They are also more likely to be

Anglophones, light readers (one to five hours per week), library users, and live in large urban centers.

Readers of e-books were asked if they would be willing to access e-books through an online rental place they use for books, sites where content is paid for by the advertisers and/or subscription services. Roughly equal proportions (41 and 37 per cent) said that an online rental site for books and/or a site with content paid for through advertising would be acceptable. Fewer (26 per cent) said they would use subscription services. One in five (23 per cent) would not use any of these and 17 per cent are unsure.

- Notably, readers under the age of 35 would be considerably more willing to visit a site where the content is paid for by advertisers (46 per cent), which is also the case with residents of the largest cities and people with incomes between $40,000 and $80,000.

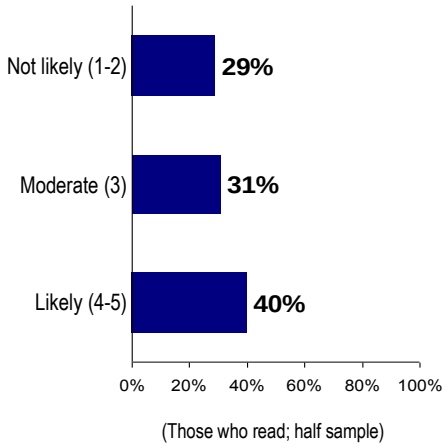
Many focus group participants indicated they have purchased books online at some point, primarily citing Amazon, Chapters, and Barnes and Noble as retailers. A few commend online booksellers for making books more affordable and accessible. Participants cited advantages of online shopping such as a good price, the ability to buy at any time and without standing in line, and the profile feature which recommends books in similar genres or styles. A few also noted the propensity to "binge shop" online, ordering several books at once and not always those they intended to buy before browsing online.

d) Demand for E-Books Services

E-readers were asked about a possible e-books service, described as a digital delivery service to access e-books, using a model similar to Rogers on Demand or Netflix. Results suggest a strong demand, with four in ten saying they would be likely to use the service. Another one-third (31 per cent) expressed a moderate interest in the service. Three in ten (29 per cent) said they would be unlikely to use this type of model. Although seven in ten expressed at least moderate interest, it should be noted that this is at best a notional reflection of demand based on a non-existent service. Interest is highly likely to be considerably diminished if the service were in place and practical realities known about the pricing and other conditions of the service.

Demand for E-Book Services

"If a digital delivery service for e-books was available (like Rogers on Demand or Netflix), how likely would you be to use this service?"



EKOS Research Associates Inc.

n=617

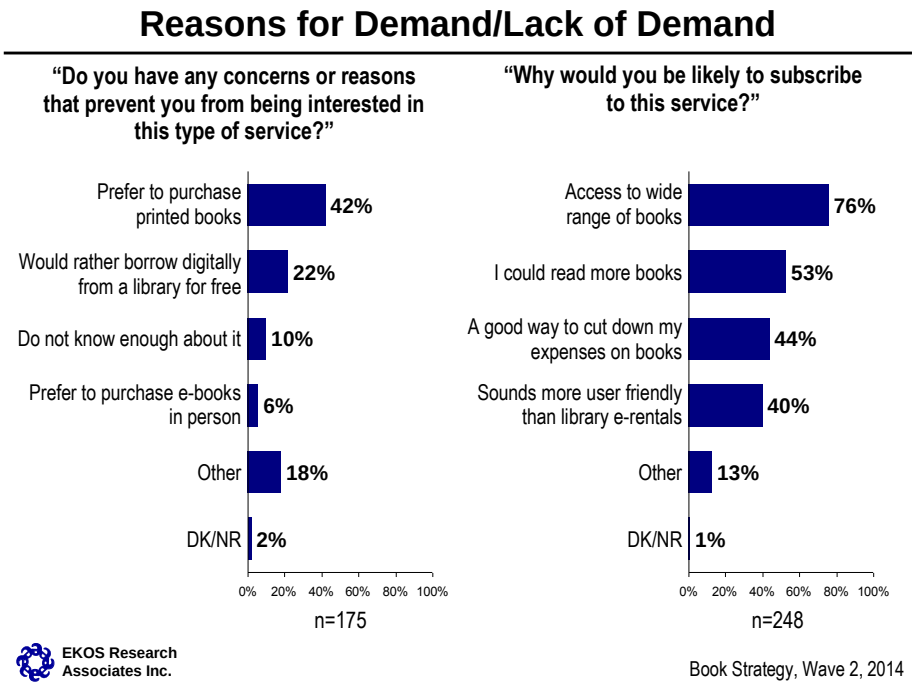
Book Strategy, Wave 2, 2014

- Older Canadians (over age 55) are less apt than younger Canadians to have an interest in this type of e-books service.
- Demand is higher among those with higher household incomes ($120,000 or over), along with those who spend more on books, and parents.

e) Reasons for Demand/ Lack of Demand

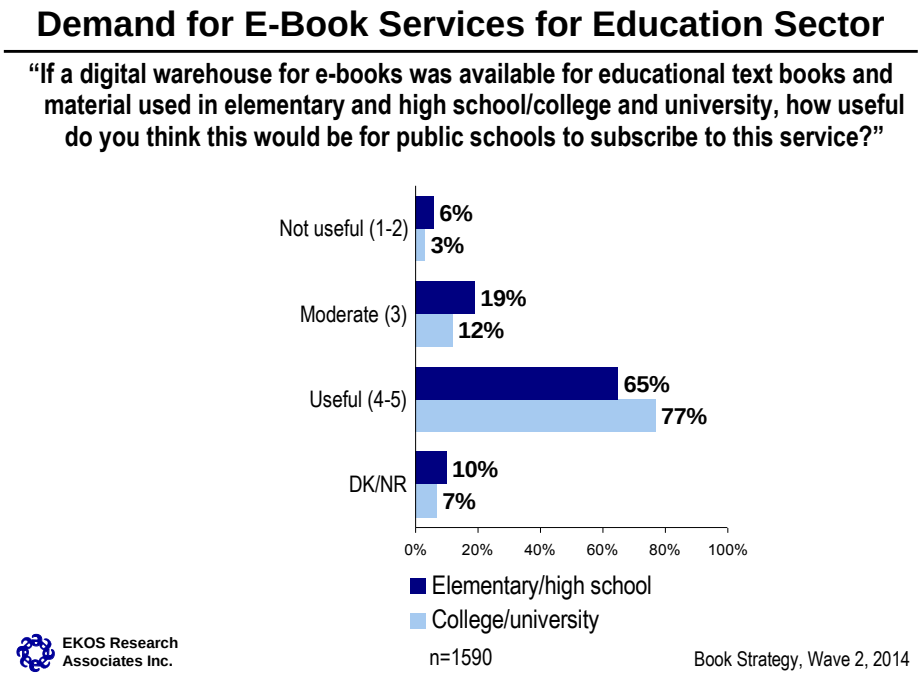
Among those with limited interest in the e-book service, 42 per cent explained that they prefer to purchase printed books. One in five (22 per cent) would not use the service because they would rather borrow e-books from a library for free. Ten per cent would like to learn more about the service before considering a subscription, while six per cent prefer to purchase e-books.

Three-quarters (76 per cent) of those interested in the e-book service cited the access to a wide range of books as the reason they would be likely to subscribe. Roughly half indicated that the service would allow them to read more books (53 per cent) or would be a good way to reduce expenses for books (44 per cent). Two in five (40 per cent) feel the service would be more user friendly than library e-rentals.



- Those who spend only limited amounts on books are more apt to prefer borrowing ebooks from a library than use the type of model described.
- On the other hand, lower income e-book users interested in this model are more likely to say that the subscription would be a good way to cut down expenses on books.

By contrast, the same type of subscription-based model is seen as particularly useful in the education sector. A full two in three respondents (65 per cent) see this as a useful model for K-12 schools, and three in four (77 per cent) said this model would be useful for post-secondary students.



- The most affluent readers (reporting household incomes of $120,000 or greater) as well as those who read for school and/work are even more likely than others to see the value in this type of service in the education sector, as are e-readers, and those who spend the most for books.

2.4 Library Use

Six in ten Canadians (58 per cent) say that in the past 12 months they have visited a public library or an online portal operated by a public library.

- Readers more likely to use libraries than their counterparts include more intense readers (reading six or more hours per week), those who read for work or education, people under the age of 35, allophones, and people with children under 18 at home. Women also have a somewhat higher propensity to visit a library compared with men. Ontarians are also more likely to have used a library.

Table 2.2: In the past 12 months, have you visited a public library or an online portal operated by a public library?

	%Yes

Overall	**58**
Gender	
Men	54
Women	62
Age	
<35	63
35-54	58
55+	53
Children living at home	
Yes	68
No	53
First Language	
English	58
French	46
Other	70

More than half of focus group participants had attended a library recently, with a few regular library users who access most or all of their reading material through the library. A few indicated that they use the library because it is conveniently located for them, to access reference materials, or to discover new books. Those who do not use a library indicated that they prefer to own their books, do not like to attend the library (the physical location or hours of operation) or worry about return dates, or are not deterred by the price of books.

A 2012 study for the Canadian Library Association[4] indicated that 41 per cent of Canadians are active public library cardholders and 20 per cent have a library card but have not used the library in the last three years, resulting in an estimate of 61 per cent of all Canadians with public library membership. The 2005 PCH study[5] reported that 40 per cent of Canadians have borrowed a book in the last 12 months. While a "visit" to a library does not equate to "borrowed a book", the 18 per cent difference in these two studies nearly ten years apart could be due to the greater incidence of online portals operated by libraries. An analysis of public library trends[6] found that the per capita number of library usage transactions rose 45 per cent in the past decade, from 16.6 to 24.1 transactions on average. Much of this increase in transactions was attributed to access of digital information: "use of electronic databases (library Internet subscriptions or

[4] Alvin M. Schrader, Michael R. Brundin. *National Statistical and Values Profile of Canadian Libraries.Report to Canadian Library Association Executive Council*. November 30, 2012.

[5] Department of Canadian Heritage, *Reading and Buying Books for Pleasure. 2005 National Survey.* March 2005.

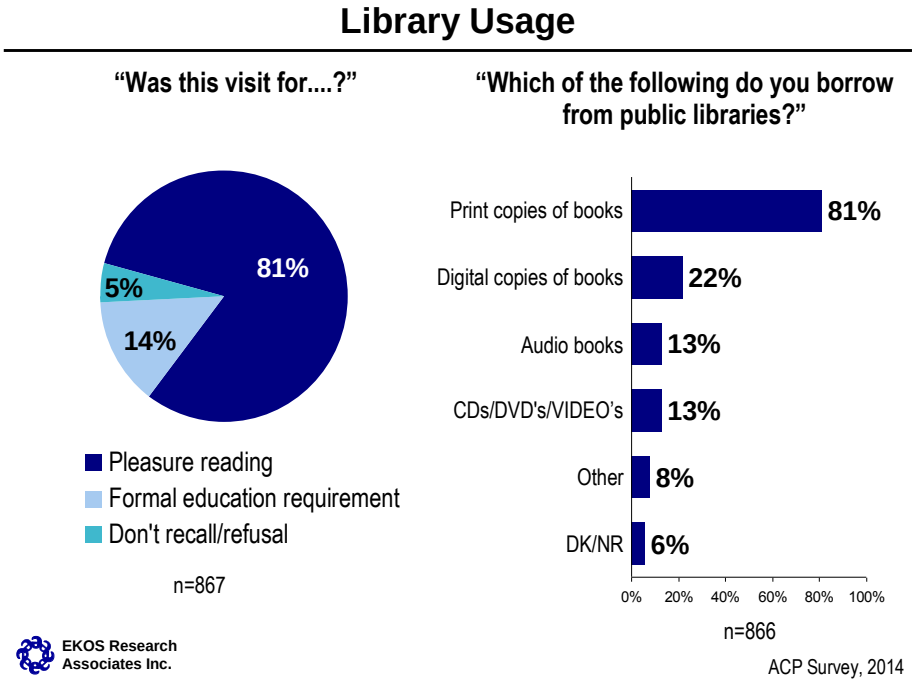
[6] Lumos Research Inc. for Canadian Urban Libraries Council. *An Analysis of Public Library Trends*. April 2011.

stand-alone or networked CD-ROM databases) more than doubled, and Internet visits to library websites and catalogues grew five-fold in the period. Nevertheless, the number of items circulated per capita had also increased a substantial 16% over the past decade, while per capita in-person visits have remained stable".

Of the 58 per cent of Canadian readers who have visited a library or online portal operated by a library in the past 12 months, most (81 per cent) have visited to borrow or access books for pleasure reading. Fourteen per cent visit a library as a requirement for formal education.

- Those who go to libraries for pleasure reading are more often women, seniors, Anglophones and higher income people ($120,000 and more) and located in rural centers and in the Prairie provinces.
- Those who go to libraries as a requirement of education are more likely to be men, under 35, have household incomes between $80,000 and $120,000, and are allophones. They are more likely to be located in Ontario and small urban centers.

Library users mainly borrow print copies of books (81 per cent). One in five (22 per cent) accesses digital copies of books, while 13 per cent borrow materials other than books such as music and movie CDs and DVDs, and 13 per cent borrow audio books.



- Women are slightly more likely than men to borrow print books, as are parents. Library users between 35 and 64 are most likely to borrow non-book items.
- Library users from Alberta are more likely than those in any other province to borrow digital copies of books. Audio books are more popular in Saskatchewan and Manitoba than they are elsewhere in the country.

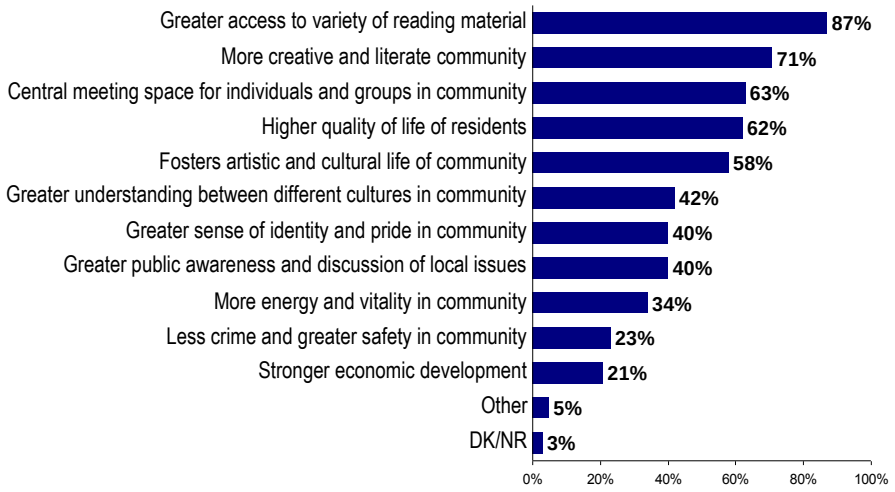
a) Benefits of Libraries

All respondents were asked what they see as the main benefits of a public library in their community. The most frequently cited benefit is greater access to a variety of reading material (87 per cent). The value of libraries to the life of communities is also strongly felt, as indicated by the many community benefits that Canadians perceive. The second most frequently cited benefit is a more creative and literate community (71 per cent). This is followed by roughly six in ten citing libraries as providing a central meeting space for individuals and groups in the community, and a higher quality of life for community residents, as well as fostering artistic and cultural life of the community. About four in ten also see libraries as cultivating a greater understanding between different cultures in a community (42 per cent), greater public awareness and discussion of local issues (40 per cent), and/or greater sense of identity and pride in the community (40 per cent). One in five to one in three see libraries as creating energy and vitality in the community (34 per cent), decreasing crime and increasing safety in the community (23 per cent), and supporting economic development (21 per cent).

Likewise, a Canadian Heritage study[7] found that Canadians rated libraries highest of the facilities examined in terms of contribution to quality of life, above space for live performances, museums, multi-purpose facilities, heritage centres, art galleries, and artists' space.

Benefits of Libraries

"What do you see as the main benefits of a public library in your community?"



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ACP Survey, 2014

[7] Phoenix Strategic Perspectives Inc. for Department of Canadian Heritage. *Arts and Heritage in Canada: Access and Availability Survey 2012*. November 2012.

- Women generally show a stronger appreciation for the benefits of libraries in access to reading materials and in the contributions made to community.
- Individuals with lower household income ($40,000 or lower) are more apt than those with higher income to cite many of the benefits of libraries, including: more creative and literate community, fostering artistic and cultural life of community, greater understanding between different cultures in community, greater public awareness and discussion of local issues, greater sense of identity and pride in community.
- Readers with a first language other than English or French are more apt to see libraries as offering a greater understanding between different cultures in the community and a safer community.
- Canadians living in large urban centers are more apt than those in smaller urban or rural locations to cite many of the benefits of libraries to community.

b) Learning about Authors Through Libraries

Over half of library users (55 per cent) have learned about an author at the library and then purchased one of the author's books as a result.

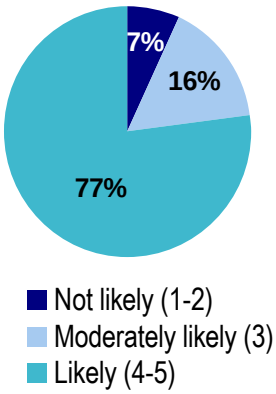
- Those who read more intensely (six or more hours per week), along with those who spend moderate to higher amounts (i.e., $100 to $350 annually) to purchase books, are more apt than lighter readers and purchasers to have purchased an author's book as a result of learning about the author at the library.

c) Use of Libraries for E-books

Of those who borrow e-books from the library, seven in ten (77 per cent) said they are likely to use the services of a library to borrow e-books instead of buying an e-book at an online store. A further 16 per cent are moderately likely, and seven per cent are not likely.

Library E-Services

"How likely are you to use the services of a library to borrow e-books instead of buying an e-book at an online store?"



EKOS Research Associates Inc. n=180 ACP Survey, 2014

- Respondents in Alberta are more likely than those in other provinces to use a library to borrow an e-book rather than buy an e-book online. This is also true of residents of rural locations, as well as those who spend the least amount on purchasing books on an annual basis.

Many library users in the focus groups have borrowed digital books. They like the convenience of remote access and some like that the copy disappears automatically without accruing late fees, which is seen as an added convenience for some. A few indicated they found the system of borrowing e-books at the library confusing or did not expect to have to wait for a copy of a digital book while in use by another borrower. A few do not like that the book was automatically returned (when not remembering the return date or expecting it).

2.5 ACCESSING FREE E-BOOKS

About a third of Canadians (35 per cent) have accessed free digital books in the last 12 months.

Table 2.3: Accessing e-books without payment by demographics

Many people access e-books for free. Have you accessed any e-books for free in the past 12 months?	**Yes**
Overall	**35%**
Age	
<34	42%
35-54	39%
55+	27%
Income	
<$40k	28%
$40-80k	31%
$80-120k	36%
$120k+	42%
Book Reading Hours	
Light (1-5)	36%
Medium (6-10)	43%
Heavy (+10)	44%
Read for School/Work	
Yes	43%
No	34%
Book Purchases/12 Months	
Low	37%
Medium	37%
High	43%

Library User	
Yes	44%
No	24%

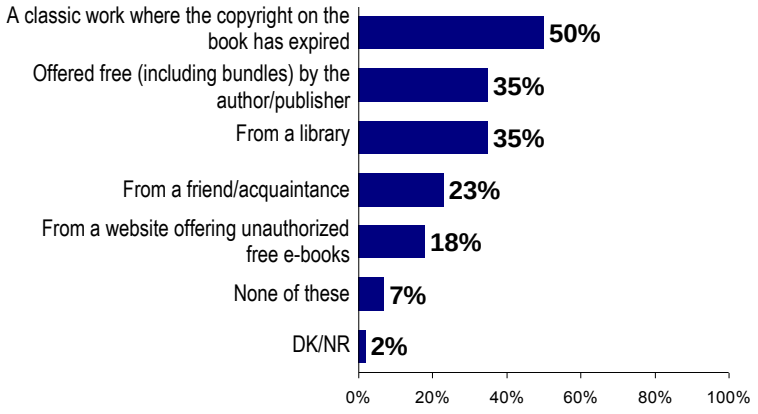
- Readers who are more apt to have accessed books for free are under the age of 35 and the most affluent readers (reporting household incomes above $120,000). The concentration is also higher in Ontario and among residents living in the largest cities.
- When speaking only of Canadians who are book readers, 39 per cent have accessed a digital book without paying, and 34 to 37 per cent of those who read websites or blogs, magazines, and newspapers have done the same.
- Those who access e-books for free tend to be medium to heavy readers.

In all focus groups, there were many participants who were largely unfamiliar with the practice of gaining unauthorized access to digital books; they had not personally accessed digital books without permission and were not aware that others are doing this to any large extent. Awareness of unauthorized digital book access seemed to be highest in Ottawa, where there were many participants who read e-books and a considerable amount of online content. In Halifax, there was some limited knowledge of Access Copyright's current legal action (known to a participant who is an author). There were a few participants in the Calgary group who had personally gained unauthorized access to a digital book.

Half of those who have accessed a free book in the last 12 months said that these were classic works with an expired copyright (50 per cent) and another 35 per cent said that these were offered by the author or publisher in a bundle with other (purchased) materials. An equal proportion (35 per cent) had obtained these books from the library. One in five has obtained books from a friend or acquaintance. Only 18 per cent reported that they had obtained unauthorized e-books, which is six per cent of Canadians overall.

Reasons for Accessing Books Without Paying

"Was/were the e-books you accessed for free...?"



EKOS Research Associates Inc.

n=518

ACP Survey, 2014

- Those accessing unauthorized e-books are more likely to be under 35, and report lower household incomes.
- Those accessing free books as bundles from authors or publishers are more often men and are typically reading digitally rather than hard copy, relative to their counterparts.
- Those accessing classics with expired copyrights are more often men, people with higher incomes ($120,000 or higher), and light weekly readers (under five hours). The incidence is also higher among people who read for school or work than those who do not, and also among those who report spending moderate to higher amounts for books that they have purchased.
- Those accessing free e-books from libraries are more often women, and are typically reading digitally rather than hard copy.

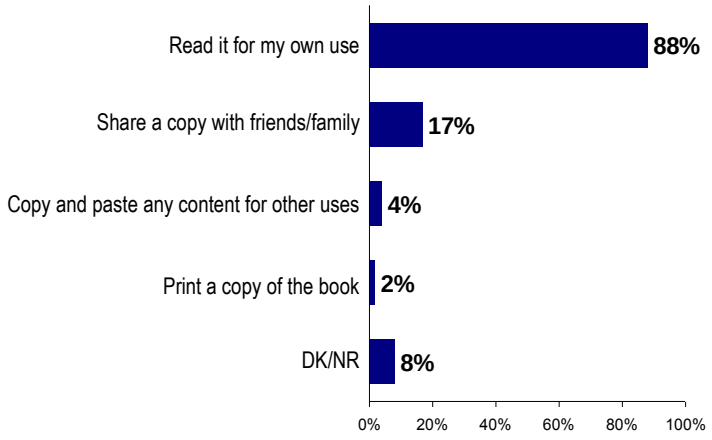
Some focus group participants were unaware of the illegality of accessing digital books

without authorization, but had the feeling that it should be against the law. A few participants spoke of there being a lot of "loopholes" that make it difficult to regulate and monitor digital book access/sharing. One said, "It's [the Internet] the wild west as far as copyright goes", with several agreeing that they do not get the impression that anyone is monitoring this or has any ability to do anything about it.

When asked what happens to purchased e-books after the purchaser has read them, the large majority (88 per cent) say that they keep them for their own use. Seventeen per cent say that they share them with friends and family. Four per cent say that they copy and paste the content for others to use and two per cent say that they print a copy of the book.

Further Uses of E-Books

"After purchasing an e-book, do you…?"



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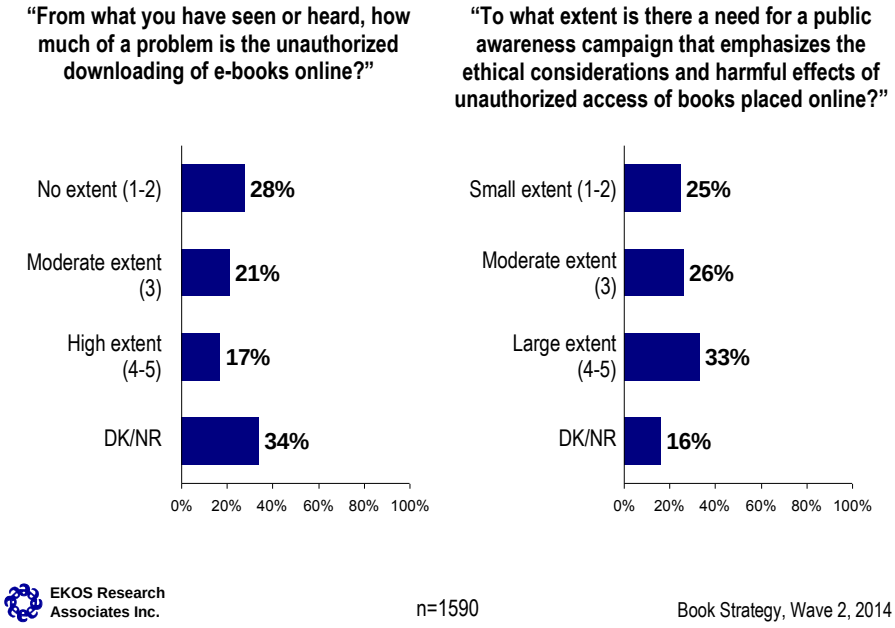
ACP Survey, 2014

In focus groups, there was some divergence on whether sharing individual digital books, person to person, is as morally and legally wrong as unauthorized book access/sharing on a mass scale. In Calgary and Winnipeg, most participants felt it should be fine to share e-books between individuals, but mass sharing is not okay. A few participants said, however, that sharing even one book goes against copyright and, therefore, "how is mass sharing any worse?" Others wondered if it is less wrong to share/access certain kinds of books, such as obscure or banned books or books that are not available in physical copy – books that readers cannot easily buy "because the publisher doesn't think it's important enough to publish." Some feel that there can be positive results to accessing books for free, like stimulating legitimate purchases of the book and other books by the author or on a similar topic.

The survey also explored Canadians' understanding of the unauthorized downloading of e-books. Overall, unauthorized downloading is not seen as a particularly troublesome issue, with only one in six respondents (17 per cent) rating it as a serious problem. Further, one-quarter (28 per cent) see unauthorized downloading as a non-issue, and 21 per cent see it as a moderate problem. It is important to note, however, that one-third of respondents (34 per cent) do not consider themselves to be sufficiently informed to provide an answer, suggesting relatively low public familiarity with this issue.

Results also reveal divided views on the need for a public awareness campaign to combat unauthorized downloading. One-third of respondents (33 per cent) perceive a pressing need for such a campaign, although nearly as many (25 per cent) believe this campaign would be a waste of resources. One-quarter (26 per cent) believe there is a moderate need for an anti-pirating campaign and one in six (16 per cent) offered no response.

Unauthorized Downloading



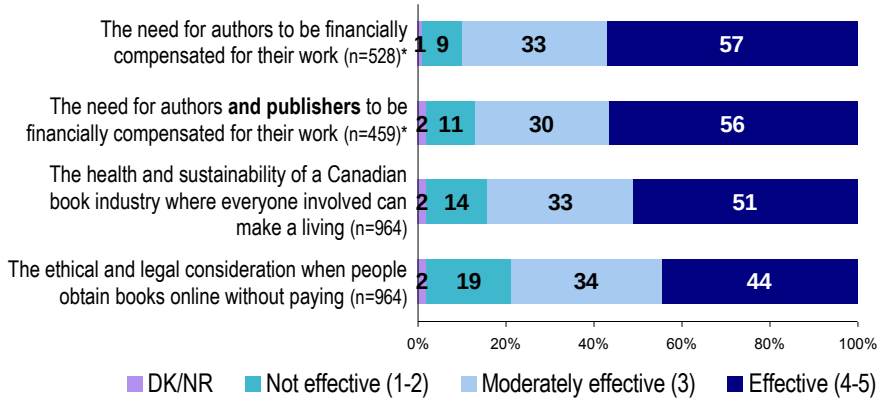
- Certain groups – particularly men, those under the age of 35, and e-book users – are considerably more likely to feel informed enough to answer the question, suggesting greater familiar with issues related to digital piracy. These same groups, however, also tend to be the demographic of the view that unauthorized downloading is not a major concern. They are, therefore, also more likely to argue against the need for a public awareness campaign.

a) Effective Messages on Unauthorized Downloading

The survey also obtained reactions from those who believe that a campaign is at least moderately necessary about the effectiveness of three potential messages or approaches that could be used to discourage the unauthorized downloading of books online. More than half of respondents who believe a campaign is needed believe that reminding consumers of the need to compensate authors, or authors and publishers, (56 to 57 per cent) would be an effective message. A similar proportion (51 per cent) believe that using imagery of a healthy and sustainable book industry that affords authors a decent living would be an effective deterrent to downloading. Just over four in ten (44 per cent) believe that reminding would-be downloaders of the legal and ethical implications of their actions would help curb pirating.

Effective Messages on Unauthorized Downloading

"How effective do you think that messages that emphasize the following would be in making Canadians more conscious of the harmful effects of unauthorized downloading of books online?"



* Half sample

EKOS Research Associates Inc.

Book Strategy, Wave 2, 2014

- Women are more positive than men in each instance, and men in particular are more likely to disagree regarding the ethnical and legal considerations when people obtain books online without paying for them.
- Those reporting household incomes of $40,000 or less find these arguments particularly compelling.

When asked to describe, in their own words, what they feel would be effective in making Canadians more conscious of the harmful effects of unauthorized downloading, responses largely fell into the following four thematic areas, illustrated with some key examples of individual responses.

What would be effective in making Canadians more conscious of the harmful effects of unauthorized downloading of books online?	
Associating the loss with the authors/writers themselves, negative impacts on them directly	Show that it is the actual author of the book that is taking the hit. Impact on individual authors, especially finance. A known author speaking in a short ad stating how the loss of income has affected his or her life and ability to continue writing. A friendly disclaimer that (..) you are buying from a legitimate source and helping to support authors. Highlight the struggle that authors go through to publish a book and the poor reward for the effort.
Effective punishment, negative consequences, penalties for downloading (fines, incarceration...)	Prominent prosecution of an offender. Being aware of the legal implications. Make it a criminal offence and prosecute accordingly. Fines and penalties. People who download without paying would only pay attention if there was a negative consequence for them if they were caught.
Increased advertising, creating public awareness (print, on line, TV/radio...)	Raising awareness would be number 1. I don't think it is an issue that is frequently addressed. Advertising on Google or search engines. Online awareness and government publication. Book marks at the library, customizing plastic bags that you get at the bookstore. TV Commercial.
Associating the behaviour with theft/stealing, equivalent to stealing physical property	Drawing the comparison that stealing a book (by illegal downloading) is like stealing from the corner store. Make them aware that downloading is similar to shop lifting/stealing. It's theft, pure and simple. Early education about fraud and theft.
Communicating the message with an information/education approach, informative focus (industry stats, how big a problem it is and why, negative impacts to the industry, businesses and their economic value)	More publicity and articles written about the problem Communicating the possible effect that the availability of new books in the future may be in jeopardy if authors and publishers don't receive remuneration for their efforts. Bad for the economy. Numbers and statistics showing the losses to authors We should all talk about copyright infringement as a moral and financial issue that is affecting the livelihood of countless people throughout the world.

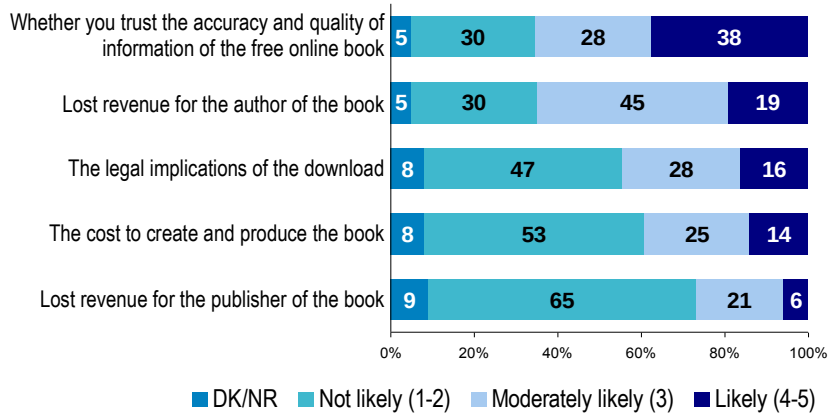
b) Implications of Downloading Free Books

People who have accessed e-books online without paying were asked about some implications of doing this. The aspect of a book that Canadians would be mostly likely to consider if they were to access a free book online (one not offered for free by the publisher or as a promotion) is the accuracy and quality of information in the book. Almost four in ten Canadians (38 per cent) would consider whether they trust the information contained in the book. Approximately three in ten Canadians, however, would be unlikely to consider this factor when accessing a free book online.

If they were to access a free book online, three in ten (30 per cent) would be unlikely to consider the lost revenue to the author, although 19 per cent would consider this. Almost half (47 per cent) would be unlikely to consider the legal implications of the download and only 16 per cent would be likely to consider this. Half (53 per cent) would be unlikely to consider the cost to create and produce the book and just 14 per cent would consider this. A full two in three Canadians (65 per cent) would be unlikely to consider the lost revenue for the publisher of the book, and only six per cent say they would be likely to have this impact in mind.

Factors Influencing Free Downloading

"If you were accessing a free book online (one not offered for free by the publisher or as a promotion), how likely are you to consider the following?"



EKOS Research Associates Inc.

n=87

ACP Survey, 2014

- Women are more likely than men to consider the legal implications of the download, although only 24 per cent of women said they would.
- Light book readers and magazine readers are more likely to consider the cost to create and produce the book, although only 22 to 25 per cent said they would.

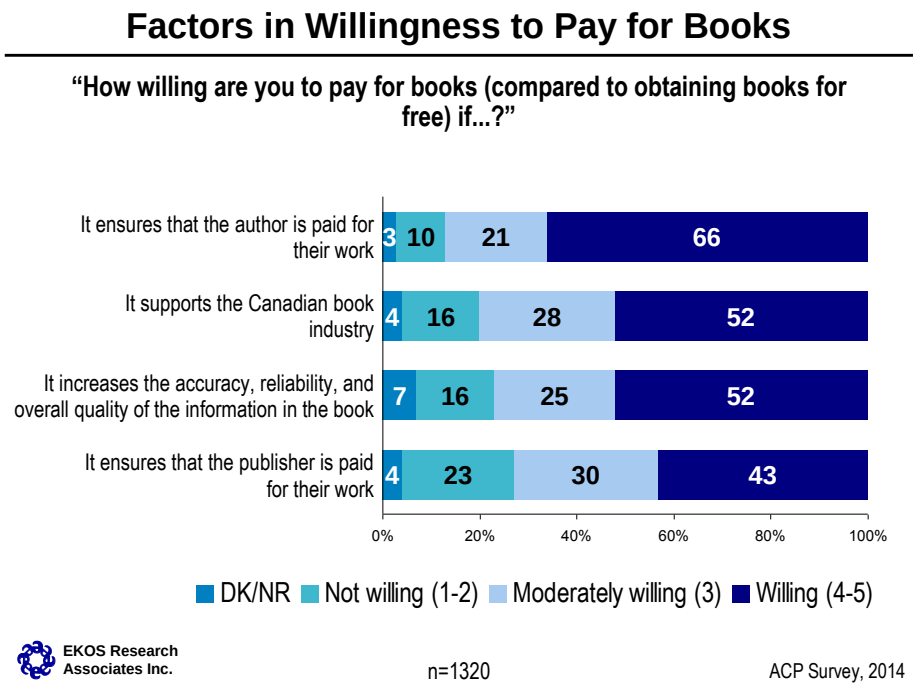
There was a clear and strong view expressed by most focus group participants that unauthorized access of digital books is morally and ethically wrong, shared even by participants with experience gaining unauthorized access sharing this view. There was a strong understanding that "it's infringing on someone's livelihood" especially the livelihood of authors. Some participants raised the point that others in the book publishing chain are affected by the practice, pointing to designers, artists and illustrators, publishers, and retailers as people who lose out. Participants said that the ultimate impact of the practice is that "everyone pays"; prices go up, and authors have a difficult time earning an income and may stop creating.

Comparisons to the music industry were discussed as a few participants indicated that people may be more inclined to think it is wrong to steal a book than it is to steal music or a movie. Some participants said there is more sympathy for authors and awareness that authors are hurt when people do not pay for books, while the creators of music and movies do not garner the same level of sympathy. Some participants, however, feel that the public is generally inclined to think that digital books are valued differently from physical books: people will not walk out of a store with a stolen book, but when it is available online it feels insignificant and harmless to take (e.g., "it's a bit like taking a pen", everyone does it and it's considered harmless). Some participants said this attitude goes hand in hand with a lack of respect for the arts in general and a lack of the understanding of the value of artistic products. One person said that, "If we want to read good books, everyone needs to get paid."

c) Willingness to Pay for Books

Canadians would be most compelled to pay for books by an argument that indicates how their payment helps support authors. Other arguments that may be compelling for some highlight how payment supports the book industry and assures quality and accuracy of content. Canadians are more willing to pay for books, rather than obtaining them for free, if they know that paying means that the author is paid for their work (66 per cent). The majority are also willing to pay if they know that it supports the book industry (52 per cent) and if it increases the accuracy, reliability, and overall quality of the information in the book (52 per

cent). A smaller proportion of Canadians are willing to pay for a book in order to ensure that publishers are paid for their work (43 per cent).



- Women are more likely than men to pay for a book if they know it ensures the publisher is paid for their work. Men are more likely than women to find the argument of accuracy and quality to be compelling. Both are equally willing to pay in order to ensure authors are paid and that it supports the book industry.
- People between ages 35 to 64 are more likely to pay if they are aware of any of these arguments. Those under 35 are particularly unconvinced by the argument that paying for books ensures that publishers are paid for their work (28 per cent rating themselves unwilling to pay if they were told this).
- Those with incomes under $40,000 and those whose first language is French are less likely to be convinced by knowing that it increases the accuracy, reliability, and overall quality of the information in the book. People with incomes between $80,000 and $120,000 are more likely to pay if they know that authors will be paid for their work. People with incomes over $120,000 are more likely to pay if they know the publisher gets paid for their work.
- People in Quebec and those who read for school or work, are heavy book purchasers, and library users are more willing to pay for a book if they hear any of these arguments.

In all focus groups, participants agreed that there should be some concerted effort to

raise public awareness about unauthorized access to e-books. The groups also indicated, however, that it would be a difficult message to deliver. Some said it may take a long time to change attitudes – maybe 20 years before there is a culture of respect for intellectual property, but there was widespread recognition of a need to work toward changing attitudes and behaviours.

Participants were very clear that any message about the cost of illegal sharing to book publishers would be received with scepticism. Several feel the general public would not be sympathetic to hearing a message from book publishers, who they see as disconnected from the public and economically privileged. That said, they feel the public is inclined to sympathize with authors and creators, and that they could have more sympathy for publishers if there were more transparency about the role of the publisher, what is involved in creating a book, and who else is involved and in what ways. Nonetheless, authors are generally regarded as being more credible spokespeople than publishers, and most feel that people could care if they were made to "think from the author's perspective". Other points that were brought up about communicating with the public are the following:

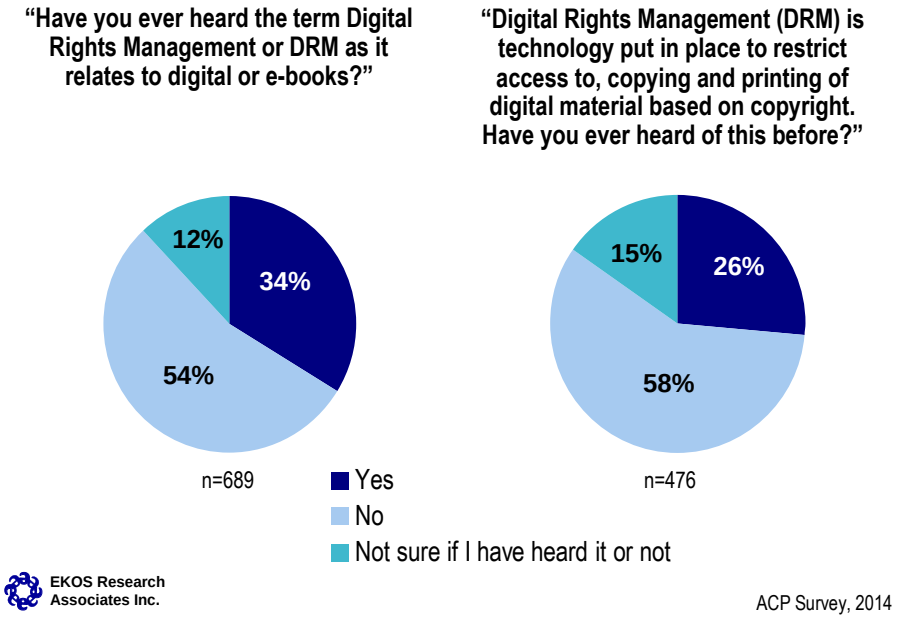
- People should be told how pervasive the issue is and how much it is actually costing those involved in creating and publishing books (i.e., how damaging or threatening this is to the Canadian industry).
- There is a need for messages that speak directly to young people. Many feel that educating the public needs to begin with educating children and young adults because it is when they are young that they do not understand consequences, and they form their values and judgments of right versus wrong. Some suggested engaging authors who are popular with young audiences to deliver messages. Some talked about developing a campaign to reach kids in schools. "Play on the dreams and aspirations" of young people who might want to grow up to be writers; create an engaging call to action that kids will remember (the way kids remember "Stop, drop and roll!"); and make the issue a part of the books children read in school.
- Make it a topic of discussion in the places where people talk about and learn about books. Use initiatives like *Canada Reads* to engage the public broadly in a discussion about the value of Canadian books and the need to support the industry to ensure its health.

- Some participants said that prosecution of offenders should be part of a multidimensional strategy. Other participants focused on the need for education and a dialogue about right versus wrong; some participants felt that focusing on legality would be rigid and ineffective for changing behaviour. A few felt that it would be useful to know more about the legal implications of unauthorized access. Others indicated confusion about which kind of activities are illegal, suggesting that education efforts need to clarify some "grey areas", like whether it is legal to access and share books with expired copyrights.
- Some said that the government should take responsibility in communicating with the public about these issues through both education and regulation efforts.
- "Buy local" campaigns were mentioned by one participant as a model that has had success in making people feel good about supporting an industry once they understand the importance of the issue and the broader implications of their behaviour.
- The film industry's effort to educate the public on the legal implications of piracy (e.g., the warning before films) was noted by one participant as widely recognizable/memorable.

d) Digital Rights Management

A portion of the respondents were asked, without the aid of a definition, if they were familiar with the term Digital Rights Management or DRM as it relates to digital or e-books. One-third (34 per cent) of respondents said they have heard of DRM. Another portion were provided with an aided description of DRM and asked if they were aware of the technology. Of these, one-quarter (26 per cent) indicated they have heard of DRM.

Awareness of Digital Rights Management



- Based on responses to the aided question, younger Canadians (under 35) and people who read for school or work are more likely to have heard of DRM. Familiarity is lowest among seniors and those with household incomes between $40,000 and $80,000.

Among those who have heard of DRM, the majority (60 per cent) understand that DRM protects the publisher and author from piracy. Four in ten (43 per cent) believe that DRM prevents them from sharing an e-book. One-third (32 per cent) believe that DRM does not have any impact on their e-reading experience. Fewer than one in five believe that DRM prevents them from owning the e-book (17 per cent) or that DRM forces them to read within an ecosystem (18 per cent). Twelve per cent declared that if an e-book has DRM they would not buy it.

- Men are more likely than women to say that DRM prevents them from sharing an e-book, forces them to read in an ecosystem, and prevents them from owning an e-book. They are also more likely to say they would not buy an e-book with DRM.
- Younger people (age 35 and younger) are more apt than Canadians over age 35 to say that most of these statements are true, except that DRM protects the author and publisher from piracy.
- Those who have accessed free e-books are more likely than those who have not to indicate that DRM prevents them from owning the e-book, DRM forces them to read within an ecosystem, and that if an e-book has DRM they would not buy it or they would remove it.

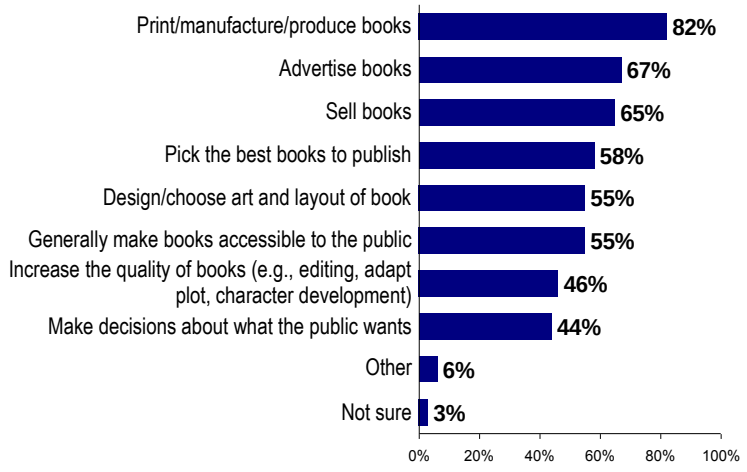
2.6 BOOK PUBLISHING

a) Public Perception of the Role of Publishers

Half of the sample was asked their views on the role of the book publishing industry. The most commonly understood role of book publishers is to print, manufacture, and produce books (82 per cent). Publishers are also seen as being responsible for advertising (67 per cent) or selling books (65 per cent). Between five in ten and six in ten Canadians identify other elements of publishing companies such as picking the best books to publish (58 per cent), making books accessible to the public (55 per cent), and designing or choosing the art and layout of the book (55 per cent). Just under half (46 per cent) believe that book publishers improve the quality of books (through editing, adapting the plot, character development) and/or make decisions about what the public wants (44 per cent).

Perceived Role of Publishers

"From what you know, what is the role of a book publishing company?"



EKOS Research Associates Inc. n=816 ACP Survey, 2014

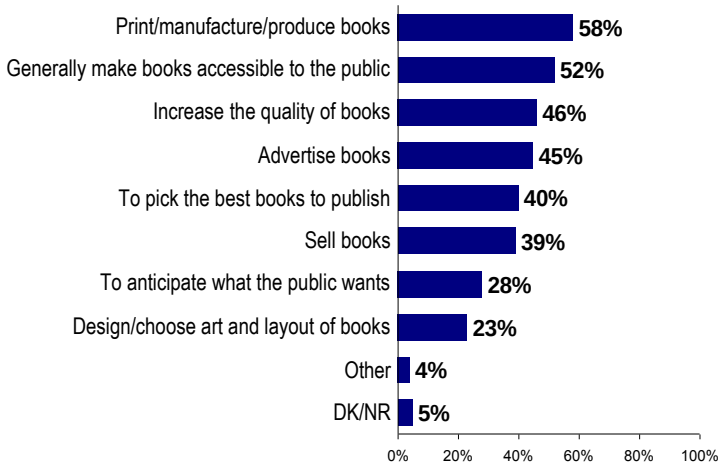
- Women generally have a broader appreciation for the diverse role of publishers than men do. They are more likely than men to say advertising books, picking the best books to publish, designing the art and layout of the book, and making decisions about what the public wants as roles of book publishing companies.
- Those who read digitally and those who are moderately heavy readers (e.g., reading an average of six to ten hours per week) are also more appreciative of the diverse role of publishers.

- Those who spend the most on books stand out from lower spenders in their identification of publishers as picking the best books to publish, improving the quality of books and generally making books more accessible to the public.
- Those who read for work or school are more apt than those who do not to say that publishers improve the quality of books and are responsible for design and layout.
- Canadians who typically read books (i.e., have read books in the past three months) are more likely than those who have not to point to many roles of publishers, including: advertise books, sell books, pick the best books to publish, design art and layout of the book, make books accessible to the public, and improving the quality of books.
- The advertising role and responsibility for improving content quality is more apparent to the most affluent (reporting household incomes over $120,000).

Canadians believe the most important role book publishers play is the printing, manufacturing, and production of books (58 per cent). Half of Canadians (52 per cent) also believe making books accessible to the public is an important role. Over four in 10 Canadians see increasing the quality of books (46 per cent) and/or the advertising of books (45 per cent) as an important role that book publishers play. Similarly, just under four in 10 believe that picking the best books to publish (40 per cent) and selling books (39 per cent) are important roles for book publishers. Only around one-quarter of Canadians believe that anticipating what the public wants (28 per cent) and designing/choosing art and layout of books (23 per cent) are among the most important roles.

Role of Publishers

"From what you know, what do you see as the most important roles that book publishers play?"



EKOS Research Associates Inc.

n=1590

Book Strategy, Wave 2, 2014

- Those who see making books accessible to the public as one of the most important roles are more often women, Canadians over 55, and those who read and purchase books intensely, while men, the most affluent, and non-book readers who are much less likely to say this.
- Older Canadians are more likely to see increasing the quality of books as an important role.
- Canadians with household incomes of less than $40,000 are more likely to see designing/choosing art and layout of books as an important role for book publishers.

In all focus groups, participants felt they had limited, if any, understanding of what role publishers play, and welcomed knowing more about what publishers do, how they fit into the book creation process, and what the level of effort is that publishers put into a book relative to authors and others involved. Participants mentioned the following roles of publishers:

- To identify authors to write a book, and make critical decisions about which books/authors to publish. Some feel publishers are risk takers who need to be good at determining which books will be popular or will have lasting importance. That said, a participant raised a concern that publishers are "sitting on their hands" waiting for books to come to them, rather than actively seeking out potential books. A few participants mentioned with some cynicism that publishers are primarily profit driven, "out to make a buck" which limits their willingness to take risks with what they publish. Some talked of the need for publishers to take more risks and invest more in new Canadian talent to ensure the success of the next generation of Canadian authors. Participants in Calgary mentioned that Canadian publishers are important for getting Canadian authors published.
- Edit, proofread, critically assess the writing and the quality of the content, and improve the writing style. Some indicated that publishers can recommend substantial changes to a manuscript. A few participants raised concerns, however, that the quality of book editing is not what it used to be – they pointed to typos and errors in books that make them think the calibre of writing and editing is going down. Participants in one group indicated that publishers should be responsible for ensuring a manuscript does not plagiarize another source.
- Promote books and assist the author in gaining exposure. Some participants expressed concern, however, that publishers do not do as much marketing as might be expected, or that authors play a substantial role in marketing. "Publishers have a long book list and can only spend so much time on [promoting] one author," a participant said, and another indicated that authors are left with the cost of hiring their own marketing staff.

- Make design, layout, and cover choices.
- Work with authors to shape the content of a book. This was generally a less mentioned or less obvious role of publishers. Some participants talked about this in terms of publishers of children's books having a role in shaping a book's content.

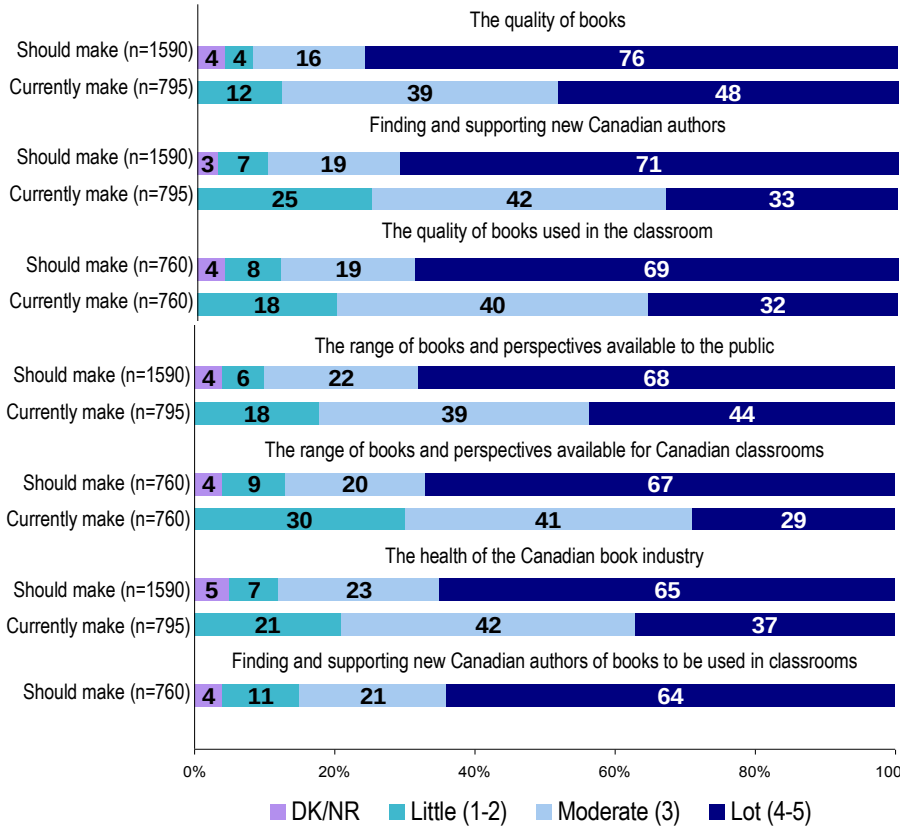
b) Perceptions of Gap in Role of Publishers

When asked their opinion in regards to how much of a contribution publishers should make to elements of Canadian books (quality, health of industry, range of books and perspectives, and finding/supporting Canadian authors) two in three or more Canadians believe publishers should contribute extensively. The quality of books and supporting new authors are the two areas where the largest proportion of Canadians see the need for a strong contribution from publishers, with 76 and 71 per cent respectively indicating the publisher should contribute more than a moderate amount. Respondents were also asked about the role that publishers currently play even though the researchers did not truly expect that the general public would be in a position to know this with any accuracy. Therefore, results are clearly based on public perception, and in fact one in three or more survey respondents indicated that they could not answer on these points. The purpose of this set of questions was to explore the extent to which there is a public perception of a gap between what publishers should be doing and what they are doing in each of these areas. As anticipated, even among the two in three respondents who provided a response, a comparison with the views on the roles that publishers should play suggests that the public believes that publishers should be contributing considerably more than they are currently contributing to the quality and diversity of books, and in finding and supporting new authors and the health of the Canadian book industry.

In terms of the education sector, Canadians also believe that publishers should play a strong role in the quality and range of books, as well as in finding/supporting Canadian education authors. In each case, two in three see publishers as needing to play more than a moderate role. And, as with the commercial side, Canadians also perceive a gap in the role that publishers currently play relative to the ideal contribution that publishers could be making.

Perceptions of Gap in Role of Publishers

"In your opinion, how much of a contribution should publishers make to…/ From what you know, how much of a contribution do publishers currently make to...?"



EKOS Research Associates Inc.

Book Strategy, Wave 2, 2014

- Women, those over 55 years of age, and readers (compared with non-readers), in particular those who spend more on books are more apt than other respondents to see the role that publishers should play as strong.
- Similarly, women and readers (compared with non-readers), in particular those who read the most, are more favourable than others in their views of what publishers contribute in many of the areas tested.

c) Self-Publishing versus Traditional Publishing

Most Canadians (71 per cent) are aware that some authors publish books themselves without going to a publishing company, otherwise known as self-publishing, although one in ten (eight per cent) are not aware of this and 21 per cent are not sure.

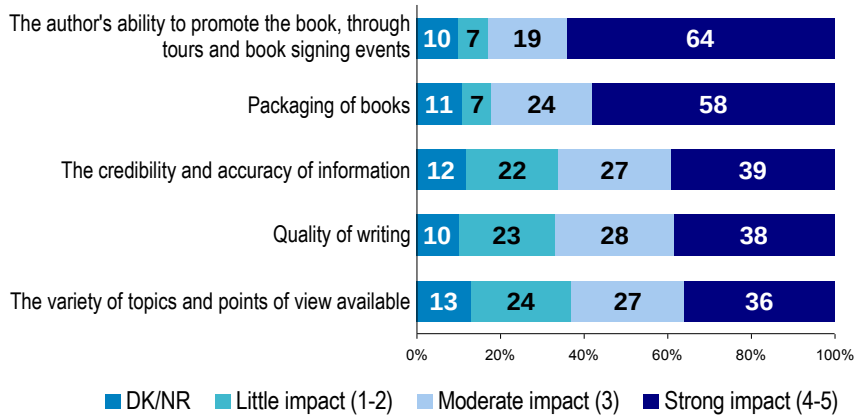
- Higher income Canadians ($120,000+) are more likely to be aware of self-publishing compared to lower income Canadians.
- Residents of the largest cities are more often aware of self-publishing than those in smaller urban or in rural areas.
- Canadians who have accessed free e-books are more likely to have heard of self-publishing.
- Individuals who read books, magazines, newspapers, and websites or blogs are all more apt to have heard of self-publishing than those who do not, as is the case with those who read books digitally and/or read for school or work, and library users.

Participants were well-aware of self-publishing as an alternative to having a book published through a conventional publisher; in one centre (Calgary), the majority of participants mentioned having purchased a self-published book. (In contrast, some participants in Ottawa said they would not know if a book was self-published, given that they do not tend to pay attention to publishers.) Participants perceive both advantages and disadvantages of self-published books. Almost everyone acknowledged a "stigma" around self-publishing, but generally there was a sense that this stigma is unfair and may be waning. Many feel that self-publishing is a good opportunity for authors to "get their books out there". In all focus groups, participants expressed sympathy for authors whom they perceive as not being fairly compensated for their work, and some participants pointed out that self-publishing could be a way for authors to set their own price and not lose some of their book revenues to a publisher. Some participants said self-publishing is "the way of the future" because it "cuts out the middle man" leaving more autonomy for the author.

Thinking about books that are published by a publishing company versus books that are published by authors themselves, respondents were asked how much of an impact publishing companies have on the book created. Almost two-thirds (64 per cent) feel that publishing companies have a strong impact on the author's ability to promote the book, through tours and book signing events. Over half (58 per cent) see a strong impact from the involvement of publishers on the packaging of books. Just under four in ten believe that publishers have a strong impact on the credibility and accuracy of information (39 per cent), quality of writing (38 per cent), and/or the variety of topics and points of view available (36 per cent).

Publishers' Impact on Book

"Generally speaking, thinking about books that are published by a publishing company versus books that are published by the author themselves, how much of an impact do publishing companies have on the book created in each of the following areas?"



EKOS Research Associates Inc.

n=769

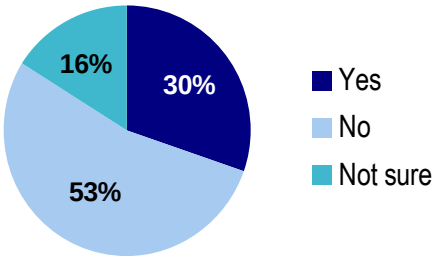
ACP Survey, 2014

- Those who read magazines and/or newspapers are more likely to indicate that publishers have a stronger impact on the quality of writing. Those who read newspapers are more likely than those who do not to indicate that publishers have a stronger impact on the packaging of books, the author's ability to promote the book, the credibility and accuracy of information. Magazine readers are more likely to feel there is an impact on the variety of content available.
- Those who spend the most on books are also most often convinced that publishing companies have a strong impact on the quality of writing.
- Those who read websites or blogs, along with social media users, are more apt than non-users to indicate that book publishers have little impact on the variety of topics and points of views available.
- Heavy readers (10 or more hours per week) are more apt than lighter readers to indicate that book publishers have a stronger impact on the variety of topics and points of views available. Moderate readers (six to 10 hours per week) are more apt to be convinced of the impact of publishers on the author's ability to promote the book.
- Women are more convinced than men about the impact of publishers on the quality of writing, the accuracy of the information in the book, the variety of topics and points of view available, and the author's ability to promote the book.
- Seniors are more apt to see the impact of publishers on the quality of writing and the variety of topics available to the public.

Only three in ten (30 per cent) believe that knowing that a book is self-published has an impact on their trust in the accuracy and quality of information in the book. Just over half (53 per cent) of Canadians feel that the fact that a book is self-published does not have an impact on whether they trust the accuracy and quality of information of the book. Sixteen per cent are not sure.

Impact of Self-Publishing

"Does the fact that the book is self-published have an impact on whether you trust the accuracy and quality of information of the book?"



EKOS Research Associates Inc.

n=1086

ACP Survey, 2014

- Men are less likely than women to distrust the accuracy and/or quality of a book that is self-published.
- Those who have read magazines, websites or blogs recently, and/or use libraries are more likely to say that whether or not a book has been self-published impacts their view of the information in the book.

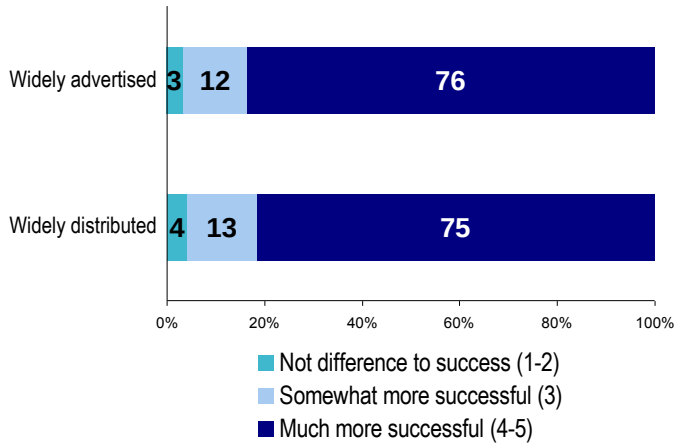
Some participants expressed the impression that most self-published books are books that "no one wanted to publish"; "there is a reason they are self-published." Participants in all groups raised concerns that the quality of writing in some self-published books is not as high as for conventionally published books, presumably because they do not undergo the same rigourous editing. (There was a suggestion from one participant that, as a possible means for additional revenue, publishers could be offering their proofreading services to authors who wish to self-publish.) On the other hand, various participants said that self-published books do not necessarily mean lower quality. According to one participant, "Publishers have always put out propaganda that self-published authors are crappy. That's changing now" as more authors are seeing how they can benefit from self-publishing and readers are discovering enjoyable self-published books.

Some participants mentioned that self-published books play an important role in putting out riskier content or information on obscure fields/topics where the market is small, for which publishers would be less likely to publish. Some also mentioned impressions that self-published non-fiction and children's books can be quite good, although with the assumption that self-published books in other areas may not be as high quality: "Sometimes there are some duds, but sometime you find some neat stuff," said one participant in Winnipeg. Others mentioned that self-publishing can be "really exciting" and "the best way to find the next great author." The quality of writing and content of self-published books was the focus of most participants' comments; only a few mentioned concerns with other elements such as design, layout, and durability. According to these participants, self-published books may not stack up against conventionally published books in this regard.

Comparing books that are published by a publishing company with books that are self-published, most (76 per cent each) feel that publishing companies have a strong impact on the success of books in terms of how widely they are advertised, and how widely they are distributed (75 per cent).

Publishers' Impact on Promotion-Distribution

"How widely books are advertised, promoted, and publicized and distributed?"



EKOS Research Associates Inc.

Book Strategy Group, 2014

- Canadians between the ages of 35 and 54 as well as those who have read websites or blogs recently are more apt than others to believe that publishing companies increase the success of a book through advertising/promotion and distribution.
- Distribution of the book is an impact seen more often among the most affluent Canadians (reporting household incomes of $120,000 or greater).

Focus group participants were asked to identify who receives a portion of the sales of a book. Almost everyone said they believe that publishers get a big proportion of the sale of a book (if not the biggest), with some stating that they believe a publisher would get between 40% and 60% of a book sale. Many also indicated that the retailer also gets a large proportion, with some saying this proportion is in line with the share that the publisher gets. All groups were unanimous in their perception that authors get a relatively small share of a book sale in relation to the publisher, with some estimates of 5% to 25%, and perceive this as being "not enough" and that it can sometimes take

years before an author is fairly paid for a book. In some groups, participants said that this small proportion is scaled back even further for online sales. In some groups, participants discussed the price of discounted books. Older books are perceived as being discounted because they did not sell well and the retailer is clearing space.

2.7 Views on The Future of the Book Industry

Some focus group participants said that the book industry itself may have to change the way it does business, given technology changes and concerns about unauthorized access of e-books. Some participants expressed concern that authors do not have other means of revenue aside from book sales the way that musicians have revenue streams in addition to music purchases. Others noted that new models for paying music artists do not generate much income for artists. It was suggested that the book industry should expect to see a growth in need for marketers and increasing pressure on authors to sell their books.

Some feel there needs to be better access to books in order for people to buy them, rather than to feel the need to obtain them for free. “It’s a social good” to make information available, and a participant suggested that publishers need to be less restrictive in how people use books and which books are available (e.g., more reasonable pricing on books where possible). This should be paired with messages about the need to pay for books and how this supports the health of the industry. One participant said, “If you price things so that there isn’t an incentive to ‘borrow’, then the problem’s solved”; in other words, find a market-based solution to the problem.

3. SUMMARY

FURTHER ON MARKETING AND COMMUNICATIONS

- Readers expressed appreciation for the value of a symbol that would identify Canadian sources more easily. Since Canadians do not seem to see Canadian sources as inferior to other sources, this type of symbol should not systematically relegate Canadian books to a second tier of choices among Canadian consumers. Other actions designed to increase the profile of Canadian books might include additional advertising and generally greater prominence of Canadian books in retail displays.
- In terms of books in the education sector, respondents see pricing to make Canadian books competitive, as well as possible guidelines in place regarding the use of Canadian sources as key to increasing promotion of Canadian books in the classroom.
- Media advertising, advertising in retail space at point of sale and in social media were each put forward as viable opportunities for promoting Canadian books.
- The idea of digital warehouses for e-books (a la Netflix) has some traction on the commercial side among those who read in digital format (i.e., four in ten showed some interest), but many said they prefer to own their own copies of books, and even prefer to have print copies of books. For those expressing an interest in such a service, the most attractive element is the access to a wide array of books, rather than the opportunity to reduce expenditure.
- Digital warehouses for schools and post-secondary students accessing education books was seen as considerably more attractive and useful, particularly for post-secondary students, and even more so among those who reported that they read for school.

LIBRARIES

- Six in ten Canadians have used a library in the past 12 months, most often for pleasure reading rather than for school/work, and most often to access print copies of books. Reasons for not using a library, as put forward by focus group participants, have largely to do with the convenience of buying books and a desire to own rather than borrow.
- One in five is accessing digital books through libraries and most say that they would be likely to, at some point, access an e-book through a library rather than purchasing it.

- Canadians see libraries as mainly having the benefit of allowing individuals to access a great variety of reading material. They also see a wide variety of socio-cultural benefits to the community and the majority sees libraries as having helped them to learn about authors.

Accessing Free E-Books

- Though more than one in three Canadians have accessed a free e-book, few (six per cent) have had unauthorized access to an e-book they otherwise would have had to pay for. In focus groups, only a small number had knowingly accessed an e-book for free without authorization; some were altogether unaware of this practice.
- The predominant concern that Canadians have about accessing free e-books relates to the quality of the content. They are more likely to be compelled to pay for a book if they know that there is a connection between their payment and authors getting paid for their work. Arguments about supporting the book industry and ensuring payment for publishers resonate less well. One-third would not consider the lost revenue to the author; two thirds would not consider the lost revenue to the publisher. Focus groups confirmed a strong sense of sympathy for the livelihood of authors and feel most compelled to think accessing free e-books is wrong because it deprives authors of income.
- Digital rights management is not a widely understood concept. However, most who do understand the concept are aware that it protects publishers and authors from piracy, but some feel DRM has negative implications for readers.

Unauthorized Downloading

- By and large, Canadians are not particularly aware of or concerned with the problem of unauthorized downloading. Compared with the incidence of illegal downloading of other materials (e.g., music) the issue of books is just not on the public radar.
- In spite of the lack of awareness or concern for the issue, Canadians easily understand the implications of illegal downloading for authors, and the Canadian publishing industry. What is more, they also see the value in strong and clear messages telling the public that this is unacceptable behaviour, emphasizing the impact on the health of the industry, and need for authors and publishers to be paid for their work.
- There is some scepticism, however, about the extent of impact that a public campaign of this nature would have on the public at large (and ultimately on those who download illegally). Other research components have suggested that the greatest impact may be achieved by aiming messaging at youth in particular.

Role of Book Publishers

- Most Canadians understand that book publishers play a role in printing, manufacturing, and producing books, but other roles are much less widely known. Focus group participants were also aware that publishers are involved in editing, developing content, and promoting books and authors, but were not confident that they knew all of the activities of publishers and to what degree they perform which tasks.
- Survey results suggest that Canadians see the need for publishers to play strong roles in elevating the quality of books, finding and supporting new authors, and increasing the diversity of available books, as well as ultimately ensuring the health of the Canadian book industry. While it not expected that the Canadian public would be in a position to know what publishers do on these fronts, it is noteworthy that at least some Canadians perceive that publishers contribute relatively little on these issues. This suggests that any public campaign should be designed to raise public awareness and appreciation for Canadian books but should also take the opportunity to highlight the role and efforts of publishers on a number of fronts.
- Canadians who typically read books are more aware of many roles of publishers, including: selecting the best books for publication, shaping and editing manuscripts, advertising, promoting and selling books, designing the cover art and layout of each book, making books accessible to the public, and improving the quality of books.
- Many Canadians know that self-publishing is a route that authors can take to get their books published. Those who are aware of self-publishing think that not using a publisher reduces the author's ability to promote the book and the packaging of the book. However, Canadians are less likely to say that self-publishing may have impacts on other aspects such as the quality of the writing and accuracy of the content, and only a minority would have reservations about the accuracy and quality of a self-published book's content.
- Focus group participants indicated some preconceptions about the quality of self-published books, but weighed this against what they perceive as advantages of self-published books: a way for authors of niche genres and topics to get their work published, and for authors to hold on to more of the revenue from their sales.
- Publishers are seen by the general public as having a strong advantage over self-publishing in terms of the promotion and distribution of books.
- Focus group participants perceive publishers as taking the largest share of a book's sale (estimated at 40% to 60%), and feel this is not fair in comparison to the share of authors, which they feel to be too low (estimated at 5% to 25%).

BNC RESEARCH

Canadians Reading Canadians

How interested are Canadians in reading Canadian content?

BOOKNET CANADA

Methodology

This study is a part of The Canadian Book Consumer, an ongoing BookNet Canada initiative that tracks book-buying behaviour in Canada. All 2017 data was collected in June 2017.

To collect data from a representative Canadian panel, BookNet Canada contracted a third-party online survey provider. All respondents were English-speaking Canadian residents aged 18 years or older who purchased a minimum of one book, regardless of format, in the prior month. The panel included women and men from all regions of Canada.

The methodology between our first Canadians Reading Canadians report in 2012 and Canadians Reading Canadians 2017 differs slightly, as the 2012 data was obtained through a different third-party online panel and comprised a larger sample set of monthly data that was rolled into a quarterly panel. The 2012 data comprised 1,005 respondents while 2017 data comprised 500 respondents. This represents a 4% margin of error at a 95% confidence level.

The 2012 report itself was based off a 2002 study conducted by the Association of Canadian Publishers (ACP), *Canadian Book Buying Habits: What Influences Purchases?* BookNet Canada replicated the ACP study's questions, creating the unique opportunity to measure how opinions have changed over time. The ACP respondent pool was 944, and all respondents had to have bought a book, regardless of format, in the three months prior to filling out the survey. Throughout this report, we will refer to the ACP study where it provides a useful comparison to the 2012 and 2017 data. We appreciate the support of the ACP in giving us permission to use their data.

Introduction

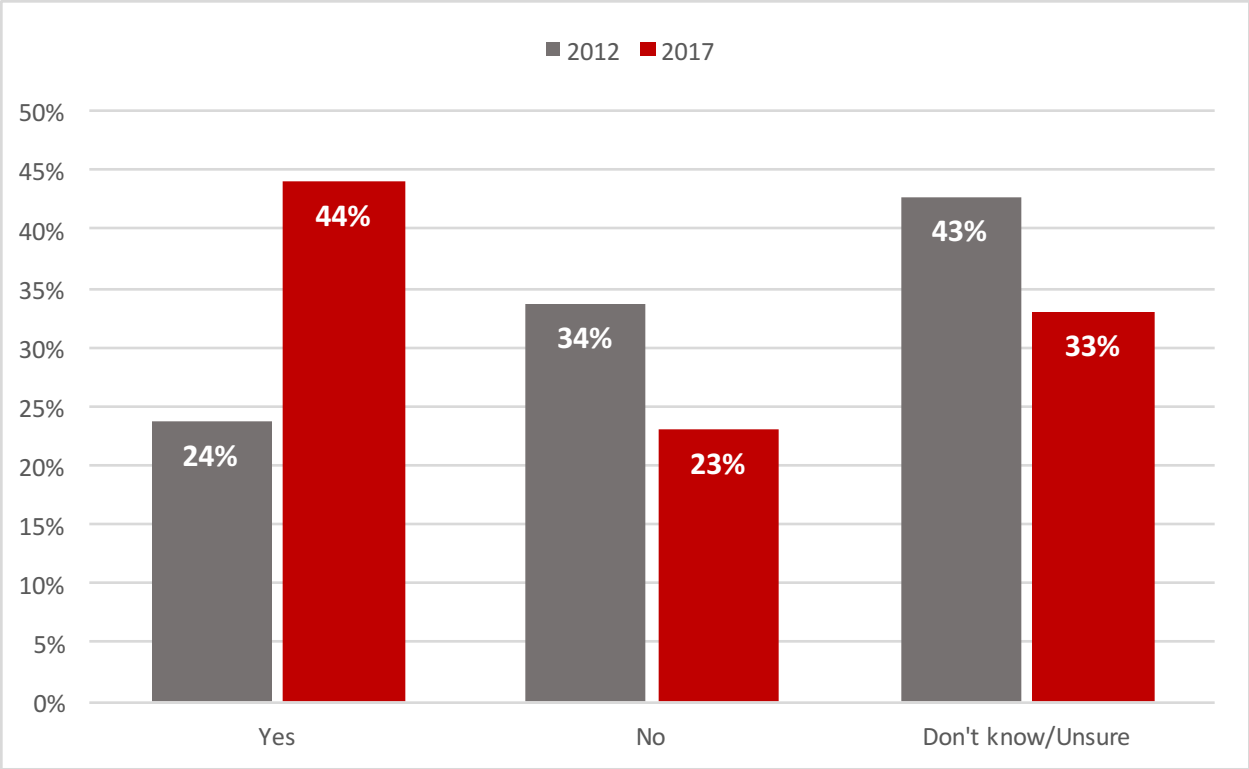
To help celebrate Canada's 150th anniversary, BookNet Canada is revisiting a study that was initially conducted in 2012. The goal of both studies was to learn about respondents' perceptions and attitudes towards Canadian authors and subject matter. The results present an opportunity to examine Canadians' knowledge of and interest in Canadian books from a variety of angles. We can also consider how these impressions have changed over time by comparing our 2017 results to two similar consumer studies: one published by BookNet Canada in 2012 and one published by the Association of Canadian Publishers in 2002.

While it is important to know that the methodology differs slightly between surveys (see Methodology above), many of the questions are the same and the 2012 and 2017 studies were both conducted online to Canadians over the age of 18 who had purchased a book in any format in the prior month.

Who's Reading Canadian Books?

The percentage of Canadian book buyers who have read a Canadian author in the past year has gone up notably over the last five years, from only 24% in 2012 to 44% in 2017, which may be partly the result of an increased interest in Canadian authors for Canada 150 or because of the popularity of Margaret Atwood's *The Handmaid's Tale* being produced for television (see Name That Author below). Similarly, those who were unsure has declined from 43% in 2012 to 33% in 2017.

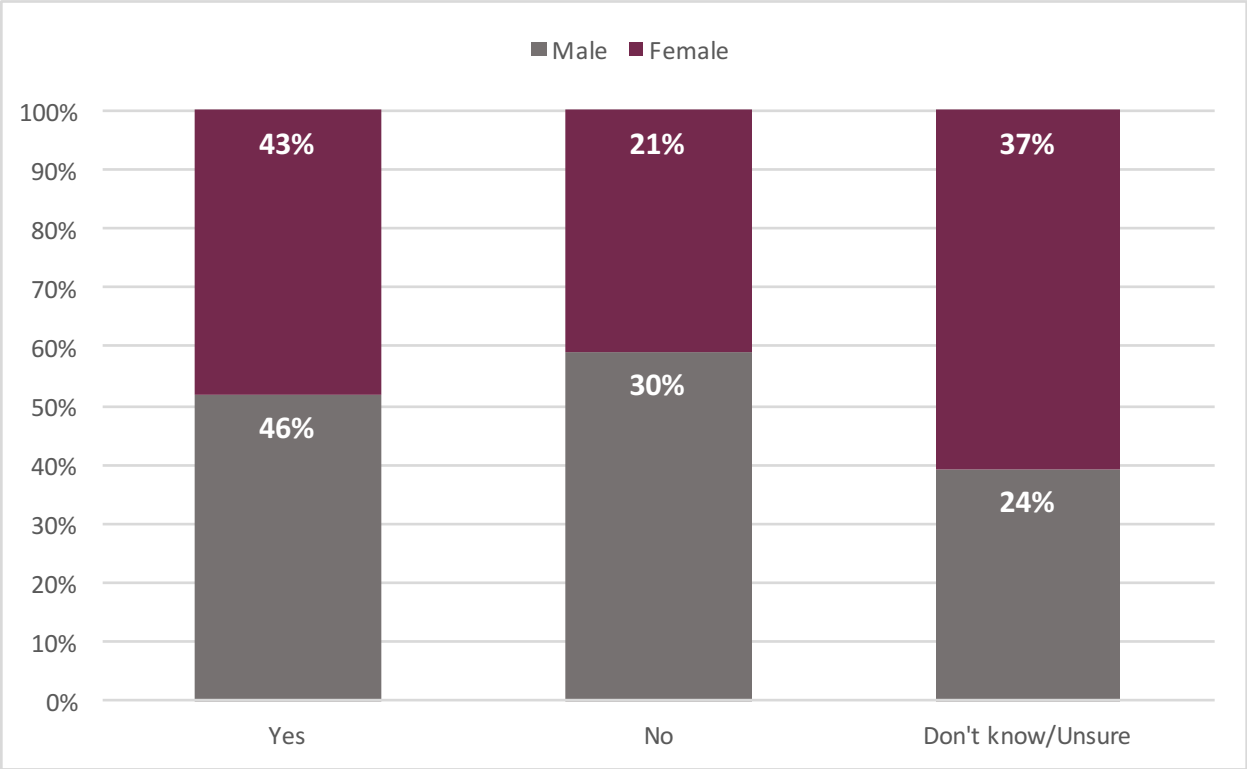
BOOK BUYERS READING CANADIAN AUTHORS



Question: Have you read a book by a Canadian author in the last year? (N 2012=1,005, N 2017=500)

When we break this data down by gender we find that women and men are fairly evenly split on the question, though men have a slight lead.

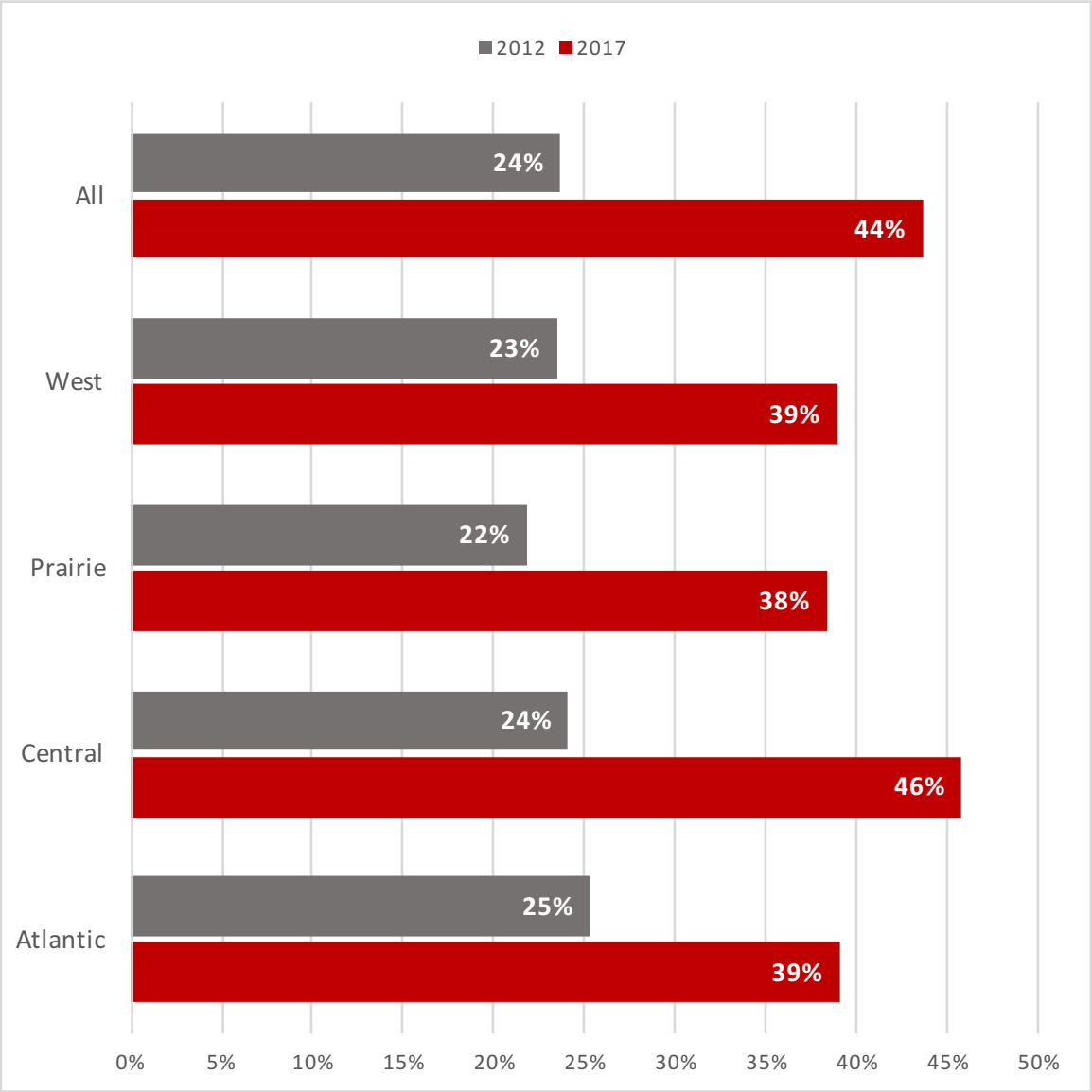
BOOK BUYERS READING CANADIAN AUTHORS – BY GENDER



Question: Have you read a book by a Canadian author in the last year? Crosstab question: Gender (N 2017=500)

The percentage of book buyers reading Canadian-authored books continues to be fairly similar across all regions of the country. In 2012, the Atlantic region had the highest percentage of those who answered "Yes" by a small margin; in 2017, Central Canada had the most at 46%.

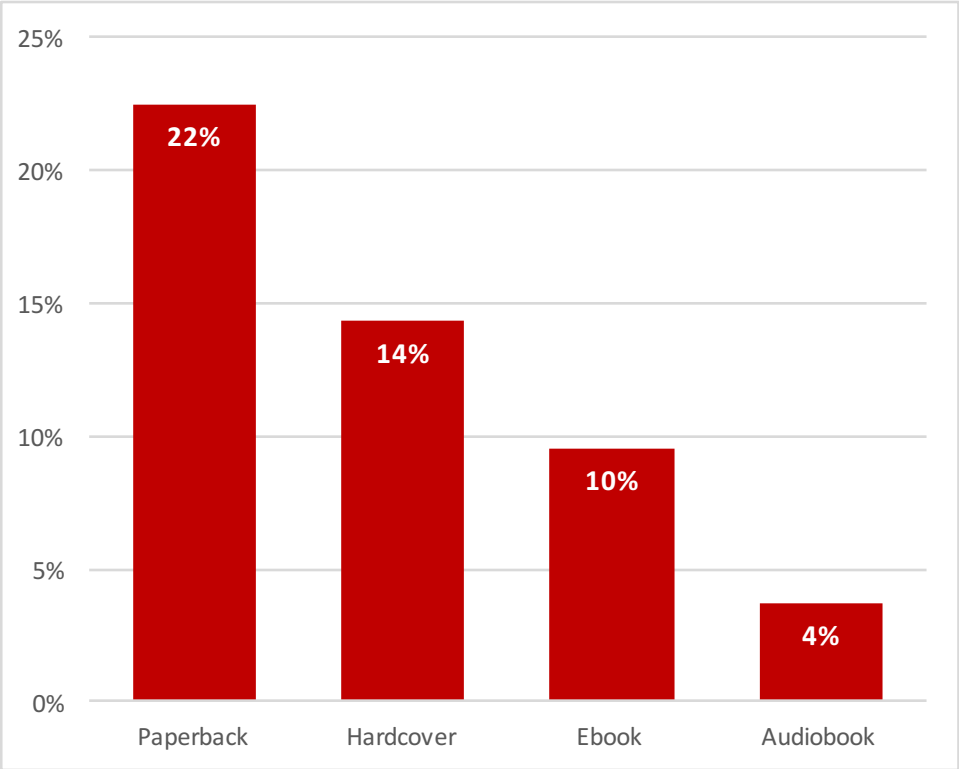
BOOK BUYERS READING CANADIAN AUTHORS – BY REGION



Question: Have you read a book by a Canadian author in the last year? Crosstab question: Province/State of Residence? (N 2012=1,005, N 2017=500)

The graph below represents the formats purchased by readers of Canadian-authored titles.

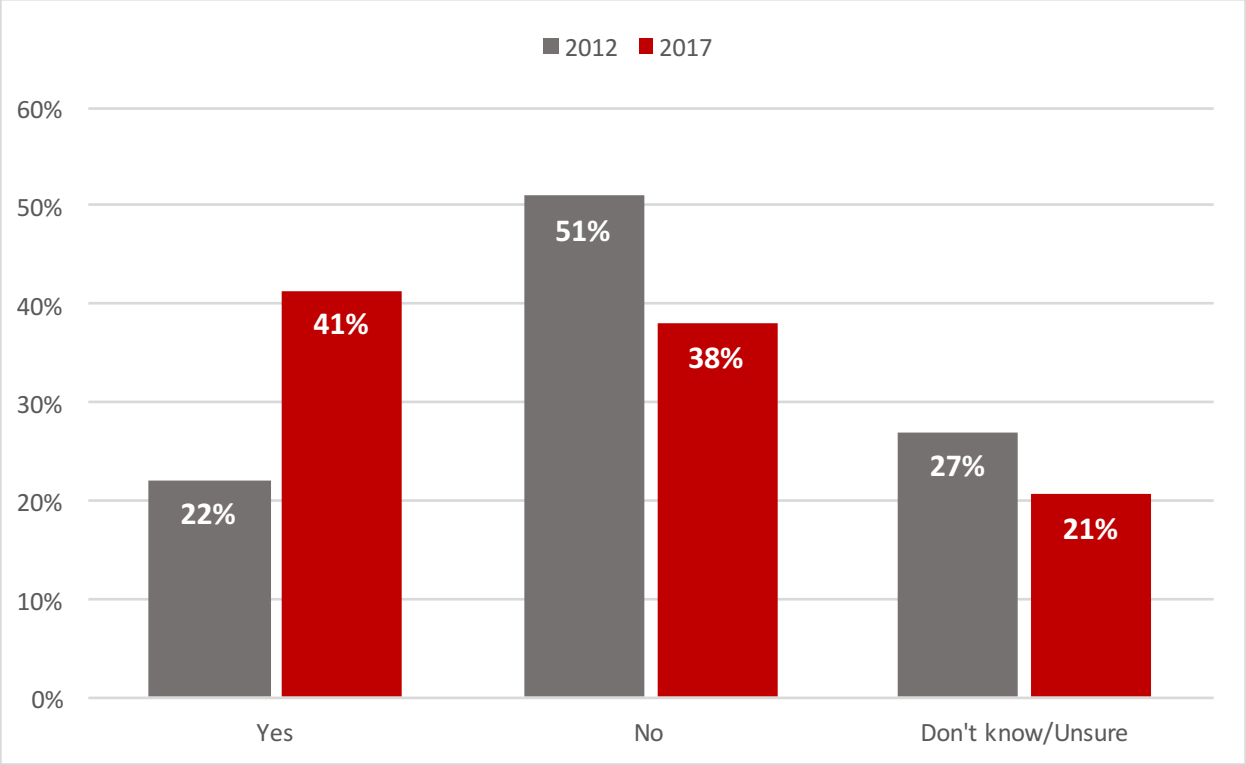
FORMATS PURCHASED BY READERS OF CANADIAN-AUTHORED TITLES



Question: Have you read a book by a Canadian author in the last year? Crosstab question: Please indicate the format of this book. (Please select all that apply.) (N 2017=500 respondents, 735 purchases)

We also asked if book buyers had read a Canadian subject in the past year and found that this has gone up drastically since 2012, from 22% to 41%.

BOOK BUYERS READING CANADIAN SUBJECTS

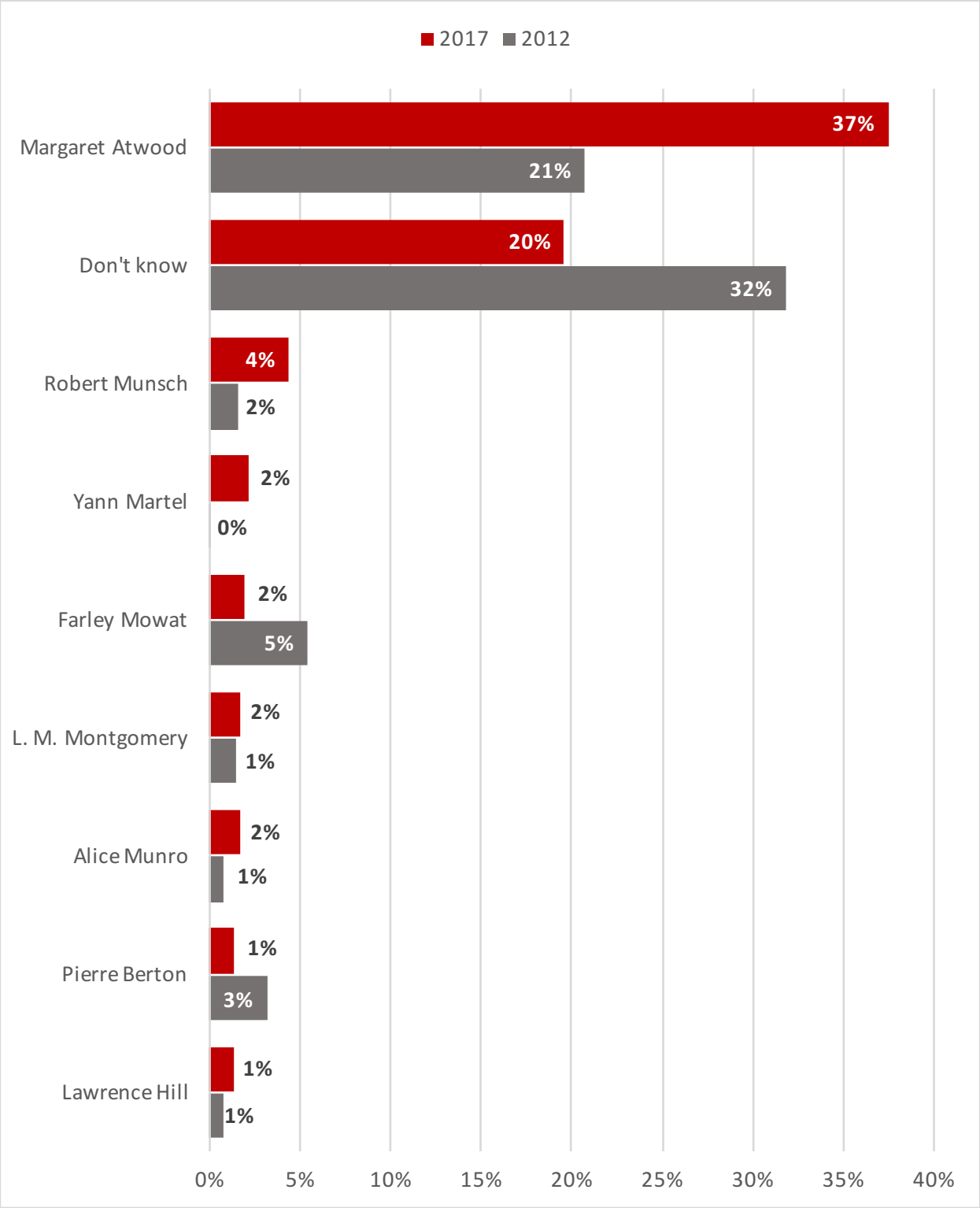


Question: Have you read a book about a Canadian subject in the last year? (N 2012=1,005, N 2017=500)

Name That Author! (a.k.a. Margaret Atwood Takes it All)

When we asked book buyers in 2012 if they could name a Canadian author, 32% of respondents said they couldn't and 21% named Margaret Atwood (the highest percentage for any Canadian author by far). In 2017, possibly as a result of *The Handmaid's Tale's* adaptation as a popular television series, those who identified Margaret Atwood increased to 37% (far above Robert Munsch, who came in second at 4%) and even managed to outnumber those who can't name any Canadian authors at all (20%). A handful of other authors, including Yann Martel and Alice Munro, all came in around 2%.

MOST POPULAR NAMED CANADIAN AUTHORS



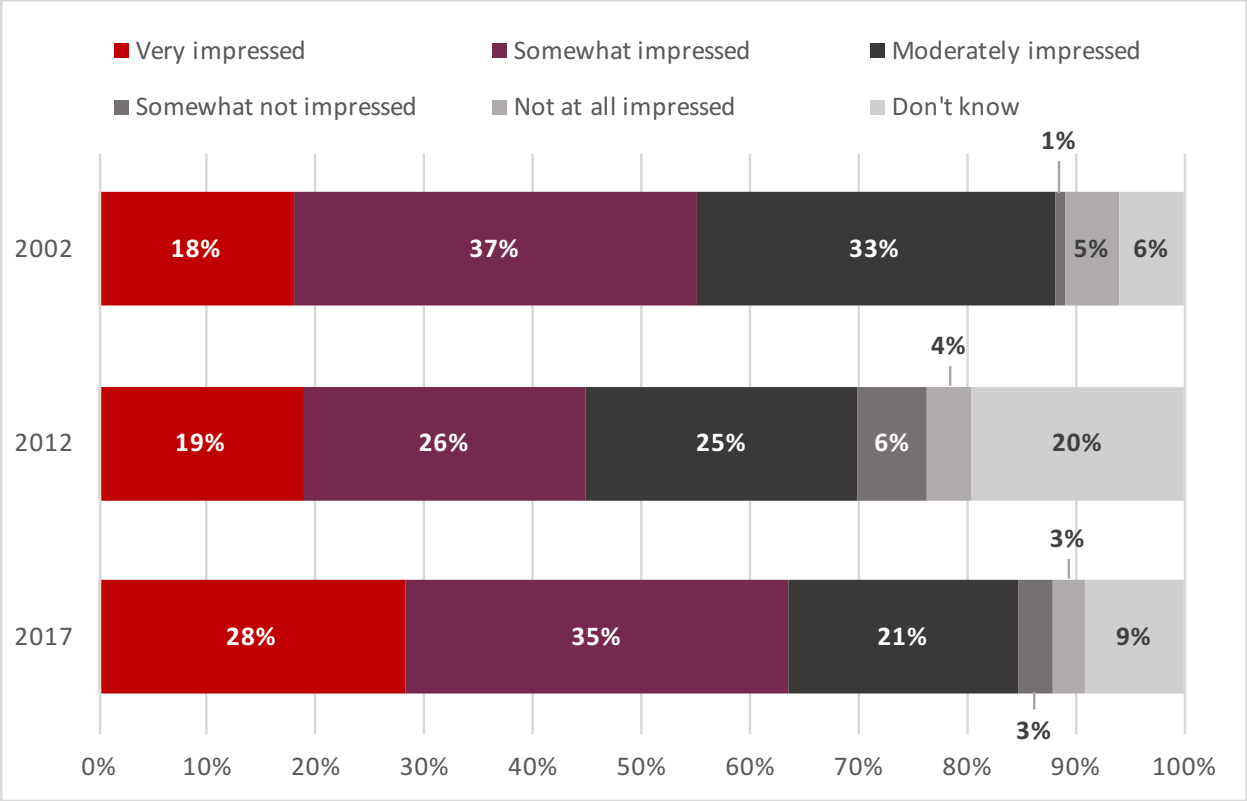
Question: Can you tell us the name of a Canadian author? (Open-ended) (N 2017=500 respondents, 526 responses; N 2012=1,005 respondents, 990 responses)

Perceptions of Canadian Books

Over the past 15 years, impressions of Canadian authors have improved. In 2017, 84% of book buyers were “moderately,” “somewhat,” or “very” impressed with Canadian-authored books, compared to only 70% in 2012.

One distinct difference between the three sets of data is that the percentage of respondents who did not know enough about Canadian-authored books to even have an impression was higher in 2012 — 20% compared to 9% in 2017 — so both awareness and favourable impressions are on the rise.

IMPRESSIONS OF BOOKS WRITTEN BY CANADIAN AUTHORS



Question: Thinking generally about your impressions of books written by Canadian authors, how impressed would you say you are? (N 2002=990, 2012=1,005, 2017=500)

When book buyers were asked what they think of when they hear or read the words "Canadian books," the responses spanned everything from "very proud," "insightful," and "great literature" to "dull," "boring," and "cheap." Here are a few of the highlights:

"I think we are just too nice and the book is boring."

"I think of books that tell about Canadian life and Canadian people. I think that we have many talented and world-renowned writers in Canada. I am proud of Canadian writers."

"Usually interesting but perhaps slightly strange books."

"Not so famous and not mainstream. Books that may be good but harder to find and don't seem so appealing."

"To be honest, not too interesting, though some of my favourite authors and poets are Canadian."

"I think that it's great there are Canadian books out there that are being mentioned because it means they are good and it makes me feel proud."

The word cloud below was developed from the resulting responses:

Question: What do you think of when you hear or read the words "Canadian books"? (Open-ended) (N 2017=500)

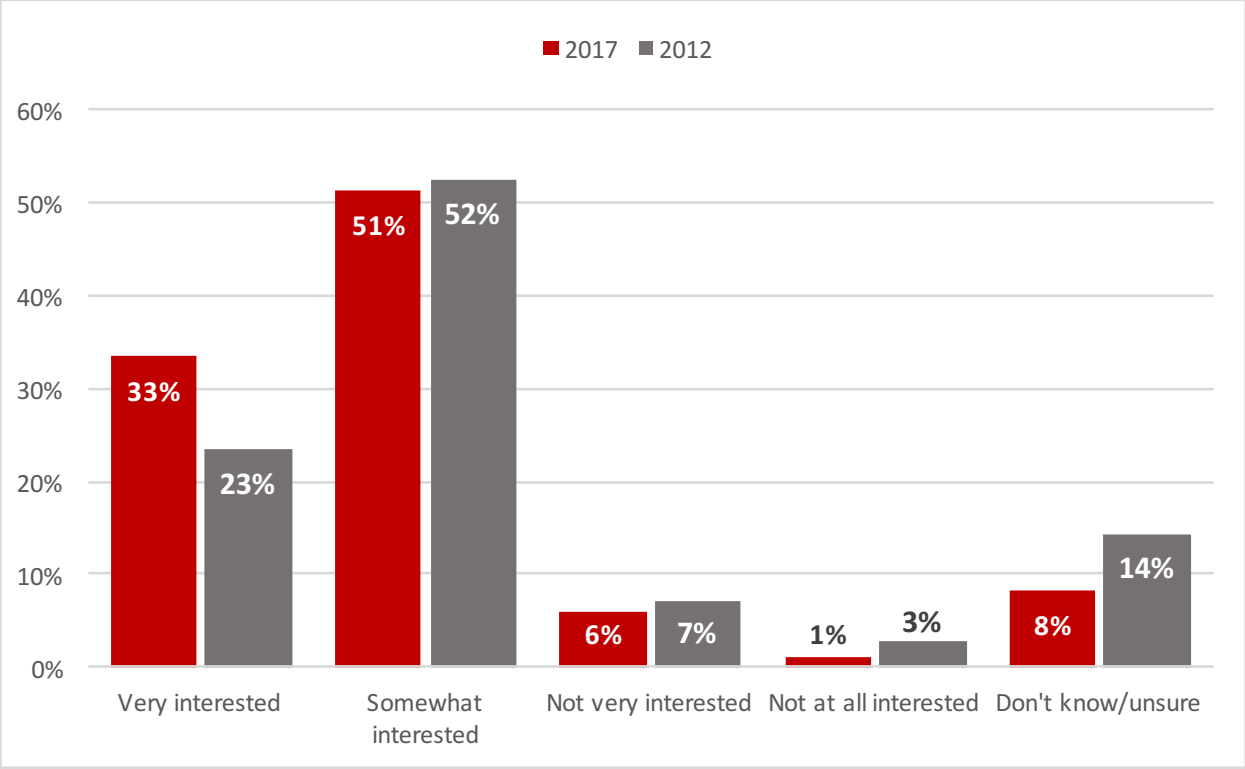
While responses continue to be both positive and negative, we did find a notable decline between 2012 and 2017 in the number of comments about Canadian books being either too expensive or too difficult to find (although one such comment is included above). It may be that the Canadian identifier is becoming more visible throughout the supply chain. Regardless, they reiterate the importance of ensuring that Canadian books are marked appropriately in their metadata in order to support discoverability.

Gauging Interest

We asked Canadian book buyers how interested they are in reading books by Canadian authors and the majority (84%) said they are either "very" or "somewhat interested," which is up from 75% in 2012.

Relatedly, the Department of Canadian Heritage conducted an opinion survey on Canadian books, film, periodicals, and music in June 2012 that found that 92% of respondents agreed it was important for Canadians to have access to Canadian books[1].

INTEREST IN READING CANADIAN AUTHORS



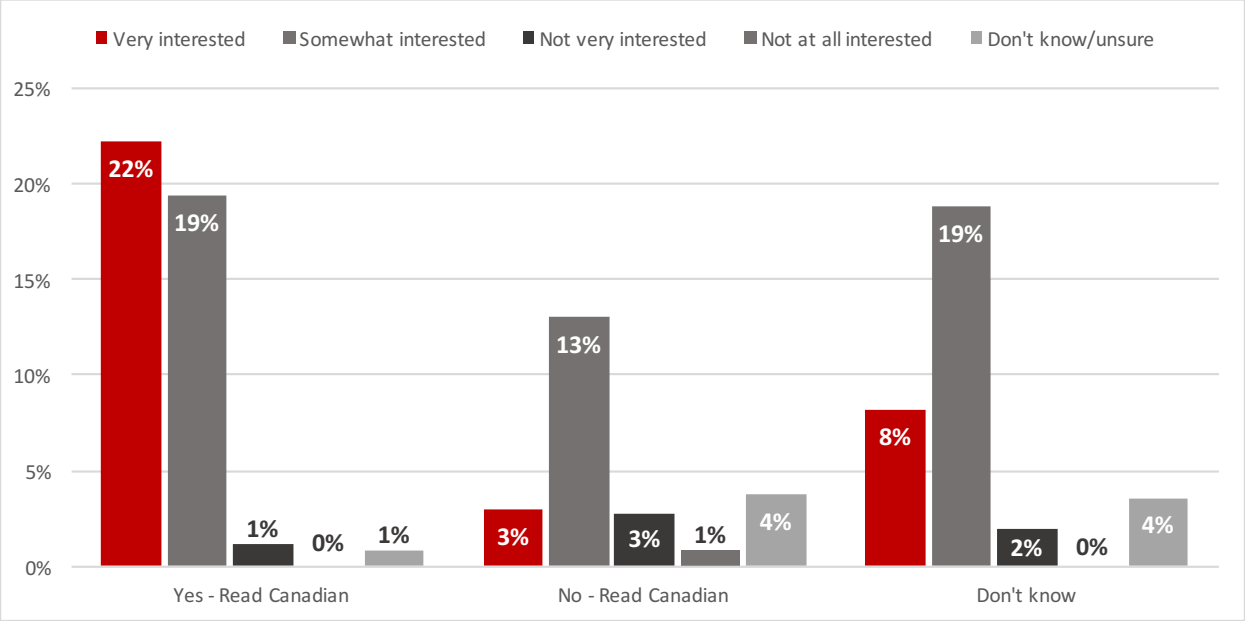
Question: How interested are you in reading books by Canadian authors? (N 2017=500, 2012= 1,005)

[1]Department of Canadian Heritage, "Canadian Books, Film, Periodicals and Music Opinion Survey." September 2012, p.48. http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/canadian_heritage/2012/090-11/index.html.

We also looked at the correlation between those who had read a Canadian author in the last year and those who are interested in reading Canadian authors. Unsurprisingly, 41% of respondents who had read a Canadian-authored book are either “very” or “somewhat” interested.

Where it gets more interesting is that 16% of respondents who had not read a Canadian author in the prior year are either “very” or “somewhat” interested in doing so, and an impressive 27% of respondents who didn’t know if they had read a Canadian author are either “very” or “somewhat” interested as well. If we combine these two groups, 43% of book buyers are interested in reading Canadian books but aren’t already, or don’t know if they are. This could be a missed opportunity that perhaps points to a shortage of identifying information on products or retail displays (physical and online) that showcase Canadian authors.

INTEREST IN READING CANADIAN AUTHORS BY READERSHIP OF CANADIAN-AUTHORED BOOKS



Question: How interested are you in reading books by Canadian authors? Crosstab question: Have you read a book by a Canadian author in the last year? (N 2017=500)

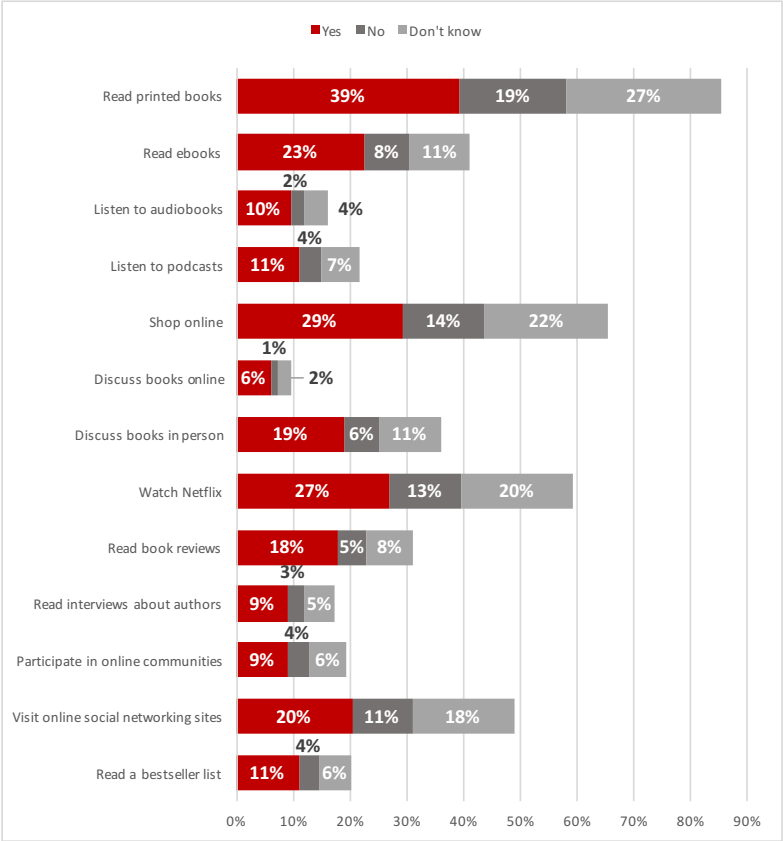
Leisure Activities and Social Media

How do Canadian book buyers spend their free time? The following graphs look at the activities book buyers participate in, broken out by those who have read a Canadian-authored book in the past year versus those who haven't or don't know if they have. We also looked at the data for those who read Canadian subjects and found that the results are almost identical to those who read Canadian authors.

Compared to those who don't read Canadian books, or don't know if they do, readers of Canadian books are more likely to:

- listen to audiobooks (10% vs. 6%);
- discuss books in person (19% vs. 17%); and,
- read bestseller lists (11% vs. 10%).

LEISURE ACTIVITIES BY READERSHIP OF CANADIAN-AUTHORED BOOKS

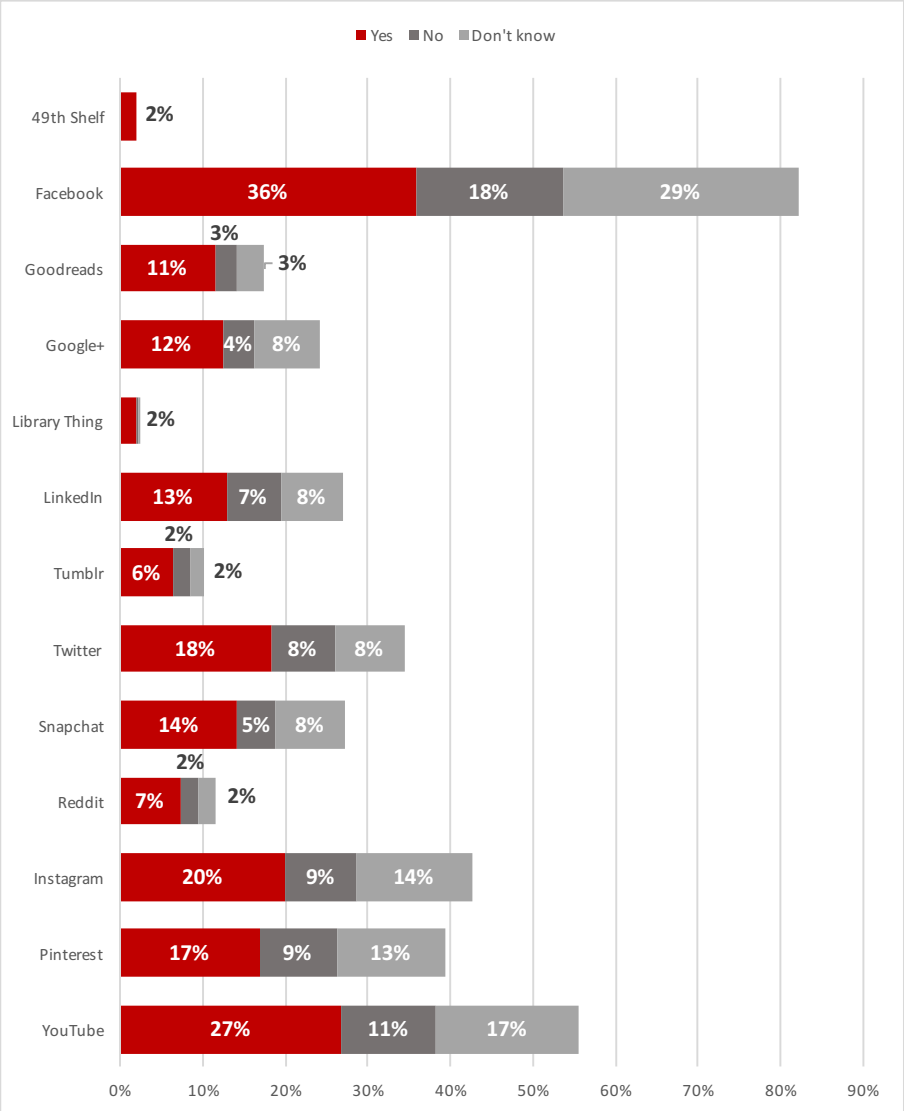


Question: Which of the following activities do you do at least once in a typical month? (Please select all that apply). Crosstab question: Have you read a book by a Canadian author in the last year? (N 2017=500 respondents, 2,363 responses)

We find that book buyers who read Canadian-authored books are fairly involved in social media, with Facebook being the most-used platform followed by YouTube. When compared to book buyers who either don't read Canadian books or don't know if they do, they are more likely to participate in:

- Goodreads (11% vs. 6%);
- Twitter (18% vs. 16%); and,
- Snapchat (14% vs. 13%).

USE OF SOCIAL NETWORKS BY READERSHIP OF CANADIAN-AUTHORED BOOKS

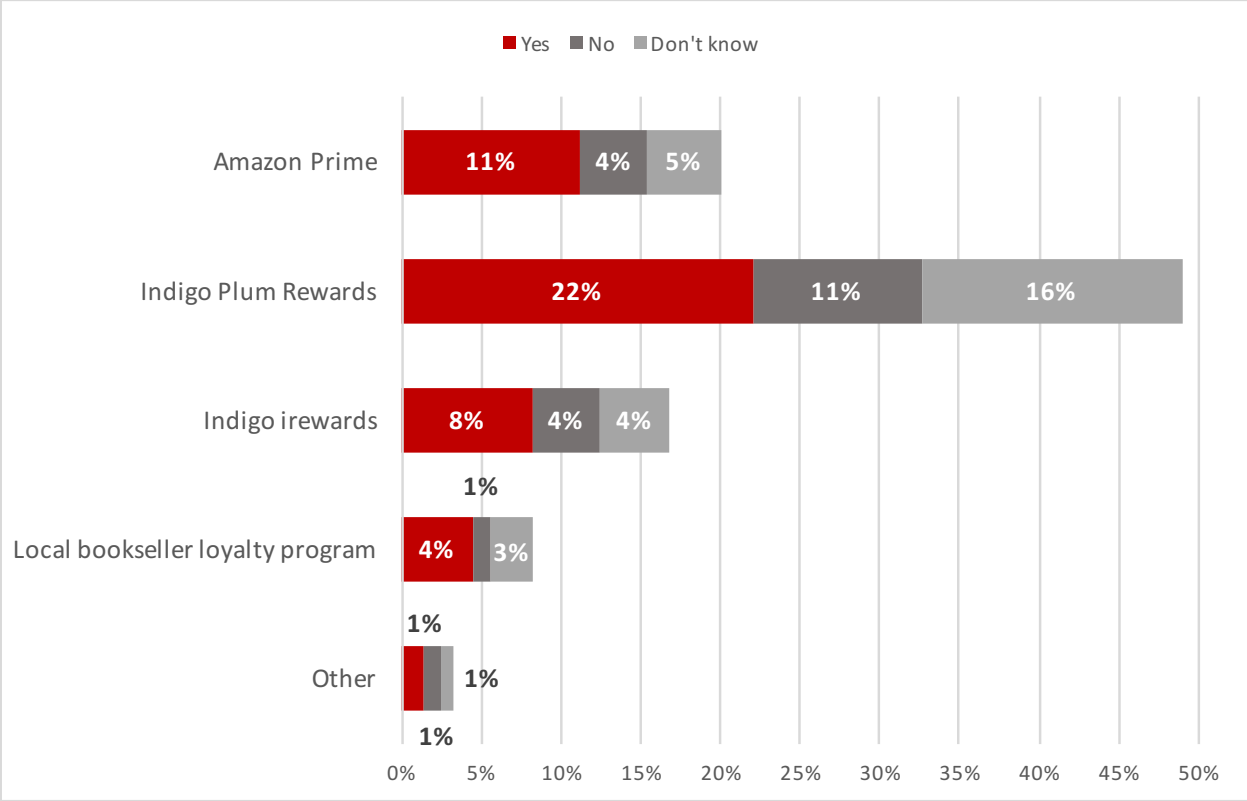


Question: In which of the following online social networks, communities, or sharing sites do you currently participate? (Please select all that apply). Crosstab question: Have you read a book by a Canadian author in the last year? (N 2017=500 respondents, 1,942 responses)

Loyalty Programs

Loyalty programs are fairly popular amongst those who read Canadian authors. Of these, 30% subscribe to one or both of the two Indigo programs (Plum and irewards), and 11% to Amazon Prime.

LOYALTY PROGRAM PARTICIPATION BY READERSHIP OF CANADIAN-AUTHORED BOOKS



Question: Do you participate in any book-related awards/loyalty programs? (Please select all that apply). Crosstab question: Have you read a book by a Canadian author in the last year? (N 2017=500 respondents, 515 responses)

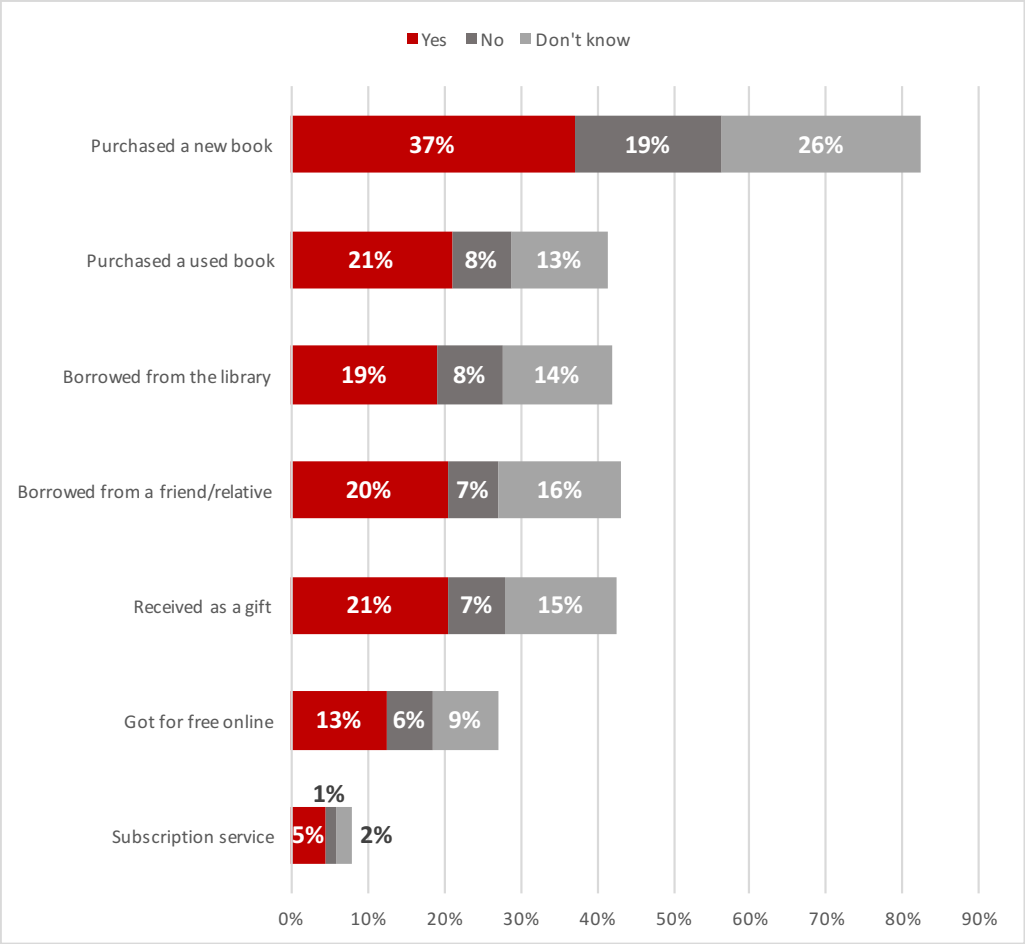
How Book Buyers Acquire Books

We asked book buyers to share all the ways they have obtained books over the last year, either for themselves or as a gift. The results are broken out by those who have read a Canadian-authored book versus those who haven't or don't know if they have.

Most book buyers are purchasing their books new (37%), but a notable amount are buying used, borrowing from the library or friends, or receiving books as a gift, all of which account for 19-21% each.

Readers of Canadian books are slightly more likely to use a subscription service — 5% versus 3% — than those who don't or don't know if they do, though this is still low compared to other methods.

BOOK ACQUISITION BY READERSHIP OF CANADIAN-AUTHORED TITLES

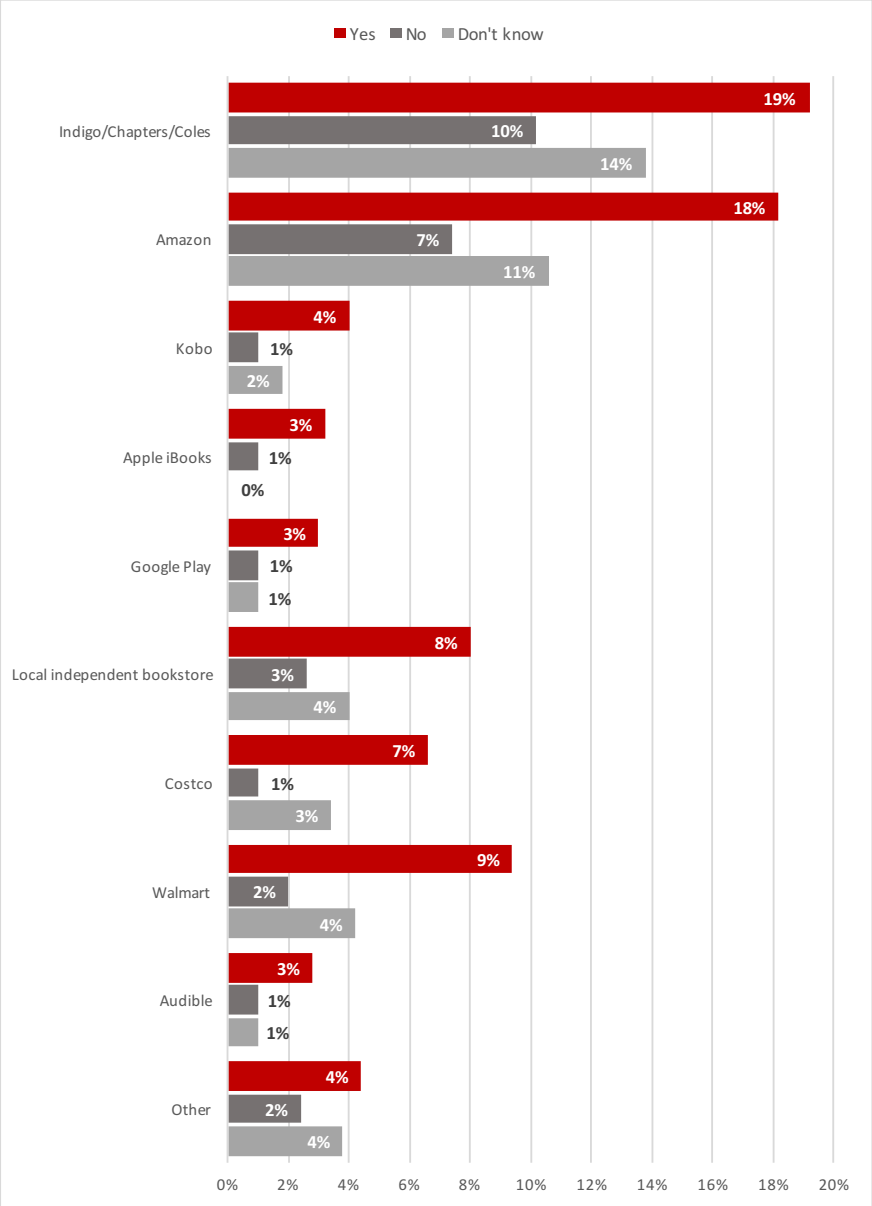


Question: In which of the following ways have you obtained books in the last 12 months, either for yourself or for a gift? (Please select all that apply). Crosstab question: Have you read a book by a Canadian author in the last year? (N 2017=500 respondents, 1,436 responses)

Where Book Buyers Shop

We asked our panel of respondents, all of whom had purchased a book in the prior month, where they made their purchases. It may not be surprising to see that while those who read Canadian books are much more likely to shop in the bigger bookstores, such as Amazon and Indigo, as well as big box stores like Costco and Walmart, they are also more likely to shop in their local independent bookstore.

PURCHASING CHANNELS BY READERSHIP OF CANADIAN-AUTHORED BOOKS



Question: Where did you buy your books in the last month? (Please select all that apply.) (N 2017=500 respondents, 755 responses)

Conclusion

Almost half of Canadian book buyers who either did not read a Canadian book in the past year or did not know if they had read one (43%) are telling us that they are interested in doing so. At the same time, both awareness and favourable impressions of Canadian books have risen since 2012.

For Canadian publishers, retailers, libraries, and content creators, the challenge continues to be one of discoverability. How do we best make sure that book buyers and readers can discover Canadian authors and subjects?

An excellent first step for publishers is to ensure they are providing rich bibliographic data that flags Canadian contributors and identifies regional themes. When the Canadian indicator is used, databases like BNC BiblioShare can flag Canadian content for special use by websites like 49th Shelf, and it provides guidance for the creation of Canadian bestseller lists in the media. It also makes available the data retailers, libraries, and bloggers need to showcase Canadian content. Further information on how to use the Canadian indicator can be found on the BookNet Canada website. The appropriate use of subject codes and keywords that identify Canadian or regional themes is also an efficient way to communicate this information to retailers and the book buyers who are looking for Canadian content.

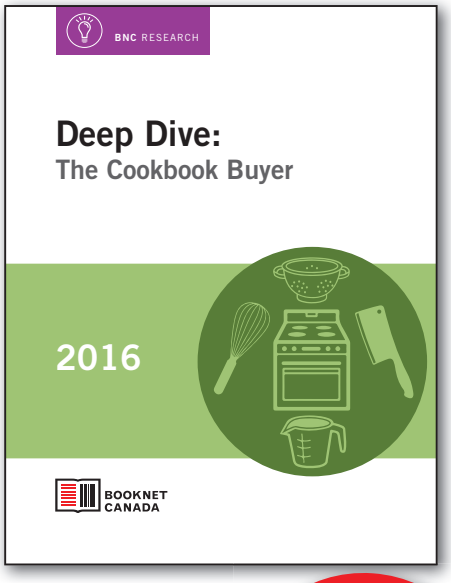
For retailers, whether physical or digital, chains or independents, we encourage you to take stock of how accessible Canadian content is within your store. Are users able to limit searches by Canadian content? Does a Canadian flag or other indicator highlight Canadian titles? Do you mark Canadian authors on your displays? Give consideration to how buyers may be able to more easily find both national and regional titles.

Help celebrate Canada's 150th year by waving that flag high and highlighting content as Canadian. Book buyers are telling us they want to read books by Canadian authors and about Canadian subjects, so let's work on discoverability and help them in their search.

Dive right in

Deep Dive Genre Studies

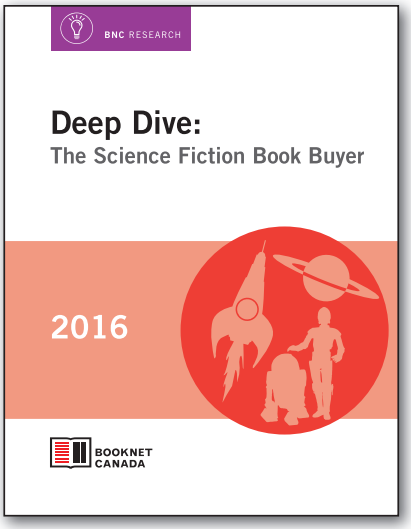
In this series of in-depth studies, we combine sales and consumer data alongside thoughtful analysis to give you essential guides for the top-selling subject categories in Canada.

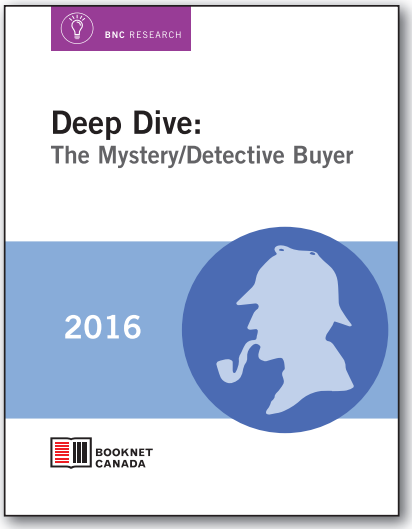


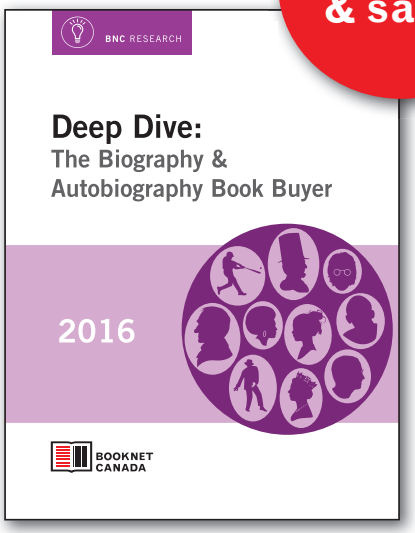
These in-depth reports answer questions for each genre, like:

- How much are consumers paying?
- What cultural and entertainment activities do they engage in most often?
- Do they buy more backlist or frontlist titles?
- And more!

Subscribe & save!







Purchase each study individually, or save at least 50% off the full series by purchasing a subscription.

Stay tuned for more studies throughout 2017!

booknetcanada.ca/deep-dive

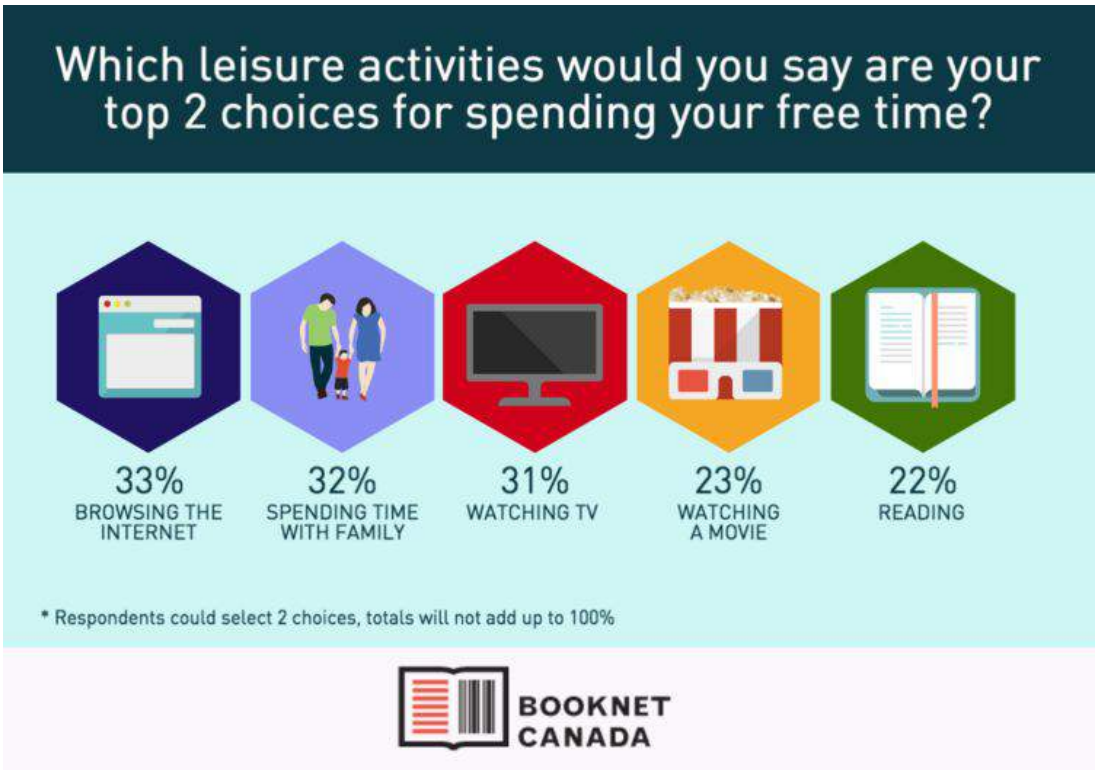
How Canadians are spending their free time

The results for one of our most popular research studies are in. You want to know how Canadians are spending their free time? We want to tell you.

Every winter BookNet runs a survey to see how Canadians are spending their leisure time. In 2017, we asked 750 respondents some general questions on the subject but the focus was on their book-reading and -listening habits.

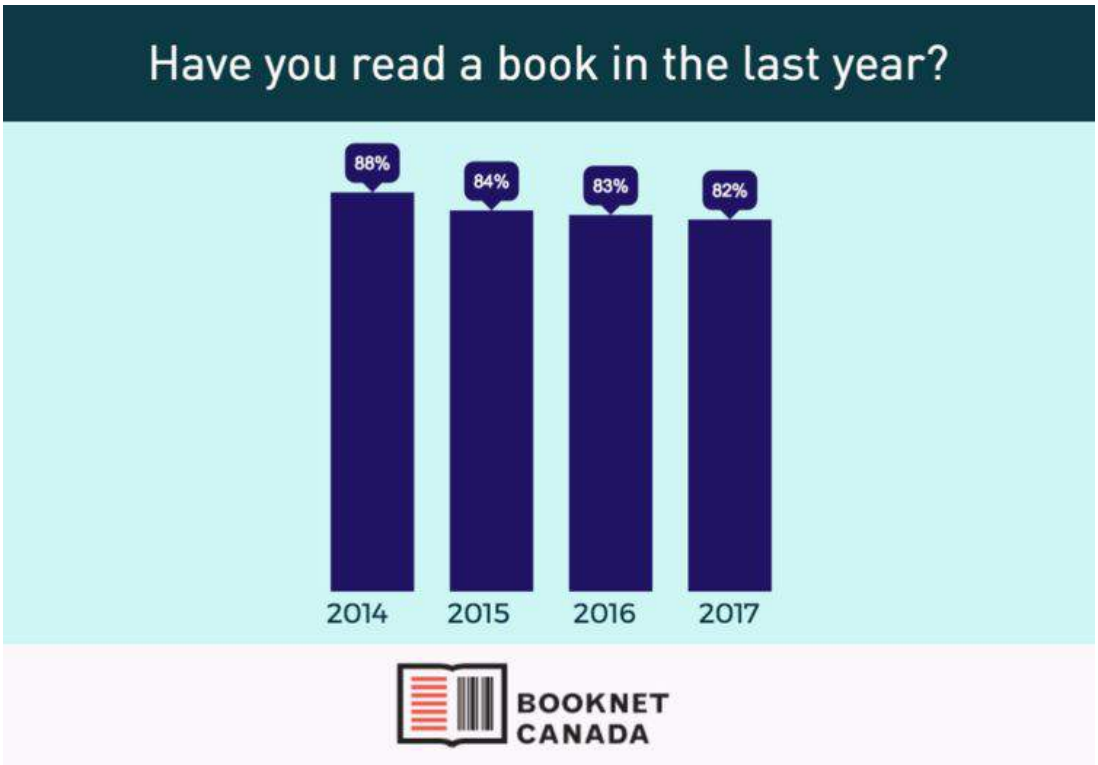
Here's what they told us.

How Canadians are spending their leisure time



Canadians ranked reading as their 5th most popular choice for spending their free time. Reading (22%) came in behind browsing the internet (33%), spending time with family (32%), watching TV (31%), and watching a movie (23%). These results are pretty similar to the answers from the previous three years.

Have Canadians read a book in the last year?



In 2017, 82% of respondents said they had read or listened to a book in the last year. This number is virtually unchanged from the previous year. And while the percentage of people who say they have read a book in

the past year has been trending down slightly since 2014, the numbers are only barely outside the margin of error.

Has your reading increased or decreased from the previous year?

38% of readers say their book reading/listening has increased in the last year.

Most readers (44%) said the number of books they read/listened to in the past year stayed close to the same as the year previous, but 38% said it increased. This is up almost 5% over the previous year. Also, those reporting that their reading has decreased from the previous year went down by 3% from 20% to 17%.

The reading habits of Canadians

Last week, we looked at how Canadians are spending their leisure time. This week we're going to dive deeper into the results of our survey — specifically the reading habits of the respondents who said they had read a book in the last year.

Every winter BookNet runs a survey to see how Canadians are spending their leisure time. In 2017, we asked 750 respondents some general questions on the subject but the focus was on their book-reading and -listening habits.

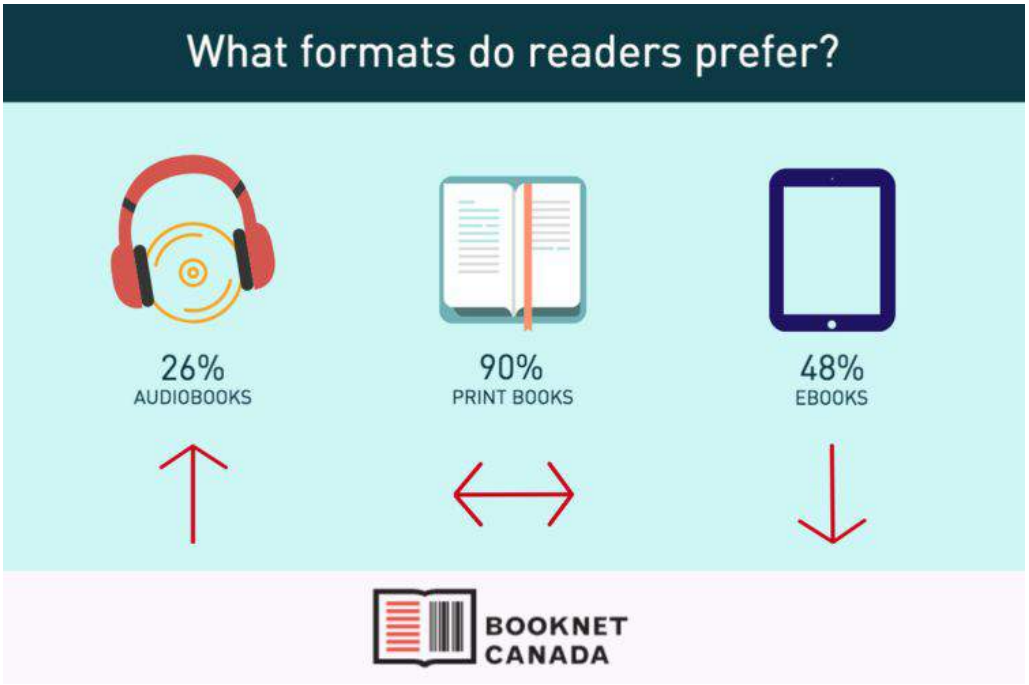
Read on to learn about the library usage of Canadian readers, their favourite formats, how they discover their books, and more.

Library usage

Of those respondents who had read a book in the last year, 46% of them told us that they had also checked out a book (in any format: ebook, print, audio) from the library. This number is about the same as the previous year.

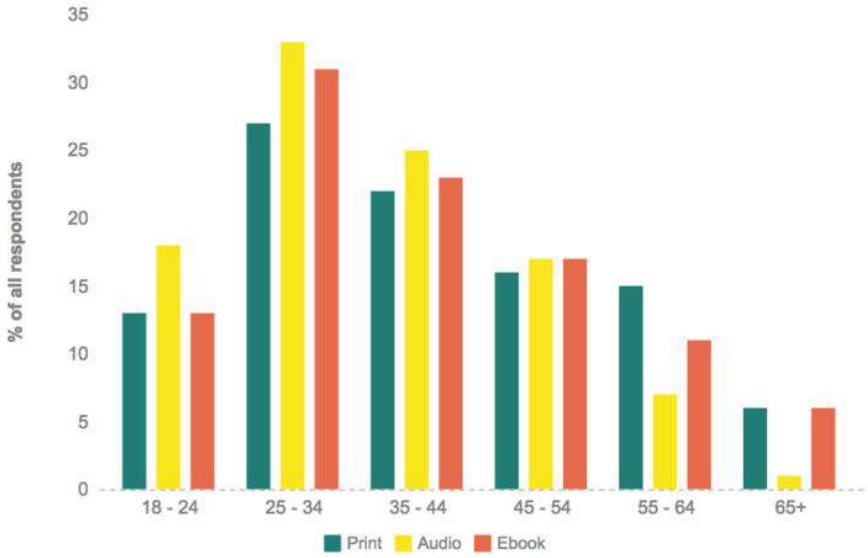
"35% of readers say they participate in a book/reading club"

What formats do readers prefer?



Of the respondents in our survey who said they had read a book in the past year, 90% of them had read a print book, the same percentage as in 2016. The number who had listened to an audiobook (26%) was up slightly over 2016, while the number of people who had read an ebook (48%) has been down slightly, year over year.

Formats read by age bracket

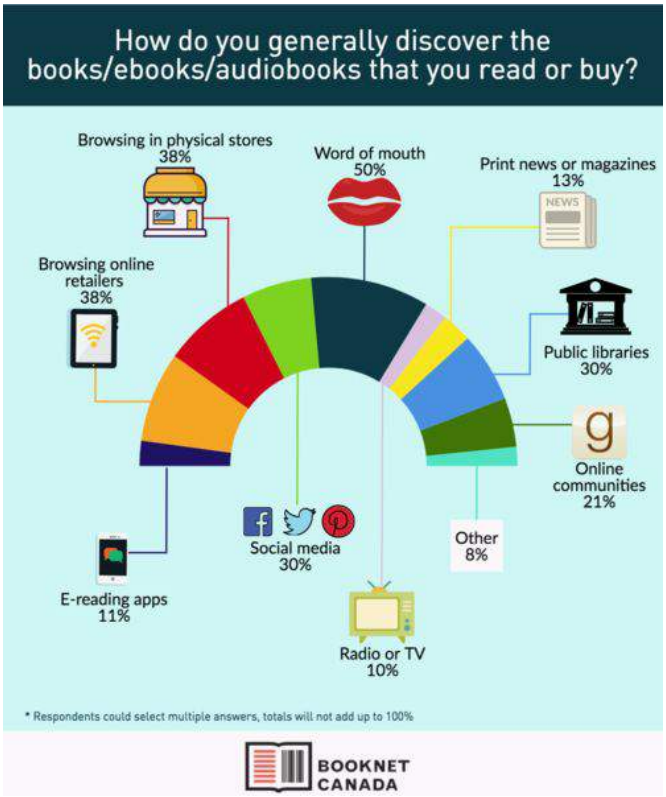


What devices are Canadians using for digital reading?

If you're reading an ebook, you need a device. Canadian readers continue to consume ebooks on their computers at the same rate as the previous year (20%) while 38% are using tablets, which is up a very slight 3% from the year before.

Canadian readers *are* showing an increased preference for smartphones, however. The use of smartphones for ebook reading has increased by more than 6% over the last year to 20%. This has mostly been at the expense of e-readers (23%), which is down by 5% since last year.

How do you generally discover the books/ebooks/audiobooks that you read/buy?



Half of Canadian readers, 50% to be exact, discover the books they read or buy from word of mouth — the holy grail for book publishers everywhere. An equal number of readers discover books by browsing online (38%) or in a physical store (38%). Social media and public libraries both come in at 30% for how readers discover their next read.

The rest of the discovery channels broken down as follows: online communities like Goodreads, 21%; print news or magazines, 13%; e-reading apps, 11%; radio or television, 10%; and "none of the above" came in at 8%.

“75% read book reviews either online or in print”

Online habits of readers

The majority of readers, 91%, participate in social media. Over half of readers (55%) say they participate in an online book community/social media and 50% say they discuss books they have read online.

Canadian Heritage | Patrimoine canadien

Research, Analysis and Industry Development





Reading and Buying Books for Pleasure

2005 National Survey

Final Report

Prepared by Créatec +

Canada

NOTE

This survey was commissioned by the Research, Analysis and Industry Development Directorate of the Publishing Policy and Programs Branch, Department of Canadian Heritage and its partners:

- *Official Languages Support Programs Branch*
- *Copyright Policy Branch*
- *Canadian Culture Online Branch*
- *Canada Council for the Arts.*

The opinions expressed herein are those of the author and do not necessarily reflect those of the Department of Canadian Heritage.

This study is available in electronic format in both official languages, and can be obtained by sending a message, quoting the study title to: IDD-DDI@pch.gc.ca.

Paper:	CH44-61/2005E	0-662-40158-1
PDF:	CH44-61/2005E-PDF	0-662-40159-X
HTML:	CH44-61/2005E-HTML	0-662-40160-3
CD-ROM	CH44-61/2005-MRC	0-662-69049-4

Final Report

READING AND BUYING BOOKS FOR PLEASURE
- 2005 NATIONAL SURVEY -

Submitted to Canadian Heritage
Industry Development Publishing Policy and Programs

March 2005

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1. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1.1 PURPOSE OF THE SURVEY

- This national telephone survey was carried out between January 5 and January 31, 2005, and was based on a random sample of 1,963 Canadians 16 years of age and older, including an oversample of respondents from minority official-language communities.

- The primary purpose of the survey was to provide a detailed statistical picture of the habits of Canadians with respect to buying and reading books for pleasure, as well as to update the findings of *Reading in Canada 1991,* undertaken by Ekos on behalf of Canadian Heritage.

- Interviews averaged 27 minutes in length and focused on:

  1) Reading behaviours
  2) Reading genres
  3) Reading skills
  4) Attitudes towards reading
  5) Introduction to reading
  6) Use of public libraries
  7) The Internet and reading
  8) Book buying behaviours
  9) Books by Canadian authors.

- Although the purely statistical margin of error for this type of survey is estimated to be only +/- 2.2 per cent, the results from the sample subgroups are subject to a greater sampling margin of error.

  → In addition, other sources of errors inherent in any survey which are difficult to quantify and check, such as "observation" errors (for example, volumetric data reported) as well as mistakes due to non-responses or inadequate coverage of particular social groups, may be present.

  → Other phenomena may also lead to mistakes. For example, the survey describes habits that the respondents attribute to themselves. Lapses in memory and a tendency to present themselves in a favourable light may encourage respondents to make statements that do not accurately reflect their personal habits.

  → We would therefore suggest that the reader examine how the overall trends, arising out of the survey, relate to each other before coming to any conclusions.

- This synthesis describes the main observations about Canadians' current attitudes to reading for pleasure as well as assumptions about the development of these reading habits over the last 15 years.

1.2 GENERAL OVERVIEW

- Contrary to certain alarmist claims that there is a trend towards a lower reading rate in our society or that the Internet has had harmful effects on reading habits, this national survey has shown that reading for pleasure remains a solidly established and widespread habit with little or no change over the last 15 years.

- Canadians who took part in this survey generally show a marked taste for reading all genres, especially literary materials such as novels (mystery, science fiction, etc.). Eighty-seven per cent of those polled read and one half (54 per cent) read virtually every day. Canadians appear to be distinctly different from their American counterparts, almost half of whom read an average of less than one book per year and whose reading rate has substantially decreased over the past 20 years, particularly among those in the 18-24 age group.[1]

- Contrary to a widely held fear or belief, there is nothing to indicate that the incredible popularity of the Internet, video games, chatting over the Internet and downloaded music has impinged on the rate of, and time devoted to, reading.

  In addition, there seems to be no significant generation gap or factor that would indicate that young people (aged 16 to 24) in Canada are avoiding reading for pleasure.

  In fact, reading rates by age group, as well as quantity of books read and favourite book genres read would appear to be characteristics related to peoples' age rather than their belonging to a particular generation. Nothing in young people's behaviour or attitudes would indicate that they will read fewer books as they grow older or that they will read mainly literary materials or science fiction as opposed to other kinds of books.

  Our findings illustrate that the aging of the population is a factor that encourages reading rather than threatening it.

  → Indeed, older people (55 years old and older) read a higher than average number of books.

  → More broadly speaking, we know that the baby boom generation that is gradually approaching retirement age is more educated than previous generations, is more eager to continue learning, and enjoys a longer life expectancy.[2]

- Like other prior studies, this survey highlights the substantial influence of certain demographic and social factors on attitudes to reading books, for example, gender, education level, geographical location and language.

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[1] *This finding, made by* the National Endowment of the Arts *in 2002, remains to be confirmed. Indeed, their survey was undertaken after the events of September 11, 2001 and the war in Afghanistan, a period during which the audience for electronic media was exceptionally high, which could have distorted the survey results.*

[2] *Canada underwent the greatest population explosion of any industrialized country. There are currently 9.8 million baby boomers in this country, which amounts to 33 per cent of the population.*

→ On the whole, Canadians' attitude to reading books has remained very positive and virtually unchanged over the past 15 years. It is also in the same socio-demographic groups as at that period of time[1] that obvious disparities can be seen indicating that the firmness of this attitude varies.

→ For example, the mainly female readership varies greatly by activity and decreases when the education level drops.

→ Moreover, the reading habits of francophones are still deficient and this survey shows that the reading situation of francophones outside Quebec who were included in our sample is worrisome.

1.3 LEISURE READING HABITS

- Slightly more than half (54 per cent) of Canadians read books for pleasure regularly (virtually every day), and one third (33 per cent) read occasionally. The large majority (87 per cent) read at least one book per year.

  → Only 13 per cent of respondents said they were non-readers, which was the same rate recorded 15 years earlier, but much lower than the rates observed in the United States in 2002 (43 per cent).[2]

- Forty-three per cent of Canadians state they greatly enjoy reading and only 17 per cent say they have little appreciation for reading for pleasure or do not like to read at all for pleasure.

  → As one would expect, 53 per cent of non-readers do not like to read. Nevertheless, 47 per cent are not averse to this activity even though they have not done any reading over the last 12 months. In fact the results indicate that many non-readers are "dormant" readers.

- The amount of time spent reading for pleasure is four and a half hours per week, an average that is statistically identical to the figure recorded in 1991.

  → The time devoted to reading books for pleasure takes up about 20 per cent of the total number of hours spent on all types of reading (books, newspapers, magazines, reading at work, reading at school, reading for pleasure).

- The average number of books read annually for pleasure is about 17 in number.

  → One half of the Canadian population (the median) reads more than seven books per year.

  → Heavy readers, those who read more than 50 books per year, comprise 13 per cent of the Canadian population

---

1 *"Reading in Canada 1991". An Ekos Survey carried out on behalf of Canadian Heritage, 1991.*

2 *"Reading at Risk" - A Survey of Literacy Reading in America, June, 2004, Survey of Public Participation in the Arts 2002 – NEA.*

→ Compared to the Ekos survey of 1991 (24 books), the average for this year (17) is statistically lower. However, this is the only indicator suggesting deterioration in reading habits whereas all the other indicators, including the amount of time spent reading, appear to be very stable. Since the number of books read each year is a volumetric figure depending on the reliability of the respondent's memory, and therefore subject to error, it cannot be concluded that there has been an actual drop in reading in Canada based on this single disparity. At the most, one could speculate that the Internet has possibly caused this change.

- Forty-four per cent of Canadians state they mainly read literary materials (novels, essays, anthologies of poetry, drama) for pleasure, and 79 per cent have read at least one book of this genre over the last 12 months.

  → Compared to their American counterparts, only 47 per cent of whom have read literary materials over the last 12 months, the Canadian rate shows a considerable difference in attitude with respect to reading books. A particular lack of enthusiasm for novels would appear to be the reason for the low book reading rate of our neighbours to the south.

- The overall findings on reading rates demonstrate that:

  1. Canadians' relationship with reading has not changed, or has changed very little, since 1991; the only impact that the explosive spread of the Internet may have had is a decrease in the number of books read, but this assumption is not well founded;

  2. Canadians are much more interested in literary works than their American counterparts, which would explain a large part of the difference in reading rate between the two countries.

- The following table summarizes the main reading rates recorded in this survey.

MAIN READING RATES – LAST 12 MONTHS –

POPULATION 16 YEARS +	%
◇ Readers of books for pleasure (%)	87
◇ Readers of literary materials (%)	79
◇ Mainly literary readers (%)	44
◇ Buyers of books for pleasure (%)	81
◇ **Types of readers by number of books read**	
– Non-readers: no books	13
– Light readers: 1-11 books	46
– Moderate readers: 12-49 books	28
– Heavy readers: 50 books and more	13
◇ **Types of readers by their amount of reading**	
– Occasional readers: a few times per week and less often	33
– Regular readers: virtually every day	54
◇ **Types of non-readers**	
– Low literacy non-readers	4
– Reluctant non-readers	2
– Dormant readers	7

POPULATION 16 YEARS +	%
◇ **Enjoyment of reading**	
– I don't like to read at all	3
– I like to read a little	14
– I like to read some of the time	39
– I like to read very much	43

N.B. All the results in this table are based on the total sample.

1.4 SOCIAL BACKGROUND AND READING FOR PLEASURE

- As a number of previous surveys have shown, three social variables are closely correlated with reading books for pleasure (as much in terms of the reading rate as in the amount read and the genres read): gender, education level and language. We have observed that reading for pleasure has little or no correlation with age (on the other hand, the genres of books read vary greatly according to age).

  1. Women are clearly the biggest readers. Women comprise 6 out of 10 regular readers and 7 out of 10 heavy readers.

     – Unlike women, less than half of men read regularly, only one third are mainly literary readers and twice as many women as men are heavy readers.

  2. While a large majority (59 per cent) of those who have completed university read regularly, this is true for only 48 per cent of those who have not completed post-secondary education (most Canadians have not completed college).

     – The fact of having completed university would seem to have a direct bearing on the reading of literary materials and the number of books read.

     – However, the results confirm that a <u>low education level is not synonymous with being a non-reader.</u> Indeed, 48 per cent of all respondents who have not finished high school are regular readers (83 per cent read at least once a year) and 13 per cent are even heavy readers.

     – A positive attitude to reading books is perhaps less common at this lower education level, but it is nevertheless present. There are a remarkable number of less educated respondents (38 per cent) who state that they greatly enjoy reading for pleasure.

     – The difference between the official statistics[1] on the degree of literacy of Canadians and observed reading behaviours, both in 1991 and this year, has led us to reflect on the distinction to be made between literacy and reading for pleasure.

[1] *Please note that in the Canadian population, Statistics Canada has established that 22 per cent of adults have great difficulty understanding the most elementary written materials encountered in daily life and that another segment representing 26 per cent of adults is only able to read, understand and make use of simple written materials that are clearly presented and set in a familiar context.*

- A substantial percentage of individuals with limited reading skills claim to enjoy reading materials that are probably simple in nature and set in a familiar environment.

– These findings indicate that there is a good market for books for pleasure with simple and accessible content that are enjoyed by a substantial proportion of less educated Canadians (especially when their proportion in the overall population is taken into account: 54 per cent state that they have not completed college).

3. Francophones having French as their mother tongue claim to have lower reading rates than their anglophone fellow citizens. In fact, reading rates for francophones are similar to those for readers with a foreign mother tongue.

– While 59 per cent of anglophones for whom English is the mother tongue state they regularly read books for pleasure, the same is true for 45 per cent of francophones and 44 per cent of those whose mother tongue is neither English nor French.

– Forty-eight per cent of anglophones for whom English is the mother tongue read mainly literary materials, whereas for francophones and those whose mother tongue is neither English nor French these figures are 37 per cent and 40 per cent respectively.

– Respondents who consider French to be their main official language state that they read an average of 13.9 books per year, which is substantially less than the number reported by anglophones (17.6).

– Only 31 per cent of francophones outside Quebec sampled in this survey reported that they were regular book readers compared to 55 per cent of other respondents. Only 3 per cent of francophones outside Quebec are heavy readers of books for pleasure versus 14 per cent of other respondents.

– Therefore, it comes as no surprise that the number of books read annually reported by francophones outside Quebec in this survey is very low (9.3), compared to anglophones in Quebec (15.8) and compared to those living in an environment where their official language is in the majority (17.1).

- Reflecting linguistic differences, we see that in Quebec, the regular reader rate is the lowest in the country (46 per cent) while it exceeds 50 per cent everywhere else, peaking in the Western Provinces at 59 per cent (B.C.) and 60 per cent (Prairies).

→ Quebec also has the lowest proportion of mainly literary readers (37 per cent) whereas this figure varies from 43 to 48 per cent elsewhere.

- Other findings show that although Canadians of all ages are generally very favourably disposed to reading books for pleasure, francophones in Quebec and especially francophones outside Quebec:

  1) are not as inclined to read as other respondents are;

  2) are less familiar with, or regard themselves as being less adequately serviced by, sources of book supplies close to their homes (bookstores, libraries).

1.5 ATTITUDES TO READING

- The attitudes shown by respondents to reading books for pleasure clearly indicate that reading has a prominent place in their daily lives.

  → Eighty-five per cent of respondents state that "reading is very important to them".

  → Eighty-three per cent of respondents feel "that it will be very important in the next decade to possess good reading skills".

  → Fifty-eight per cent of respondents say, "when they have a problem, a good book helps them deal with the situation."

  → Fifty-six per cent of respondents own "a book they enjoy rereading".

- Reading seems to be much more than a solitary activity. It is also an activity that promotes social interaction, as is illustrated by the following opinions expressed in the survey:

  → Seventy-nine per cent of respondents "recommend good books to other people".

  → Sixty-two per cent of respondents "often give other people books they have enjoyed reading".

  → Seventy-three per cent of respondents "enjoy receiving books as gifts".

  → Forty-nine per cent of respondents "often discuss books they have read with their friends".

- The great importance that respondents attach to reading is also revealed in a more striking fashion by the way in which reading habits are transmitted to their children.

  → Seventy per cent of parents with children aged 6 months and older stated they read or have read to their children "virtually every day".

  → Another segment of 17 per cent do so "at least once a week".

  → However, members of some social groups are less inclined to pass this habit on to their children, as is the case with francophones, for example.

1.6 THE INTERNET AND READING BOOKS FOR PLEASURE

- Canadians reported that they spend an average of 5.5 hours (7.9 hours for those with an Internet connection) using the Internet at home, and spend about half of this time (2.4 hours) reading all sorts of material directly on the computer screen.

- Use of the Internet at home (6 respondents out of 10) has a positive correlation with reading rates and probably is a reflection of another correlation: reading with education level.

- Although a substantial minority of respondents seem to have fears about the impact of the Internet on reading time, these fears are not borne out by their behaviour, which would indicate that the perceived negative effect of the Internet on reading is decidedly subjective in nature

- When the average number of hours spent on reading and various potentially rival leisure activities in 1991 (the Internet did not exist at that time) are compared to the average number of hours for the same activities this year, we observe that the time taken up by the Internet has primarily affected audiovisual activities and the reading of newspapers and magazines, but has not had an impact on time devoted to reading books for pleasure.

  → The findings indicate that the rapid growth of the Internet has not been at the expense of reading books for pleasure, or other social, cultural or even volunteer activities, but has rather had a negative impact on television viewing, newspapers and magazines.

  → Moreover, watching television programs (26 per cent) and reading books (26 per cent) share first place among the most common leisure activities according to statements made by Canadians.

    – Internet activities (games, chatting, browsing) are the favourite activities of only 9 per cent of respondents.

1.7 LANGUAGE AND READING BOOKS FOR PLEASURE

- Ninety-eight per cent of books read by Canadians are written in one of the two official languages.

  → Since Canadians who have difficulty speaking French or English were not able to take part in this survey, the reading of books in foreign languages has probably been underestimated.

- Twenty per cent of Canadians read mainly in French (17 per cent in French only) and 76 per cent read mainly in English (71 per cent in English only).

  → Seventy-seven per cent of all books read are written in English and 21 per cent is the comparable figure in French.

  → Eleven per cent read at least one book in French and one book in English over the last 12 months.

- Francophones read 10 per cent of their books in English and anglophones read 3 per cent of their books in French.

  → Anglophones in Quebec read 11 per cent of their books in French.

  → Francophones outside Quebec included in our sample read the same proportion of books in each of the two official languages.

  → Thirty-seven per cent of all francophones outside Quebec did not read a single book in French during the last 12 months.

1.8 GENRES OF READING FOR PLEASURE

- Genres read are very diverse, some more so than others. The popularity of genres varies greatly by gender (some are typically masculine, some typically feminine) but also by age and language. In addition to being very diverse, reading genres are also very segmented.

- On the whole, the results show that the most popular genre, the one arousing the greatest enthusiasm, is undoubtedly the action novel (detective, spy, mystery, suspense, adventure). This is the greatest general reading category in the last 12 months and the reading category read the most often.

  → This genre comprises 62 per cent of general reading, and 20 per cent of the genres read most often

  → This genre tops all genres read the most often in all regions of the country and in a number of other social groups, except:

    – among francophones outside Quebec, where it shares first place with religious books;

    – among men and the aged 16-34 age group, where it is slightly outpaced by the science fiction, fantasy, and horror novel.

- The following table illustrates contrasts in popularity by gender.

MOST POPULAR BOOK GENRES BY GENDER

WOMEN	Place	Main readers %
1. Mystery,suspense, detective, spy, adventure	1	24*
2. Romance	2	12
3. Science fiction, fantasy, horror	3	8
4. Personal growth	4	8

MEN	Place	Main readers %
1. Science fiction, fantasy, horror	1	17
2. Mystery,suspense, detective, spy, adventure	2	14
3. History, war, genealogy, heritage	3	9
4. Science and technology	4	7

* *Read: 24 per cent of female readers read mainly the spy, suspense, detective, adventure novel genre, which is their favourite genre.*

- There is a strong negative correlation between the science fiction, fantasy, horror novel and age: the younger you are, the more you are attracted to this reading genre. In fact it is the most popular genre in the 16-24 age group (68 per cent of readers and 22 per cent of genres read most often) whereas it is among the least popular genres among those aged 55 and older (31 per cent of readers and 5 per cent of genres read most often).

- On the other hand, the history, war, genealogy, heritage and biography/autobiography genres have a positive correlation with age: the older you are, the more you are inclined to read these kinds of works.

- Francophones for whom French is the main official language lean more than other respondents towards:

  → documentary books and books on current events;
  → cartoon/comic books/graphic novels;
  → how-to books.

  Anglophones for whom English is the main official language lean more towards:

  → humour;
  → religious books.

- A number of reading genres are particularly characteristic of francophones outside Quebec in our survey, which means that these genres are either very popular or very unpopular with this group.

  → Thus, francophones outside Quebec incline more towards two particular reading genres compared to other linguistic communities:

    – biographies, autobiographies;
    – religious books.

  → On the other hand, they report that they are much less attracted to two other book genres:

    – contemporary novels;
    – books on personal growth, self-awareness and psychology.

1.9 READING SKILLS

- Thirty-eight per cent of respondents admit that they do not understand all the words that they read, but only 11 per cent have no confidence in their ability to read very well and only 12 per cent feel that their reading skills limit their career prospects or advancement.

- Although the proportion of respondents who have no confidence in their ability to read (11 per cent) corresponds to the rate of non-readers (13 per cent), there is no perfect correlation between confidence in the ability to read well and reading for pleasure.

  → Only 26 per cent of non-readers state that they do not know how to read very well.

→ Conversely, some readers say that they do not know how to read very well (8 per cent).

→ As many francophones (11 per cent) as anglophones (10 per cent) claim to be incapable of reading very well, even though the reading rates of these two groups are very different

- On the whole, our findings indicate that it is not only or even mainly a dislike of the written word or the ability to read that can explain the non-reading rate.

  → However, francophones outside Quebec would seem to be the exception: a lesser ability to read probably contributes significantly to their lower reading rate, based on what they have reported.

    – Thirty-two per cent of francophones outside Quebec state they have trouble reading very well (compared to an average of 11 per cent for francophones as a whole).

    – Sixteen per cent of francophones outside Quebec mentioned they read books for pleasure mainly to improve the quality of their French and their writing skills (versus an average of only 2 per cent).

- The confidence in one`s ability to read varies greatly depending on the nature of the book content. Thus, books on science and technology, classic literature, poetry anthologies, as well as books on humanities and social sciences, are regarded as being the least easy to read.

- Finally, we observe that 51 per cent of francophones for whom French is the main official language state that they can read fairly well in English, whereas only 10 per cent of their anglophone counterparts report that they have the same ability to read in French.

  → Many francophones outside Quebec who participated in this survey state that they can read fairly well in English (75 per cent) or in French (86 per cent).

1.10 INTRODUCTION TO READING

- The reading rate of respondents appears to be very much correlated with the attitude to reading instilled by their parents.

  → Francophones were introduced much less often to reading by their parents than were anglophones.

- Respondents are much more likely than their parents were to want to introduce their children to reading.

  → It is mainly women who introduce children to reading.

  → Francophones, above all those outside Quebec, are less inclined than anglophones to introduce their children to reading

1.11 USE OF PUBLIC LIBRARIES

- Fifty-six per cent of Canadians state that they have a public library card and 40 per cent have borrowed a book using it in the last 12 months.

  → Francophones in Quebec (34 per cent) and francophones outside Quebec (32 per cent) use public libraries significantly less often than the other official-language linguistic communities do.

  → Public library use follows a geographical continuum, from a high (49 per cent) in British Columbia to a low (30 per cent) in the Atlantic Provinces.

  → The presence of children at home seems to encourage public library use as a higher rate of use is recorded for couples with children (46 per cent), whereas this rate varies from 36 to 39 per cent in other types of households.

- Canadians said that over the last 12 months, they went to a public library to borrow a book an average of 5.2 times.

- On the whole, almost all those who used a public library (93 per cent) said they were satisfied with it (66 per cent were "very" satisfied).

1.12 SEARCHING FOR BOOKS ONLINE

- Thirty-seven per cent of respondents accessed the Internet during the last 12 months in order to find books or information about books.

  → This percentage is much higher than the rate of book buying over the Internet during the same period (12 per cent).

  → In comparison to a Pollara survey made on behalf of *The Association of Canadian Publishers* (ACP) in 2002, the results of the present survey show that searching for information about books online appears to have greatly increased over the last three years.

    – Twenty-eight per cent of buyers stated in 2002 that they had already visited a Web site to find information about books, without necessarily buying any, versus 43 per cent in this survey who did the same over the last 12 months.

    – The growth in the rate of book buying over the Internet between the two surveys suggests that the Internet has grown more as a source of information about books than as a source of supply.

- Generally speaking, a large majority (86 per cent) of those who looked for information about books on the Internet stated that the information found there was useful. On the other hand, it would seem that this percentage downplays dissatisfaction with this information source since:

  → 39 per cent did not find the books and the information they were seeking;
  → 28 per cent did not know very well where to find information about books;
  → 29 per cent had to make great efforts to find what they were looking for.

- Therefore, it comes as no surprise that the Internet, despite its strong presence in Canadian homes (70 per cent in this sample), has not been used more often to look for information about books (37 per cent of the total sample, 40 per cent of readers) and is rarely regarded as the most important information source about books by those who have used it for this purpose (33 per cent).

  → These findings demonstrate that the potential of the Internet as an information research tool for books has not been sufficiently publicized or that improvements to content and modus operandi are required.

  → These results could also explain, at least partially, the slow growth in the rate of buying books over the Internet.

1.13 BUYING BOOKS FOR PLEASURE

- Eighty-one per cent of all respondents in the sample state that they bought one or more books (new or used) over the last 12 months.

  → Among non-readers (13 per cent of the sample), a substantial number bought books (36 per cent).

    – Non-readers bought an average of 2.6 books.

    – It is estimated that approximately 5 per cent of all respondents in the sample are non-readers who buy books.

    – Only 8 per cent of all respondents in the sample are non-readers and non-buyers of books.

- On average, Canadians taking part in this survey claim to have bought about 12 books (new and used) and the median (the amount that splits the sample into two halves) indicates that one half of Canadians bought at least 6 books in the last 12 months.

  → Roughly one Canadian out of three (34 per cent) buys at least one book per month.

  → Canadians read about five more books than they buy each year, which are probably books borrowed from friends or from a library or that they already own but have not yet read. It is estimated that seven books out of ten that are read are not purchased.

    – Only francophones outside Quebec are the exception to the rule: they buy more books than they read.

  → An average of 62 per cent of all books bought (new or second-hand) are bought by the respondents for themselves whereas 38 per cent are bought for others.

  → Other findings indicate that the market for readers and the market for buyers differ somewhat, as was shown in the 1991 survey. For example, Canadians who read the most books for pleasure or who spend the most time reading them are also those who buy the least books on a proportional basis.

- Forty-one per cent of buyers say that they bought at least one second-hand book over the last 12 months.

  → It is estimated that 21 per cent of buyers bought mainly used books rather than new books and that used books have a 25 per cent market share based on number of books, which is a good indication of the importance of the second-hand book market.

- A substantial number (25 per cent) of buyers are not able to say how many books by Canadian authors they bought over the last 12 months, probably because they did not know where the authors were from or were totally confused about it.

  → If the buyers who are relatively certain about not having bought any books by Canadian authors are added to this percentage (22 per cent), it can be estimated that for nearly one half of buyers (47 per cent), the author's nationality was either unknown or unimportant at the time of purchase.

  → However, more than half (53 per cent) of buyers bought or think they bought at least one book by a Canadian author over the last 12 months.

  → Geographically speaking, Quebec (31.2 per cent) and the Atlantic Provinces (30.4 per cent) have the highest proportion in the country of Canadian authors among books purchased (27 per cent).

- On average, respondents stated that they had spent $147.37 over the last 12 months buying books for pleasure.

  → Bearing in mind that the average number of books bought is 12.3, it therefore can be estimated that the average price of a new or used book purchased is $11.98.

  → Francophones for whom French is the majority official language show the highest average price for a new or used book ($16.35) whereas all the other linguistic communities show an average price between $11.13 and $12.54.

- Although they read less, spending by francophones outside Quebec is very high ($174.34), higher than that of anglophones in Quebec ($164.36) or of francophones ($150.41) and of anglophones ($144.73) living in communities where their official language is spoken by the majority.

- As in the results of other surveys, heavy buyers, those who buy at least one book per month, have a strong impact on the market since in this survey they represent:

  → 42 per cent of all buyers, but
  → 76 per cent of the total number of books sold, and
  → 70 per cent of the monetary value of industry sales.

- The following table summarizes the main estimated book buying rates in this survey.

MAIN BUYING RATES – LAST 12 MONTHS –

POPULATION 16 YEARS +	%
◇ **Types of buyers**	
– Light buyers (1-5 books)	27
– Moderate buyers (6-11 books)	20
– Heavy buyers (12 books and more)	34
– Non-buyers	19

N.B. All results in this table are based on the total sample.

1.14 ESTIMATED MARKET VALUE OF BOOKS FOR PLEASURE

- Considering that the population of Canada 16 years of age and older was 25,790,000 as of July 1, 2004, an extrapolation of this survey's data indicates that total value of the new and used market amounted to about 2.8 billion dollars in 2004.

1.15 BUYING BOOKS FOR PLEASURE OVER THE INTERNET

- Eighteen per cent of all respondents in the sample say they have already bought a book over the Internet and 12 per cent say they did so during the last year.

  → Among buyers, 21 per cent indicated they had already bought a book on the Internet and 15 per cent said they had done so over the last 12 months.

    – The Pollara survey of 2002 showed that 13 per cent of buyers had already bought a book over the Internet. Therefore, it appears to have been an increase of 8% over the last three years, which amounts to 2 to 3 per cent of new buyers per year.

    – Statements from respondents about their future purchases on the Internet do not suggest that there will be rapid growth in this sales channel.

    – Compared to 2002 (Pollara survey), buyers in 2005 are nevertheless more interested in buying books online. In 2002, 14 per cent of buyers said they would probably make an online purchase in the next three months, compared to 21 per cent of buyers polled in this survey over the next 12 months.

- An average of about 0.5 of a book was bought online in the last 12 months.

  → This average is higher with heavy buyers (1 book).

  → Since respondents state that they have bought, on average, 12.3 books, it can be deduced that about 4 per cent of all books sold in Canada in 2004 were bought online.

- It is not because the Internet is viewed as a risky way of shopping that buyers are not attracted to this source of supply. Indeed, the majority of those seeking books or information about them over the Internet believe that buying books online is safe (59 per cent).

1.16 SOURCES OF AWARENESS OF BOOKS FOR PLEASURE

- The most important sources of information about books are also those that are the most important when choosing or buying a book. Among the most helpful sources for finding out about books, four stand out:

  1. recommendations from friends (40 per cent "often helps");
  2. gifts (24 per cent);
  3. book reviews (23 per cent);
  4. advertisements in newspapers/magazines/on TV/on radio (19 per cent).

  → Receiving / giving a book as a gift often helps in finding out about a book but has little influence on one's own reading choices or book purchases.

1.17 SOURCES OF SUPPLY OF BOOKS FOR PLEASURE

- The four main sources of supply for readers are, in order of importance:

  1. Bookstores: 62 per cent
  2. Public libraries: 32 per cent
  3. Borrowing from other people: 19 per cent
  4. Second-hand bookstores: 9 per cent

  → Bookstores are the main source for books, regardless of the type of readers, and there seems to be no, or only a slight, correlation with the amount or content of books read.

  → Heavy readers obtain their books much more frequently at public libraries and in second-hand bookstores than do other types of readers.

- Among buyers, there are four main sources for books, but bookstores are by far the most common:

  1. Bookstores: 81 per cent
  2. Big box stores (Wal-Mart, Costco): 12 per cent
  3. Second-hand bookstores: 11 per cent
  4. Internet: 8 per cent

  → Moderate and heavy buyers use certain sources of supply more often than light buyers. Thus, they obtain book supplies more often than light buyers in department stores, second-hand bookstores and over the Internet.

  → It is interesting to observe that the second-hand bookstore is as common a source of supply as the big box store. Moreover, for heavy buyers, the second-hand bookstore is the second most popular source of supply, after the bookstore but before the big box store.

1.18 CONCLUSION

- Specialists, political leaders and educators generally recognize that the interest a society demonstrates in reading has a significant effect on its development. Clearly, the results of this survey illustrates the important role that reading plays in the life of Canadians:

  → Although education level is related to the amount and regularity of reading, reading is not an elitist activity.

  → One half of respondents stated they read more than 7 books per year and spend more than 3 hours per week reading books.

  → Eighty-seven per cent read, 54 per cent virtually on a daily basis, and 44 per cent read mainly literary materials.

  → An average of nearly 17 books is read for pleasure each year and Canadians devote 4.6 hours per week to reading.

  → Those who do not read books for pleasure read other reading materials or books for a different purpose (8.8 hours per week).

  → Respondents spend more time reading books for pleasure than they do reading magazines and newspapers (3.8 hours).

  → Reading shares first place with television among Canadians' most likely leisure activities.

  → Forty-eight per cent of those who have not completed high school read regularly.

  → Thirty-eight per cent of the least educated state that they greatly enjoy reading for pleasure.

  → The findings show that a low education level is not synonymous with non-reading.

- A comparison between data in this survey and the 1991 survey shows that the explosive growth of the Internet seems to have ignored the reading of books for pleasure, contrary to the situation with magazines, newspapers and television.

  → Although Canadians spend a bit more time on the Internet at home (5.5 hours on average per week) than they do reading books for pleasure (4.6 hours), there is a positive correlation between Internet use and reading books.

  → Data on the number of hours devoted to reading for pleasure is statistically identical in both surveys.

  → The sole possible effect of the Internet may be seen in the drop in the average number of books read (24.4 books in 1991 to 16.8 books this year), but it is not possible to draw any firm conclusion from this single piece of data.

- We have noted that book purchases over the Internet are limited (4 per cent of all purchases) and unlikely to grow rapidly.

  → On the other hand, the Internet is used much more as a tool for finding information about books, and this activity could even have scope for further development if it is encouraged in the appropriate fashion.

  → Using the Internet to buy or search for information about books is much more widespread among anglophones than francophones.

  → On the whole, the Internet does not seem to be as efficient or appreciated a tool for looking for information about books as it is in looking for information in other fields.

- Moreover, a comparison of the findings of both surveys confirms the absence of meaningful trends over the past 15 years and shows that readership characteristics have remained unchanged.

  → Women read much more than men.

  → There is no generation gap in reading rates.

  → A regional and linguistic gap persists, since reading habits in Quebec and among francophones are not as firmly rooted as they are among anglophones.

  → Reading genres are very diverse and segmented. Generally speaking, while the detective, spy, adventure novel is the most popular, the ranking of preferred genres differs greatly by gender, age, language and education level.

- Respondents spend a great deal on new and used books (an annual average of $147) and buying second-hand books has now become commonplace. In addition, we have noted that a substantial portion of books bought by Canadians is given as presents.

  → One half of buyers state they buy books on impulse most of the time.

  → Eighty-one per cent of Canadians bought a book over the last 12 months (including 36 per cent of non-readers).

  → An average of 12 books (new or used) are bought each year and the average price paid for a new or second-hand book was $12.

  → Forty-one per cent of buyers purchase used books. The greater the number of books bought, the greater the proportion of second-hand books.

  → It is estimated that an average of 25 per cent of all books bought are used books.

  → Thirty-eight per cent of books purchased are given as gifts to other people.

- The leisure book market is highly concentrated into a small segment of heavy buyers.

→ Heavy buyers (those that buy at least one book per month) represent 42 per cent of all buyers (33 per cent of respondents) but buy 76 per cent of all books and account for 70 per cent of sales expressed in dollars.

→ Because they tend to buy more used books and to borrow more books than other buyers, it is unlikely that an increase in the number of books read by heavy readers would have significant leverage on sales of new books.

- Many Canadians use public libraries.

  → Forty-two per cent of respondents borrowed a book from a library over the last 12 months.

  → Public library use is closely correlated with reading rates and their major determining factors, which are gender, education level and language.

- Canadians show a greater interest in reading Canadian authors than they do in buying their books, suggesting nationality would not appear to be an important buying criterion. The findings indicate that buyers are not looking specifically for Canadian authors but are very sensitive to this criterion.

  → Seventy-one per cent of respondents are interested in reading Canadian authors, and 72 per cent have already done so, 48 per cent of whom did so over the last 12 months.

    – The proportion of Canadian authors among all books read is estimated at 12 per cent (17 per cent in 1991).

  → Fifty-four per cent of respondents bought a book by a Canadian author during the last 12 months.

    – The proportion of Canadian authors among books bought is estimated to be 27 per cent (23 per cent in 1991).

  → An author's being Canadian is an important buying criterion for only 15 per cent of buyers.

- The results of this survey are rather reassuring as they refute beliefs held about the impact of the Internet on reading and the decline of reading in general and among the young. In addition, these findings bring nuance to a number of interpretations of data from surveys on literacy and encourage us to avoid generalizations and instead, to apply observations about instrumental reading[1] in these surveys to reading for pleasure.

[1] *"Instrumental" reading is measured according to exact criteria corresponding to the definition used in the IALS surveys (International Adult Literacy Surveys). It is performed for a practical purpose: find, understand and use information in order to function, whereas "expressive" reading, or reading for pleasure, relates to personal satisfaction and its purpose is cultural in nature. The distinction is analogous to the difference between reading a "document" in order to take action and reading "prose" due to personal interest.*

- Reading for pleasure is a solidly established practice, but we must not forget that the attitude of some social groups to reading for pleasure is less favourable, especially among francophones, whether they live in or outside Quebec – an observation that agrees with the findings of previous surveys.

- It is also important to remember that reading is under constant and probably growing pressure from other competing activities and from a scarcity of leisure time. In addition, the foreseeable appearance of technological innovations may have a possible direct or indirect impact on reading habits. We do not yet know what long term consequences these rival activities have on reading for pleasure and will have on today's children and teenagers, as these activities could perhaps pose a threat to reading as we know it.

  → From this perspective, the most beneficial actions could at first be preventive rather than corrective. More in-depth research on very young Canadians would certainly add to and enhance our current knowledge about the adult population.

  → Moreover, since the situation of reading for pleasure would appear to be an obvious indication of a mature market, perhaps the challenge lies more in:

    – protecting the current state of reading,
    – helping some social groups to catch up,
    – sustaining the consumer's interest, following and responding to changing preferences and constraints, and adequately segmenting and targeting consumers, rather than trying to get a group that already reads a lot or who reads what it can in the limited time available to read more.

4.9 BOOKS BY CANADIAN AUTHORS

This section brings together the results on questions pertaining to Canadian authors, familiarity with them, reading their works, and the interest they attract from readers. (See ***Tables 36 and 37 in*** *the summary table section.)*

Note: Due to the difficulty of recognizing Canadian authors or in attributing a nationality to the authors, caution in interpreting the findings of this section should be displayed.

4.9.1 FAMILIARITY WITH CANADIAN AUTHORS

- The relatively high percentages of no response to several questions dealing with Canadian authors suggests that many respondents have difficulty recognizing Canadian writers and do not pay much attention to the nationality of authors.

- We ascertained previously that among a series of 11 factors that might influence book buying, Canadian authors were not at the top of the list, but had the same degree of influence as the number of pages and the printing type.

- Indeed, when respondents are asked to what extent they are familiar with Canadian writers, only a minority of respondents say that they are familiar with these authors (33 per cent only 4 per cent of whom are "very" familiar).

  → The degree of familiarity is less than the annual purchasing rate (54 per cent) or reading rate (48 per cent) of books written by Canadians.

  → The results suggest that many respondents read and buy Canadian authors due to factors that are not related to the nationality of the authors.

  → The degree of familiarity varies little by social background. Unsurprisingly, heavy readers demonstrate the highest rate of familiarity (46 per cent).

4.9.2 READING CANADIAN AUTHORS

- Seventy-two per cent of all respondents claim to have already read at least one book by a Canadian author. However, when they are asked how many books by Canadian authors they have read in the last 12 months, the reading rate for Canadian authors comes to 48 per cent.[1]

  → Forty-seven per cent claim to have not read any, 44 per cent say they can remember having read some and 10 per cent do not know.

    – After reapportioning pro rata the "do not knows" (as was done with the 1991 data), the result for this year is: 48 per cent who have read and 52 per cent who have not read books written by Canadians, in the past year.

[1] *After reapportioning pro rata the 10% who did not know.*

→ Compared to the 1991 survey *"Reading in Canada 1991"* (44 per cent), the reading rate for this year is statistically identical.

- It is estimated that an average of 12 per cent of all books read is composed of Canadian authors' works.

  → Compared to the 1991 survey (17 per cent), this proportion is slightly lower.

  → In particular, respondents this year said they read an average of 2 books by Canadian authors compared to an average of 3.6 in 1991.

  → Thus, the results of this survey suggest that during the past 15 years, the reading of Canadian authors has remained the same in terms of overall rate, but has decreased in terms of the amount or volume read.

4.9.3 BUYING BOOKS BY CANADIAN AUTHORS

- Forty-three per cent of respondents recall having bought a book by a Canadian author over the past 12 months, 37 per cent do not remember and 20 per cent really do not know.

  → After reapportionment pro rata of those who did not answer the question, it is estimated that 54 per cent of respondents bought works by Canadian authors.

    – Unfortunately, this rate of purchase cannot be compared with that of 1991 because of a difference in the period of reference for book purchases.[1]

    – The annual buying rate surpasses slightly the annual reading rate (48 per cent) of books written by Canadians.[2]

  → Fifty-eight per cent of book buyers read a book by a Canadian author[3], which is statistically identical to what the Pollara survey reported in 2002 (58 per cent).[4]

- Over the last 12 months, the portion of the market held by Canadian authors was estimated to be 27 per cent of all books purchased.

  → By contrast, the 1991 survey reported a 23 per cent share of the market for Canadian authors (over the last 3 months).

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1 *In 1991, the question referred to the last 3 months and not the last 12 months. During the last 3 months, 38 per cent of respondents in 1991 had bought books written by Canadians.*

2 *Which the 1991 survey had also observed.*

3 *52 per cent read some, 39 per cent did not read any and 10 per cent did not know. After redistribution of the no responses, a reading rate of 58 per cent is determined.*

4 *With respect to Canadian authors, the Pollara survey indicated in 2002: 47 per cent had read some, 33 per cent had not read any and 19 per cent did not know. After redistribution of the no responses, a reading rate among buyers of 58 per cent was recorded.*

→ This share of sales volume surpasses substantially the portion of Canadian books as a proportion of all books read (12 per cent), as was the case in the 1991 survey. This may mean that books by Canadian authors are bought more often than they are borrowed.

→ These results would suggest that the share of Canadian authors in the total number of books sold has remained basically the same over the past 15 years. We have however ascertained previously that the share of Canadian authors in all books read has apparently slightly decreased. These trends may mean that over the past 15 years, Canadians tended less often to borrow books written by Canadians and tended more often to buy them.

- The following table summarizes the main results on the popularity of books written by Canadians by linguistic community.

POPULARITY OF BOOKS WRITTEN BY CANADIANS BY LINGUISTIC COMMUNITY

	Total Canada %	Majority official language		Minority official language	
		Franco %	Anglo %	Franco %	Anglo %
▪ Already read a book by a Canadian author	72*	76	72	68	69
▪ Read a book by a Canadian author over the last 12 months	48	55	47	39	46
▪ Proportion of Canadian authors among all books read	12	18	11	23	11
▪ Bought a book by a Canadian author in the last 12 months	54	56	53	51	52
▪ Proportion of Canadian authors among all books bought	27	25	20	27	21

* *Read: 72 per cent of the total sample has already read a book written by a Canadian.*

4.9.4 INTEREST IN READING CANADIAN AUTHORS

- Sixty-two per cent of respondents say that they are interested (14 per cent of whom are "very" interested) in reading Canadian writers, which is a higher proportion than their present reading rate (48 per cent).

  → Seventy-one per cent of readers say they are interested (16 per cent of whom are "very" interested).

  → Sixty-eight per cent of buyers say they are interested (16 per cent of whom are "very" interested).

  → In contrast, the Pollara survey of 2002 reported a rate of interest of 73 per cent among book buyers, which is statistically comparable to the rate recorded for buyers by this survey.

  → These results suggest that it is possible to reverse the downward trend in Canadian writers' market share over the last 15 years.

- The interest in reading Canadian authors follows very closely the differences in reading rates prevalent in certain social groups.

  → Thus, women and the most educated people are more interested.
  → Francophones outside of Quebec are much less interested.

Chapter 2
Canadian Authors and the Canadian Publishing Industry

Canadian Authors and the Canadian Publishing Industry

Overview of Materials

Export print and ebook market

According to more up-to-date data from Livres Canada Books' *Publishing in Canada*, 2017 the total print and ebook market in French and English Canada was $283M. Of this $98M were export sales of which $90M were translation and rights sales of trade titles. Exports of ebooks increased from $2.3M in 2013-14 to $5.9M in 2016-17. (pp. 6-7)

Audiobook market

There has been considerable interest in audiobooks in recent years, indeed BNC's *The State of Digital Publishing in Canada, 2016* shows that 37% of firms report producing audio books in 2016 up from 16% in 2015. In 2016 audio books represented 2.6% of sales of Canadian books.

According to BNC's *Canadians Reading Canadians*, readers of Canadian-authored books, which incidentally has gone up to 44% from 22% since 2012, showed that 4% had read a Canadian author on an audiobook in 2016. While we don't have sales data of audiobooks, the BNC data shows a 33% increase in library circulation from 2012 to 2015.

US book market

Just for comparison's sake, US sales figures compiled in *The U.S. Book Market* for the Association of American Publishers by the Frankfurt Book Fair New York Office show that unit sales of print books in 2016 was up 3.3% to 674 M from 652M in 2015. Overall Sales 2015 at $27,78B US dollars, were down 0.6% from 2014. E-book sales of $2,84B in 2015 dropped -11.3% and unit sales of 424M were down -9.7%. Audiobooks on the other hand were up +37.6% at $552M US dollars.

Leisure Reading by Canadians: How much, what formats, importance of Canadian authorship and subjects, sources

Turning to BookNet Canada again to look at Canadians' habits, we find, according to their August 15, 2017 report, How Canadians are spending their free time, that Canadians are significant supporters of book reading ranking it 5th in their choice of how they use their leisure time. "Reading (22%) came in behind browsing the internet (33%), spending time with family (32%), watching TV (31%), and watching a movie (23%)."
And in BNC's *The reading habits of Canadians,* August 2017, the value of reading to Canadians held steady or increased year over year. The following bullets pulled from the report elucidate this further:

- In 2017, 82% of respondents said they had read or listened to a book in the last year. This number is virtually unchanged from the previous year.
- 38% of respondents noted their book reading/listening has increased in the last year, up 5% from the previous year.

- 35% of readers say they participate in a book/reading club.
- Of those who read a book in the last year, 46% checked out a book in any format from the library.
- 90% had read a print book and 26% had listened to an audiobook (slightly up from 2016).
- 48% had read an ebook (slightly down from 2016).
- Of those respondents who had read a book in the last year, 46% of them told BNC that they had also checked out a book (in any format: ebook, print, audio) from the library. This number is about the same as the previous year.
- 35% of readers participate in a reading group or book club.
- ebook readers are showing a preference for the smartphone, which has increased by more than 6% to 20% at the expense of e-readers at 23%, down by 5%.

Adding further granularity to the reading habits in our country with Canadians Reading Canadians, BNC looked at the buying patterns of Canadian book buyers.

- 44% had read a Canadian author in the last year - up significantly from 24% in 2012.
- 41% had read a book on a Canadian subject - up from 22% in 2012.
- 84% were very or somewhat interested in reading Canadian authors - up from 75% in 2012.
- Where did they get their Canadian-authored books? 82% purchased books: 37% from bookstores, 21% were gifted books, and 21% bought used books. Twenty percent borrowed their books from friends and 19% borrowed them from the library.

The 2016 Ekos survey, *Public Opinion on the Value of Books in the English Langue Book Sector: Report on Usage and Value* found that 35% of respondents place a high value "on the importance of reading and learning about Canada through Canadian voices and perspectives," although 29% do not see this as valuable. 22% consider reading books written by Canadians authors to be an important activity, compared to 45% who say it is not important and a similar proportion, 20%, feels that reading the works of Canadian authors to achieve a sense of connection with other Canadians is a worthy endeavour. (p. 42)

Broken down by age, BNC noted in their blog, "The reading habits of Canadians", that "there are more readers between the ages of 18 and 44 who listened to an audiobook last year than those who read a print book or those who read an ebook. The reading habits of 45- to 54-year-olds, meanwhile, are distributed more evenly over the formats – with print books bringing up the rear. Readers who are 55+ tend to favour print books over ebooks and do much less listening of audiobooks."

Broken down by genre, *The Canadian Book Market, 2016 edition* identifies juvenile titles at 39.4% as the highest category of sales followed by non-fiction at 32.1%, and fiction at 26.7%.

An Economic Impact Study of the Ontario Book Publishing Industry

Final Report

Prepared for

Ontario Media Development Corporation (OMDC)

by

Nordicity

and

Castledale Inc.

September 12, 2013

Acknowledgements and Disclaimer

This report was authored by Nordicity, in association with Castledale Inc. for the Ontario Media Development Corporation. Any opinions, findings, conclusions or recommendations expressed in this material are those of the authors and do not necessarily reflect the views of the Ontario Media Development Corporation or the Government of Ontario. The Government of Ontario and its agencies are in no way bound by the recommendations contained in this document.

Disponible en français.

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Conclusions

Canadian-owned, Ontario-based book publishers are experiencing a period of extended flux. While the total (Canadian- and foreign-owned) book publishing industry in Ontario has operated in a no-growth environment since 2003, Canadian-owned, Ontario-based publishers' revenue has declined by 23.5%. This revenue decline may be due, in large part, to the numerous mergers and closures of Canadian-owned, Ontario-based publishers between 2003 and 2011. That publishers' expenses have declined in much the same way suggests that the remaining Canadian-owned, Ontario-based publishers have worked well to preserve profit margins. This result is particularly notable as publishers have been forced to maintain two separate business models, both print and digital, even though one of the models (print) is still responsible for the vast majority of publishers' revenue in 2011.

For example, in 2011, physical book sale channels in total continued to represent 88% of Canadian-owned, Ontario-based book publishers' revenue. Physical book sales through bricks-and-mortar retailers still accounted for 50% of 2011 revenue. As a result, publishers are grappling with new technologies, distribution models, formats and consumer behaviours, while also encouraging the ongoing success of their established lines of business.

In this context, publishers recognize that opportunities for future growth are almost certainly in digital and yet, excluding Harlequin, digital sales channels accounted for just 4% of Ontario publishers' 2011 revenue. Among other factors, this digital revenue lag may be due in part to the challenge of preserving established book prices in digital formats. The continued downward pressure on e-book prices globally (what some experts are calling a "race to the bottom, to the free e-book"[6]) is of enormous concern for publishers and may affect the future health of the industry. Between 2003 and 2011, average profits per unit and profit margins for physical editions remained relatively steady.

The recent mergers and closures (*e.g.,* the January 2012 transfer of McClelland & Stewart to Random House Canada) have threatened to weaken the Canadian-owned, Ontario-based publishing industry, leading to further uncertainty in the industry. Looking ahead, Ontario's remaining Canadian-owned publishers reported to Nordicity they will be increasing their digital activities and looking for new ways to reach audiences directly in the future, despite the challenges and financial pressure they face.

[6] Webb, Jenn. "Putting a Price on Value: The ToC Perspective," July 27, 2012. http://www.publishersweekly.com

a slightly negative compound annual growth rate (CAGR) of negative 0.7%, between 2003 and 2011 (Exhibit 2).

Exhibit 2 Ontario-based (foreign- and Canadian-controlled) book publishers' total operating revenue, (2003 and 2011)

	2003	2011	CAGR
		$Millions	%
Total operating revenue	1,318.3	1,286.6	-0.7%

Source: Statistics Canada, Table 361-0007, Catalogue no. 87F0004XWE (2003), TorStar 2011 Annual Report and BookNet 2011 Canadian Sales data.

Over the same period of flat or no growth, the Canadian-owned, Ontario-based book publishing industry experienced numerous mergers and acquisitions, and some publishers shut their doors altogether. A non-exhaustive summary of industry mergers and acquisitions during this period includes:

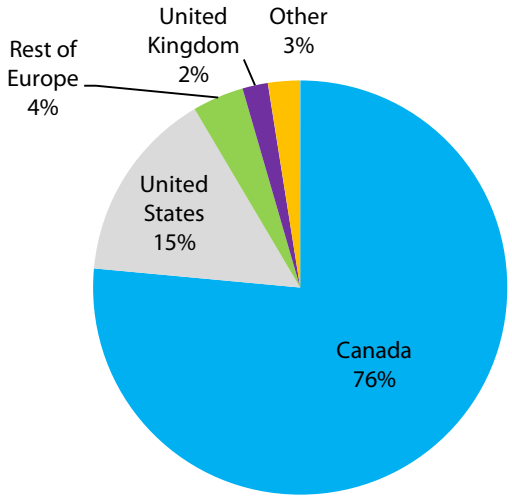
- In 2003, Firefly acquired The Boston Mills Press;
- In 2005, House of Anansi acquired Groundwood Books;
- Dundurn made a series of acquisitions during this period including Sandcastle Books (2005), Natural Heritage Books (2007), Beach Holme (2007), the English-language imprint of Montreal's XYZ Publishing (2008) and Napoleon and Co. (2011);
- In 2008, Bayard Canada acquired Maple Tree Press; and
- H.B. Fenn, the distributor, acquired Key Porter in 2004. In January of 2011, H.B. Fenn suspended Key Porter's operations and initiated its own bankruptcy proceedings the following month.

Foreign-owned and non-Ontario-based publishers are not immune to consolidation and insolvency either. Late in 2012, Random House Books announced it would acquire Penguin Books from Pearson PLC, joining two long-time competitors under the moniker "Penguin Random House." In February 2013, B.C.-based Harbour Publishing announced its intent to purchase Douglas & McIntyre, an arm of the "financially stressed" Vancouver-based D&M Publishers (Appendix C contains a scan of further regional, Canadian and international book publishing industry results).[20]

As described in the previous section, new digital technologies have emerged since the Pollara study was published. Where digital trends and e-book devices such as the Kindle were described as "gaining a foothold" in 2008's "A Strategic Study for the Book Publishing Industry in Ontario,"[21] in the past few years those footholds have grown into near-strongholds. Ontario publishers have been working and evolving to reach and engage audiences across multiple platforms while facing increasing competition for readers' "downtime" from social networks, online videos, video games and

[20] Mickleburgh, Rod, "Harbour Publishing buys Douglas & McIntyre," *The Globe and Mail.* February 6, 2013.
[21] Castledale Inc. and Nordicity, "A Strategic Study for the Book Publishing Industry in Ontario," 2008. p. 23.

Exhibit 20 Sources of revenue, by region (excluding Harlequin) (2011)

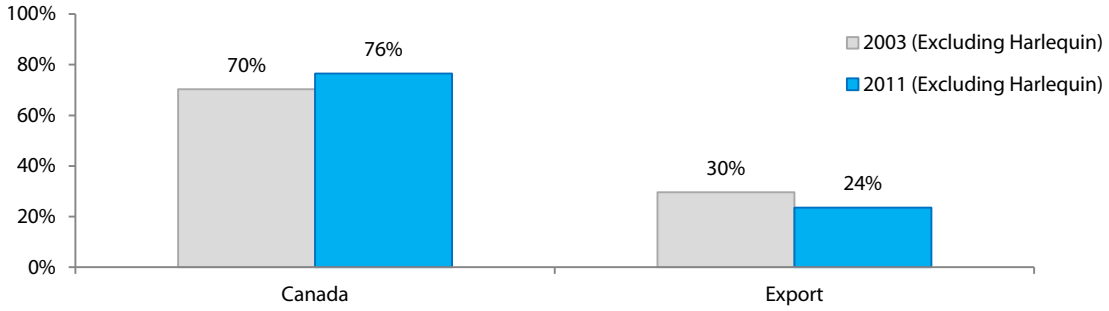


Other	%
Rest of Asia	1%
Australia and New Zealand	1%
India	<1%
Rest of the World	<1%
Portuguese Latin America	<1%
Spanish Latin America	<1%
China	<1%

Source: 2011 survey data (excludes Harlequin)

A comparison of 2003 and 2011 sources of revenue by region reveals that the domestic market share has grown in importance for publishers, while international sales have experienced a slight decline.

Exhibit 21 Sources of revenue, by region (excluding Harlequin) (2003 and 2011)



Source: 2011 survey data, recast 2003 Pollara data (excludes Harlequin Enterprises)

3.2 Expenditures

From the survey and the estimated Harlequin data, we constructed a profile of Ontario book publishers' operating expenditures. This profile included a breakdown of expenditures by key category (*i.e.*, wages and benefits, printing and production, etc.) and a breakdown by location of expenditure (*i.e.*, inside or outside Ontario). These breakdowns permitted us to isolate the impact on the Ontario economy.

Despite these limitations, the following data provide some additional, global trends regarding the book publishing industry. It thereby situates the data developed and presented by Nordicity (for Ontario) in the context of these trends.

C.2 Other Canadian book industry data

In this section, we present data from various sources on the performance of the Canadian book publishing industry. The figure below, for example, shows how the book publishing industry has changed in various Canadian jurisdictions between 2004 and 2010, along with the compound annual growth rate (CAGR) over that period.

Figure XV Total book publishing revenue growth rate by province, 2004 to 2010

Province	% Change	CAGR
All of Canada	**-0.1%**	**-0.5%**
Québec	10.1%	1.6%
Ontario	0.25%	0.03%
British Columbia	-48.9%	-10.6%
Prairies	-44.2%	-9.3%
Maritimes	-9%	-1.6%

Source: Statistics Canada (www.statcan.gc.ca), Book Publishers, Catalogue no.: 87F0004XWE
Note: Statistics Canada data for 2011 was not available. A significant methodological change in Statistics Canada's data collection process occurred in 2005, therefore direct comparisons between data before and after this date are not possible Rates of growth or decline are also representative of general trends and not absolute.

From the data presented in the table above, we can observe:

- Book publishing revenue is flat (Ontario) or down (rest of Canada) in all predominantly English-speaking jurisdictions across Canada over the reference period;
- Ontario's book publishing revenue, including the foreign-owned publishers, has not significantly changed between 2004 and 2010;
- The rate of contraction is greatest in Western Canada, with both BC and the Prairie provinces seeing large declines in publisher revenue.

It should be noted that the figures presented above include all book publishing activities, accounting for both Canadian- and foreign-controlled companies operating in Canada, whereas the segment examined in this report represents the Canadian-owned, Ontario-based sector. Over a similar period of time, the Canadian-owned segment of the book publishing industry in Ontario contracted by 23.5% (at a CAGR of negative 3.3%). Accordingly, the above figures suggest that the contraction of the Canadian-owned segment has been offset by moderate growth in the foreign-owned segment of Ontario's book publishing industry.

It may be useful to situate the contraction in the Canadian-owned, Ontario-based book publishing industry alongside Statistics Canada data showing contractions for British Columbia, the Prairie provinces and the Maritimes. Although Statistics Canada includes foreign-controlled publishers in their data, the largest multinational publishers operating in Canada are overwhelmingly located in

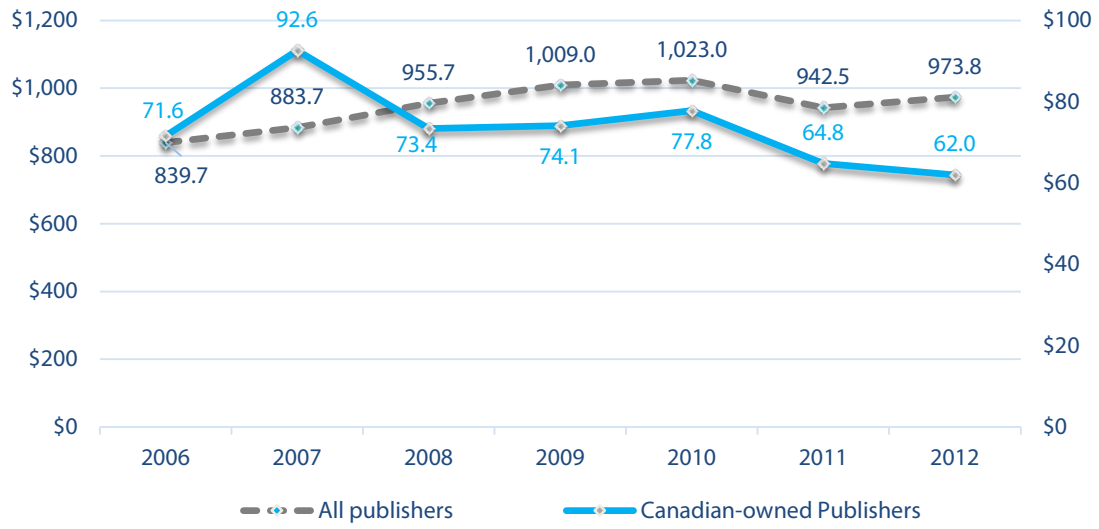
Ontario (e.g. HarperCollins, Penguin-Random House, Simon & Schuster). The domestic publishing industry in Ontario resembles that of the predominantly English-speaking Canadian provinces in composition, in that their book publishing industries comprise mostly domestic firms. Compared in this light, the performance of the Canadian-owned Ontario industry in recent years is actually substantially healthier than that of British Columbia or Alberta.

The books industry in Canada, however, is larger than publishers alone. It also includes other industry segments such as large and small retailers, technology companies such as Kobo, literary agents and other members of the value chain.

Taking the larger ecosystem into account, there are indicators of industry performance beyond revenues that can be useful to examine. Indeed, book sales are another measure of book industry growth in Canada. The figure below compares book sales made in Canada (from any publisher) with book sales made in Canada from *Canadian-owned* publishers between 2006 and 2012.

Again, the book sales as reported here are not equivalent or comparable to publishers' revenue.

Figure XVI Book sales in Canada as reported by BookNet Canada, Canadian-owned publishers vs. total marketplace 2006 – 2012 ($ millions)



Source: BookNet Canada, *The Canadian Book Market* 2006, 2007, 2008, 2011, 2012.

Over the period of time illustrated above, book sales (from all publishers) grew by 16.0% at a CAGR of 2.5%, while Canadian book sales by Canadian-owned publishers decreased by 13.4% at a CAGR of negative 2.4%.

From the data presented in the figure above, we can observe:

- Book sales (from all publishers) in Canada peaked at $1.023 billion in 2010, though no clear trend exists going forward;
- Book sales in Canada from Canadian-owned publishers peaked in 2007, with the single biggest drop occurring in 2008. One cause of the spike in 2007 and decline in 2008 may be

Book publishing industry, 2014

Released at 8:30 a.m. Eastern time in The Daily, Thursday, May 19, 2016

The book publishers industry generated operating revenue of $1.7 billion in 2014. Operating expenses were $1.5 billion, which resulted in an operating profit margin of 11.7%.

Salaries, wages, commissions and benefits totalled $345.5 million, representing 23.3% of total operating expenses. The largest contributor to operating expenses was the cost of goods sold (33.9%).

Book publishers in Ontario (66.7%) accounted for the largest share of the industry's operating revenues, followed by Quebec (26.6%) and British Columbia (3.5%).

Total sales of own and exclusive agency titles amounted to $1.4 billion, of which 81.8% were domestic sales in Canada and the remaining 18.2% were exports. Most domestic sales came from publishers' own titles (72.4%), with the two top contributing commercial categories being educational titles ($366.1 million) and other trade titles ($331.3 million), which include fiction and non-fiction mass market books.

Because of the restructuring of book publishers over the past two years, foreign-owned companies contributed a larger portion of publishers' own titles sales in Canada ($472.9 million) than Canadian-owned companies ($335.4 million).

The largest customer category for book publishers' sales of own and exclusive agency titles in Canada was bookstores and other trade sales ($517.3 million), such as department stores, followed by educational institutions ($190.0 million) and exclusive agents, distributors and wholesalers ($179.5 million).

Sales of Canadian authors ($681.3 million) and foreign authors ($683.5 million) continued to be relatively even. Publishers' sales of own titles in Canada accounted for the majority of sales of Canadian authors ($528.3 million).

English-language books accounted for 79.2% of sales, while French-language and other languages represented the remaining 20.8%. Of total sales of own and exclusive agency titles, 13.1% were e-book sales. In total, 14,218 new titles were published, 10,433 of which were titles by Canadian authors.

Note to readers

Changes to the methodology were made to the Survey of Service Industries: Book Publishers. Users should, therefore, exercise caution when comparing 2014 data with historical datasets. For more information on the methodology changes, consult the document on the Integrated Business Statistics Program in the Behind the data feature of our website.

Beginning with this release, data are based on the 2012 North American Industry Classification System.

*The publication, Book Publishers (**87F0004X**), is no longer available. Data from the Survey of Service Industries: Book Publishers will now be released in CANSIM.*

With this release, CANSIM tables 361-0088 and 361-0089 are replacing CANSIM tables 361-0007 and 361-0030, which have now been terminated.

Available in CANSIM: tables 361-0088 to 361-0096.

Definitions, data sources and methods: survey number 3105.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; **STATCAN.infostats-infostats.STATCAN@canada.ca**) or Media Relations (613-951-4636; **STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca**).

Table 361-0092 Book publishers, sales by nationality of authors, every 2 years (dollars x 1,000,000)(1,2,3)			
Survey or program details:			
Survey of Service Industries: Book Publishers - 3105			
Geography	North American Industry Classification System (NAICS)	Breakdown of sales by nationality of authors	2014
Canada	Book Publishers [511130]	Total sales of own and agency titles	1364.9
Canada	Book Publishers [511130]	Canadian authors total sales - own titles and exclusive agency	681.3
Canada	Book Publishers [511130]	Total sales- own titles - Canadian authors	621.3
Canada	Book Publishers [511130]	In Canada - Canadian authors	528.3
Canada	Book Publishers [511130]	Exports - Canadian authors	93
Canada	Book Publishers [511130]	Total sales- exclusive agents - Canadian authors	60
Canada	Book Publishers [511130]	Foreign authors total sales - own titles and exclusive agency	683.5
Canada	Book Publishers [511130]	Total sales - own titles - foreign authors	418.8
Canada	Book Publishers [511130]	In Canada - foreign authors	280
Canada	Book Publishers [511130]	Exports - foreign authors	138.8
Canada	Book Publishers [511130]	Total sales - exclusive agents - foreign authors	264.7
Footnotes:			
1	Data from this table reflect important improvements Statistics Canada made to its methods and processes used to compile its annual economic statistics. Users are advised to use caution in making comparisons between the current data and previously published data. For more information on the Integrated Business Statistics Program and the source of these changes, consult the information found under Related information tab under section Additional information on the survey: Annual Survey of Service Industries: Book Publishers - 3105.		
2	Estimates for the most recent year are preliminary. Preliminary data are subject to revision. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.		
3	Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table.		
Source:			
Statistics Canada. Table 361-0092 - Book publishers, sales by nationality of authors, every 2 years (dollars)			
(accessed: November 11, 2017)			

Introduction

In January 2017, BookNet Canada set out to conduct the fourth annual *State of Digital Publishing in Canada* survey, with a goal to explore the size, scope, and production processes of the digital publishing landscape in Canada. With responses from 50 publishers ranging from large multinationals and Canadian-owned firms to smaller, niche publishers, this report provides an overview of the current digital marketplace in Canada, along with a year-over-year comparison from 2013 to 2016.

BookNet Canada surveyed publishers directly, ensuring that representatives were included from all sectors of the market, such as the Canadian Publishers' Council (CPC) and the Association of Canadian Publishers (ACP). Any interested publishers were able to respond and, while the largest number of responses is from trade publishers, educational publishers are also represented.

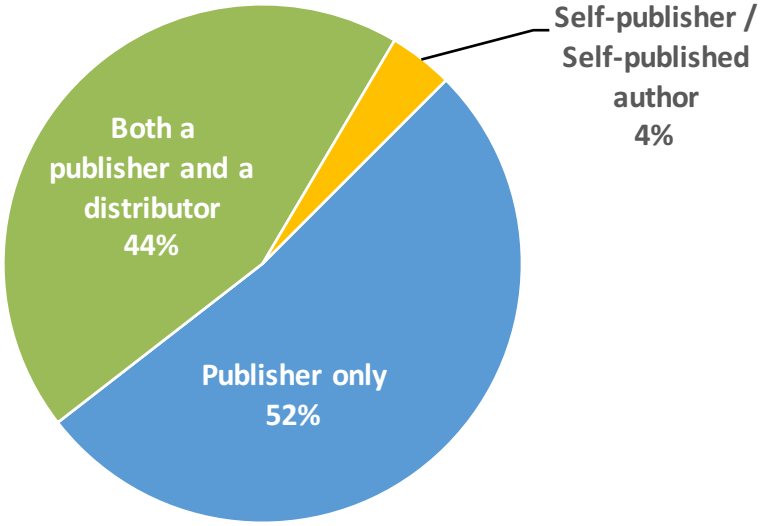
According to research conducted by BookNet Canada, in a series of surveys of book-buying Canadians, ebook sales in Canada declined by just over 2% between 2015 and 2016 (from 19% to 16.9%). The United States and the United Kingdom have seen a similar phenomenon; in data reported directly by publishers, ebook sales have declined by 4% in the UK[1] and in the US the Association for American Publishers reported a drop of 14% between 2014 and 2015[2].

[1] "Ebook sales continue to fall as younger generations drive appetite for print". The Guardian. N.p., 14 Mar. 2017. Web. 8 May 2017. https://www.theguardian.com/books/2017/mar/14/ebook-sales-continue-to-fall-nielsen-survey-uk-book-sales

[2] "As E-Book Sales Decline, Digital Fatigue Grows". PublishersWeekly.com. N.p., 2017. Web. 10 May 2017. http://www.publishersweekly.com/pw/by-topic/digital/retailing/article/70696-as-e-book-sales-decline-digital-fatigue-grows.html

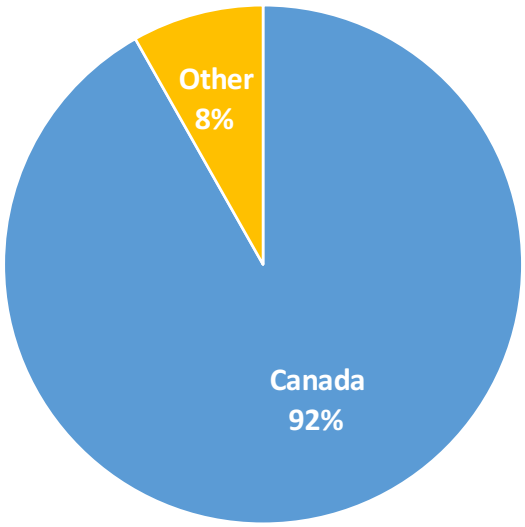
Respondent Profile

COMPANY TYPE



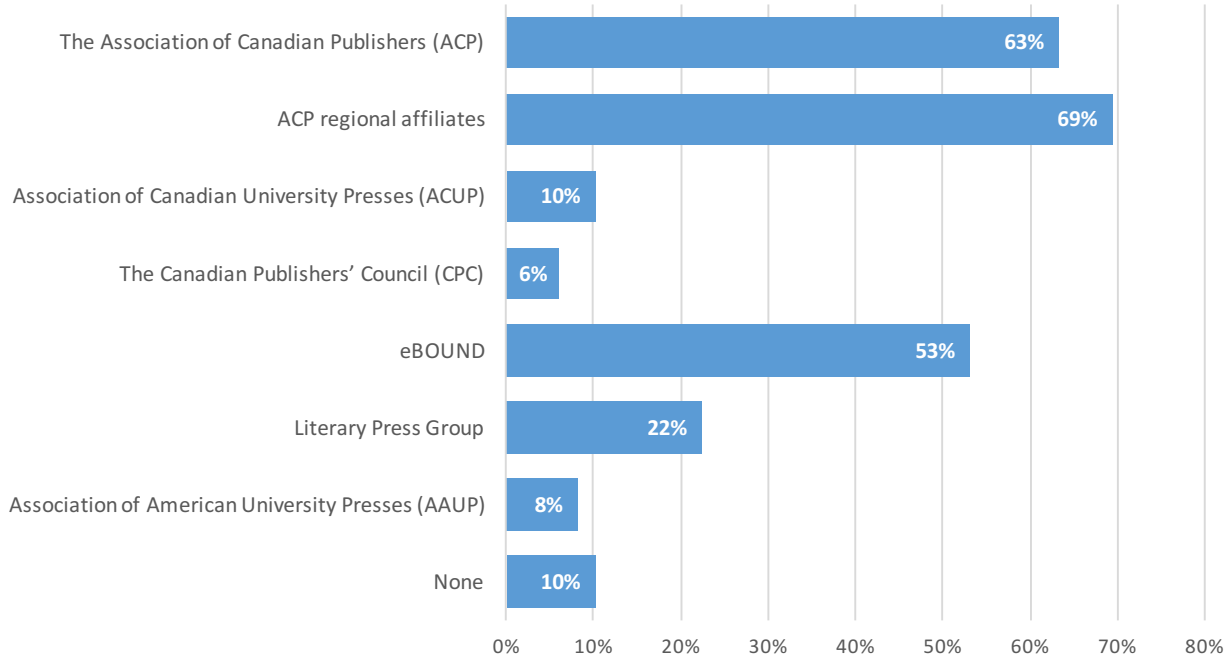
Question: Type of firm (N=50)

COMPANY HEADQUARTERS



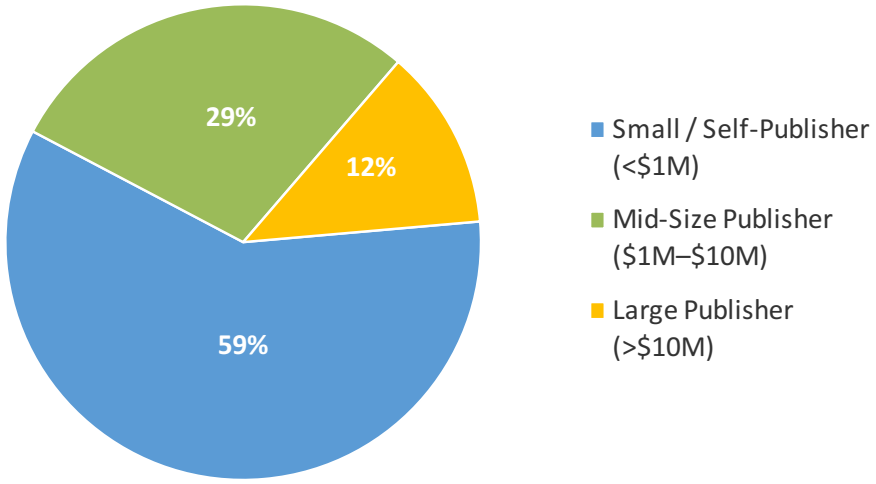
Question: Are your firm's headquarters located in Canada? (N=49)

ASSOCIATION MEMBERSHIP



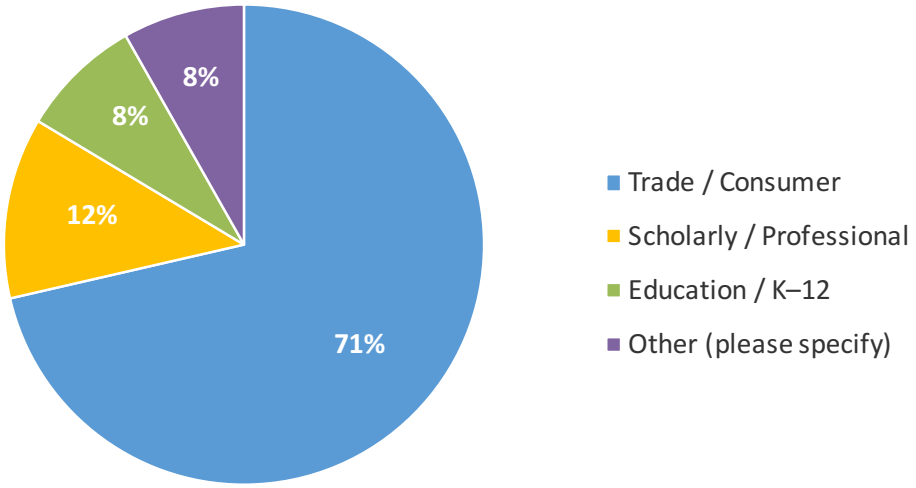
Question: Is your firm a member of: (Please select all that apply.) (N=49)

COMPANY SIZE



Question: Size of firm (annual Canadian revenue) (N=49)

MARKET FOCUS



Question: What industry segment best describes your firm's market focus? (N=49)

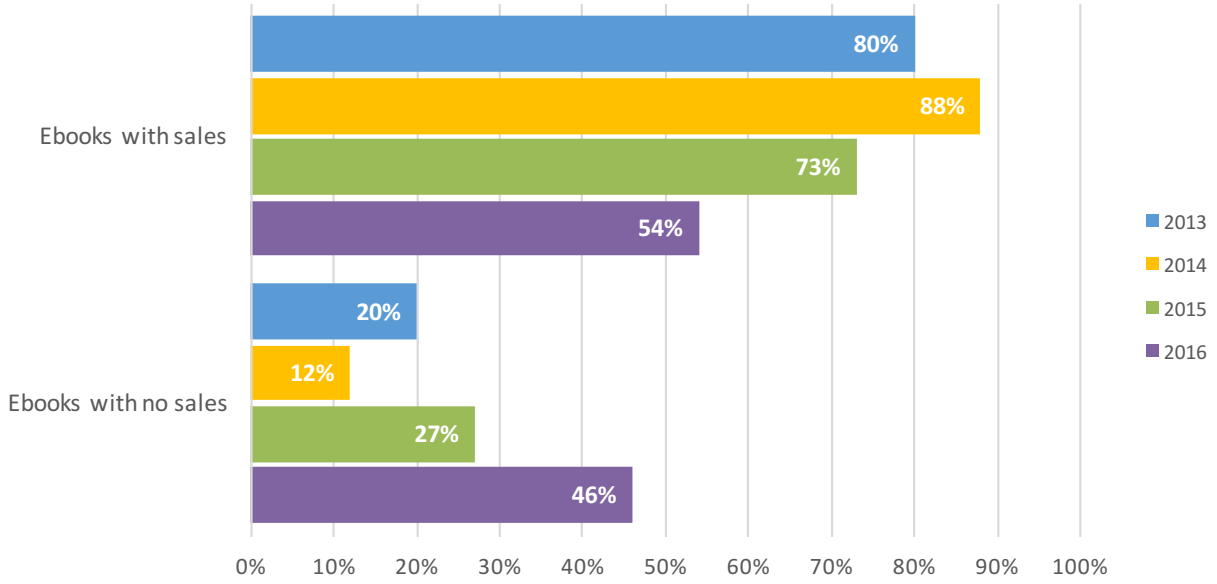
Highlights:

For the purposes of this study, we have defined the size of each company based on publisher-reported revenue, ranging from small (<$1M) and mid-size ($1M-$10M) to large (>$10M). Using these parameters, 59% of respondents represent small publishers, 29% mid-size, and 9% large.

63% of respondents belong to the ACP, and 53% of respondents are eBOUND members. The largest percentage (69%) of respondents belong to ACP regional affiliates.

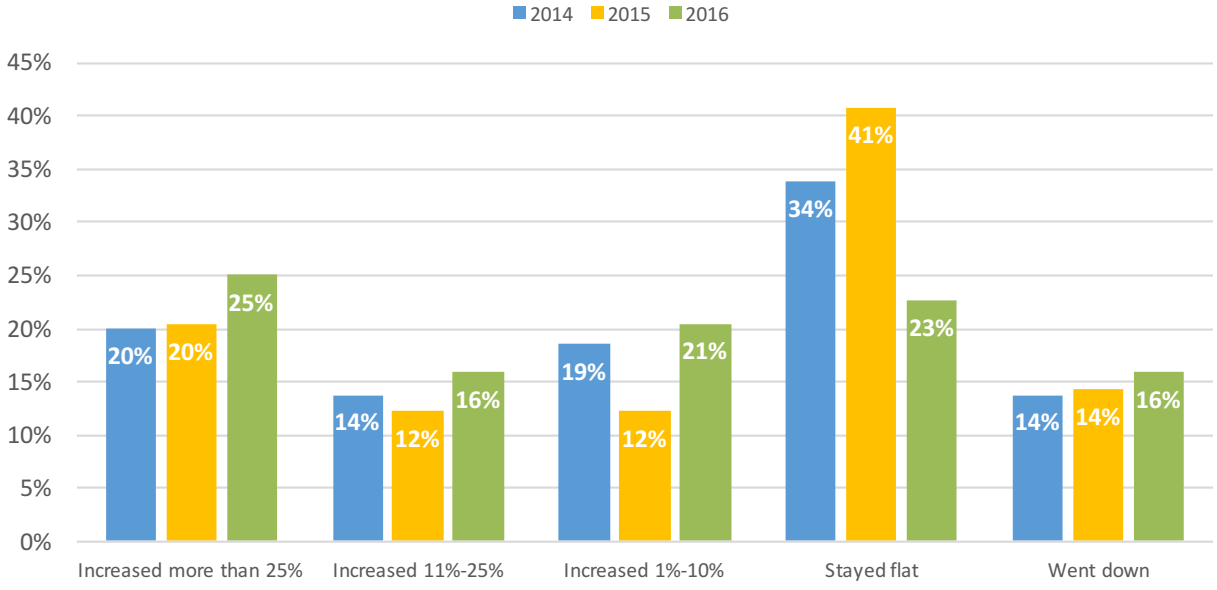
Ebook Sales & Distribution

EBOOKS WITH CANADIAN SALES



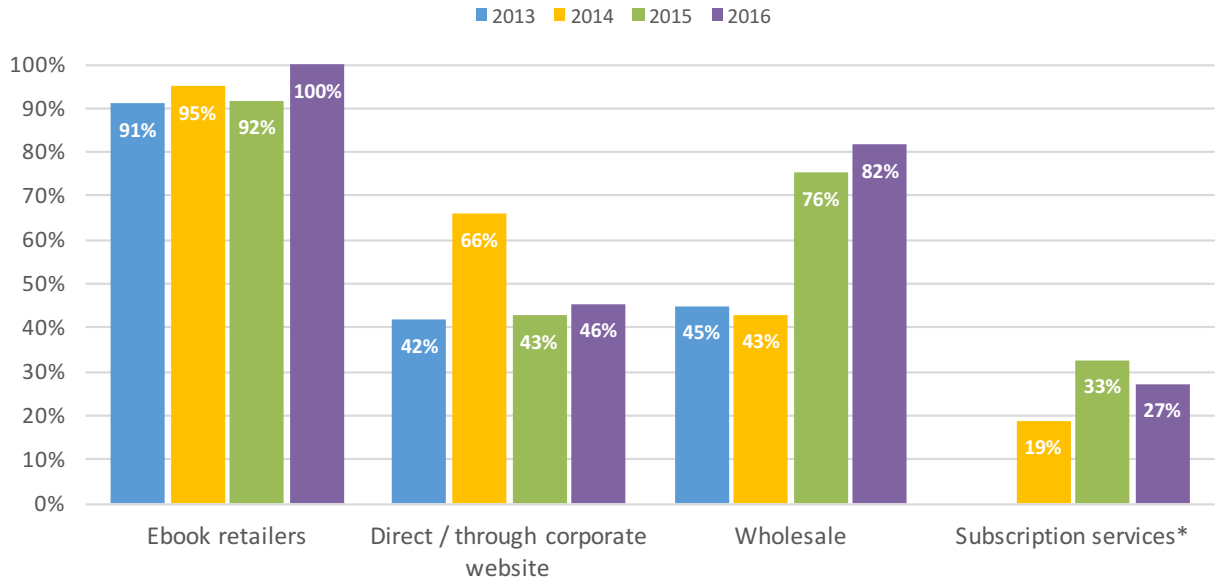
Question: How many ebooks do you have with Canadian sales in the past 12 months? (2013 N=78, 2014 N=65, 2015 N=49, 2016 N=44)

CHANGE IN DIGITAL REVENUE FROM 2014 TO 2016



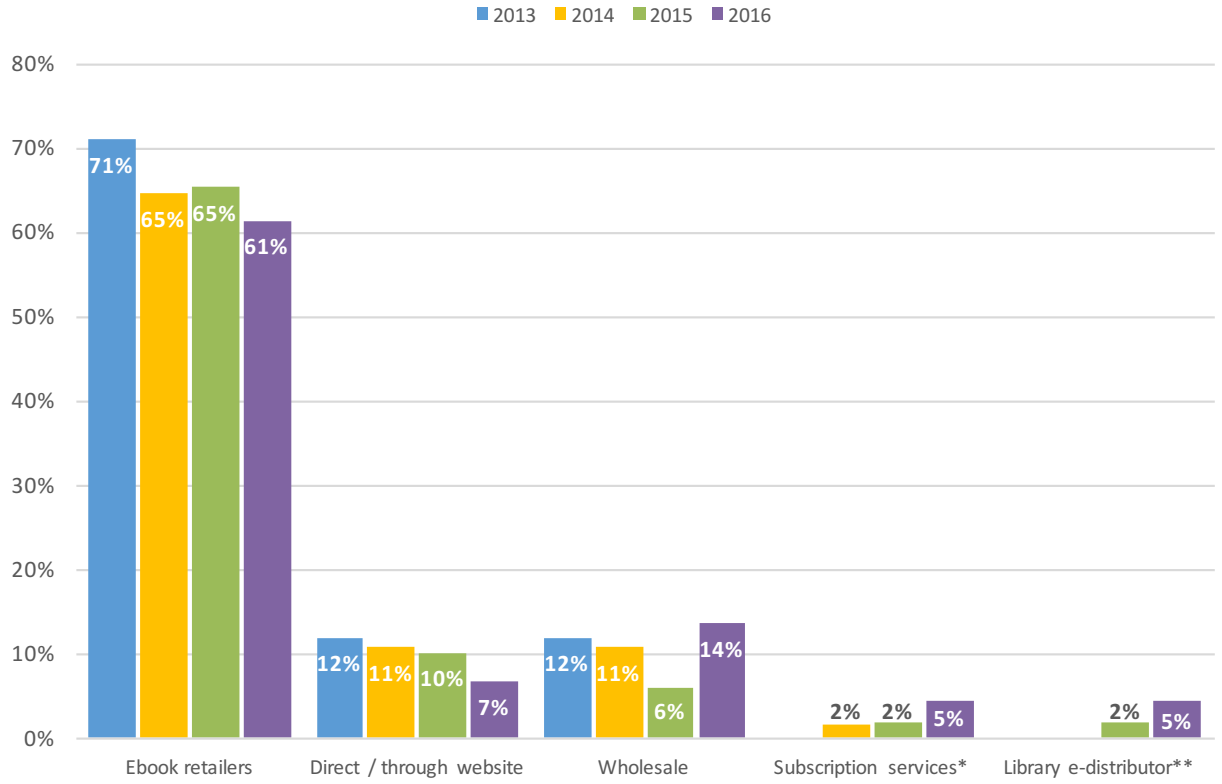
Question: Comparing your digital sales revenue in the Canadian marketplace between 2015 and 2016, would you say your firm's digital revenue: (2014 N=65, 2015 N=49, 2016 N=44)

EBOOK SALES CHANNELS



Question: How are you selling your ebooks to Canadian readers? (Please select all that apply.) (2013 N=78 respondents, N=151 responses; 2014 N=65 respondents, N=152 responses; 2015 N=49 respondents, N=124 responses; 2016 N=44 respondents, N=116 responses)
**not asked in 2013*

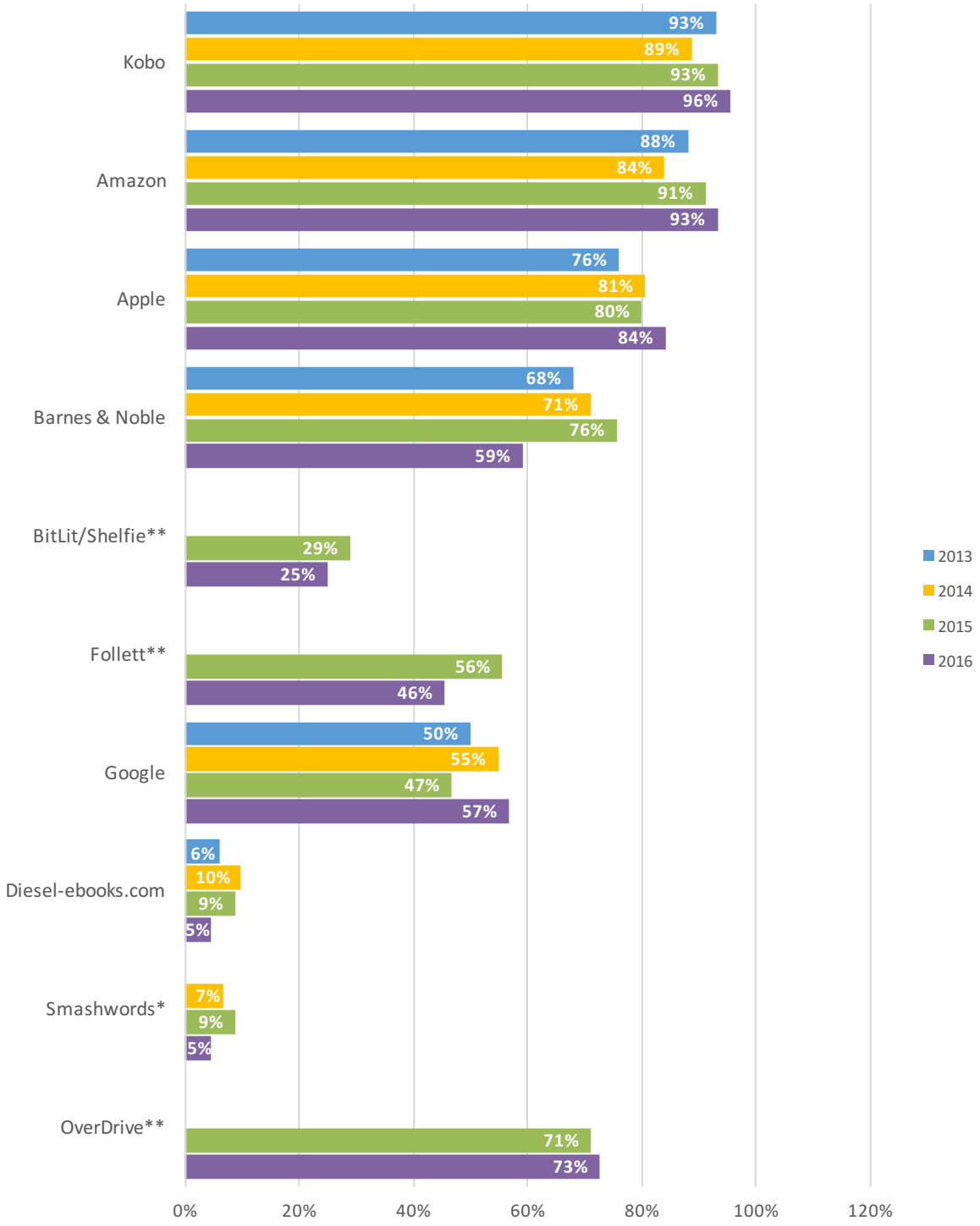
BEST EBOOK REVENUE CHANNELS



Question: Through which sales channel do you receive the most revenue? (2013 N=69, 2014 N=65, 2015 N=49, 2016 N=44)
**not asked in 2013*
***not asked in 2013 and 2014*

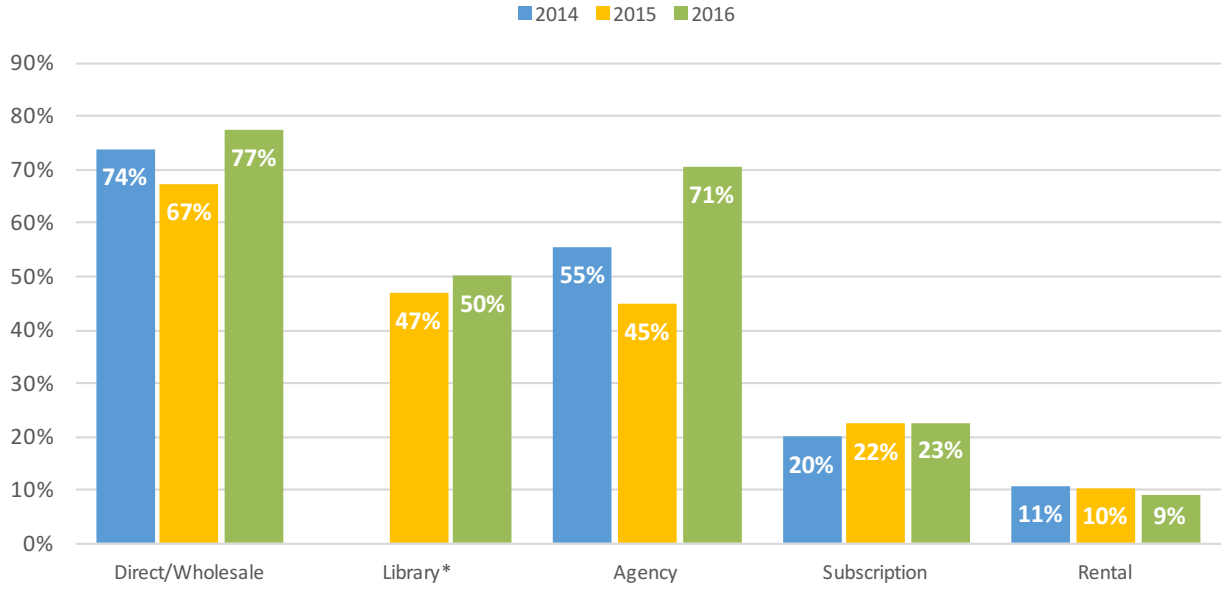
Breakdown by market focus	Direct / through corporate website	Ebook retailers	Library e-distributor	Wholesale	Subscription Services
Trade / Consumer	3%	78%	6%	6%	3%
Scholarly / Professional	0%	20%	40%	40%	0%
Education / K–12	67%	0%	0%	0%	33%

CHANNELS FOR EBOOK RETAIL DISTRIBUTION



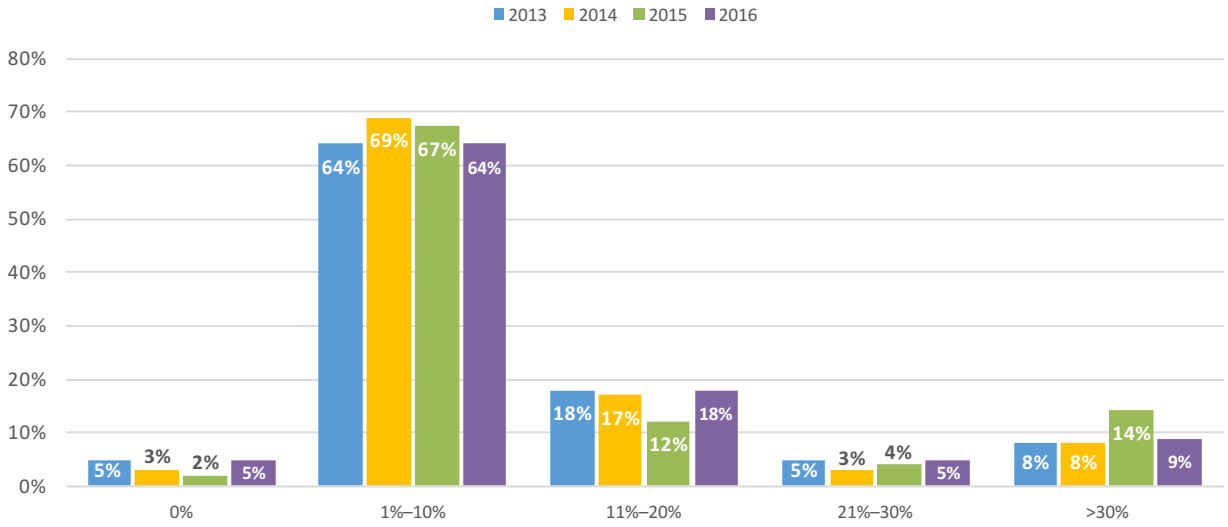
Question: Which ebook retailers do you sell your ebooks with? (Please select all that apply.)
(2013 N=72 respondents, N=341 responses; 2014 N=62 respondents, N=286 responses; 2015 N=45 respondents, N=264 responses; 2016 N=44 respondents, N=245 responses)
**not asked in 2013*
***not asked in 2013 and 2014*

PRICING MODELS



Question: What type of ebook pricing does your company use? (Please select all that apply.)
(2014 N=65 respondents, N=115 responses; 2015 N=49 respondents, N=103 responses; 2016 N=44 respondents, N=106 responses)
**not asked in 2014*

EBOOK REVENUE



Question: What percent of your firm's overall revenue is derived from ebook sales?
(2013 N=78, 2014 N=65, 2015 N=49, 2016 N=44)

Highlights:

The number of ebooks with sales continues to decline, from 88% in 2014 to 73% in 2015 to 54% in 2016. Firms reported that 46% of their available ebooks saw no sales in 2016. This could be a result of the continued growth in digitization of backlist titles or, as referenced above, could be due to the 2.1% decline in ebook sales between 2015 and 2016 in the Canadian market.

Other possible reasons for the lack of uptake in sales for certain titles include discoverability issues due to missing metadata in publisher ONIX feeds, and a lack of availability in consumers' desired formats (EPUB vs. PDF vs. MOBI).

Despite the number of ISBNs without sales, 61% of firms reported that they saw an increase in digital revenue, up from 45% in 2015; 25% experienced an increase of more than 25% in digital revenue over the previous year.

All respondents are selling their ebooks to Canadian readers through ebook retailers, with the next highest sales channel being wholesale channels (82%) such as Ingram, OverDrive, and 3M. Publisher use of subscription services experienced a slight decline in the past year, from 33% in 2015 to 27% in 2016.

Publishers continue to view ebook retailers as the best revenue channel for digital sales, despite a slight decline in the category from 65% in 2015 to 61% in 2016. The number of publishers citing wholesale channels as their best revenue source increased by 8%, after experiencing a notable decline from 11% in 2014 to 6% in 2015.

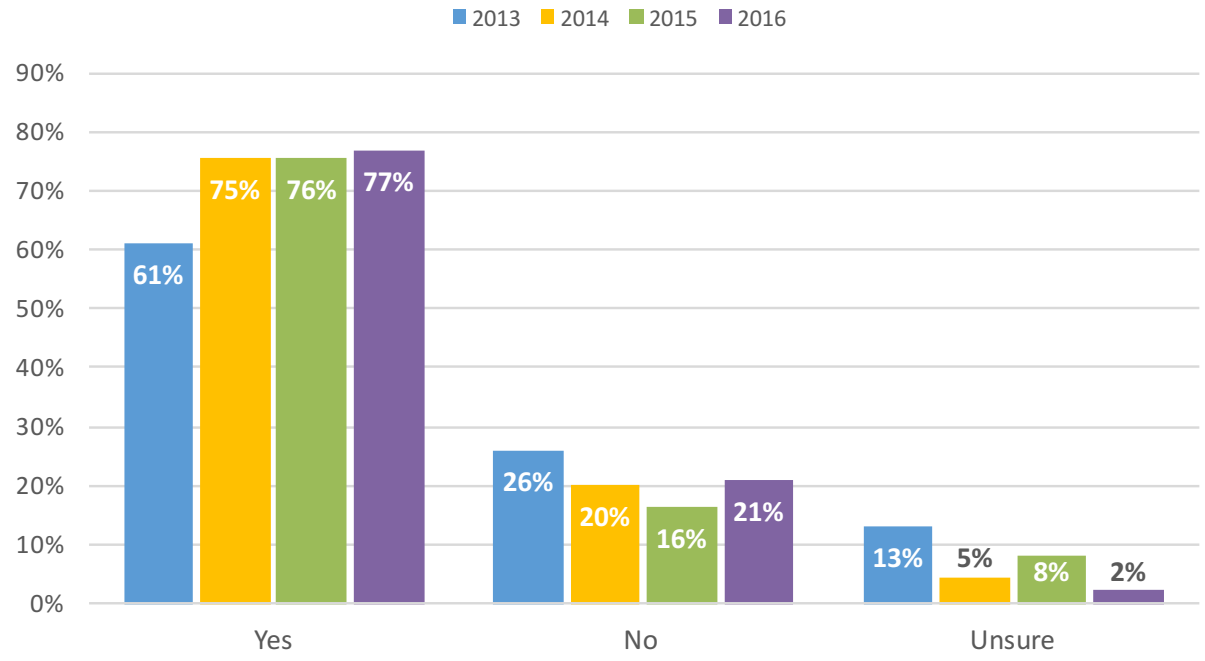
Kobo continues to take the lead as the most-used ebook retailer by firms (96%), closely followed by Amazon (93%) and Apple (84%). These top three companies all experienced minimal increases since 2015.

Firms appear to be utilizing a variety of pricing models, with a significant increase of more than 20% for agency pricing (71%), and a 10% increase from 2015 to 2016 for direct/wholesale pricing (77%).

The majority of publishers (64%) derive 1%-10% of their revenue from digital sales, while 18% of publishers derive 11% to 20% of their revenue from digital sales.

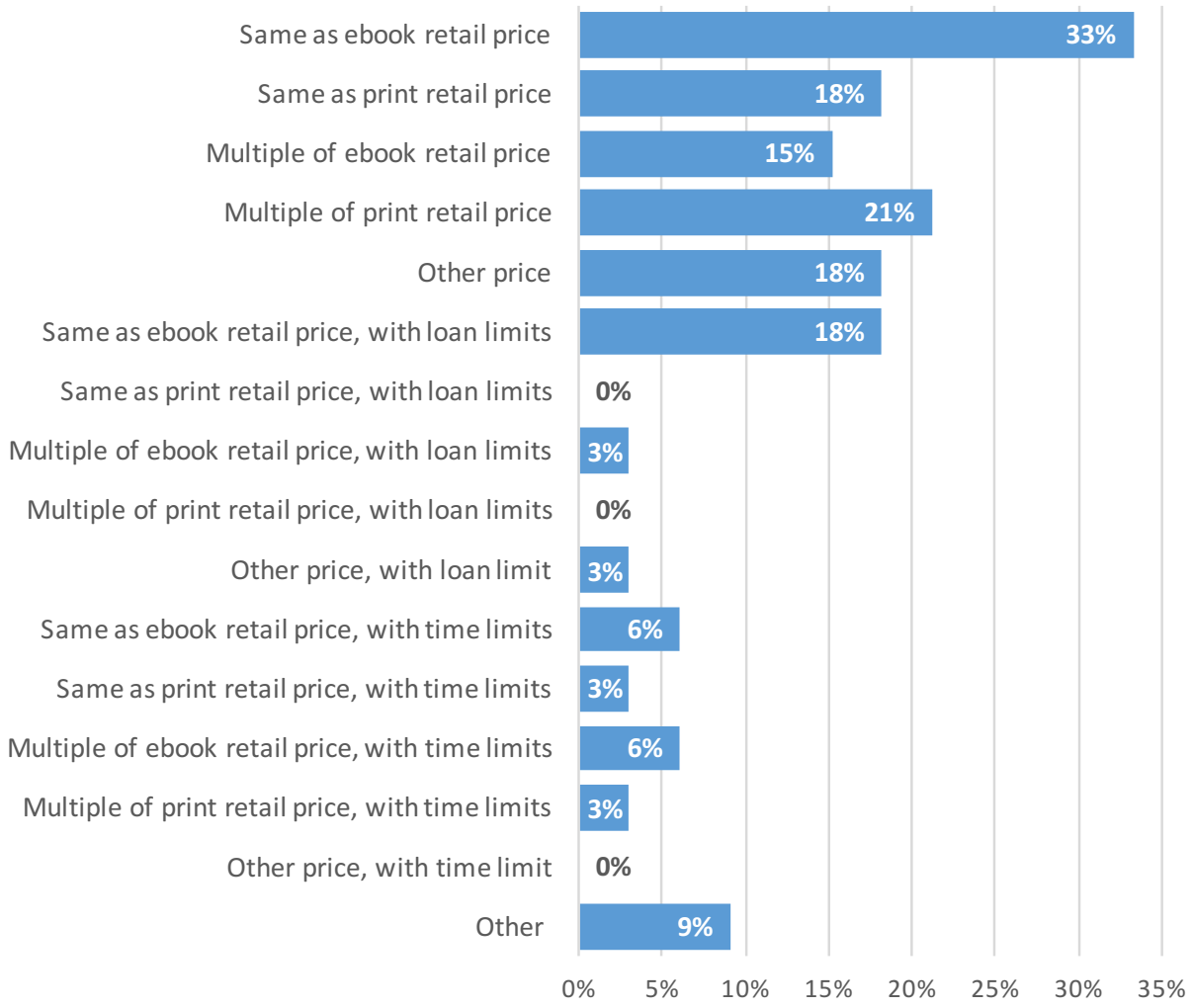
Libraries & Ebooks

LIBRARY EBOOK SALES



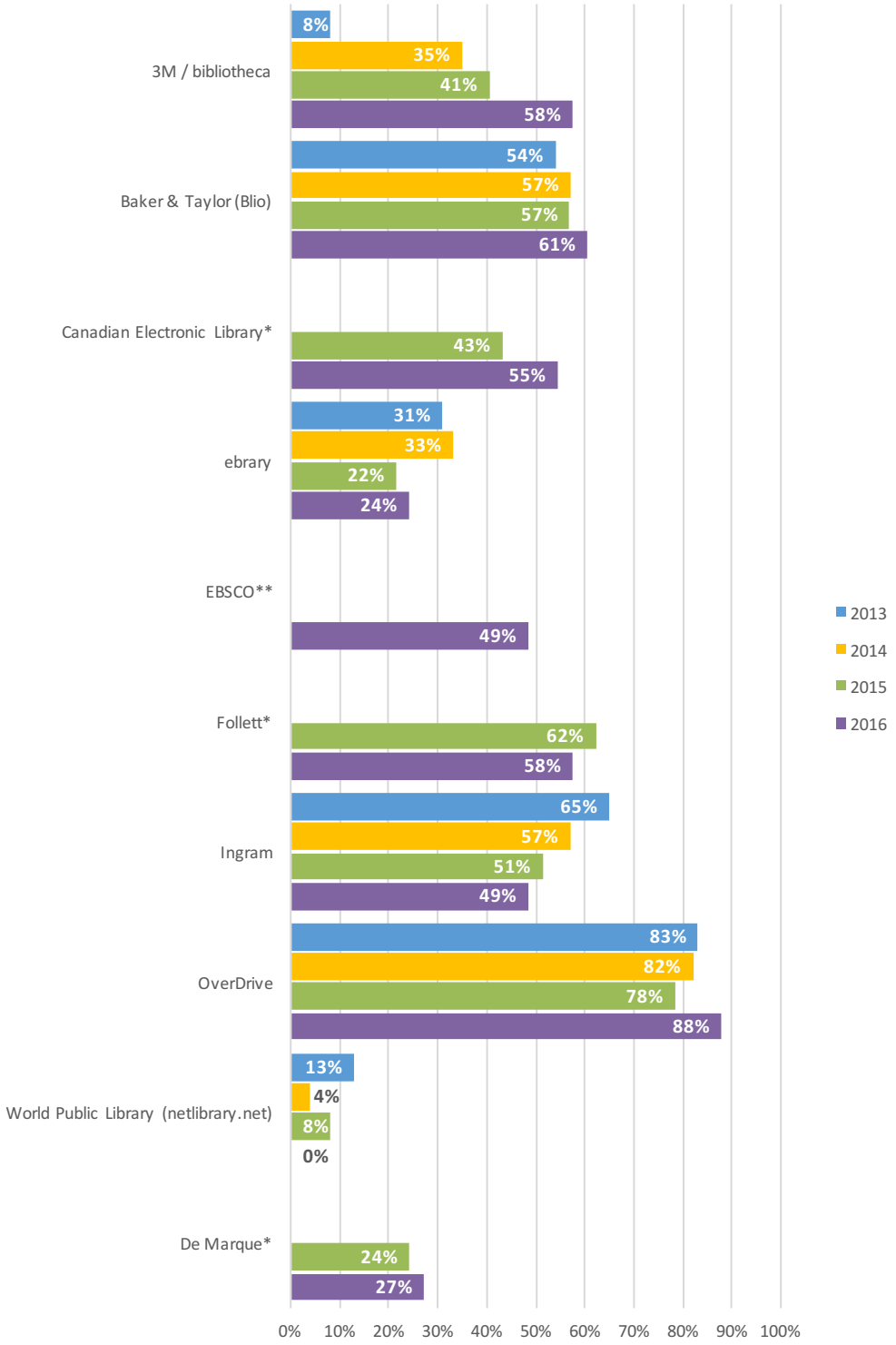
Question: Do you sell ebooks to public libraries?
(2013 N=78, 2014 N=65, 2015 N=49, 2016 N=43)

PRICING FOR LIBRARIES



Question: How are you pricing digital books for library sales? (Please select all that apply.) (2016 N=33 respondents, N=52 responses)

LIBRARY DISTRIBUTION



Question: What library services (wholesalers) do you use? (Please select all that apply.) (2013 N=48 respondents, N=136 responses; 2014 N=49 respondents, N=146 responses; 2015 N=37 respondents, N=150 responses; 2016 N=33 respondents, N=163 responses)
**not asked in 2013 and 2014*

Breakdown by market focus	3M/ bibliotheca	Baker & Taylor (Blio)	Canadian Electronic Library*	ebrary	EBSCO	Follett*	Ingram	OverDrive	World Public Library	De Marque*
Trade / Consumer	12%	13%	11%	4%	9%	13%	11%	19%	0%	5%
Scholarly / Professional	9%	9%	11%	11%	14%	6%	11%	11%	0%	6%
Education / K-12	13%	13%	13%	0%	13%	13%	0%	25%	0%	13%

Highlights:

Publishers continue to sell their ebooks to libraries at a stable rate, with a 1% increase experienced every year from 2014 (75%) to 2016 (77%).

In 2016, we broke down the pricing categories of digital books for library sales even further than in previous surveys, to reflect the differences between print retail prices and ebook retail prices. We found that the majority of firms offer libraries the same price for their digital books as the ebook retail price (33%), followed by a multiple of the print book retail price (21%).

OverDrive continues to be the most popular library wholesaler, with 88% of firms using their service. Baker & Taylor (61%), 3M/bibliotheca (58%), and Follett (58%) are also very popular. Meanwhile, World Public Library experienced a decline from 8% in 2015 to 0% in 2016. This year, EBSCO was added as a new vendor option, garnering 49% of responses.

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CANADA

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INSIDE:

PUBLISHING PERSPECTIVES

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www.livrescanadabooks.com

LETTER TO READERS

Livres Canada Books and *Publishing Perspectives* are proud to bring you this new magazine about the Canadian publishing community. I use the word "community" because that's what we are: a true community.

Canada has two official languages, with many more being spoken around the country. We advocate for the book publishing industry as a means of promoting Canada's diversity, values, and identity to the rest of the world.

The strength of the Canadian book industry can be seen in its support for the diverse needs and priorities of its publishers' book export activities and international marketing strategies, and in its ability to anticipate and adapt to economic and structural changes.

Canada is fortunate to have a government that is committed to supporting our cultural industries. The government of Canada, through the Department of Canadian Heritage, ensures that our vibrant publishing industry thrives and that readers have access to a diverse range of books by Canadian authors and publishers.

The Department of Canadian Heritage is also supporting Canada's participation as Guest of Honour at the 2020 Frankfurt Book Fair. Over the next several years, the CANADA FBM2020 organization will bring you additional translation funding, information about Canadian publishers and authors, and networking opportunities.

Support from our industry associations—the Association of Canadian Publishers (ACP), the Association nationale des éditeurs de livres (ANEL), the Association of Canadian University Presses (ACUP), the Literary Press Group of Canada (LPG), le Regroupement des éditeurs canadiens-français (RECF), The Writers' Union of Canada (TWUC), Union des écrivaines et des écrivains québécois (UNEQ), Québec Édition, Livres Canada Books, and others—ensures that the interests of publishers and authors are heard.

The people who work hard to organize our country's many literary festivals and events means that Canadian publishers can showcase our authors to the reading public and the media.

There are also a number of industry initiatives, publishers, and associations that support Canada's Indigenous authors and support readers who want to see more diversity reflected in the books they read.

This magazine presents just a small part of Canada's book market, just a handful of the dedicated publishing professionals whose passion and hard work bring to light the many talented authors, scholars, illustrators, and creators from across Canada.

I invite you to get to know the Canadian publishers here at the Frankfurt Book Fair (Hall 6.0 B65 and Hall 5.1 E111) and at other book fairs around the world. And I invite you to visit us in Canada and to learn more about our book market.

François Charette
Executive Director | Directeur général
Livres Canada Books
www.livrescanadabooks.com

LIVRES CANADA BOOKS®

ABOUT LIVRES CANADA BOOKS

Founded in 1972, Livres Canada Books is a not-for-profit organization based in Ottawa. Its mandate is to support Canadian-owned and controlled book publishers' export sales activities in order to help publishers improve their overall export results. As the only national industry association for English- and French-language book publishers, Livres Canada Books connects publishers across Canada and provides services in both languages.

In addition to providing direct financial assistance to publishers, Livres Canada Books plays a significant role in advancing international sales and building export expertise among Canadian publishers. It provides a range of services to help publishers maximize their presence at key international book fairs, including the Canada Stand, a turnkey collective exhibition stand.

Livres Canada Books also develops cooperative initiatives to promote Canadian publishing. *Rights Canada* (a collective foreign rights catalogue) and its *Canadian Studies Collection* to introduce Canadian books to publishers, literary agents, distributors, booksellers, librarians, and academics around the world.

Livres Canada Books also publishes in-depth intelligence about foreign markets, offers professional development through seminars and workshops, and works with other publishing associations to ensure Canadian publishers are strongly positioned to expand into export markets.

ABOUT PUBLISHING PERSPECTIVES

Publishing Perspectives is the leading source of information about the global book publishing business. Since 2009, we have been publishing daily email editions with news and features from around the book world.

Our mission is to help build and contribute to the international publishing community by offering information that publishing and media professionals need to connect, cooperate, and work together year-round and across borders.

In addition to our daily online coverage, we also offer an online monthly rights edition, as well as print magazines at special events including the London Book Fair and the Frankfurt Book Fair.

As a project of the Frankfurt Book Fair New York, *Publishing Perspectives* works with our colleagues in Frankfurt and the Fair's international offices, as well as IPR License, to share with you the latest trends and opportunities, people to know, companies to watch, and more.

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PUBLISHING PERSPECTIVES

ABOUT THIS MAGAZINE

The magazine about the Canadian literary and book publishing market was jointly produced by Livres Canada Books and *Publishing Perspectives*.

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Special thanks to:
Association of Canadian Publishers; Association nationale des éditeurs de livres; Association of Canadian University Presses / Association des presses universitaires canadiennes; BookNet Canada; BTLF; Canada Council for the Arts; Canadian Publishers Council; Literary Press Group of Canada; Québec Édition; Regroupement des éditeurs canadiens-français; The Writers Union of Canada; Union des écrivaines et des écrivains québécois and the Canadian publishers, agents, and others who contributed their expertise.

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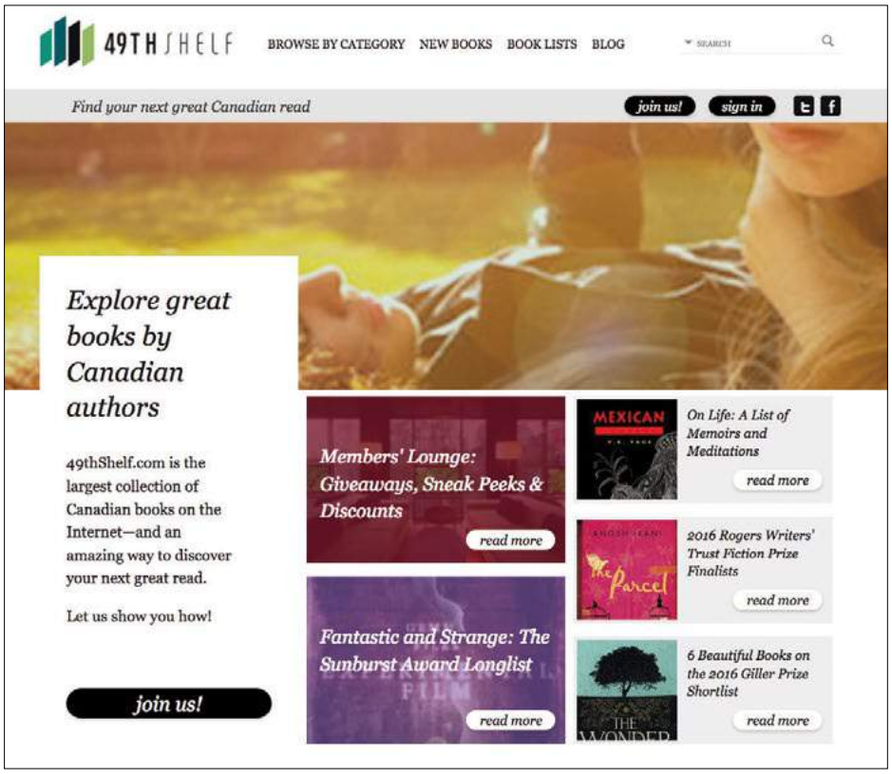

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- Paris Book Fair
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- Frankfurt Book Fair
- Bologna Children's Book Fair (with Livres Canada Books)

Le programme de *fellowship* à Montréal

Chaque année, en novembre, à l'occasion du Salon du livre de Montréal, Québec Édition reçoit 10 éditeurs étrangers, pour six jours d'activités et de rencontres dans une ambiance conviviale. Pour l'édition 2018, l'appel de candidature sera lancé en janvier. Date limite pour postuler : 1er juin 2018
Visitez : quebecedition.qc.ca/fellowship

RENDEZ-VOUS

The fellowship program in Montréal

Each year in November, during the Salon du livre de Montréal, Québec Édition welcomes 10 foreign publishers for six days of activities and meetings in a friendly atmosphere. For the 2018 edition, the call for applications will be launched in January.
Application deadline: June 1st, 2018
Go to: quebecedition.qc.ca/fellowship

Pour découvrir des titres, consultez la Vitrine de l'Entrepôt du livre numérique
Discover titles on the *Vitrine de l'Entrepôt du livre numérique*
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RECENT NEWS FROM CANADIAN PUBLISHING


Margaret Atwood (Photo: Jean Malek)

MARGARET ATWOOD TO RECEIVE PEACE PRIZE OF THE GERMAN BOOK TRADE

Germany's Booksellers and Publishers Association has named Canadian author Margaret Atwood as the recipient of German book trade's 2017 Peace Prize.

The Peace Prize, awarded since 1950, carries a purse of €25,000 (US$28,012). The prize will be awarded to Atwood at a ceremony during the Frankfurt Book Fair on Sunday, October 15 at St. Paul's Church in Frankfurt.

In its statement, the prize jury said, "Canadian author Margaret Atwood has demonstrated a keen political intuition and a deeply perceptive ability to detect dangerous and underlying developments and tendencies."

Atwood, 78, has had a big year. Earlier this year, she received the 2016 PEN Pinter Prize. And her 1985 novel, *The Handmaid's Tale*, was made into an Emmy award-winning Hulu miniseries.

COPYRIGHT UPDATE: FEDERAL COURT RULING BACKS PUBLISHERS' POSITION

The Copyright Modernization Act of 2012 amended Canada's copyright legislation to include the word "education" among exceptions—leading many educators to use copyrighted material without seeking permission, and publishers to lose as much as $50 million a year.

In July, a federal court rejected the current guidelines as unfair. Non-profit organization Access Copyright calls the decision "a big win for creators and publishers."

Many publishers hope the next step will be a change in the Copyright Act when the government reviews the law, which could happen in 2017 or 2018.

WATTPAD PARTNERS WITH HACHETTE AND HARPERCOLLINS CHILDREN'S

In July, Canada-based online writing platform Wattpad announced a deal with Hachette that will bring several top-performing Wattpad serials to France as print books. The first three titles in this deal were read online millions of times.

Several days later, Wattpad announced another deal with HarperCollins Children's Books to bring the platform's teen stories to the print market.

"We have insights no other company has and are eager to help HarperCollins discover some of the best YA storytellers and the most viral content on the Internet," said Wattpad's chief of partnerships, Ashleigh Gardner.

BOOKNET CANADA: 82% OF CANADIANS READ A BOOK IN THE LAST YEAR

This August, BookNet Canada released results from its survey on leisure activities. Eighty-two percent of respondents said they read at least on book last year, and more people reported listening to audiobooks. Reading on smartphones increased by 6 percent over last year.

Book discovery was evenly split between browsing online and browsing in physical bookstores, at 38 percent each. Word-of-mouth recommendations, however, remain the largest influence on book buying.

Over 55 percent of respondents said they participate in some kind of online book community or social media group.

LITERARY CANADA: A BROAD OVERVIEW OF THE MARKET

Since the 1960s, Canada's book publishers have flourished, actively building and exporting the country's literature.
By Livres Canada Books and Publishing Perspectives

A Diverse Nation

Canada—with the second largest land mass facing three oceans and one of the longest borders in the world—is a country of 36 million people. About 22 percent of the population are francophones primarily living in Québec, while 60 percent are anglophones.

Celebrating 150 years of Confederation this year, this is a country of ten provinces and three territories, each with specific regional characteristics. Canada's geography and historic openness to others have challenged and shaped its politics, social programs, and culture.

More remarkable is the short period of time, since the early 1960s, in which the book publishing industry has come of age. Historically there were many imported titles from the UK, US, and France, and still many today against which Canadian-owned publishers must compete.

The official French and English languages have been joined by an impressive expanse of cultures across the country, while First Nations, Métis, and Inuit languages gain needed attention.

Toronto, the largest city, boasts a diverse population, with over half its citizens born outside the country. That openness to welcoming others is evident in the languages heard daily, constantly infusing the city with culture in many forms.

This year, Montréal is celebrating its 375th anniversary. It is the largest city in Québec, where French is the majority official language and where over 80 percent of the country's francophones reside. More francophone communities can be found across Canada, primarily in New Brunswick and Ontario, as well as in the prairie provinces.

> Canada's geography and historic openness to others have challenged and shaped its politics, social programs, and culture.

Publishing in Canada

Canada is a country of readers with literacy rates among the highest in the world. This is evident from the latest print and ebook domestic sales from the independent English and French language publishers, totaling $283 million.

What kinds of books do Canadians read? BookNet Canada's most recent survey indicates that print rules for 90 percent of respondents, 48 percent read on mobile devices, and 26 percent prefer audio.

National publisher associations have offices in cities where the majority of book publishers are based, but independent publishers are found everywhere, and regional affiliates provide services and advocacy at the local level. These are nimble and creative houses, using many strategies to reach new audiences and encourage innovation (*read more about Canadian-owned publishers on pages 16, 18, 28, and 32*).

The earliest bookseller opened in Halifax on the Atlantic coast in 1761. More stores opened in Montréal in the 1840s carrying imported books from the UK and US, as well as books printed locally under license. Some booksellers became agents and eventually, wholesalers. In time, bookstores could be found across Canada, mainly single-owner businesses within drugstores or in railway stations. Later, small chains took hold in the more populated centers in Ontario and Québec.

Today, however, with the advent of online book buying and various formats available to the consumer, the bookselling landscape has undergone big changes.

In Ontario and throughout the country, the Chapters-Indigo bookstore chain has a monopoly, although independent booksellers are holding their ground (*read about bookselling on page 43*).

Years ago, the Québec government instituted a requirement that all books be sold by accredited bookstores as a means of providing support and financial stability, and to lessen the impact of imports from overseas. Since 2015, changing markets and store mergers have resulted in just one French-language chain, Renaud-Bray.

Canadian publishing professionals gather at Export Exchange, organized b

y Livres Canada Books

> These are nimble and creative houses, using many new strategies to reach new audiences and encourage innovation.

Independent Canadian publishers in both languages have been active in export sales for more than 45 years. Recent figures show almost $98 million in export sales, of which $90 million are rights and translation sales from trade publishers.

With respect to ebooks, export sales went from $2.3 million in 2013-2014 to $5.9 million in 2016-2017, almost a 160-percent increase (*read more about agents and rights on pages 20 and 34*).

"Though print book sales remain central to Canadian publishers' business model, independent firms are fully engaged in the ebook market, and more are experimenting with audiobook production as well," says Kate Edwards, executive director of the Association of Canadian Publishers.

Canadian books are sold around the world as export sales of finished books, ebooks, and translated titles. They are made into award-winning films reaching wide audiences. A diverse list of authors and illustrators with a uniquely Canadian perspective on an even longer list of stories and subjects have brought the country, its people, and its vibrancy to enviable attention and acclaim (*read more about authors on pages 14, 24, 37, and 41*).

CANADIAN PUBLISHING ORGANIZATIONS

In Montréal:

L'Association nationale des éditeurs de livres (ANEL) has 100 French-language members from Québec and within Canada that publish a variety of literary genres. ANEL's mission is to support the growth of French-language publishing through professional development, promoting reading, and marketing of members' books. "In anticipation of Frankfurt 2020, when Canada will be Guest of Honour, more of our member publishers will be active during this prestigious international book meeting," says Richard Prieur, *next page »*

« from previous page executive director of ANEL (*read the interview on page 35*).

Québec Édition is a committee of ANEL dedicated to promoting Québécois and Canadian French-language publishing by supporting publishers' export activities, organizing collective stands at fairs like Frankfurt for over thirty years, and putting together scouting missions to various export markets.

Banque de titres de langue française (BTLF) provides technology and services to the French-language publishing supply chain. BTLF aggregates metadata from publishers and distributors, tracks sales data, and promotes industry standards like EPUB.

Entrepôt du livre numérique is the digital arm of ANEL, forging an alliance with De Marque, a digital publishing service provider, to establish a collective electronic warehouse with over 25,000 French-language ebook titles published by ANEL and RECF publishers members.

Since its founding in 1977, **UNEQ (l'Union des écrivaines et des écrivains québécois)** now has more than 1,600 members—writers from all genres. UNEQ works on the promotion and distribution of Québec literature while also defending the socio-economic rights of its members.

In Toronto:

The Association of Canadian Publishers (ACP) represents approximately 115 Canadian-owned and controlled book publishers from across the country, a diverse group proving vital to the development of new Canadian authors by publishing a variety of genres including children's, general trade, educational, and scholarly works (*read the interview on page 22*).

The Literary Press Group of Canada (LPG) started in 1975 as an ACP affiliate. Its mandate is to support the growth of Canadian literary culture, helping its 60 member publishers from across Canada to sell, distribute, and market their books primarily of poetry, fiction, drama, and creative nonfiction.

The Canadian Publishers Council (CPC) has 16 members, comprising foreign-owned publishing companies. Their history in Canada goes back to when imported books from the UK and US were the norm. These international publishers hace continue to dominate the market and have developed publishing programs with Canadian writers and illustrators.

The 16-members of the **Association of Canadian University Presses / Association des presses universitaires canadiennes (ACUP/APUC)** publish, distribute, and support the interest of Canadian scholarship, assisting higher learning institutions and their scholars through the exchange of ideas to a broader public (*read more about the ACUP/APUC on page 36*).

BookNet Canada is a non-profit organization that develops technology, standards, and education to serve all those involved in the book chain, from creation and production through to retailers and wholesalers. BookNet Canada tracks 85% of all English-language Canadian print book sales through BNC SalesData.

E-bound Canada, the ACP's not-for-profit digital arm, reports sales of Canadian ebooks in more than 100 territories around the world. It provides conversion, distribution, digital asset management (DAM), reporting, and other research information with the aim of advancing digitization of books.

The Writers' Union of Canada (TWUC) is a national organization with over 2,000 professionally published authors, working to improve the conditions of Canadian writers. TWUC is responsible for the establishment of Public Lending Right and Access Copyright, providing writers with financial compensation for the use of their work by libraries and electronic reproduction.

In Ottawa, the nation's bilingual capital:

Regroupement des éditeurs canadiens -français (RECF) represents francophone publishers in Canada located outside Québec. RECF has 15 members and focuses on activities around marketing, promotion, sales representation, and professional development.

Livres Canada Books has a mandate to support Canadian-owned and controlled English- and French-language book publishers' export sales activities to help improve overall export results. Livres Canada Books develops and implements policies and programs to assist exporting publishers, organizing a stand at major book fairs. In 2016-2017 over 150 publishers received support to export their books and take advantage of the Livres Canada Books' mentorship program. •

"This is a fantastic opportunity to enable Canada's artists and cultural entrepreneurs to maximize their full export potential, to help increase their competitive position on the international stage, and to ensure long-term sustainability."

—the Honourable Mélanie Joly, Minister of Canadian Heritage

#CANADAFBM2020: CANADA PREPARES TO BE GUEST OF HONOUR IN FRANKFURT

International networking and rights activities are already heating up as Canada looks ahead to 2020.

By Hannah Johnson

A little less than a year ago, Canadian Heritage minister Mélanie Joly and Frankfurt Book Fair director Juergen Boos signed a contract putting Canada in the spotlight as the Fair's 2020 Guest of Honour.

"Our government is committed to ensuring that readers everywhere have access to a wide range of Canadian-authored books, and I look forward to showcasing Canada's book industry at the Frankfurt Book Fair in 2020," said Joly in a press statement.

"Given the high levels of cultural exchange between Canada and Europe, we believe there is strong international interest in learning more about Canadian publishers, authors, culture and media," said Boos.

The program is several years away, but the Guest of Honour organizing committee, CANADA FBM2020, reports that the country's "book industry is already focusing its efforts on planning a successful and impactful event, and has consolidated support across Canada for the project."

More specifically, the committee is at work right now putting together information for the international book industry about Canadian publishers and authors, as well as programs that will cultivate international networking, export sales, and translation (*read more about available translation funding on page 12*).

The committee is made up of representatives from both the Association of Canadian Publishers (ACP) and Association nationale des éditeurs de livres (ANEL), and is supported by export associations Livres Canada Books and Québec Édition.

For international publishers wanting to build more connections with Canadian publishers, now is a good time. According to Livres Canada Books, the number of Canadian publishers has tripled in the last 25 years. There are more than 1,500 Canadian-owned publishing companies, and they produce some 10,000 new titles by Canadian authors each year. •

Left to right, at the signing ceremony: Nicole Saint Jean (Guy Saint-Jean Éditeur and then-president of the Association nationale des éditeurs de livres), Caroline Fortin (Québec Amérique and president of CANADA FBM2020), Mélanie Joly (Minister of Canadian Heritage), Matt Williams (House of Anansi Press and then-president of the Association of Canadian Publishers)

"UNITED IN SUPPORT OF A SHARED INTERNATIONAL PROJECT"

As executive director of CANADA FBM2020, Gillian Fizet sees the Canadian publishing industry coming together to find new export opportunities abroad.

EVENTS & PLANS FROM CANADA FBM2020

Over the next two years, CANADA FBM 2020 will organize a number of events and activities:

- Translation support program
- Translation catalogue of Canadian-authored titles for German publishers
- Consultation sessions between publishers and German market consultants
- Two fellowship trips taking German editors to Canada
- Fellowship trip taking Canadian editors to Germany
- Networking opportunities to strengthen business efforts leading up to Frankfurt 2020
- Promotional opportunities with other cultural events in Germany

RESOURCES: GET TO KNOW THE CANADIAN BOOK MARKET

Networking Events

"In the lead-up to 2020, and beginning this year at FBM 2017, we will be hosting a series of meet-and-greets and networking opportunities between Canadian and German publishers whether at home in Canada or abroad at international book and trade fairs," says Fizet.

Reading Canada: A Literary Tour in Seven Parts / Lire le Canada: un voyage littéraire en sept escales

"A beautiful visual tool to inform and promote potential partners about Canada's diverse publishing landscape."

October Issue of Granta Magazine

"Curated by literary heavyweights Madeleine Thien and Catherine Leroux, it will be devoted to Canada's literature and promises to provide a thorough sampling of some of today's most interesting writers from English and French Canada."

Gillian Fizet

By Hannah Johnson

"People are eager to make the most of Frankfurt 2020," says Gillian Fizet, executive director of Canada FBM2020, the organization that is responsible for Canada's Guest of Honour appearance at the 2020 Frankfurt Book Fair.

Fizet is already working on a growing list of events and projects leading up to 2020 that will help Canadian publishers network, promote, and do more business internationally.

Publishing Perspectives: What has been the Canadian publishing industry's response so far to the Guest of Honour plans?

Gillian Fizet: French-language and English-language Canadian publishing industry members, including both independent and multinational publishers, as well as other affiliated groups and associations such as the Association of Canadian University Presses (ACUP), the Professional Association of Canadian Literary Agents (PACLA) and Editors Canada, have welcomed the news of Canada being the GoH with great enthusiasm. Since CANADA FBM2020's inception this past February, we have been doing outreach across the country to connect with industry members, and the support for the project is indeed widespread, coast to coast. People are eager to make the most of Frankfurt 2020, and view it as a strategic way to promote our rich literary tradition and culture on the international stage and open the door to new business in Germany and other export markets.

PP: In a way, the Canadian book industry is really two markets in one (French and English language). How will this dynamic influence the Guest of Honour planning and programming?

GF: The GoH project presents the first time that the Canadian publishing industry and Canadian authors, both anglophone and francophone, are united in support of a shared international project. We are very excited by this unique opportunity and have no doubt that our exchanges and collaborations will produce an incredibly rich program that is reflective of our diverse literary, cultural, and linguistic heritage.

PP: Before you started as Executive Director of CANADA FBM2020, you worked in rights. What challenges and opportunities do you see for Canadian publishers selling rights abroad?

GF: In meeting with publishers from across Canada during these first few months on the project, I'm continuously reminded of just how many excellent books we publish every year.

And while there is a fair deal of export expertise in our industry, I'm more convinced than ever that there exists a lot of untapped potential and a lot more opportunity for Canadian books to be discovered internationally.

The biggest challenge facing publishers right now is that they lack the resources (time, personnel, financials, etc.) to support export initiatives. Happily, the GoH initiative has the potential to change that.

That said, having worked in rights for nearly 10 years, I know first-hand how much work it can be to make connections and build business relationships. The project has the potential to serve as a springboard for future export activity for publishers who understand the significance of the investment and are committed to developing their expertise beyond 2020.

PP: What is it about the book publishing industry that energizes you and gets you out of bed on Monday morning?

GF: The fact that I get to connect with people from around the world who are as passionate about books as I am and equally as curious about ideas, experiences, and the world. Publishing is, through and through, one of the most noble and stimulating professions out there—and I seriously can't picture myself doing anything else. •

"There's a perception that the francophone community is much smaller than the anglophone community. The fact is that there are more books published in Québec and francophone Canada than in the English language."

—Arash Mohtashami-Maali

CANADA COUNCIL FOR THE ARTS: INDUSTRY-WIDE, MULTI-LINGUAL SUPPORT

The Canada Council for the Arts provides funding and grants for the publishing community—both at home and abroad.

By Carla Douglas

In a country with two official languages and the world's second-largest geographical area, providing broad and equitable support to diverse literary communities in Canada can be a challenge.

The Canada Council for the Arts administers grants, services, prizes, and payments to Canadian artists and arts organizations, with programs that support French and English writers and publishers in all regions of the country.

Publishing Perspectives spoke with Arash Mohtashami-Maali, director of Arts Across Canada at the Canada Council about how the organization adapts to best serve Canadian artists and arts organizations in both official languages.

Publishing Perspectives: How do the French and English sectors of Canada's literary community work together?

Arash Mohtashami-Maali: They do work together on several levels. In fact, although their industries operate differently, they're able to find common ground.

The Canada Council also has initiated more collaboration among the communities. In 2014, we convened more than 250 francophones, anglophones, and Aboriginal participants in a national forum on literature. Last year, writers' associations from across the country organized a bilingual national forum in Toronto.

Since 2009, the Canada Council has organized The Translation Rights Fair, where English and French publishers and agents meet to sell rights and to share ideas.

PP: Can you give us a brief overview of the many grants and programs for writing and publishing that the Canada Council oversees?

AM-M: We have programs open to writers, poets, translators, literary book publishers, book fairs and festivals, reading series, libraries, literary event organizers, associations, literary groups, literary and arts magazines, literary agents, and foreign publishers—to translate Canadian literary books.

All programs are available to francophones, anglophones and Aboriginal communities.

PP: Are there challenges to administering programs when one group is significantly smaller?

AM-M: There's a perception that the francophone community is much smaller than the anglophone community. The fact is that there are more books published in Québec and francophone Canada than in the English language.

Thanks to some provincial laws that promote arts and culture in Québec, publishers are able to produce a very good number of books.

PP: Have there been recent changes to Canada Council funding for writers and publishers?

AM-M: In the last two years, Canada Council restructured all its programs. Last spring, we launched our new set of programs and all disciplinary sections and programs were replaced by seven non-disciplinary programs.

Literary professionals and organizations may apply to these programs and their applications will be assessed in disciplinary juries. We have a lot of material and documentation on our website about these new programs. •

INTERNATIONAL TRANSLATION FUNDING FROM CANADA COUNCIL FOR THE ARTS

What types of writing does the funding cover?

Translation funding is available for fiction and short stories, poetry, drama, graphic novels, children's and YA literature, and literary nonfiction. Texts originally written in English, French, or one of Canada's Aboriginal languages are eligible for funding.

How much funding can I get?

Up to CA$20,000 for each translation. Each applicant is eligible to receive up to two translation grants per year. Costs are calculated based on translation fees.

How do I apply?

First, register at the Canada Council's online portal (apply.canadacouncil.ca). You'll need to allow 30 days for the Council to confirm your eligibility before you can submit an application.

What are the requirements?

Among other information, you'll need to include copies of signed contracts with the Canadian rightsholder (like a publisher or literary agent) and with a translator. The application should also include a project overview, budget, promotion and marketing plan, and a copy of the book you intend to translate.

Guest of Honour 2020 Translation Funding

Canada will be the Guest of Honour at the Frankfurt Book Fair in 2020. The Council is pleased to be associated with this important event and will offer a special incentive for the translation of Canadian books into German starting in 2018 . . . watch our website for more details.

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Website & Information:

canadacouncil.ca/funding/grants/arts-abroad/translation

ANGLOPHONE AUTHORS TO KNOW

Recommended by Geoffrey Taylor, director of the International Festival of Authors in Toronto, this list of anglophone Canadian authors runs from established literary figures to up-and-coming talent. These are the writers you shouldn't miss. ***—Hannah Johnson***

GLOBAL BESTSELLERS

Margaret Atwood
Toronto, Ontario

Perhaps Canada's most well-known author right now, Margaret Atwood just got another boost as the television adaptation of her 1985 dystopian novel, *The Handmaid's Tale*, won three Emmy awards this September.

Atwood is incredibly prolific, having written 16 novels, 8 short fiction collections, 10 nonfiction books, 8 children's books, a graphic novel, and numerous collections of poetry. She has, of course, won many literary awards for her writing.

Her writing is often dystopian, with themes of feminism, politics, and justice. She's also credited with advancing the definition of the Canadian literary identity, both in her fiction and nonfiction.

Her most recent novel, *Hag-Seed* (2016) retells Shakespeare's *The Tempest*. She also published last year her first graphic novel, *Angel Catbird*, about a genetic engineer/superhero.

Douglas Coupland
Vancouver, British Columbia

Douglas Coupland's first novel, *Generation X*, was published in 1991 by St. Martins Press and became an international bestseller. The book popularized the term "generation X" and captured the zeitgeist of twentysomethings disappointed with the nine-to-five office life.

Coupland has since published 13 novels, 2 short story collections, 7 nonfiction books, and numerous articles. Much of his work focuses on modern culture and working life. His books have been translated into more than 35 languages. Oh, and he's also a visual artist.

Coupland's latest book, *Bit Rot*, (2016) is a series of essays and short stories that explore a range of subjects from economics of Grexit to surveillance culture and the effects of the internet on our brains.

Yann Martel
Saskatoon, Saskatchewan

Yann Martel is best known for his 2001 novel, *Life of Pi*, which sold more than 12 million copies worldwide and won the Man Booker Prize, among other literary awards. The film adaptaion was directed by Ang Lee and received 11 Academy Award nominations.

Life of Pi was Martel's second novel. *The New York Times* reported that rights to his third novel, a Holocaust allegory titled *Beatrice and Virgil*, sold at auction to US publisher Spiegel & Grau for around $3 million. His latest novel, *The High Mountains of Portugal*, was published in February 2016.

Rohinton Mistry
Brampton, Ontario

Much of Rohinton Mistry's work focuses on social and political issues, both in his native country of India and for Indian emigrants abroad. His work has been recognized by some of the most prestigious literary prizes and sparked controversy in India.

His first novel, *Such a Long Journey*, won the Governor General's Award, the Commonwealth Writers Prize for Best Book, the W.H. Smith Books in Canada First Novel Award, and was shortlisted for the Man Booker. It was also banned by Mumbai University, which gave in to pressure from a political group.

His 1995 novel, *A Fine Balance*, was also shortlisted for the Man Booker Prize and selected as an Oprah's Book Club pick.

Alice Munro
Wingham, Ontario

The announcement that short story writer Alice Munro had won the Nobel Prize for Literature came during the 2013 Frankfurt Book Fair. She was the first Canadian to win the prestigous award. The Swedish academy described her as "a master of the contemporary short story."

She's also won the Man Booker Prize, the Governor's General Prize, the Giller Prize (twice), and many other awards for her work.

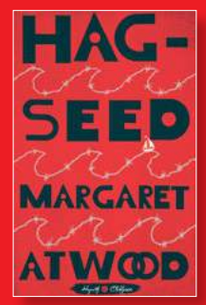
Many of her stories are set in small-town Ontario, and she's published 14 short story collections since her first in 1968. Her most recent book, *Dear Life*, came out in 2012.

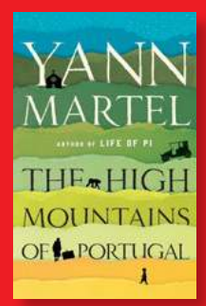
Michael Ondaatje
Toronto, Ontario

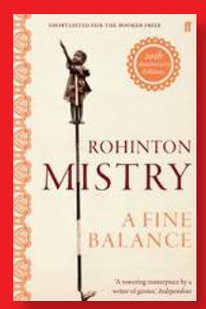
Best known for his WWII novel-turned-blockbuster, *The English Patient*, Michael Ondaatje's work also includes poetry, memoir, and film. He's won the Governor's General Prize five times, as well as the Man Booker Prize, the Giller Prize, and others.

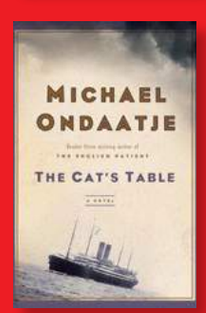
Ondaatje first made a literary name for himself as a poet, publishing his first collection in 1967. In total, he's published 13 works of poetry, six novels, a memoir, and edited numerous books.

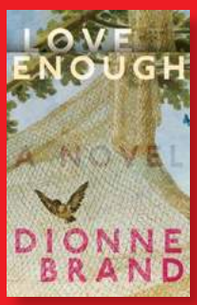
His most recent novel, *The Cat's Table*, was published in 2011. It follows an 11-year-old boy's ocean liner voyage from Sri Lanka, through the Suez Canal, and on to England.

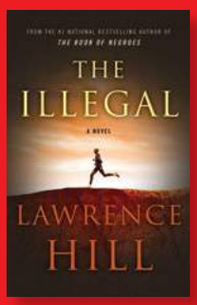


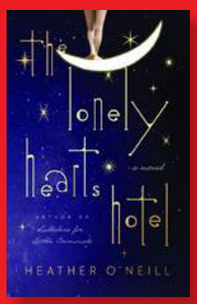


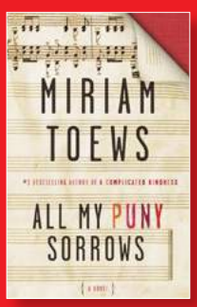


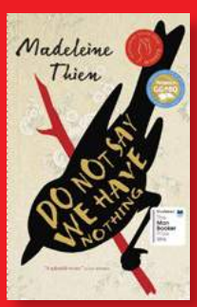












CANADIAN STARS

Joseph Boyden

Three Day Road, Joseph Boyden's debut novel, won multiple awards and literary recognition. Much of his work focuses on the current and historical experiences of Canada's First Nations people. His recent novella, *Wenjack* (Penguin Random House Canada, 2016), is the story of an Ojibwa boy who runs away from a residential school.

Dionne Brand

Originally from Trinidad, Dionne Brand writes poetry, nonfiction, and fiction. She's won the Governor General's Award for Poetry, among others, and her most recent book, *Love Enough* (Knopf Canada, 2014) is a collection of stories set in Toronto.

Emma Donoghue

She is best known for her 2010 novel, *Room* (HarperCollins Canada), which was shortlisted for the Man Booker Prize, became an international bestseller, and was adapted into a feature film. Her newest book, *The Lottery Plus One* (HarperCollins Children's Books, 2017), is the first of an illustrated middle-grade series.

Will Ferguson

The author of more than a dozen books ranging from travel writing to literary fiction, Will Ferguson is also the winner of the 2012 Scotia Giller Prize for his novel, *419*. His latest book is *The Shoe on the Roof* (Simon & Schuster Canada, 2017).

Lawrence Hill

A writer of nonfiction and fiction, Lawrence Hill's work often deals with social issues of identity, belonging, and race. His novel, *The Book of Negroes*, was adapted for television. His recent novel, *The Illegal* (2016 HarperCollins Canada) was as the 2016 Canada Reads title of the year.

Thomas King

Known for writing about First Nations people in North America, Thomas King is the author of 15 novels, including *Green Grass, Running Water* and *The Back of the Turtle*. He frequently incorporates oral storytelling traditions in his writing, and is an activist for Aboriginal rights in North America.

Anne Michaels

Anne Michaels' poetry and novels have been widely translated and won dozens of international literary prizes. Her 1996 novel about a Jewish boy, *Fugitive Pieces*, was made into a feature film. A new book of her poetry, *All We Saw*, comes out in October 2017 (Penguin Random House).

Heather O'Neill

Heather O'Neill's debut novel, *Lullabies for Little Criminals* (HarperCollins Canada, 2006), was an international bestseller and shortlisted for eight major awards. Her 2017 novel, *The Lonely Hearts Hotel*, is a story about two orphans in Montréal.

Miriam Toews

Miriam Toews grew up in a small, Mennonite community in Manitoba, which influenced much of her writing. She is best known for her 2004 novel, *A Complicated Kindness* (Knopf Canada), about a Mennonite family. Her latest novel, *All My Puny Sorrows* (Knopf Canada, 2014) is about two sisters wrestling with depression.

Jane Urquhart

A nationally bestselling author, Jane Urquhart's work been recognized by Canadian and international literary prizes. Her work often examines life in Canada, past and present. Urquhart's latest work is an illustrated book, *A Number of Things: Stories of Canada Told through Fifty Objects* (HarperCollins Canada, 2016).

AUTHORS TO WATCH

André Alexis

This year, André Alexis was one of eight recipients of the international Wyndham Campbell prize for his body of work. Originally from Trinidad and Tobago, Alexis is best known for his 2015 novel, *Fifteen Dogs* (Coach House Books) about dogs with human intelligence.

Ami McKay

Ami McKay's debut novel, *The Birth House* (Knopf Canada, 2006), became an instant bestseller in Canada and was longlisted for the IMPAC award. She followed that with another bestselling novel, *The Virgin Cure*. Her latest work is *The Witches of New York*.

Lisa Moore

Lisa Moore's commercial success began in 2002 with her short story collection, *Open*. Her 2010 novel *February* was shortlisted for the Man Booker Prize and was about an oil rig that sank in 1982. YA novel *Flannery* (Groundwood Books, 2016) is her latest work.

Eden Robinson

From the Haisla First Nation, Eden Robinson is known for her writing about Indigenous communities in Canada, and for her second novel, *Monkey Beach* (Vintage Canada, 2000), which incorporates mythical elements from her Haisla culture.

Madeleine Thien

Best known for her short stories and novels about Asian immigrant communities, Madeleine Thien was born in Vancouver to Chinese parents. Her novel *Do Not Say We Have Nothing* (Granta Books, 2016) was shortlisted for the 2016 Man Booker Prize and won the 2016 Governor General's Award.

BONUS LIST: MYSTERY WRITERS

Linwood Barclay

Getting his big break in 2007 with *No Time for Goodbye*, Linwood Barclay is an international bestselling author of 13 detective novels.

Alan Bradley

Alan Bradley became a bestselling author at age 69 with the first of his Flavia de Luce crime series, set in a small town in the 1950s.

Louise Penny

Translated into 23 languages, Louise Penny's detective series feature Chief Inspector Armand Gamache and are set in Québec.

Peter Robinson

Peter Robinson is best known for his Inspector Banks series set in Yorkshire, UK. Several books in the series have been adapted for television.

JAMES LANGER
Managing Editor
Breakwater Books
St. John's, Newfoundland

ALANA WILCOX
Editorial Director
Coach House Books
Toronto, Ontario

JOHN AGNEW
Publisher
Coteau Books
Regina, Saskatchewan

6 **INDEPENDENT PUBLISHERS** IN ENGLISH CANADA: A DIVERSE SLICE OF CANADIAN LITERARY LIFE

By Thad McIlroy

The Canadian publishing industry came of age in the 1960s and '70s. Coach House was founded in 1965. House of Anansi in 1967. The same is true for the francophone market.

The average Canadian-owned publishing company has annual sales of around a few hundred thousand dollars. Government funding is a significant factor for many parts of Canadian publishing, with funding coming from the federal and the provincial level.

"The Canadian publisher's mandate is cultural more than it is commercial," says Michael Mirolla, vice president and editor-in-chief at Guernica Editions. "In Canada, not one independent publisher could survive without government funding. We have to be very grateful to all the agencies that work with independent book publishers."

These independent publishers achieve incredible results by leveraging their lean operations, passion for books, and talented authors.

Breakwater Books

Founded in a garage by Clyde Rose in St. John's, Newfoundland, Breakwater Books has published more than 500 education and trade titles, between 12 and 14 new titles per year since 1973. Rose's daughter Rebecca, who grew up in the business, took over when her father retired in 2008.

Since taking the reins, she's been steering the list more toward trade than education.

James Langer, Breakwater's managing editor, is himself a published poet and an editor of the anthology *The Breakwater Book of Contemporary Newfoundland Poetry* (2013).

"We're a small regional publisher," Langer says. "We're very regional." This summer the press acquired Creative Book Publishing, combining two strong literary publishers in Newfoundland.

"It's exciting," he says. "I'm an editor, and here I was out in the warehouse opening boxes and marveling at all the great books arriving."

One of the company's top sellers is Barry Parsons' *Rock Recipes: The Best Food From My Newfoundland Kitchen*. It's a book that Breakwater can get onto the tables at the local Costco. "They sell an insane number of books," Langer says of the big-box retailer.

"And Newfoundlanders read Newfoundland books," he says. "It's quite remarkable. We really like ourselves."

Coach House Books

Coach House Books, founded in 1965, is the avant-garde bibliophile's favorite story: a bohemian lands in Toronto in the 1960s, opens shop in two 19th-century carpenter's sheds behind a student-run, alternative educational co-op, Rochdale College, and is soon producing some of the most significant Canadian literature of the era.

Coach House Books celebrated its 50th anniversary in 2015, and founder Stan Bevington, now publisher, is still active on the production side of the operation. The press prints nearly all of its own books though Coach House Printing.

In 1996, government funding cuts bankrupted the company, but it was resurrected by Bevington the following year.

Alana Wilcox, editorial director of Coach House Books, supervises a list of some 15 titles a year. A big recent success is André Alexis' award-winning bestseller *Fifteen Dogs*. Christian Bök's cult poetry classic *Eunoia* is a perennial hit.

"Our *Exploded Views* series is attracting a lot of praise, and it's selling well," says Wilcox. "The latest two books in the series are Julia Cooper's *The Last Word: Reviving the Dying Art of Eulogy* and Naben Ruthnum's *Curry: Eating, Reading, and Race*.

"International rights sales for André Alexis's Giller-winning *Fifteen Dogs* are going strong. Our most recent sale is to South Korea," she says.

"We're now working with Cursor Marketing Services for publicity and marketing in the US, and we've been getting good attention there, including in the *The New Yorker* and the *The New York Times*."

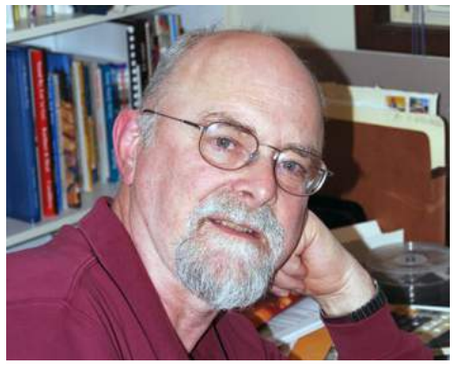
Coteau Books

Coteau Books was founded in 1975 in Moose Jaw, Saskatchewan, before relocating to Regina, the province's capital. Coteau's mission is to publish "new voices and works of literary excellence from the Canadian literary community, with an emphasis on Saskatchewan and prairie writers."

With annual sales of about $150,000, they have three full-time staffers and work with many freelancers. They've published more than 400 titles and have an active backlist of some 100 books. The company is a non-profit cooperative, unusual in Canadian publishing.

John Agnew was appointed publisher about two years ago, taking over from one of the company's founders. He has more than a dozen years in management at the Canadian Broadcasting Corporation (CBC), including a decade at CBC North in Yellowknife, capital of the Northwest Territories.

MICHAEL MIROLLA
Vice President, Editor-in-Chief
Guernica Editions
Oakville, Ontario



HOWARD WHITE
Co-Founder
Harbour Publishing
Pender Harbour, British Columbia

SARAH MACLACHLAN
President, Publisher
House of Anansi
Toronto, Ontario

The company has a board of nine people to choose the manuscripts. "In that way, with each new book they're choosing the direction of the company," Agnew says.

Coteau, like House of Anansi, has developed a recent focus on Indigenous stories. "There's all sorts of creative stuff going on," Agnew says. "There's a genuine interest—the Canadian public really wants to know."

A recent book of poetry, *Burning in this Midnight Dream* by Louise Halfe, Agnew says "is selling very, very well—already about a thousand copies, and it's new." Halfe has won a number of awards, including a longlist nomination for the Governor General's Award for Poetry in 1998.

Agnew says he sees a marked difference in the support Coteau receives from independent booksellers and from Indigo. "When I go into McNally Robinson," a large local independent, "they know our books. They know who our authors are."

Ebooks represent about five percent of Coteau's sales and are growing "marginally," Agnew says, adding that he perceives a difference between customers' experience of print and digital.

"You put a book into someone's hand and they're generally appreciative and excited," he says.

Guernica Editions

Founded in Montréal in 1978, Guernica Editions has published more than 500 titles from many parts of the world and moved to Oakville in 1992. Annual sales are about $200,000. There are seven full-time and part-time staffers. Michael Mirolla is vice president and editor-in-chief.

"I describe us as a literary press that's publishing prose, poetry, fiction, and nonfiction," Mirolla says. "We have an emphasis on diversity, choosing material that's not mainstream."

More to the point, Mirolla says, "Our authors aren't often on the front lines where the trumpets are blaring."

The company publishes many translations, and its backlist includes a lot of European titles.

One of the projects Mirolla says he's enthusiastic about is Guernica's First Poets Series, which publishes debut poetry collections by writers aged 35 and younger.

The company continues to produce ebooks, although they represent only two to three percent of sales. "Ebooks started with a bang," Mirolla says, "but our poetry books just don't sell well as ebooks. Readers want the tactile experience."

Harbour Publishing

Founded by Howard White and his wife Mary in 1974, Harbour Publishing is one of British Columbia's largest and most important publishers. The population of Pender Harbour is under 3,000, and it's about three hours north of Vancouver by car and ferry. With sales of about $2 million, the company is a tireless promoter of books that "capture the essence of British Columbia."

Recent titles include *Pacific Seaweeds: A Guide to Common Seaweeds of the West Coast* and *Hello Humpback!*, a board book for babies featuring "iconic West Coast animals, from hungry sea otters to hopping orca whales."

In early 2013, White purchased Douglas & McIntyre, which had been in bankruptcy protection since the preceding October. Rather than functioning as an imprint of Harbour, Douglas & McIntyre operates with considerable autonomy and with a list that goes beyond the regional to a national and an international focus. The combined companies publish some 40 new titles a year.

"Things are looking up," White says. "After 10 tough years, we've had two years of sales increases. It's been against all predictions."

White has some keen insights into the impact of the "print is dead" gloom that has depressed some in the industry. "Improved sales have done wonders for confidence in the business," he says. "A lot of the trouble was lack of confidence."

White also has a firm opinion on ebooks, which account for two percent of Harbour sales and less than 10 percent at Douglas & McIntyre.

"I think our customers are book collectors as much as they are readers," he says. "They tend to want the physical object and to keep it. We favor hardcovers and printing on good paper.

"We're happy to be selling print," White says. "We know how to do that."

House of Anansi

Sarah MacLachlan, president and publisher of the House of Anansi Press, spoke with *Publishing Perspectives* from the Writers at Woody Point literary festival. Woody Point is a historic Newfoundland village in Gros Morne National Park.

House of Anansi, founded in 1967, is celebrating its 50th anniversary this year. The press was founded by two Canadian writers, Dennis Lee and Dave Godfrey. Like Coach House and McClelland & Stewart, Anansi has published some of the work of Margaret Atwood and Michael Ondaatje. Today, the company specializes in "finding and developing Canadian writers of literary fiction, poetry, drama, and nonfiction." With a staff of 30 and roughly $7 million in sales, it is ranked as the largest Canadian-owned trade publisher.

Like Coach House, the company survived a bankruptcy. In 2002 its parent company Stoddart Publishing went out of business. Scott Griffin, founder of the Griffin Poetry Prize, bought Anansi that year, and the publisher has seen steady growth ever since.

As at other Canadian publishers, Anansi is putting Indigenous writers front and center on their list. MacLachlan points to three prominent titles: Katherena Vermette's novel *The Break*; Tanya Talaga's nonfiction *Seven Fallen Feathers*; and a collection of stories and songs *This Accident of Being Lost* by Leanne Betasamosake Simpson.

"Canadian independent publishers are discovering new talent and putting it out into the world," MacLachlan says.

"The big guys focus on the bestsellers. We're looking for work that we think is cutting-edge literature. For us, quality is number one." •


Rick Wilks


Barbara Howson


Lisa Lyons Johnston

EMBRACING DIVERSITY, OPEN TO DIFFERENCES: 6 **CHILDREN'S BOOK PUBLISHERS** IN ENGLISH CANADA

These Canadian children's publishers are teaching kids about acceptance, perserverance, and how to have fun. ***—Carla Douglas (with reporting by Hannah Johnson)***

Annick Press
Toronto, Ontario and Vancouver, British Columbia

Rick Wilks co-founded Books By Kids with Anne Millyard in 1975. A year later, they renamed their publishing house Annick Press.

"Annick has been deeply committed to an editorial philosophy that emphasizes both a joy of reading and the recognition that books can enrich and bring change to the lives of young people. For more than 40 years, our publications have sought to offer an authentic reassurance that kids can cope and even work to improve their lives," says Wilks. "We model young people finding their places in their communities . . . We're particularly interested in depicting the pluralistic society that's the reality for young people.

"We publish for all ages, from board books to picture books to edgy YA," says Wilks. "We're particularly interested in nonfiction and have taken on subjects like *Bad Girls of Fashion* and the dangers of internet tracking."

Market outlook: "While there are enormous pressures—such as competition for readers' time and attention, a lack of reviews, and an educational system that has yet to appropriately recognize the value of trade books in the classroom—the market is holding up very nicely. We particularly appreciate the efforts of a committed bookselling community and the many librarians who champion good literature."

Rights sales: "Our books are found throughout the world, in translation and in the original Annick editions, which are distributed globally."

Trends and challenges: "A key challenge is getting the word out. We're constantly exploring new ways to get our publications to our audience through generating buzz with engaging storylines."

Competition from big books: "The mega titles remind readers that books have a place in their lives. While many readers of the big books don't necessarily go on to read other publications, there's always an appetite for a good story."

Groundwood Books
Toronto, Ontario

Owned by House of Anansi Press, Groundwood Books has been in business since 1978. "We're a general children's book publisher and many of our books tell the stories of people whose voices are not always heard," says Barbara Howson, vice president of sales and licensing at Groundwood Books.

"Books by the First Peoples of North America have always been a special interest," she says. Groundwood Books also publishes works by Latin American authors.

"I think the key to our identity," says Howson, "is that we were publishing diverse books before it became a trend."

Market outlook: "It looks fantastic. We are having one of our best years ever and it is because of the books we are publishing . . . books that reflect our core value of giving voice to characters that might be overlooked."

Rights sales: "Rights are a huge part of our business. One of our most recent successes was *Sidewalk Flowers* by JonArno Lawson and illustrated by Sydney Smith. This book was on *The New York Times* Best Illustrated list, and has sold thousands of copies for us and has been translated into 16 languages.

"We are very active in selling film rights, as well, and the middle-grade novel *The Goat* was recently sold to a new company in the US called Cirrina Studios."

Trends and challenges: "Diversity is still a key interest and a trend which has always been central to our publishing program," says Howson.

"The independent bookstore market in the US still a challenge for us. Trying to be seen in a very crowded market is difficult, but the institutional market continues to be key for us."

Competition from big books: "When big books are new, they seem to take all of the airtime and focus from media, stores, etc. However, they do drive customers to stores, and they do put the focus on reading."

Kids Can Press
Toronto, Ontario

Founded in 1973 as a small press publishing socially responsible children's books, Kids Can Press is the largest Canadian-owned children's book publisher. Today, they publish a broad range of titles for kids and teens. "One of our signature branded collections is CitizenKid, which tackles big world issues and is designed to inspire global citizenship amongst kids ages 8 to 12," says president Lisa Lyons Johnston.

Market outlook: "Our own experience is one of growth in all channels. Kids Can Press is having a tremendous year, bookended by the Bologna Prize for Best Children's Publisher in North America, and an exclusive McDonald's Canada Happy Meal Book promotion."

Rights sales: "Our international rights sales continue to be strong amid a variety of economic climates. We often find that when sales in one territory slow down, they pick up in another, and so it comes down to investing in the global markets that show the most potential for growth at a given time—and that is always changing."

"For example, in the past few years the pub-


Ruth Linka


Catherine Mitchell


Margie Wolfe

lishing market in Brazil—usually a dependable rights territory for us—has quieted considerably [during that country's economic crisis]. But our rights sales in Turkey are booming, and we've made a lot of new contacts."

In addition to that, says Johnston, "we've had a great year in China—a lot of our backlist titles that had previously been passed over are being snapped up."

Trends and challenges: Topics like "STEM, diversity, wellness—including mental health—are the themes that educators are most eager for. And in terms of formats, board books, comic books, and graphic novels are in demand," says Johnston.

"One of the biggest challenges continues to be discoverability. How do you stand out in a sea of books being published each year?"

Outlook for children's books in Canada: "Many Canadian children's publishers, including Kids Can Press, are experiencing much more growth in the US market than in Canada, and a great deal of that has to do with the size of the market."

Domestically, says Johnston, "there has also been increased interest in celebrating and promoting Canadian books, including children's books."

Orca Book Publishers
Victoria, British Columbia

"We have almost 1,000 books in print and publish about 85 a year," says Ruth Linka, associate publisher at Orca Book Publishers. "We publish books for young readers, everything from board books for babies, picture books, early chapters books, fiction for middle readers, and YA. Also we have a strong nonfiction list, primarily for middle readers. Our nonfiction tends to encourage social or environmental consciousness."

Market outlook: "In North America, we sell into the trade and institutional market and continue to see a strong foundational market, especially in classrooms." On children's books in Canada, Linka says, "We're having some real success with our nonfiction right now and enjoying ongoing interest in our middle-grade fiction."

Rights sales: "We have a rights agent we work with but are coming to Frankfurt this year to see what more we can do," says Linka.

"We currently sell rights to between 25 and 30 titles a year, to countries like China, Korea, Germany. In 2016–17, we sold rights to one picture book to Germany, Spain, Turkey, Vietnam, Brazil, Australian, the Netherlands, and Japan."

Trends and challenges: "In the North American market, we're seeing a fair bit of interest in audio and read-along (EPUB with audio) books."

Competition from big books: "The right series can be really big. We haven't had that sort of penetration into the YA market, but we're seeing modest growth that's encouraging. And anything that encourages more reading for kids is good."

Pajama Press
Toronto, Ontario

A relative newcomer to the children's publishing scene, Pajama Press launched in 2011 and describes itself as "a small literary press with big ideas. We endeavor to publish titles of exceptional quality that will receive wide critical acclaim and awards; our books are designed to successfully appeal to children, young adults, librarians, teachers, and parents."

Market outlook: "Happily, interest in children's and YA books remains high," says Catherine Mitchell, rights manager for special markets at Pajama Press. "The market requires targeted attention, especially in Canada, where there are fewer bookstores. The US school and library markets have been strong purchasers."

Rights sales: "Our most recent sales have been to Korea, Colombia, France, and Québec. Sales to Mexico are very good. Germany, Italy, and Australia are great partners for the list. The meeting list at Bologna Children's Book Fair was long and varied."

Trends and challenges: "Inclusivity has been growing in appeal, which happily coincides with three of our new books: on deafness (*Macy McMillan and the Rainbow Goddess*), on becoming one's true self (*The Theory of Hummingbirds*), and on autism spectrum disorder (*Slug Days*), all receiving attention and great reviews. Seeing more Canadian books in schools and libraries would be wonderful," says Mitchell.

"Canada is a country that's open to all kinds of people and stories. That willingness to accept difference is of huge appeal internationally, which in turn helps rights sales as well as helps grow domestic sales."

Competition from big books: "Bestselling series have indeed encouraged YA writers. Pajama Press has no shortage of readers for the many award-winning authors. Good writing and stories will always find a home."

Second Story Press
Toronto, Ontario

Second Story Press, a leader in the field of diverse children's books in Canada, "specializes in social justice and human rights with a strong emphasis on diversity," says co-founder and publisher Margie Wolfe. The press has been recognized by the Canadian Civil Liberties association for their work, and their books have been translated into more than 40 languages.

"The goal has always been to marry important and often challenging content with compelling writing for young people," Wolfe says.

Market outlook: "2017 will be our most financially successful year ever! In part, I think that the challenging subjects addressed in our kid's books reflect current political and social issues. We have a child refugee book, Indigenous stories on the impact of residential schools, violence against girls, racism and anti-Semitism, and more."

Rights sales: "Rights sales have always been important to the company. Smaller publishers like ourselves have both expanded readership for our authors and revenues for the company through rights." says Wolfe.

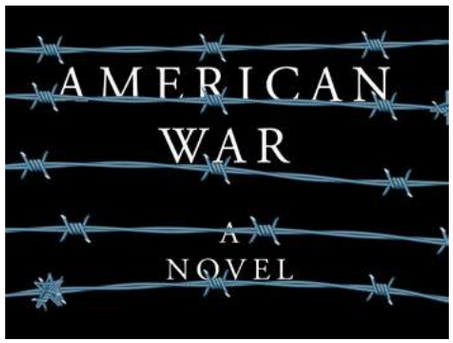
"Recently, titles have been sold to companies in Australia, Europe, Asia, North and South America, with film rights also optioned. *Where Will I Live*, a recent title done with images from the UN High Commission on Refugees, has just been published in numerous countries with more forthcoming."

Trends and challenges: "Some current trends seem to reflect our mandate and list. Books dealing with diversity, including Indigenous content, remains of keen interest.

"While support from the retail sector in Canada and the USA has increased in the last year, we still have much work to do."

Competition from big books: "I can't focus on other people's books, only do the best that we can with our own niche of publishing. Fortunately, some of those titles do extraordinarily well both in and outside of Canada—so we are continually encouraged to keep on." •


Dean Cooke




Denise Bukowski

LITERARY AGENTS ON CANADA'S RIGHTS MARKET

Canada's authors are undergoing an evolution, according to the country's literary agents, addressing global issues and achieving recognition on the international stage.

By Thad McIlroy, with additional reporting by Hannah Johnson

As Howard White at Harbour Publishing says, "When an agent brings me a title, it's almost always worth looking at."

It all starts with the author, of course, but when it comes to the publisher and the agent, "We're equally important," says Sam Hiyate, president of The Rights Factory literary agency.

Here are six English Canadian agencies of significance that represent a range of authors.

The Cooke Agency

This year, The Cooke Agency celebrates its 25th anniversary. With a staff of seven, the firm represents both literary and commercial fiction, as well as a range of nonfiction and children's books. A spinoff, Cooke International, handles the foreign rights for all Penguin Random House Canada imprints and a handful of other Canadian literary agents.

Agency principal Dean Cooke had a career with several Canadian publishers before founding the agency.

He says he's concerned about the mergers of the large US publishers. "With the consolidation of the US publishers, we're down essentially to three large clients," Cooke says.

"Contract negotiations have become a marathon, fighting for every penny. There's very little room for negotiation."

And selling Canadian writers abroad can sometimes be a challenge, Cooke says.

"We often hear the comment, 'It's a quiet novel; it's too quiet.' That comes up again and again," Cooke says. "'There's not enough plot.' 'The ending doesn't have impact.' 'The pace is too slow.'"

But more recently, he says he's finding a maturation in the writers he works with.

"The current generation of Canadian writers, he says, "don't feel they need to write about small-town Ontario, about lakes and trees and bears," he says. "They don't think about what they do in the same way."

Of course the quality has to be there.

"Twenty years ago, writers were being measured against other Canadian fiction," Cooke says. "Now, they're being measured against the world."

The McDermid Agency

Anne McDermid founded The McDermid Agency in Toronto in 1996, having been with London's Curtis Brown as a senior partner for several years. Today, along with three partners and associates, McDermid represents literary fiction, "commercial novelists of high quality," and a broad range of nonfiction.

A current high-profile title is Omar El Akkad's debut novel *American War*. Michiko Kakutani, former book critic at *The New York Times* called it "powerful," "haunting," and "devastating." El Akkad—a reflection of increasing diversity among Canadian authors—was born in Cairo, moved to Canada as a teenager, worked as a reporter for the *Globe and Mail*, and now lives in Portland, Oregon.

McDermid says she's feeling the effects of industry consolidation. "It's not just three major publishers in Canada," she says. "It's obvious to me that Penguin Random House is the major publisher. They control something like one-third of the market. HarperCollins and Simon & Schuster just aren't as big. And Simon & Schuster is relatively new with their publishing program" in Canada.

As for authors, "In the past 20 years, Canadian writers have evolved," McDermid says. "The attitude of Canadian writers to the world has changed and of the world to Canada.

"They don't think of Canadians as guys in lumberjack shirts anymore. A Canadian writer can be considered as a world writer."

And in terms of a new title's viability, McDermid says an author's nationality may matter less than some think. Regardless of origin, "The book has to be an original of its kind, whatever that is," McDermid says.

"It needs a character who we want to follow on the journey. As an editor once said to me, 'I always ask myself, Why am I reading this? Will it change my life in any way? What will I learn?'"

The Bukowski Agency

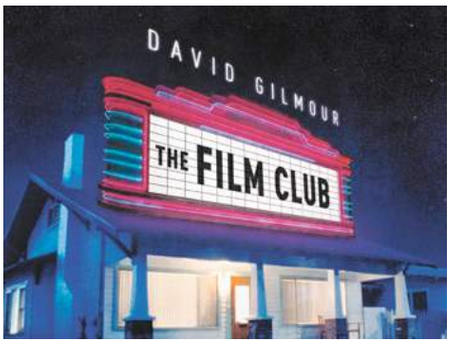
Denise Bukowski has worked in book publishing in Canada since 1970—for the first 16 years as an in-house editor at publishers including McClelland and Stewart, and Douglas & McIntyre. She founded The Bukowski Agency in 1986 and now handles some 70 authors.

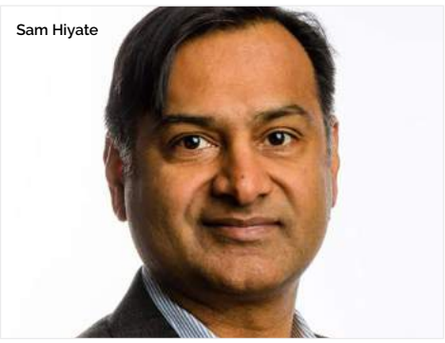
Her clients include mystery writer Alan Bradley, author of the eight-book Flavia de Luce series, and Yasuko Thanh, author of *Mysterious Fragrance of the Yellow Mountains*, which won the $25,000 Rogers Writers' Trust Fiction Prize in 2016.

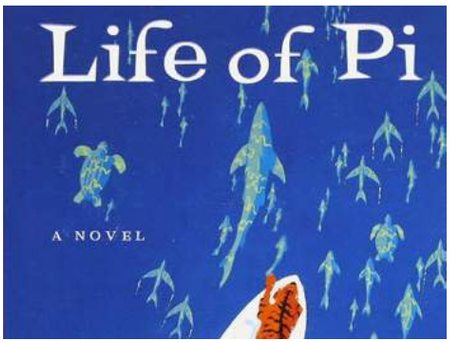
"Canada sits on the shoulder of the American industry," Bukowski says. "The challenge is to make a book stand out beside what's published next door."

Bukowski says she finds that "European publishers want to know who in the US has bought the book before they consider it." And so she leads with the titles she's sold there.

The business isn't getting easier, she says. "The Europeans are buying more of their own authors or authors from other neighboring countries. And




Sam Hiyate



suddenly everyone is looking for thrillers."

She went to London Book Fair a couple of years ago with a strong literary fiction title, she says, "and all people were talking about was thrillers full of dismembered bodies."

Digital publishing is proving to be a positive for many of her authors, Bukowski says.

"One advantage of ebooks is that I've been able to keep more of my authors' backlists available."

And, as BookNet Canada's survey numbers indicate, audiobooks are taking off.

"They're all looking for audiobooks," Bukowski says. "I'm going through my whole backlist searching for available rights. There was a point when you couldn't give away a Margaret Atwood audiobook."

Rick Broadhead & Associates

Rick Broadhead & Associates was established in 2002. The associates don't work in the same office, though. Rick Broadhead is a one-man band.

"I have no staff or offices in the US," he says. He's never been to Frankfurt and has never been to London. He uses Cooke International for foreign rights sales.

Broadhead focuses exclusively on nonfiction. And not just any nonfiction, he says, "Commercial as opposed to literary nonfiction. From sports to humor to history.

"I have a better handle on nonfiction," he says. "I have a better sense of what's saleable. It's where my passion lies. I find fiction harder to gauge."

Broadhead is unusual among Canadian agents, in that he represents a lot of American authors. "There are a lot of Canadians represented by US agents," he says, "but not a lot of American authors represented by a Canadian agent."

He says he knows this may seem like an odd arrangement, but he's made it work for his clients. "Being in Toronto, I'm geographically closer to New York than a lot of US agents who are my competition."

Broadhead also has an MBA and was himself a bestselling author of 35 books relating to the internet. He has a singular view of the role of the literary agent.

"Being an agent is like someone looking for a companion and putting an ad in the newspaper, saying 'Here I am,'" Broadhead says. "How am I going to find my soulmate?"

The Rights Factory

The Rights Factory was founded in 2004 with just a handful of clients. The agency now has nine agents and represents hundreds of clients from around the world.

Agency principal Sam Hiyate worked at the literary magazines *Blood & Aphorisms* and *The Quarterly* in the 1990s. He ran the micropublisher Gutter Press from 1993 to 2002. His newest project is donttalktomeaboutlove.org, "an online magazine exploring love in fiction, nonfiction, poetry, and art."

Hiyate is hot on the German market. "It's the second-biggest in the world," he says.

On The Rights Agency's list, *The Film Club* by leading client David Gilmour has sold more than 500,000 copies in Germany. "There's no better place in the world to have a bestseller," Hiyate tells *Publishing Perspectives.*

"Books in Europe are still culture, not just entertainment," he says. "The US is so consumer-driven, always looking for the best price. We represent international authors. We don't care where they're from, only if they're interesting and talented. We're looking for distinct voices.

"We're old-fashioned agents," Hiyate says. "We live in the reflected glory of our writers."

Transatlantic Literary Agency

Headquartered in Toronto, Transatlantic has a presence on both coasts of the US (New York, NY and Portland, OR) and Canada (Vancouver, BC and Petite Rivière, NS).

The agency represents both Canadian and American authors, they work with co-agents in 28 territories, and they represent foreign rights for several independent publishers including graphic novel publisher Drawn & Quarterly and children's book specialist Orca Book Publishers.

Given the wide footprint that Transatlantic has, agents there have developed a keen sense of what types of books sell best in both the Canadian and US markets.

Agency co-founder David Bennett told *Publishing Perspectives* last year, "Scouts and our international co-agents are always interested in which books are successful in our market, including prize-winners, but what's successful here isn't necessarily going to travel to other markets."

There have been many recent successes for Transatlantic. Among them is Gary Barwin's novel, *Yiddish for Pirates*, which was shortlisted for the 2016 Giller Prize and longlisted for the Governor's General Prize. Middle-grade novel *Shooter* by Caroline Pignat was chosen for several prominent reading lists in Canada and won the 2017 Red Maple Fiction Award.

Westwood Creative Artists

Westwood Creative Artists calls itself Canada's largest literary agency. The group includes five literary agents, an in-house international rights team, and a network of 26 international co-agencies. Westwood Creative Artists also works in film, television, and stage rights.

Bruce Westwood came to agenting after a long career in the business, including a stint with Meridian Technology, at which he served as CEO from 1978 to 1985.

"We're having one of our better years," Westwood tells *Publishing Perspectives.* "Good writing is in demand. Our authors are in demand."

His top clients include Yann Martel, the Spanish-born Canadian author of the Man Booker Prize-winning *Life of Pi*, and Rohinton Mistry, the Indian-born Canadian author who won the 2012 Neustadt International Prize for Literature and is best known for his books *Such a Long Journey* and *A Fine Balance.*

Like Denise Bukowski's clients, Westwood's authors are enjoying the audiobook boom.

"Amazon's Audible is just unbelievable," he says. "One of my colleagues in the UK said to me, 'They're Hoovering up the market!'

"We used to get $2,000 or $3,000 for an audiobook. Now we're talking six-figure advances for our largest authors." •

#WEHAVEDIVERSEBOOKS: THE ASSOCIATION OF CANADIAN PUBLISHERS' WIDE FOCUS ON 'THE DIVERSITIES'


Kate Edwards

#WEHAVEDIVERSEBOOKS CATALOGUE

About the catalogue: "Canadian publishers feel strongly that it is important to publish diverse books for children and teens from K-12 with multicultural characters and stories featuring diversity in the areas of: ability, gender, sexual orientation, ancestry, race, and religion."

DOWNLOAD:
diversity.49thshelf.com

By Porter Anderson

In so many parts of the publishing world today, the issue of diversity is gaining rightful focus and holding out tantalizing potential for richer mixes of literary voices and broader consumer bases for books. But "diversity" can mean different things with different challenges. Nowhere may this be clearer than in a proudly, consciously multicultural nation like Canada.

Any conversation about the issue quickly becomes about "diversities," some requiring nuanced handling of their social and political importance.

Kate Edwards, executive director of the Association of Canadian Publishers (ACP) points out that the role of an association in these matters can be critical and lies in the dynamic of guidance, advocacy, and enlightenment.

"We're an association of 115 publishers," Edwards says, "and ultimately, the decisions around what's published and what those staffs look like are all made at the firm level, of course. But an association like ACP can certainly take a leadership role in looking at some of these questions."

In children's literature, for example, the association has a Children's Committee, and member-publishers are known for their emphasis on diversity. "We have a number of companies that have published books on diverse topics and by authors with a wide range of backgrounds. For some companies that's an important part of their mandate, to showcase a wide range of perspectives.

A couple years ago, Edwards says, Canadian publishers were "very attuned" to calls for US libraries to carry and promote diverse books. The #WeNeedDiverseBooks campaign was especially successful in focusing this interest.

So how did the Canadian industry respond? #WeHaveDiverseBooks.

"I love the whole idea of the campaign," says Margie Wolfe, publisher of Second Story Press. "Before we children's publishers introduced it to Canada, *Violet*—one of [Second Story's] picture books about a mixed-race child—was the only Canadian title included in the first American #WeNeedDiverseBooks kit of recommended titles."

The campaign brought many of Canada's children's book publishers together in support of an issue they care about.

"The Children's Publishers Committee that includes Groundwood Books, Orca, Kids Can Press, Annick Press, and others" came together to create the #WeHaveDiverseBooks catalogue of diverse Canadian children's and YA titles. The catalogue has drawn interest from school boards both in Canada and the US.

"The initiative is important because it recognizes the diversity of peoples within our society and the need for a literature to reflect that reality," says Wolfe.

One reason Canada is committed to discussions of and focus on diversity is the country's many First Nations and Indigenous populations. House of Anansi's Matt Williams, a past president of the ACP, notes that the association has proudly endorsed the recommendations of Reconciliation Canada, an organization that aims to revitalize "the relationships between Indigenous Peoples and all Canadians in order to build vibrant, resilient and sustainable communities."

"There's two parts" to the focus in Canada on the country's Indigenous voices and creativity, says Williams. "One part is authors and the other is publishers. Certainly, the range of Indigenous authors published here is excellent. And we hope that Canada's Frankfurt Guest of Honour program in 2020 is going to help us bring a lot of attention to these writers.

"And on the publishers' side," Williams says, "the ACP includes Indigenous publishers. There aren't as many as we'd like yet, but they certainly are there."

Indeed, Williams joins many in praising publisher Gregory Younging, whose Theytus Books is one of the country's outstanding Indigenous-owned and -operated presses. It's Younging who, as an ACP member, has led the association to endorse Reconciliation Canada's report and recommendations (*read more on Indigenous literary voices in Canada on page 41*).

> "The strength of the publishing industry is our diversity and our breadth."
>
> —Matt Williams

"The ACP has also used its meetings each year," Williams says, "to look at such issues as the oral traditions and how they intersect with publishing, cultural, and editorial protocols in manuscripts by Indigenous writers—questions of communal ownership and its implications for copyright."

Together, the country's publishers and associations are working to raise their awareness of what respectful engagement means.

Today, the demands of deeply diversified readerships and the capabilities of a thoughtfully diversified publishing workforce can come together in ways that bring literature into a more expansive, mind-opening construct than before.

Kate Edwards, Williams says, "is admired here as our executive director because there are so many things today to attend to" related to diversity. "These are big issues. And the strength of the the publishing industry," Williams says, "is our diversity and our breadth." •

4 LEADING AND DIVERSE LITERARY **VOICES FROM FRENCH CANADA**

A small cross-section of French Canada's literary scene. —Luca Palladino

Kim Thùy

Notable awards:
Governor General's Award and Canada Reads' 2015 for her novel *Ru*

Publishers:
Stanké, Libre Expression, Trécarré

Recommended titles:
- *Ru* (2009)
- *À toi* (2011)
- *Mãn* (2013)
- *Vi* (2016)

Kim Thùy is a Saigon-born Québécois author whose award-winning *Ru* was translated into English by Sheila Fischman. Powerful and yet delicate, her writings have been translated in more than 25 countries.

Along the way to her success as an author, Thùy worked as a seamstress, interpretor, attorney, and a restaurateur.

She said that *Ru*, her debut, is in part a tribute to the many Canadians who welcomed her when she left home during the Vietnam War. The author based that first book on her experiences emigrating to Canada by way of a Malaysian refugee camp.

Natasha Kanapé Fontaine

Notable awards:
Finalist, Émile-Nelligan Award; Société des écrivains francophones d'Amérique Award

Publishers:
Mémoire d'encrier, Écosociété

Recommended titles:
- *N'entre pas dans mon âme avec tes chaussures* (*Do Not Enter My Soul in Your Shoes*, in an English translation by Howard Scott, 2012)
- *Assi Manifesto* (2016)
- *Bleuets et abricots* (2016)
- *Kuei, je te salue*, with Deni Ellis Béchard (2016)

An Innu poet, painter, actress, and activist, Natasha Kanapé Fontaine has a strong social media following and is a spokeswoman of the Idle No More movement in Québec, which supports a rising visibility for talented Aboriginal youth.

Through her activism, she has recruited many advocates for her cause and works to trace "the paths of racism" that can become inherent in language. She is an emerging voice and an unmistakable talent.

Fontaine's writing reflects her activism and pride in her Indigenous community. Her poems address issues of identity and racism, as well as dialogue and reconciliation.

Dany Laferrière

Notable awards:
Prix Médicis for *L'énigme du retour* (*The Return*)

Publishers:
VLB Éditeur, Éditions du Boréal, Lanctôt Éditeur, Grasset

Recommended titles:
- *Comment faire l'amour avec un nègre sans se fatiguer* (*How To Make Love to a Negro Without Getting Tired*, 1985)
- *Je suis fou de Vava* (*I'm Crazy About Vava*, 2005)
- *L'énigme du retour* (*The Return*, 2009)

In 2013, Dany Laferrière became the first Canadian, the first Québécois, and the first Haitian to be elected to l'Académie française, the highest honor for a francophone author.

Born in Haiti, Laferrière worked as a journalist prior to emigrating to Canada in the late 1970s. He has continued some of his journalistic work by hosting programming on V, the francophone television network formerly known in Québec as TQS.

Laferrière left Haiti when a colleague was murdered, something dealt with in his 2000 novel, *Le Cri des oiseaux fous*. In 1990, he emigrated to the United States and spends time in both Montréal and Miami.

Michel Tremblay

Notable awards:
Prix Victor-Morin (1974); the Governor General's Performing Arts Award (1999); Officier de l'Ordre de France and Chevalier de l'Ordre National du Québec (1991)

Publishers:
Leméac, Guy Saint-Jean Éditeur, Nomades

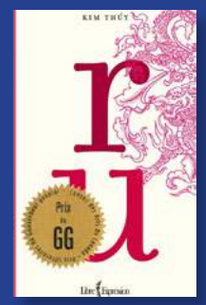
Recommended titles:
- *La grosse femme d'à côté est enceinte* (*The Fat Woman Next Door Is Pregnant*, 1978)
- *Thérèse et Pierrette à l'école des Saints-Anges* (*Thérèse and Pierrette and the Little Hanging Angel*, 1980)
- *Les Clefs du Paradise* (*The Keys to Paradise*, 2013)

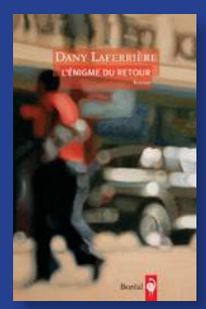
Now 75, Michel Tremblay is an accomplished playwright and author. He wrote his theatrical debut, *Le Train*, in 1959 and would go on to win the Concours des jeunes auteurs sponsored by Radio Canada in 1964.

His writing often features homosexual and strong female characters. And his career accomplishments includes translation, adaption, screenwriting, short stories, and novels.

Tremblay's focus on fiction began in the mid-1980s, and he's an acutely sensitive writer to social and political issues, particularly in Québec life.

At times, he's advocated for secession of the province from Canada, and he's credited by many for his evocations of liberal and nationalist thinking, which promoted the Quiet Revolution of the 1960s. •





HIGHLIGHTED TITLES FROM FRENCH-CANADIAN PUBLISHERS

A selection of award-winning and critically acclaimed titles from members of the Association nationale des éditeurs de livres (ANEL).

CHILDREN'S BOOKS

Les 400 coups

752 lapins
by François Blais
A princess loves each and every one of her 752 rabbits. When one goes missing, she's heartbroken and determined to find it.

CONTACT:
Simon De Jocas
s.dejocas@editions400coups.com

La courte échelle

Un ami lumineux
by Simon Boulerice (author), Marilyn Faucher (illustrator)
At his father's house in the city, Ludo believes a tiny man is hiding inside the traffic light, changing the colors.

CONTACT:
Marianne Dalpé
marianne@courteechelle.com

CrackBoom! Books (Chouette)

Princess Lila Builds a Tower
by Anne Paradis (author), Karina Dupuis (illustrator)
From the imprint that first published the popular *Caillou* series, this illustrated book is about a determined princess who undertakes a vast construction project in the forest.

CONTACT:
Geneviève Lagacé
genevieve.lagace@editions-chouette.com

Hurtubise

Hackers
by Isabelle Roy
In this YA thriller a teen takes his computer hacking skills a step too far. With the help of his friends, he tries to fix his mistakes.

CONTACT:
Sandra Felteau
sandra.felteau@groupehmh.com

Leméac

L'enfant mascara
by Simon Boulerice
Inspired by a true story, this book is about a transgender teen who falls in love with a boy—a boy who eventually murders him.

Lui
by Patrick Isabelle
A teen who committed a shooting is released home after serving his sentence. The public reacts with anger, and his friend tries to understand.

CONTACT:
Jean-Marie Jot
jm.jot@lemeac.com

Éditions Michel Quintin

Series: Les Dragouilles
by Karine Gottot, Maxim Cyr
In this series of comic books, little creatures called "dragouilles" explore major cities around the world. The series is an award-winning hit across Québec and Canada.

About the Association nationale des éditeurs de livres (ANEL)

Celebrating its 25th anniversary this year, the the Association nationale des éditeurs de livres (ANEL) represents nearly 100 publishers across Québec and French Canada.

The association represents its members' interests to the government, promotes reading in Canada, and organizes events.

ANEL subsidiary Québec Édition supports its members' international activities with collective stands at book fairs, networking events, and more.

The executive director of ANEL is Richard Prieur, and the current president is Nicole Saint-Jean, publisher of Guy Saint-Jean Éditeur. For more information about the association and its activities, visit: **www.anel.qc.ca**

ASSOCIATION NATIONALE DES ÉDITEURS DE LIVRES 25 ANS

Savais-tu? Les dinosaures
by Alain M. Bergeron, Michel Quintin
These humorous and intelligent documentaries use a cartoon format to teach about little-known animals and their habits.

CONTACT:
Chélanie Beaudin-Quintin
foreignrights@editionsmichelquintin.ca

Éditions de Mortagne

Tabou Series
by various authors
This series of teen novels presents candid stories about "taboo" subjects like sex, abuse, cyberbullying, alcohol, and more. These fictional stories help teens deal with tough issues.

CONTACT:
Sandy Pellerin
sandy@editionsdemortagne.com

Québec Amérique

Le dernier qui sort éteint la lumière
by Simon Boulerice
Twins Arnold and Alia live with their two fathers and are about to turn thirteen years old. Their fathers write 13 letters to reveal which of the two is the biological father.

CONTACT:
Alexandra Valiquette
avaliquette@qa-international.com

Éditions XYZ

Grand père et la Lune
by Stéphanie Lapointe (author) Rogé (illustrator)
A poignant graphic novel about a girl's relationship with her grandfather. This book won a 2016 Governor General's Award.

CONTACT:
Sandra Felteau
sandra.felteau@groupehmh.com

FICTION

Éditions Alto

Madame Victoria
by Catherine Leroux
In this award-winning novel, a skeleton is discovered at the edge of the woods, steps from the Royal Victoria Hospital in Montréal. An investigation begins to discover her identity.

CONTACT:
Christiane Vadnais
cvadnais@editionsalto.com

Éditions du Boréal

Autour d'Eva
by Louis Hamelin
Éva moves to her hometown on Lake Kaganoma, where she launches a protest against American developers threatening to destroy the lake.

Owen Hopkins, Esquire
by Simon Roy
Owen Hopkins is dying in Yorkshire. His son must come home to fulfill a promise he made years ago, and he must deal with the difficult relationship between father and son.

CONTACT:
Sandra Gonthier
sgonthier@editionsboreal.qc.ca

Les Éditions de l'Homme

La mort d'une princesse
by India Desjardins
Deeply hurt by a breakup at 31 years old, Sarah throws herself into her career and renounces love. Years later, she starts to wonder if she really can give up on love.

CONTACT:
Florence Bisch
florence.bisch@sogides.com

Hurtubise

Les petites tempêtes
by Valérie Chevalier
This feel-good novel follows the life of Raphaëlle from girl to adult, a journey that is sometimes troubled yet also filled with loving moments.

CONTACT:
Sandra Felteau
sandra.felteau@groupehmh.com

Leméac

Le corps des bêtes
by Audrée Wilhelmy
Author Audrée Wilhelmy is not afraid to tackle taboo subjects. In a remote seaside village, three family members move toward an incestuous love triangle.

Tsubaki: Le poids des secrets
by Aki Shimazaki
In a letter left to her daughter after her death, Yukiko, a survivor of the atomic bomb, recalls the episodes of her childhood and adolescence.

CONTACT:
Jean-Marie Jot
jm.jot@lemeac.com

Le Quartanier

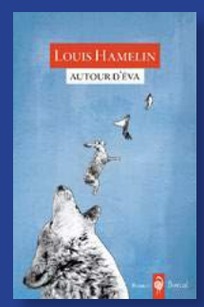
L'année la plus longue
by Daniel Grenier
Born on February 29 in a leap year, Thomas Langlois ages one year for every four that pass. He travels North American and experiences the the 18th and 19th centuries.

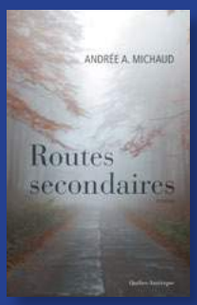
Le plongeur
by Stéphane Larue
Twentysomething compulsive gambler Stéphane drinks too much and is deeply in debt. When he takes a job as a dishwasher, he meets a fellow delinquent who inspires him to find the right path.

CONTACT:
Céline Hostiou
lequartanier@lequartanier.com

Québec Amérique

À l'abri des hommes et des choses
by Stéphanie Boulay
Growing up isolated in a forest, an





anonymous narrator only has Titi, a big sister figure, to explain life and adulthood to her.

Routes secondaires
by Andrée A. Michaud
Who is Heather Thorne, this young woman with amnesia? A writer becomes obsessed with trying to figure out who this woman is and risks getting dragged into her dark past.

CONTACT:
Alexandra Valiquette
avaliquette@qa-international.com

Stanké

Abattre la bête
by David Goudreault
In this last book of David Goudreault's trilogy (which will soon hit the big screen). a troubled and violent young man escapes a psychiatric hospital in search of his mother.

CONTACT:
Carole Boutin
cboutin@sogides.com

Éditions XYZ

Autopsie d'une femme plate
by Marie-Renée Lavoie
When Diane's husband of nearly 25 years leaves her for a younger woman, she must re-evaluate her relationships in this tragicomic novel.

CONTACT:
Sandra Felteau
sandra.felteau@groupehmh.com

NONFICTION

Éditions du CHU Sainte-Justine

Aider l'enfant anxieux
by Sophie Leroux
Many children experience anxiety. This guide is designed to help with illustrated and therapeutic tales for prevention and intervention.

CONTACT:
Marise Labrecque
marise.labrecque.hsj@ssss.gouv.qc.ca

Écosociété

Une escroquerie légalisée
by Alain Deneault
This book examines the ramifications of tax havens on society, including growing inequality. Deneault questions why this mechanism still exists.

De quoi Total est-elle la somme?
by Alain Deneault
Multinational corporations have become institutions that dominate our societies. They make laws and to overrule governments. This book urges people to reclaim their political sovereignty from these companies.

CONTACT:
Élodie Comtois
ecomtois@ecosociete.org

Les Éditions de l'Homme

La douleur repensée
by Dr. Gaétan Brouillard
Bestselling author Dr. Brouillard explores the root of chronic pain and offers physical and psychological techniques to treat and relieve it.

Mon cerveau a besoin de lunettes
by Annick Vincent
This book is the diary of a fictitious, 8-year-old boy named Tom who has ADHD. It helps children, parents and caregivers cope by using stories, illustrations, and concrete examples.

CONTACT:
Florence Bisch
florence.bisch@sogides.com

Librex Expression

Le Monstre
by Ingrid Falaise
In this personal account, the author tells of escaping an abusive marriage to a man she followed to Africa when she was 18 years old, believing he would be her Prince Charming.

CONTACT:
Carole Boutin
cboutin@sogides.com

Lux Éditeur

La peur du peuple
by Francis Dupuis-Déri
What is the ideal democracy? Is it the version in power today, or the vision promoted by popular movements like Occupy?

L'anarchie expliquée à mon père
by Francis Dupuis-Déri, Thomas Déri
A father-son dialogue explores the roots and fundamentals of anarchy and democracy to better understand each school of thought.

CONTACT:
Alexandre Sanchez
a.sanchez@luxediteur.com

Éditions MultiMondes

Qu'est-ce que le boson de Higgs mange en hiver
by Pauline Gagnon
In 2012, the CERN laboratory confirmed the existence of the Higgs boson. In this book, Pauline Gagnon explains what this particle is and why it is important.

CONTACT:
Sandra Felteau
sandra.felteau@groupehmh.com

Éditions Trécarré

L'autisme expliqué aux non-autistes
by Brigitte Harrisson, Lise St-Charles
This book provides a unique way to communicate with people who have autism. It includes insights from autistic author Brigitte Harrisson's life.

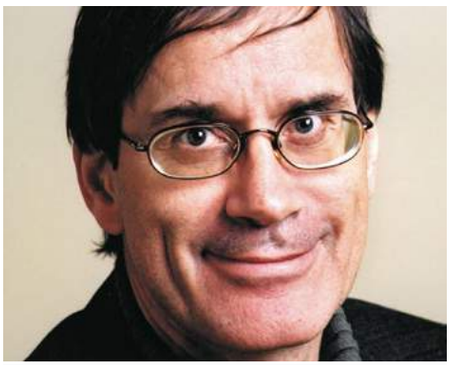
CONTACT:
Carole Boutin
cboutin@sogides.com

8 **FRENCH CANADIAN PUBLISHERS** BRINGING THEIR AUTHORS TO THE GLOBAL STAGE

These are just some of the publishers in French Canada supporting local authors and making sure that French Canadian talent gets more global recognition. ***Interviews by Luca Palladino***

ANTOINE TANGUAY
Founder, President, Publisher
Éditions Alto

Notable positions: journalist; independent bookseller; involved in launching *Les libraires* (the largest literary monthly in Québec)



PASCAL ASSATHIANY
CEO
Éditions du Boréal

Notable positions: 50 years in the book industry as a bookseller, commercial manager, editor; he has occupied almost every facet of the book industry

ÉLODIE COMTOIS
Business Manager, Communications Director
Écosociété

Notable positions: spokesperson for Sauvons les livres; vice-president of the Association nationale des éditeurs de livres (ANEL)

Éditions Alto

Éditions Alto took the literary world by surprise 12 years ago by publishing *Nikolski* by Nicolas Dickner, a little-known author at the time. A zigzagging, raucous book that spewed good storytelling, the novel, much like the publishing house, has since received countless accolades for the breadth of its vision and for the touch of lunacy present in its publishing projects.

And if you want to point fingers, its all Antoine Tanguay's fault.

"For the past fifteen years, a new wind is blowing on Québec's literary scene. New publishers take their place next to, but without replacing, larger publishing houses (Boréal, Leméac, Québec Amérique, Libre Expression)," says Tanguay.

"For me, this is a sign of literary maturity as the newcomers inspire ourselves from established publishing houses, and then we go our own way, showing our own true colors. This wind has brought new voices (Nicolas Dickner, Samuel Archibald, Kim Thúy, Audrée Wilhelmy, Éric Dupont, Anaïs Barbeau-Lavalette, Perrine Leblanc) and a unique enthusiasm, a fresh vision in addition to a desire to carve out a place not only in Québec but also in the rest of the world."

For Antoine Tanguay, the newest generation of publishers that have grown up with the internet and social media now have a global vision of literature. They read a lot, they are curious, inspired by what they read on the international stage. According to Tanguay, they want to take over the world and he has no doubt that they will succeed.

Éditions du Boréal

Pascal Assathiany gives the impression that he is part rock star, part publisher. With over 50 years' experience in the publishing industry and 30 years building Boréal, he has helped usher in culture-defining authors who have marked Québec's history and etched Boréal's name into the publishers' hall of fame—if such a thing were to exist.

Boréal is a house built on authors, and it has been run by authors who love to read. Giants like Marie-Claire Blais (Winner of the Médicis for *A Season in the Life of Emmanuel*); Dany Laferrière (who was recently inducted in France's most venerable institution, L'Académie française); Robert Lalonde (author of *The Heart is What Dies Last* which was turned into a film by Alexis Durant Brault and presented at Cannes in 2017); the late Gaétan Soucy (most known for *The Little Girl Who Was Too Fond of Matches*, his work has been translated into more than 20 languages); and Louis Hamelin (whose daring novel on *Québec's October Crisis* won him four prestigious awards in 2010) have passed through the doors of Boréal.

"Our role at Boréal is to accompany Québec and Canadian authors and make sure their work stands the test of time," says Assathiany, "whether those works are creative or philosophical."

Always the visionary, Assathiany is now looking towards the future and how to create new readers in Québec society, especially among the younger generations. In order for Boréal's books to be successful, they have to be read in a society that can read works critically and have the capacity to debate ideas. And that battle is never won.

Écosociété

Écosociété, as the publisher's name implies, is anchored in ecological and other socially relevant (and sometimes controversial) issues and trends. Topics treated in its works include milita-

rism, globalization, media criticism, and more, all for the sake of engaging readers.

This is an independent publishing house celebrating 25 years in business. Élodie Comtois—who spearheaded the fixed price for books movement (*Sauvons les livres*) and who has helped defend Écosociété against lawsuits from multinational corporations—is no stranger to practicing what she publishes.

"By condemning the abuses of capitalism and encouraging a transition towards ecologism, social justice, and political engagement," she says, "our authors patiently and intensely cultivate knowledge."

While Écosociété is well-established in Québec, it has been working on business development on the other side of the Atlantic for the past few years. For a publisher whose philosophy is the free circulation of ideas, it was an obvious choice for the house to seek out other French-speaking populations in Europe.

A consultant now works full-time from Paris to promote Écosociété titles in France, Switzerland, and Belgium. And Écosociété has announced that it will be distributed by Harmonia Mundi starting in January 2018, another clear indication of its international expansion.

"Among our most successful titles are books by Rob Hopkins, Jan Gehl, and Alain Deneault, as well as translations of Noam Chomsky.

"Also on our list of bestsellers is Jean-Martin Fortier's seminal work *The Market Gardener*, which has sold over 50,000 copies worldwide."

Groupe HMH

Together with his sister Alexandrine, Arnaud Foulon is heir to the Groupe HMH business started by Claude Hurtubise and bought by Arnaud's father, the venerable (and still involved) Hervé Foulon.

The Foulons are fifth-generation publishers from their great-grandfather's side, and today Groupe HMH comprises four publishing houses—Éditions XYZ, Marcel Didier (MD), Éditions Hurtubise, and Éditions MultiMondes—each with a distinct niche in the market.

The company also operates Distribution HMH, which handles distribution for at least nine publishing companies, including Black Cat Cideb, Eli Publishing, Bibliothèque Québécoise, and Éditions Hatier.

"The Québec book industry has neither the size nor the characteristics of France's book market," Foulon says. "In many ways, we work as if we're in two parallel universes.

"Despite that, our recent successes are encouraging. We can point to Québec being guest of honour at high-profile European literary events including Foire du livre de Bruxelles 2015 and Salon du livre et de la presse de Genève 2017.

"We're also heartened by the France-Québec Award and by the response of independent booksellers in Paris and Brussels.

ARNAUD FOULON
Vice President, Publishing Operations
Éditions Hurtubise, Groupe HMH

Notable positions: treasurer of the Association nationale des éditeurs de livres (ANEL)

"These things encourage us to think that there are many convergence points between our respective industries."

Groupe HMH has long been recognized as a leader in the Québec book industry, and the Foulon family has been closely involved in guiding and structuring the market to strengthen its authors and fellow publishers.

"With the emergence of new prominent authors such as Jocelyne Saucier, Kim Thúy, or Nicolas Dickner," says Arnaud Foulon, "Québec literature unveils its richness and complexity—of which Dany Laferrière is our best-known leading light of the 'old continent.'

"This is a French literature, so to speak," he says, "but one that showcases the American-ness that defines us, translating our own identity and our attachment to language."

Groupe Homme

Groupe Homme is the single largest publisher of general literature in French Canada. The group publishes over 150 titles a year and has more than 3,000 titles in its catalogue. It benefits from being part of powerful media company Groupe Québécor.

The publishing group includes les Éditions de l'Homme, Le Jour éditeur, Petit homme, La Griffe, La Semaine, Québec Livres, and Juniper.

Group Homme publishes a wide range of titles from self-help and spirituality books to practical books (health, nutrition, cooking, sports), reference, nonfiction books for children and adults, as well as teen fiction.

JUDITH LANDRY
Executive Director
Groupe Homme

Notable positions: previously communications director for several publishing houses and distributors

In 2018, les Éditions de l'Homme, the founding publishing house of the group, will celebrate 60 years in the business, making it one of the oldest publishing houses in Québec.

Judith Landry, a veteran in the business, has adapted Groupe Homme's business model to accompany the shifting tides of online entertainment and internet culture.

"In the world of free internet content and social media, our role as publishers is not only to offer readers exclusive, original, and quality content, but also to provide our authors guidance through creative and professional platforms that promotes their content," she says. "It's really a hallmark of our publishing house to be in a position to offer this global service, thanks to our innovative methods and risk-taking spirit."

The future looks very bright for Groupe Homme and its international activities. It is one of the only publishing houses with an office in Paris, and the company has created a niche for itself as one of the largest sellers of self-help books on the European market. Groupe Homme also created an English-language publishing house in 2014 (Juniper) and looks to add to its 500 translated titles in 31 languages.

Groupe Librex

Groupe Librex unites more than 12 publishers under one roof—the oldest of which has been in business for more than 40 years—and are known for their excellence in general literature. Librex Expression, Stanké, Trécarré, Logiques, and Publistar are among them.

The group publishes fiction, biographies, practical guides and reference works *next page »*

JOHANNE GUAY
Vice President of Publishing,
Editor-in-Chief
Groupe Librex

Notable positions: manager of the Association nationale des éditeurs de livres (ANEL) for 5 years

ALEXANDRE SÁNCHEZ
France Editor
Lux Éditeur

Notable positions: translator; worked with publishers Éditions du Boréal, Les Allusifs and Le Quartanier

CAROLINE FORTIN
Executive Director
Québec Amérique

Notable positions: current president of CANADA FBM2020, organizing the Guest of Honour program in Frankfurt

« *from previous page* in health and self-help, all designed for the general public. Novelist Kim Thúy and biochemist Richard Béliveau are among their best known authors. Groupe Librex is a phenomenal ambassador for the creativity and knowledge of Canadian writers.

A veteran of the book industry, Johanne Guay believes that publishing is in a state of constant evolution.

"The arrival of new types of entertainment directly impacts time spent reading today," she says. "It is an every day challenge. Also, the book as an object is itself finding new roads. We have to be constantly curious about emerging reader interests and how they consume information."

Johanne Guay was the first editor to publish Kim Thùy and has fostered a close relationship to her author. She believes author relationships are a key to Groupe Librex's success.

"A successful publisher has to be more and more imaginative, tread on new ground, and be a trailblazer. And all of that has to be done at warp speed. The publishers in Québec are quite creative because they have had to develop within a very small market. Thankfully, we are able to find many of their books now published and distributed worldwide. Groupe Librex is of those houses whose progression has skipped over the border."

Lux Éditeur

The catalogue of Lux Éditeur reads like a who's who of 20th- and 21st-century progressive philosophers, economists, and other writers. Their essays are meant to be provocative. The intent is to influence policymakers and civil society, prompting them to action and plunging citizens into debate.

For the past two years, Lux has initiated a new phase of its development in France by opening an office in Paris. Alexandre Sánchez is the company's permanent presence there, and as such, she facilitates commercial planning and enables an ongoing expansion of the house's French catalogue.

"We're publishing more and more French authors whose ideas echo our Québec authors' ideas," says Sánchez, "and that, in effect, fits perfectly into our original editorial mission: half of our catalogue has long been dedicated to translations.

"Lux presents itself as a bridgehead in America for European readers, but also as an exploration base in Europe for French readers."

For this Québec publishing house, the European market is important because it can vastly increase sales. But because Lux is specialized in social sciences and essays, the challenge for the publisher is to find a way to reach the greatest number of readers.

"Since we've begun selling our works in France," says Alexandre Sánchez, "the editing process we offer to our authors is also aimed at adapting their ideas so they can find traction in the wider markets outside of Québec.

"When submitted to this transatlantic litmus test," she says, "Québec thinkers—such as Alain Deneault, Francis Dupuis-Déri, or Normand Baillargeon—only shine brighter because of it."

Québec Amérique

After more than 40 years in business and with some 800 titles active in its catalogue, terms frequently heard to describe this quintessential Québécois publishing house are "audacity," "risk," and "thirst."

The father-daughter team at the heart of Québec Amérique, Jacques and Caroline Fortin, are admired as smart decision-makers with killer business instincts and an eye for international expansion. Québec Amérique specializes in publishing literary works, essays, visual dictionaries, and reference books.

"From expanding our flagship product—*The Visual Dictionary* in more than 40 languages—to the sale of rights in our fiction catalog, our presence in international markets has been an indispensable element for the growth of our company."

Caroline Fortin is the newly elected president of Canada's Frankfurt Book Fair Guest of Honour 2020 committee, and she sees the coming-of-age for Québec literature as a recent trend.

"We've seen a genuine international interest in Québécois literature," she says, "and this has translated into sales and the success for our authors on the world stage."

One example Fortin points to is Andrée A. Michaud, whose novel *Boundrée* (*Boundary*) is a haunting crime novel set on the frontier between Québec and Maine in 1967. It was recently longlisted for the Scotiabank Giller Prize

"Many of our authors write and are edited now with the express intention of being read far beyond our national walls," says Fortin.

It's a testament to the evolutionary gains being made by Québec's publishers and their authors, she says, that so many observers in other parts of the world can see universally recognizable narratives in the daily struggles of the Québécois.

"Throughout my travels to participate in international book events," Caroline Fortin says, "I recognize just how vigorous the French-language Canadian book industry has become.

"Many of our very innovative publishing houses provoke curiosity and entice readers with their inventiveness and their audacity."

Audacity as a business philosophy is certainly paying off for Québec Amérique. •

"We had to take every opportunity and use our expertise to develop new collections."

—Simon Payette, Éditions Chouette

"We've noticed that international publishers now have more knowledge of the Québec market."

—Chélanie Beaudin-Quintin, Éditions Michel Quintin

"By publishing children's books, we participate wholeheartedly in the great adventure of being human."

—Simon de Jocas, Les 400 coups

"New publishing houses have spurred authors and publishers to take their rightful place in France, Belgium, and Switzerland."

—Frédéric Gauthier, La Pastéque

BIG BRANDS, LOCAL TALENT: **CHILDREN'S BOOK PUBLISHERS** IN FRENCH CANADA

These four children's publishers are part of a larger community in French Canada using innovative ideas to reach young readers. ***—Luca Palladino***

SIMON PAYETTE
Executive Director
Éditions Chouette

Notable positions: started his publishing career in 2005 analyzing children's book trends with Héritage Jeunesse

CHÉLANIE BEAUDIN-QUINTIN
Rights Director
Éditions Michel Quintin

Notable positions: author and illustrator

Éditions Chouette

Known for its international hit series, *Caillou*, published in 20 languages and distributed in 50 countries, Éditions Chouette is a made-in-Québec success story. To date, the company has sold more than 15 million units of this series.

Simon Payette has been quickly recognized for his business acumen. He now leads the worldwide sales development of one of Québec's publishing gems, Éditions Chouette, and he is keenly aware of the challenges for smaller houses.

"Children's book publishing has become increasingly difficult for smaller players on the big stage," he says. "In order to ensure our presence and our growth, we had to take every opportunity and use our expertise to develop new collections such as CrackBoom! Books and *City Monsters*."

Always aware of how children's development affects their interaction with books, Payette says that his team at Chouette has designed books that take toddlers through their pre-reading phase with their *City Monsters* series (for ages 3 and up). The books' sturdy design is meant to withstand any book-throwing or page-chewing enthusiasm.

City Monsters allows kids to discover cities and regions of the world through hidden monsters of the most amusing kind.

And some of the titles from the CrackBoom! imprint feature a built-in, smiling moon nightlight. In *Goodnight Farm Animals*, for example, the farmyard creatures gather to say goodnight, and little readers then doze off in the gentle warmth of the book's moonshine.

Such innovative, parent-friendly efforts are of interest to Payette. "We're also experimenting and developing book formats that allow us to extend our print runs and remain competitive," he says.

Éditions Michel Quintin

Founded in 1982, Éditions Michel Quintin originally published popular books about animals, nature, and the environment. Thanks to the sustained efforts of a dynamic team constantly proposing original and adventurous concepts, the publishing house was able to diversify its offering

through fiction, comic books, practical guides, and illustrated books in many styles.

Today, Éditions Michel Quintin is one of the largest publishers of young adult literature and can boast as being the fourth-largest, French-language comic book publisher in Canada.

The publisher's catalogue includes over 700 titles and over 300 digital books. They publish 50 new titles per year. These titles are distributed in French-speaking countries around the world. Chélanie Beaudin-Quintin spearheads the foreign rights department and has seen her international strategy pay dividends.

"For the past few years, we've made sustained efforts to develop new partnerships with like-minded publishers, and we've noticed that international publishers now have more knowledge of the Québec market. Our efforts were rewarded when we were able to enter markets like the US, Japan, China, Mexico, Brazil, Bulgaria, Belgium, and many more," she says.

"A few years ago, we noticed the graphic novel and comic book trend hitting Québec, whereas before it was much more of an import product. We were able to create our own product, put forward homegrown authors and illustrators, and capitalize on the trend rather than simply watch as imported products were resold."

Because of this adventurous strategy, Éditions Michel Quintin is in a resilient position today even as many book markets are facing challenges as a result of industry upheavals.

Les 400 coups

Specializing in illustrated children's books, Les 400 coups recently celebrated their 20th anniversary. Founded in 1995 by Serge Théroux and Pierre Belle and acquired recently by Simon de Jocas, Les 400 coups is one of the top players in French Canadian children's publishing.

Their team has put together award-winning titles that dive into the entire spectrum of life's emotions, aim to awaken the mind, and spark curiosity. With series such as *Carré blanc*, for example, Les 400 coups wades into uncommon territory for children's books by exploring the lives of children who face serious, sometimes life-threatening, emotional challenges.

Other series focus on the fun and silly side of life, like books from author/illustrator Élise Gravel and her charmingly illustrated monsters.

SIMON DE JOCAS
President, Owner
Les 400 coups

Notable positions: president, BTLF; president, Québec Édition; president, National Reading Campaign

Having studied early childhood education, Simon de Jocas has the right combination of wit, charm and experience for this job. He took over as president of Les 400 coups in 2013. His background in teaching—especially in First Nations communities—and his work with school boards, educational publishers, and digital book content distributor De Marque gave him a unique perspective on how to craft books that captivate a child's imagination.

"With over 450 titles in print, we boast a publishing legacy that includes authors and illustrators from Canada, Europe, South America, and Asia," says de Jocas.

"We are distributed in Canada and in Europe, and have over 150 translated titles. By publishing children's books, we participate wholeheartedly in the great adventure of being human with all of its infinite nuances."

La Pastèque

Comic book specialist La Pastèque has seen a meteoritic rise thanks to its attention to detail and uncompromising commitment to quality and originality. They are careful with author and illustrator selection, and it shows. Co-founders Frédéric Gauthier and Martin Brault have set new benchmarks not only in Canada but also for children's book publishers worldwide.

FRÉDÉRIC GAUTHIER
Co-Founder, La Pastèque
President, Livres Canada Books

Notable positions: edited books for Les 400 coup before co-founding La Pastèque

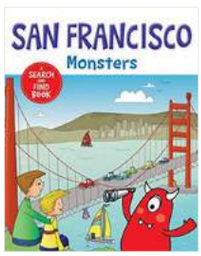
"The Québec publishing industry now freely exports [books] to all French-language markets," says Gauthier. "With the exceptional quality of their editorial lines, new publishing houses have spurred authors and publishers to take their rightful place in France, Belgium, and Switzerland."

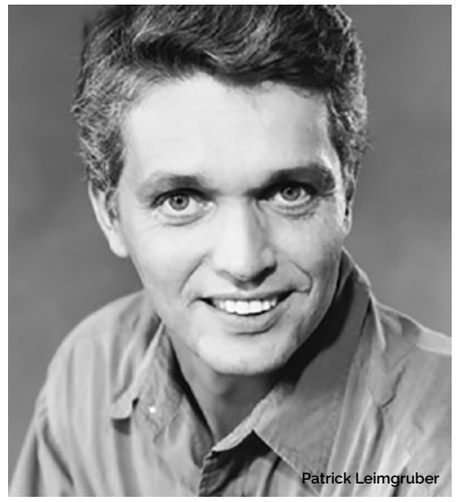
La Pastèque's excellence has certainly garnered more international recognition in recent years. In 2014, they won a Prix Ragazzi for *Le Noël de Marguerite* by India Desjardins and Pascal Blanchet. In 2015, their title *Le voleur de sandwichs* by Patrick Doyon and André Marois won several prizes. And again in 2015, *Le Grand Antonio* by Élise Gravel received a Prix Lux.

For its outstanding work, La Pastèque celebrated its 15th anniversary by being the first comic book and graphic novel publisher to be invited to the Montréal Museum of Fine Arts.

"For the past few years, the Québec publishing industry was performing well in export markets for the sale of rights, but over time it appeared more and more important, or rather vital, that . . . books from the Québécois catalogues be physically present in French-language booksellers across Europe," says Gauthier.

"It is really a question of identity. There has been monumental work done by authors, creators, and publishers to fashion books that are worthy of existing on these markets. I believe we can call this success a fine maturity." •





Patrick Leimgruber

AGENTS & PUBLISHERS: QUÉBEC'S **RIGHTS MARKET**

In French Canada, the author-publisher relationship is paramount, and literary agents are rare. Rights directors travel the world to find the right international publishers for their authors.

By Luca Palladino

Literary agents are very uncommon in Québec. Like in France, publishers in francophone Canada typically handle rights sales and representation for their authors themselves.

This means the author-publisher relationship is of the utmost importance in this market. Authors rely more on their publishers, and publishers commit more time and resources to each of their authors.

"The objective is to find a foreign publisher with a common goal," says Chélanie Beaudin-Quintin, foreign rights director for Les Éditions Michel Quintin, "who really has the same way of looking at the book industry that you have."

She says that the right match may require an endless number of meetings and sit-downs. To take a short cut through the maze of book fairs and emails, Beaudin-Quintin says she's meeting more and more with international scouts.

Another hurdle to selling rights to French Canadian titles? The language.

"More often than not," Beaudin-Quintin says, "international publishers will zero in on English-language books because it's easier to translate them."

That means publishers from Québec are putting in more face-time at professional events to sell rights. "English-language publishers can often get published by sending their titles to a book fair without even being physically present," says Beautin-Quintin. "For Québec publishers, without being present at events and representing our books, there's next to no chance of striking a deal."

To open new markets for their authors, she says, Québec's publishers today might offer sample translations of their books or use subagents for certain territories such as China or the Spanish-language markets of Latin America.

Québec Literary Agents

Patrick Leimgruber is one of two literary agents in Québec. He has been in the agenting business for the past 17 years and says he prefers to see the glass as half-full.

"To be a literary agent in any country," Leimbruber says, "you have to be a chameleon and learn to adapt yourself to different models. Representing Québec authors is neither easier nor more difficult than dealing with authors of another nation."

Running Agence littéraire Patrick Leimgruber, he says he knows his way around the French, Swiss, and Québec literary worlds. He worked for several years in Parisian publishing houses including Éditions du Seuil and Éditions Autrement, then emigrated to Québec and worked for Éditions internationales Alain Stanké.

His work in contract negotiations from the publisher side prepared Leimgruber to make the move to agenting.

His clients include Pierre Szalowski, whose debut novel *Le froid modifie la trajectoire des poissons* (*Fish Change Direction in Cold Water*) from Éditions Hurtubise, won the Grand Prix de la relève Archambault, which aims to raise the visibility of new Québécois authors.

Leimgruber says that for him, the only real difference in Québec is that he's on his home turf and can more easily work his network.

"I work for my authors," he says, "and publishers definitely don't see me as a negative element.

> "To be a literary agent in any country, you have to be a chameleon and learn to adapt yourself to different models."
>
> —Patrick Leimgruber

"On the contrary, they see me as an asset to the team, helping build the authors' reputations and make connections that publishers couldn't do by themselves."

Newer to Québec's agenting scene is Piedad Saenz, owner and manager of Montréal's LadyBooks. Her company is some four years old, and she specializes in representing North American publishers in Latin America. "The biggest challenge for publishers is to build a solid contact base" in other markets, she says.

Saenz speaks French, English, and Spanish. She stresses that the key to what she does is "maintaining a constant and fluid communication with publishers despite important language barriers. I think there's also a misconception of how, for example, Latin Americans do business. And that can make lasting relationships difficult." •

ANEL'S RICHARD PRIEUR ON THE STRENGTHS OF THE FRENCH CANADIAN BOOK MARKET

The executive director of the Association nationale des éditeurs de livres (ANEL) talks about the association's work to support the flourishing francophone book market in Canada.

By Hannah Johnson

"One of the strengths of the French Canadian book market is that French Canadian authors remain loyal to their Canadian publishing houses," says Richard Prieur, executive director of the Association nationale des éditeurs de livres (ANEL) since 2010. "If they are published in France under a French brand, they still choose a Canadian brand for the local market."

ANEL is the Canadian publishers association for French-language publishers and is this year celebrating its 25th anniversary. Under Prieur's direction, ANEL works to promote the interests and growth of French-language publishing in Québec and across Canada.

Working to support its members export activities, ANEL's export committee, Québec Édition, organizes collective stands at book fairs in Frankfurt, Paris, Montreuil, Geneva, and Brussels. It also cooperates with Livres Canada Books on trade missions to other countries. And since 2014, the committee has organized fellowships for international publishers to attend Canada's largest book fair, the Salon du livre de Montréal.

"The Quebec Édition committee, which is run by Karine Vachon, is a great achievement," says Prieur, who has been ANEL's director since 2010.

As ANEL looks back at its 25-year history and forward to its next projects, *Publishing Perspectives* spoke with Prieur about ANEL's perspective on the French Canadian book market.

Publishing Perspectives: What are some of the unique characteristics of the French Canadian book market?

Richard Prieur: The book industry is well supported by the provincial government of Québec, and export activities are subsidized through Québec Édition, an ANEL committee that organizes collective stands.

A provincial law known as Bill 51 that was approved in 1981 has been really helpful in supporting independent bookstores and libraries throughout Québec. The bill requires public institutions like libraries and government offices to acquire their books from a bookstore in its region. Independent bookstores are doing well in Québec [as a result], and there are plenty of them.

PP: How has French Canadian publishing evolved in recent years?

RP: A lot of new publishing houses have appeared, and only a few have gone out of business. There are a number of key players in the industry today. Publishers like La Pastèque (graphic books), Lux and Écosociété (essays), Le Quartanier, Alto, la Peuplade, Mémoire d'encrier, Marchand de feuilles and many others in literature have seen international success. Plus there are well-known publishers like Québec Amérique, Boréal, and many more.

[In addition to developments domestically], the French Canadian market shows great vitality and interest in publishing authors in translation from English and Indigenous Canada.

PP: How much of an impact does France have on Québec's book market?

RP: In the early '70s, 90 percent of the French-language book market in Québec was controlled by publishers from France. These days, it has narrowed to 55-60 percent.

Text books for elementary and secondary schools are mainly Canadian (95 percent), which gives a boost to Canadian publishers. In general literature, Québec and French Canadian publishers have a market share of close to 40 percent.

PP: Recently, copyright collection agency Copibec filed a class action lawsuit against Laval University in Québec for using copyrighted material without permission. Does ANEL have an official position regarding this case, or Canada's Copyright Modernisation Act?

RP: ANEL fully supports Copibec and takes the position that those universities must not only be respectful of authors' rights (*droit d'auteur*), but must also be promoters of the idea that without copyright, there is no creation, writing, or culture.

Regarding the Copyright Act (*Loi sur le droit d'auteur*), ANEL was part of the group of cultural associations who strongly fought the new law and asked for numerous amendments without any result from the federal government. We are getting ready for the review of the law scheduled for next November, and we are working with writers unions, Copibec, Access Copyright, and others.

PP: ANEL is celebrating its 25th anniversary this year. Are there some achievements or highlights from ANEL's history you want to mention?

RP: In 2008, ANEL spearheaded the creation of a digital book warehouse in cooperation with Québec-based tech firm De Marque. The technology was developed by De Marque was then sold to French, Italian, Spanish publishing groups.

In 2012, De Marque, in cooperation with ANEL and public libraries in Québec, launched pretnumerique.ca, a system that allows libraries to lend digital books from Québec and French Canadian publishers.

"In the early '70s, 90 percent of the French-language book market in Québec was controlled by publishers from France. These days, it has narrowed to 55-60 percent."

—Richard Prieur, Executive Director, ANEL

And through the efforts of ANEL, Montréal was named World Book Capital (*Capitale mondiale du livre*) in 2005.

PP: ANEL publishes a magazine called *Collections*. Can you tell us more about this magazine?

RP: It was at the start a promotion tool to help libraries in Québec and abroad to complete their collections of Québec and French Canadian books. Then we extended the distribution to bookstores and started offering subscription to general public.

Each magazine (published 4 times a year) has a special theme. The list of themes is put together in collaboration with librarians. Some issues have even been inserted in daily newspapers. •

CANADA'S **UNIVERSITY PRESSES** NAVIGATE A COMPLEX BUSINESS

The smaller size of the academic market in Canada amplifies both the challenges and the opportunities for the country's university presses.

By Hannah Johnson

The business of publishing scholarly monographs—single academic titles, as opposed to journals—is done primarily by university presses in Canada. And it's a complex business. Not only do university presses have to navigate the dual demands of commercial success and academic integrity, but now they are also taking open access (OA) business models into account.

The Association of Canadian University Presses (ACUP) estimates that the average scholarly monograph sells "fewer than 75 copies in Canada," with worldwide sales per title in the range of 300-600. Its members collectively publish some 800 titles per year in English and French.

In order to operate a sustainable university press in a smaller market like Canada, publishers need income from several sources. Some financial support comes from public funding and other grants, including the Canada Foundation for Innovation, the Social Sciences and Humanities Research Council, the Department of Canadian Heritage, and the Canada Council for the Arts.

Other revenue comes from book sales to institutions and individuals, with some university presses also trying open access monograph publishing (Athabasca, Ottawa, Calgary, and others).

In order to address the issue of sustainability in academic publishing, the Canadian Association of Research Libraries (CARL) created the Canadian Scholarly Publishing Working Group (CSPWG) to establish a "shared vision" and framework for the future. The group included representatives from ten organizations, including the ACUP.

According to the final CSPWG report released in July of this year, Canada has a "productive journal sector" and "a vibrant network of university presses" but lacks, among other things, standard data about the cost of publishing in Canada and a "unifying national mandate."

To the point about costs, the report cited a 2016 study from Ithaka S+R, a research firm for the academic community, which looked at how much it costs to publish scholarly monographs in the US. Data from American university presses showed that the per-title costs ranged "from a low of $15,140 to a high of $129,909." The study also found that the fees some presses charge for open access publishing (in which the author pays) aren't high enough to cover these costs.

In light of this discrepancy, the CSPWG report acknowledged that there is a difference of opinion among the working group members when it comes to open access.

The ACUP issued a response, concerned about the CSPWG's proposed framework, which the ACUP says "is heavily focussed on open access solutions . . . at the expense of market-based or hybrid options." In order to build a framework that will support university presses, the ACUP writes, the proposed framework will need to take into account "the whole costs of publishing" and allow for hybrid business models.

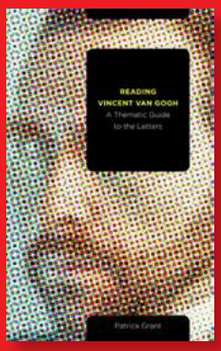
The ACUP writes that they "welcome opportunities to partner and experiment as we continue to adapt to an evolving scholarly communications and publishing environment." •

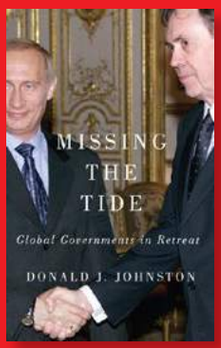
> "With less than 0.5% of the world's population, Canada's researchers produce 4.1% of the world's scholarly papers and nearly 5% of the world's most frequently cited papers."
>
> —CSPWG Final Report, July 2017

About the Association of Canadian University Presses

The Association of Canadian University Presses / Association des presses universitaires canadiennes exists to serve the interest of Canadian scholarship. By their publishing activity, ACUP / APUC members encourage the broadest distribution of the fruits of research and scholarship. The ACUP / APUC provides an organization through which the exchange of ideas relating to university presses and their functions may be facilitated. The members of our community practice a unique kind of publishing, which needs a public voice. The ACUP / APUC is a source for publishing advice and assistance to learned bodies, scholarly associations, institutions of higher learning, and individual scholars and is the major voice of the scholarly publishing community to government, to the media, and to the public.

For more information about the association and to download a list of members, visit the ACUP / APUC website: **www.acup.ca**





TITLES FROM CANADIAN UNIVERSITY PRESSES

A selection of the latest and forthcoming titles from members of the Association of Canadian University Presses / Association des presses universitaires canadiennes

Athabasca University Press

Reading Vincent Van Gogh
by Patrick Grant
(October 2016)

Soon after his death, Vincent van Gogh's reputation grew and developed through the extraordinary symbiosis evident between his paintings and letters. *Reading Vincent van Gogh* is at once an interpretive guide to the letters and a distillation of Van Gogh's key themes and ideas. This is the third book by Patrick Grant on the letters of Vincent van Gogh. It builds on his previous work in *The Letters of Vincent van Gogh* (2014), a practical-critical study, and "My Own Portrait in Writing" (2015), a literary theoretical analysis.

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ISER Books

Place Peripheral
Edited by Kelly Vodden, Ryan Gibson, Godfrey Baldacchino
(February 2015)

Place Peripheral examines community and regional development in rural, island, and remote locales from a place-based approach. This is a timely edited collection, addressing themes that are receiving considerable attention in Canada and internationally as local communities, scholars, researchers and public policy analysts strive to better understand and apply place-based strategies in rural and remote regions.

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McGill-Queen's University Press

Restructuring the European State
by Paolo Dardanelli
(December 2017)

Restructuring the European State uses a comparative analysis to present a systematic investigation of the connections between European integration and state restructuring. Dardanelli points to a striking paradox of integration, whereby an ethos of Europe growing ever closer to union has become associated with fragmentation, divergence, and increased complexity, rather than a seamless system of multilevel governance.

Missing the Tide
by Donald J. Johnston
(May 2017)

The 1990s were a decade characterized by optimism about a great future that lay ahead for generations to follow. Major challenges were approached with a realization that the world leadership had the capacity not only to meet them, but to turn them into unprecedented opportunities for global social and economic progress. *In Missing the Tide*, Donald Johnston demonstrates that none of these opportunities achieved their objectives, and in some cases failed completely.

Finding Franklin
by Russell A. Potter
(July 2016)

In 2014 media around the world buzzed with news that an archaeological team from Parks Canada had located and identified the wreck of *HMS Erebus*, the flagship of Sir John Franklin's lost expedition to find the Northwest Passage. *Finding Franklin* outlines the larger story and the cast of detectives from every walk of life that led to the discovery, solving one of the Arctic's greatest mysteries.

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Nunavut Arctic College Media

Too Many People
by Willem Rasing
(April 2017)

Too Many People: Contact, Disorder, Change in an Inuit Society, 1822–2015 examines the history of contact between the outside world and a group of Inuit, the Iglulingmiut, living in Canada's Eastern Arctic. Seeking to understand how order was brought about and maintained during this period of nearly two centuries, the ongoing historical narrative that evolves displays a pattern of interconnected social, economic, political, cognitive, and volitional changes in Iglulingmiut society.

Thou Shalt Do No Murder
by Kenn Harper
(July 2017)

High Arctic, 1920: Three Inuit men delivered justice to an abusive Newfoundland trader. This is a story of fur trade rivalry and duplicity, isolation and abandonment, greed and madness, and a struggle for the affections of an Inuit woman during a time of major social change in the High Arctic. The show trial that took

place in Pond Inlet in 1923 marked a collision of two cultures with vastly different conceptions of justice and conflict resolution.

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Presses de l'Université du Québec

Effective Classroom Management
by Nancy Gaudreau
(August 2017)

Classroom management is a very complex task that requires a broad range of skills from teachers, and it forms the basis of a healthy, safe and learning-friendly climate. This book helps teachers and education professionals implement effective classroom management practices. Bridging the gap between theory and practice, this book suggests a variety of strategies supported by research.

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Presses de l'Université Laval

Psychology of Perception
by Simon Grondin
(December 2013)

This book is primarily intended for undergraduate students. It offers an introduction to the study of psychophysics, auditory perception, visual perception, and attention. Students will become familiar with the terminology related to sensation and perception, and learn about the relative nature of perception. In addition, the book provides students with an understanding of many fundamental concepts and mechanisms that will allow them to interpret different perceptual phenomena.

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University of Alberta Press

Remembering Air India
Edited by Chandrima Chakraborty, Amber Dean, Angela Failler
(June 2017)

On June 23, 1985, the bombing of Air India Flight 182 killed 329 people, most of them Canadians. Today this pivotal event in Canada's history is hazily remembered, yet certain interests have shaped how the tragedy is woven into public memory, and even exploited to advance a strategic national narrative. This collection investigates the Air India bombing and its implications for current debates about racism, terrorism, and citizenship.

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University of British Columbia Press

Shifting the Liberal Human Rights Regime
by Nicole Marshall

The way that states frame migration rights is increasingly falling out of step with modern realities.

Undertow in the Third Wave
by Peter Allyn Ferguson
(2017)

In 2015, the world suffered a net decline in political freedom for the tenth consecutive year. This book seeks to understand why by examining 40 cases of democratic reversal. Peter A. Ferguson finds that legislative gridlock and other factors can increase the possibility of a reversal.

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University of Manitoba Press

A Two-Spirit Journey
by Ma-Nee Chacaby, with Mary Louisa Plummer
(June 2017)

A Two-Spirit Journey is Ma-Nee Chacaby's extraordinary account of her life as an Ojibwa-Cree lesbian. From her early, often harrowing memories of life and abuse in a remote Ojibwa community riven by poverty and alcoholism, Chacaby's story is one of enduring and ultimately overcoming the social, economic, and health legacies of colonialism. Her memoir provides unprecedented insights into the challenges still faced by many Indigenous Peoples.

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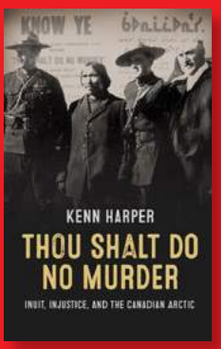
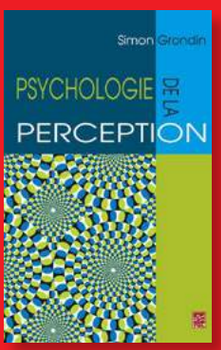
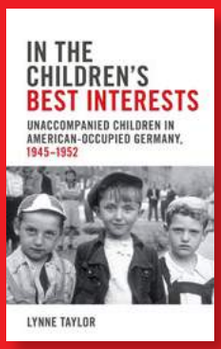
University of Toronto Press

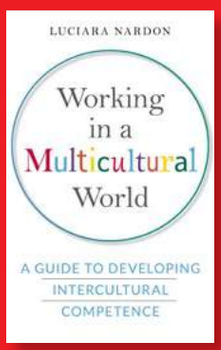
In the Children's Best Interests
by Lynne Taylor
(October 2017)

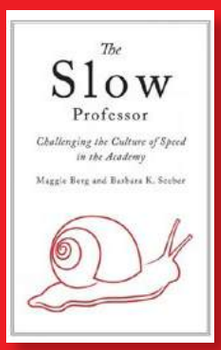
Among the hundreds of thousands of displaced persons in Germany at the end of World War II, approximately 40,000 were unaccompanied children. This situation posed serious practical, legal, ethical, and political problems for the agencies

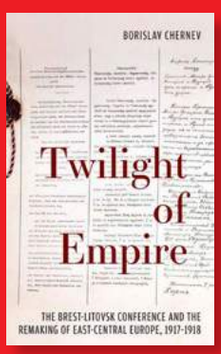


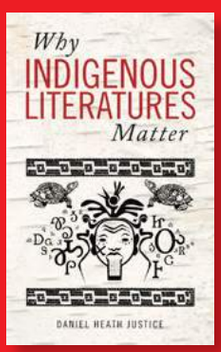












responsible for their care. This is the first work to delve deeply into the records of the United Nations Relief and Rehabilitation Administration and the International Refugee Organization, and to reveal the heated battles that erupted amongst the various entities responsible for their care and disposition.

Working in a Multicultural World
by Luciara Nardon
(November 2017)

Measureable, data-driven outcomes are not the only indicators of success in today's multicultural and globalized workforce. How employees interact with their colleagues and customers is also a significant factor in their career development. Luciara Nardon draws on her extensive research and international experience to guide employees and managers through the ambiguous and uncertain waters of today's multicultural workplace.

The Slow Professor
by Maggie Berg and Barbara Seeber
(May 2017)

If there is one sector of society that should be cultivating deep thought in itself and others, it is academia. Yet the corporatisation of the contemporary university has sped up the clock, demanding increased speed and efficiency from faculty regardless of the consequences for education and scholarship. In *The Slow Professor*, Maggie Berg and Barbara K. Seeber discuss how adopting the principles of the Slow movement in academic life can counter this erosion of humanistic education.

Twilight of Empire
by Borislav Chernev
(June 2017)

Twilight of Empire is the first book in English to examine the Brest-Litovsk Peace Conference during the later stages of World War I with the use of extensive archival sources. Two separate peace treaties were signed at Brest-Litovsk—the first between the Central Powers and Ukraine, and the second between the Central Powers and Bolshevik Russia. Borislav Chernev, through an insightful and in-depth analysis of primary sources and archival material, argues that although its duration was short lived, the Brest-Litovsk settlement significantly affected the post-Imperial transformation of East Central Europe.

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Wilfrid Laurier University Press

Why Indigenous Literatures Matter
by Daniel Heath Justice
(June 2017)

Part survey of the field of Indigenous literary studies, part cultural history, and part literary polemic, *Why Indigenous Literatures Matter* asserts the vital significance of literary expression to the political, creative, and intellectual efforts of Indigenous Peoples today. Blending personal narrative and broader historical and cultural analysis with close readings of key creative and critical texts, Justice argues that Indigenous writers engage with these questions in part to challenge settler-colonial policies and practices that have targeted Indigenous connections to land, history, family, and self.

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INDIGENOUS VOICES IN CANADA: BUILDING WIDER READERSHIP AND BETTER UNDERSTANDING

More readers "have access to the beautiful stories of Indigenous people" in Canada today, but there's more work to be done in recognizing Indigenous literary talent.


Cherie Dimaline

"By whose standards are we judging? Who are the judges and where does their understanding of 'the best literature' come from?"

—Cherie Dimaline, Author and Executive Director of The Riel Centre

By Carla Douglas and Porter Anderson

More than 1.4 million people in Canada, or about 4 percent of the population, are part of the three Aboriginal groups in the country, according to the Canadian government. There are 630-plus First Nations communities representing more than 50 Nations from across the country. There are the Inuit, Aboriginal people of the Arctic who live in more than 50 communities in Canada. And there are the Métis, a people of mixed Indigenous and European ancestry who formed a distinct culture in the 18th and 19th centuries.

Today in Canada, more initiatives are underway to highlight the talents and skills of an engaged and robust community of Indigenous authors, illustrators, editors, publishers, and others.

One of the best known Indigenous publishing houses in Canada is Theytus Books in Penticton, British Columbia. The company is owned and operated by Greg Younging, himself an author whose *Midnight Sweatlodge* (2011) is a gold medalist in the international 2012 Independent Publisher Book Awards and a winner of the same year's Northern Lit Award.

And one of the best known representatives of Indigenous voices in Canada's book industry is Cherie Dimaline. An award-winning author and editor from the Georgian Bay Métis community, Dimaline is also executive director of The Riel Centre, which reflects a groundswell of interest in Indigenous storytelling today.

Dimaline's books include *Red Rooms* (2007) and *The Girl Who Drew a Galaxy* (2013), published by Younging's Theytus Books, and this year's *The Marrow Thieves*, published by Dancing Cat Books and a finalist for the 2017 Kirkus Prize.

In 2014, Dimaline was named Emerging Artist of the Year at the at the Ontario Premier's Award for Excellence in the Arts. And she is the first writer in residence for Aboriginal literature at the Toronto Public Library.

Publishing Perspectives asked Dimaline to share her vision of what the oral and written traditions that Aboriginal cultures in Canada are bringing to the publishing industry and to readers.

Publishing Perspectives: What are some of the challenges of Indigenous talents working in publishing?

Cherie Dimaline: In conversations with Indigenous publishers, I've seen that trying to balance community stories and the requirements of being viable in the marketplace is always a concern. And like most publishers, resources are always at a premium.

PP: There are more than 600 First Nations communities in Canada, in addition to Inuit and Métis settlements. How is diversity perceived and understood within Indigenous cultures?

CD: It's imperative when we tell stories in an Indigenous context that we're in connection to the nation(s) that we're speaking of—or speaking on behalf of—even in fiction.

I belong to the Métis Nation on the Georgian Bay. We used to live on Drummond Island and were then forcibly removed—when the island was being annexed to the US—to the shores of the bay across from the town of Penetanguishene. That land then became very valuable as "cottage country." We're only 1.5 hours from Toronto with its wealthy weekenders. And we were moved again, away from the water. Now we largely reside in the French/Métis town of LaFontaine, just up the road, on less valuable land.

These removals and relocations of a culture are specific to my community, although experienced in different ways by all Indigenous people. It's part of our stories. And it's a huge piece of why we share stories and keep that history intact, just as we've kept our culture intact. There must always be connection to nation when we tell stories.

Taking a pan-Indigenous approach doesn't work. Taking a colonial viewpoint doesn't work. This changes the narrative of specific nations and is highly problematic. It leads to misunderstanding, misrepresentation, and stereotypes.

PP: Can you describe or pinpoint the readership for First Nations writing?

CD: My primary readership is Indigenous readers, but I've enjoyed a wide readership, particularly with my latest book, a YA dystopian novel called *The Marrow Thieves*. I write what I understand and what fascinates and comforts me from within a place of knowing. I'm not sure that when I set out to write that I have a particular readership in mind, but I'm always really grateful when both Indigenous and non-Indigenous people pick up the work.

We need better educated and positioned allies, and literature is one way to make this happen.

Indigenous literature has been gathering wider audiences, and I think that has a lot to do with readers finally having access to the beautiful stories of Indigenous people—and that has a lot to do with all publishers realizing the value and place of our stories.

PP: How important are awards? Are juries equipped to fairly evaluate submissions from Indigenous authors?

CD: Awards are incredibly important in literature for a few reasons. Recognition and the

SELECTED NEW TITLES BY INDIGENOUS AUTHORS

My Conversations With Canadians
by Lee Maracle
(Book Thug, October 2017)

Lee Maracle is a prolific writer whose original work becomes more relavant with time, while her new writing continues to shine. She is an award-winning author of novels, short stories, collaborative anthologies, and is founder of the En'owkin International School of Writing and and the cultural director of the Centre for Indigenous Theatre in Toronto.

Keetsahnak: Our Missing and Murdered Indigenous Sisters
edited by Maria Campbell
(University of Alberta Press, May 2018)

In 1973, Maria Campbell released her most famous work, the memoir *Half-Breed*, and gave voice to the Métis people. Since then, she has blazed a trail though a variety of media including literature, theater, radio, and film. Her use of language and traditional stories were groundbreaking and paved the way for grassroots Indigenous literature.

Full-Metal Indigiqueer
by Joshua Whitehead
(Talonbooks, October 2017)

Poet Joshua Whitehead writes with a clear voice. He speaks to a history and reality that are both familial and relational. His work delves into generational love and trauma and adds a necessary perspective with mastery and grace.

Also forthcoming from Joshua Whitehead is his YA novel, *Jonny Appleseed* (Arsenal Pulp Press, April 2018).

North End Love Songs
by Katherena Vermette
(J. Gordon Shillingford Publishing, 2012)

Katherena Vermette's first book of poetry, *North End Love Songs*, nabbed the Governor General's Award for poetry in 2013. Her first novel, *The Break* (House of Anansi Press, 2016), won, among others prizes, the Amazon.ca First Novel Award.

Vermette's short documentary film, *This River*, was produced for the National Film Board and won a 2017 Canadian Screen Award. She's an astounding storyteller.

Elements of Indigenous Style
by Gregory Younging
(Brush Education, October 2017)

Gregory Younging spent years editing and promoting the work of Indigenous writers as the publisher of Theytus Books, Canada's oldest Indigenous press. Now he's releasing a remarkable collection of thought, instruction, and guidance—*Elements of Indigenous Style*—to help writers, editors, and publishers produce material that reflects Indigenous people in an appropriate and respectful manner.

It's especially timely given recent discussions about legitimacy and approporiation.

The Pemmican Eaters
by Marilyn Dumont
(ECW Press, 2015)

Marilyn Dumont's poetry is orchestral in reach and volume. She has been one of the most powerful and unique voices in North American poetry for decades. Dumont crafts narratives and imagery with uncommon skill. She remains an important figure in Indigenous literature for both her talent and her mentorship. •

> "We need better educated and positioned allies, and literature is one way to make this happen."
>
> —Cherie Dimaline

associated marketing will translate into sales. And awards open doors into other communities and countries for the writers. There's also the value of prizes that come with purses for the under-appreciated writer!

I'm often drawn into conversations about just what it means to be inclusive, just what the importance is in separating out Indigenous awards, funding, literatures. The opposing argument is always a form of "meritocracy," as in "I believe we must all be judged together and that the best literature will naturally rise to the top, that there should be no segregation of art, story, or the associated arts funding."

To this I say, by whose standards are we judging? Who are the judges and where does their understanding of "the best literature" come from?

The best way to ensure awards juries are equipped and inclusive it to make sure they're diverse themselves, particularly when it comes to the fundamental understanding of global and Indigenous literatures—our histories, worldviews, narratives, and formats.

PP: There's a sense that Indigenous publishing and Indigenous authors are having their time—that there's been a perceptible shift and that works by Indigenous writers are now in the mainstream, not in a niche or category. Would you say this is the case?

CD: I would say that globally, readers and the industry that has been built around them are becoming privy to our stories and the skill in which they're told and preserved. We're going through a pretty brutal learning curve right now because Indigenous literature is unlike any other, and the rules are different.

It's why we're having to call out writers and stories that are harmful or that misrepresent.

The resulting skirmishes over "free speech" and "appropriation" were bound to happen since this is new territory to the publishing world and there's no precedent. Many of our stories are ceremony, history, teachings, and cannot be mishandled. We are a generous people and [we] share, but [our stories are] not out there to be "cherry picked" and morphed.

PP: Do Indigenous authors look forward to a time when they are not "Indigenous" but just "authors?" Or is it important to retain these identities?

CD: Because we are the people of story, it is a great honor for me to be called a Métis writer. It denotes a title, an honor, and a certain knowledge. In fact, I feel demoted when I'm referred to as only a Canadian writer. My community has struggled and survived, and I'm enormously proud to be able to carry our voices forward. I can't speak for every writer, but for myself, I am a writer. But being called an Indigenous author is like having a PhD at the end of your signature.

With regards to staying true to protocols around community ownership and dissemination, that has never "had its time." It's how we've survived genocide. It's how we still have our languages and our ceremonies and our distinct cultures.

In terms of writing stories, we are all welcome to write our own narratives and tell our own tales. I just wrote a book about the future. What we bring into all our works, no matter what the time frame or subject, is a community-specific worldview and understanding of story. We write the unknown, but we come at it from within an Indigenous worldview and perspective. •


David Swail


Markus Dohle


Kristin Cochrane


Kevin Hanson

THE ROLE OF MULTINATIONAL PUBLISHERS IN CANADA

Sharing a common language, international book publishing companies from the United States work alongside independent publishers in English-speaking Canada.

By Thad McIlroy

Penguin Random House Canada (PRH Canada) is unquestionably Canada's largest trade book publisher, controlling about a third of the market.

But more to the point, PRH Canada is now the owner of McClelland & Stewart (M&S)—a company most Canadians would agree is one of the country's most iconic trade publishers. Founded in 1906, M&S has published Margaret Atwood, Leonard Cohen, Farley Mowat, Michael Ondaatje, and Mordecai Richler—each of them known internationally and across Canada.

> The story of global publishing in the 21st century, after all, is one of mergers and acquisitions.

In 2012, Random House Canada acquired the final 75 percent ownership of M&S from the University of Toronto.

McClelland & Stewart is now owned by the German media company Bertelsmann, the parent company of Penguin Random House—which also owns iconic American and UK publishing brands.

The story of global publishing in the 21st century, after all, is one of mergers and acquisitions.

Scope and Scale

The five largest trade publishers all have offices in Canada, although only Penguin Random House (PRH), HarperCollins, and Simon & Schuster work on programs specifically for Canadian titles. Hachette maintains a marketing office, and Macmillan has an educational publishing office.

Here are some high-view observations about the most active of multinational houses in Canada.

Penguin Random House Canada

Penguin Random House has 50 editorial staffers (out of more than 200 employees) in Canada, and they publish some 500 new books a year.

The list of prominent Canadian authors in the PRH catalog is huge, in part because of the McClelland & Stewart backlist. The top star is Margaret Atwood. Other recent notables include Shari Lapena, Lilly Singh, and Linwood Barclay.

Kristin Cochrane, president and publisher of Penguin Random House Canada confirms the view of several Canadian agents that PRH is increasingly looking to acquire world rights instead of territorial rights.

"We try to acquire world rights when we feel the book has world audience," she says. "We try to bring the clout of the overall company. We only acquire rights that we intend to exploit."

HarperCollins Canada

HarperCollins Canada is an outgrowth of UK publisher William Collins, which had established a Canadian branch in 1930. Today, HarperCollin's top Canadian authors include Lawrence Hill, Emma Donoghue, and Sharon Butala.

Perhaps the biggest story in HarperCollins' Canada portfolio has been romance publisher

> "We try to acquire world rights when we feel the book has a world audience."
>
> —Kristin Cochrane, Penguin Random House Canada

Harlequin, founded in Canada in 1949. By the 1970s, a reported 70 percent of Harlequin sales were coming from the United States. The publisher acquired its first American author in 1975.

In May 2014, HarperCollins acquired Harlequin from its parent company Torstar for a reported C$455 million. The company, still seated in Toronto, is internationally respected as one of the most successful divisions of HarperCollins.

Simon & Schuster Canada

Kevin Hanson is president and publisher of Simon & Schuster Canada. He joined the company as president in 2005 from HarperCollins Canada.

In an interview with Simon Fraser University earlier this year, Hanson was asked, "What is the biggest challenge facing the Canadian publishing industry?" He unhesitatingly replied: "Globalization. We need to shift from thinking locally to globally which means thinking about publishing global authors in Canada and Canadian authors in the global environment." •

MAJOR PLAYERS IN **CANADIAN BOOKSELLING**

Despite shifts in the retail industry, the outlook for Canada's bookstores is generally positive.

By Thad McIlroy, with additional reporting by Hannah Johnson

While some independent bookstores in other countries (the US and UK, in particular) cautiously report something of an upturn, bookselling in Canada has definitively shifted online, in keeping with international trends.

According to BookNet Canada, in 2016, online channels accounted for 48 percent of print sales, with brick-and-mortar sales at 52 percent.

Indigo is English Canada's chain bookseller, and Renaud-Bray is the top chain in Québec. In ebooks, Kobo holds an edge over Amazon.ca, with Apple in the number three spot. Barnes & Noble and Google Books do only negligible business in the Canadian market.

Independent Booksellers

In 2012, the Canadian Booksellers Association was folded into the Retail Council of Canada. It's unclear how many bookstores are in the association; the information isn't made public.

Michael Neill, founding president of the bookstore-inventory software provider Bookmanager, estimates the number of indie bookstores in English Canada at some 400. His company currently has 311 bookselling entities as clients in Canada.

Independent booksellers in Canada say they can't be sure whether Amazon or Indigo is their biggest threat.

"The problem the industry has with Indigo is that they've taken over most of the urban floorspace for bookselling," says Howard White, president of Harbour Publishing. "At one point there were 37 bookstores in Vancouver. Now there are less than 10."

Sue Carter, editor-in-chief at book trade magazine *Quill & Quire* is bullish on bookstores. "There's been a resurgence in the last few years," she says. "They're being inventive, creative. I'm seeing successful bookstores across the country."

And at Novel Idea, an indie bookshop in Kingston, Ontario, owner Oscar Malan says that what bookstores have gone through "isn't about the book business. It's about a shift in the nature of retail," he said. "In the 1990s, there was an explosion of big box stores. Now there's another shift occurring—box stores are in trouble because of online sales."

In Québec, independent booksellers "are doing well," says Richard Prieur, executive director of French Canadian publishers association ANEL, in large part because of a piece of legislation called Bill 51. But, he says, "concentration is a threat."

This bill went into effect in Québec in 1981, and created a system of accrediting bookstores, publishers, and distributors. Accredited bookstores must be 100-percent Québec-owned, and libraries and government offices must buy books from an accredited store. In essence, it prevented companies in France and elsewhere from dominating the Québec market.

These stores are also eligible for financial support from the Québec government. According to the Québec government's website, there are currently 185 accredited bookstores in the province.

Prieur points to stores like Pantoute in Québec city, Librairie Monet (Montréal), Librairie de Verdun (Montréal), and Le Port de tête (Montréal) as "good examples of dynamic bookstores."

Indigo

Self-described as "the world's first cultural department store for booklovers," Indigo is succeeding as a chain bookseller while similar outlets in the US and UK see slowly shrinking sales.

The financial results are solid. After a 2.6-percent increase for the 2016 fiscal year, the first quarter of 2017 (ended July 1) saw revenue increase by 6.8 percent year-over-year, although print sales were up less than .01 percent. More significantly, print decreased to some 59 percent of total sales, versus nearly 70 percent in the 2013 fiscal year.

As of July 1 of this year, Indigo reported having 89 superstores in Canada under the names Chapters and Indigo, plus 122 small-format stores. Indigo employs some 6,500 people in Canada—more than all of the independent and multinational publishers combined.

Amazon

After a slow start in Canada, Amazon is now a major player in Canadian retail. Its bookselling efforts are based in Seattle, but the online retailer has launched some only-in-Canada programs.

Kaan Yalkin, PR lead for Amazon.ca, filled in some of the details.

The Amazon.ca First Novel Award (formerly the Chapters/Books in Canada First Novel Award) bestows $40,000 (US$32,000) on the winner. This year's prize went to Katherena Vermette.

Amazon.ca also sponsors 49thShelf.com, a website that offers book recommendations to help readers discover Canadian books and authors.

Kobo

"In Canada we're the largest ebook reseller by market share," says Michael Tamblyn, Kobo president and CEO. Tamblyn is happy to talk about a product that many industry observers now dismiss as a dinosaur—the dedicated e-reader. "Our latest e-readers have been massive critical and sales successes," he says. "Sales are very consistent from year to year."

The other big news is international markets. "We're watching publishers find success with their books internationally, including in non-English markets," Tamblyn says.

Rakuten, Kobo's Japanese parent company, doesn't provide detail on Kobo's financial results, but we know that the company is no longer writing down the value of its Kobo investment, after taking charges equal to 44 percent of its original $315 million dollar acquisition. Rakuten's latest report shows Kobo's second quarter 2017 results up 82.7 percent (including Tolino sales).

Renaud-Bray

Renaud-Bray is the second largest bookstore chain in Canada after Indigo and the largest French-language book chain in North America. Founded in 1965, this privately owned chain now operates nearly 30 retail locations across Québec.

In September 2015, Renaud Bray acquired competing retailer Archambault and English-language bookstore Paragraphe from media company Quebecor.

Although the chain does not disclose sales figures, it was estimated at the time of the sale that the acquisition would give Renaud-Bray a 40-percent share of Québec's book retail market. •

SALON DU LIVRE DE MONTRÉAL BRINGS FRENCH AND ENGLISH COMMUNITIES TOGETHER

Canada's largest book fair, the Salon du livre de Montréal, draws industry professionals and the reading public. It's also home to the French-English Translation Rights Fair.

Salon du Livre de Montréal (Photo: Jean-Guy Thibodeau)


Francine Bois

By Carla Douglas

The Salon du livre de Montréal is a highlight of the Canadian publishing calendar and the largest event for publishing professionals in Canada. And it will celebrate its 40th anniversary this year (November 15-20, 2017).

The first Salon took place in 1950, but it wasn't until 1978 that the event moved to a larger venue and officially became a book fair.

The Salon draws a crowd of 115,000 visitors each year who come to see the 2,000 writers and stands of 1,000 publishers in attendance. There are more than 240 cultural events, as well as activities for publishers, bookstores, libraries, and other industry professionals.

The Salon also hosts the Translation Rights Fair (November 16, 2017), a one-day event aimed at bringing Canada's anglophone and francophone publishers and agents together. The Translation Rights Fair was started by the Canada Council for the Arts, in partnership with Canadian Heritage. It took place for the first time in 2011, and at the Salon du livre for the first time in 2016.

Publishing Perspectives spoke with Francine Bois, director of Salon du livre, about this year's event, and what organizers call its natural partnership with the Translation Rights Fair.

Publishing Perspectives: The Salon du livre in Montréal is described as the largest Canadian book fair. What were its origins?

Francine Bois: To give you an idea of the Salon's scope and evolution, I think "from intimate to international" sums it up pretty nicely.

When it was launched in 1950, the Salon was an intimate event with just a few thousand francophone readers in a reception hall, co-organized by the Société d'études et de conférence and the Association nationale des éditeurs de livres [ANEL]. Now it is a large, multicultural, international event that attracts throngs of people to participate in conferences and meet their favorite authors.

PP: How did it the Translation Rights Fair become part of the Salon du livre?

FB: The Salon du livre de Montréal was looking to strengthen its offer for its increasing number of professional clients. The board was looking to partner with a significant event or company in the field, or to create a large-scale event.

At the same time, the Canada Council for the Arts, with the support of the Department of Canadian Heritage, was looking to pass on the Translation Rights Fair to a unifying event in the literature and publishing field. After all, it's the only event in the country that brings together publishers from both Canadian linguistic communities.

This new partnership is an important part of the Salon du livre de Montréal's evolution.

PP: How would you describe the Rights Fair? What are some of the activities taking place?

FB: The Translation Rights Fair was designed to bring together Canada's two linguistic communities, so it's only open to Canadian publishing houses. The partnerships established there are critical in helping Canadian writers and literature to be discovered all across the country.

It's essentially an annual one-day event where anglophone and francophone Canadian publishers and literary agents come together to buy and sell translation rights. This takes place through a series of 30-minute, one-on-one meetings.

Last year, along with 93 participants representing 64 publishing houses (39 francophone and 25 anglophone publishers), two anglophone literary agencies joined.

With the Translation Rights Fair being part of the Salon du livre de Montréal, publishers and their teams also have the chance to take part in workshops on best business practices, meet writers and illustrators, and talk to peers.

PP: Are there opportunities for international publishers to be involved in the Salon du livre?

FB: Each year, the national book publisher's association, ANEL, offers the Rendez-vous fellowship to bring a delegation of 10 foreign publishers to the Salon. This is organized by the Québec Édition, an ANEL committee dedicated to promoting publishers abroad. Through this, the Translation Rights Fair raises the visibility of more publishers and increases the number and range of works acquired, all the while showcasing Canadian books and literature to the world.

The Salon's international presenters—writers, publishers, etc.—will also participate in certain Translation Rights Fair activities organized in collaboration with the Salon. If, in the future, the Salon is able to regularly host the Translation Rights Fair, there will be many more opportunities for workshops with international contributors. •


Michael Ondaatje and Sunila Galappatti

Francesca Melandri, Eleanor Wachtel, and Christopher Kloeble

A GLOBAL VIEW OF LITERATURE FROM TORONTO

Geoffrey Taylor, director of Toronto-based International Festival of Authors (IFOA), talks about the expanding festival activities and Canada's evolving literary scene.

By Hannah Johnson

Since 1974, the International Festival of Authors has been a showcase for literary talent from Canada and abroad. The primary festival takes place every October in Toronto (October 19-29, 2017), and the IFOA organizes additional events and exchanges throughout the year.

Festival director Geoffrey Taylor has overseen many of the IFOA's new initiatives, and he talks here about his latest work and the literary trends in Canada.

Publishing Perspectives: You've been working with the IFOA for nearly three decades, and you've been the festival director for 15 years. How has the festival evolved?

Geoffrey Taylor: There have been so many opportunities for the Festival to grow over the years, and I've been happy to be involved in IFOA's development. IFOA has grown broader in scope, and there has been an increase in the number and types of events we program. For instance, the Festival now features more nonfiction, graphic novel, and debut authors. IFOA has expanded our partnerships to include post-secondary institutions . . . as well as government and cultural organizations.

Over the past decade, we have worked with municipalities, libraries, cultural centers, schools, and bookstores to present national and international talent at author events across the province through our IFOA Ontario program. The International Visitors Programme has brought groups of international publishing leaders to Canada . . . [and] operates as an informal rights fair—a new initiative in the Canadian market.

Our year-round programming has also grown to feature more children's literature programming and international touring of Canadian authors through the IFOA International programme.

PP: Why is this international exchange of authors important to you and the festival?

GT: I have always believed in the universality of story and the power of the written word. The exchange of these stories is important because we are Canadian, but we are also part of a global literary community.

As an English-language literary festival we are often limited in that we only present works in English, but more stories are available in translations nowadays. Similarly, finding ways to share Canadian stories is a priority, so that we also join the worldwide conversation.

Stories of different cultures, places, and people need a platform, and we hope to continue to showcase as many stories as possible from every corner of the globe at the IFOA.

PP: You obviously enjoy what you do. What keeps you energized and excited about your work?

GT: In the books and publishing industry we are working with a contemporary art form that is constantly changing. The excitement for me lies in the new works being created and published, and the new talent that can be discovered. Meeting authors from across Canada and the world—either at the Festival in Toronto or at the festivals I visit—is also part of what I enjoy about my work. Everyone always has such interesting stories to tell.

PP: Are you seeing any issues or writing trends in recent years that have shaped Canada's publishing scene?

GT: Over the past few decades and as the demographics of Canada change, more stories from around the world are now Canadian stories. The vast number of stories set in the Canadian wilderness, though they do still exist, are no longer what the world strongly associates with our literary canon, and now our stories can truly be set anywhere in the world.

PP: You're a founding member of the Word Alliance, a group of eight international literary festivals. Can you tell us more about it?

GT: Word Alliance was formed in 2010 with three initial priorities in mind: securing authors for international travel, sharing knowledge about local markets, and generating funding from an international body of donors. The founding festivals included: the Edinburgh International Book Festival; Étonnants-voyageurs, Saint-Malo; the International Festival of Authors, Toronto; International Literature Festival, Berlin; Melbourne Writers Festival; The Bookworm International Literary Festival, Beijing; PEN World Voices Festival of International Literature, New York; and the Jaipur Literature Festival.

We will continue to seek new member festivals from emerging regions such as Africa and Latin America to continue this international exchange, and my wish is that the Word Alliance will continue to grow until each international literary festival is a member. •

"Over the past few decades and as the demographics of Canada change, more stories from around the world are now Canadian stories."

—Geoffrey Taylor, Director, IFOA

EVENTS, CONFERENCES, FAIRS: WHERE TO MEET CANADIAN AUTHORS AND PUBLISHERS

BookNet Canada Tech Forum
March, Toronto

This annual conference from BookNet Canada is the country's largest technology-focused publishing conference. The event is attended by hundreds of publishing professionals, and topics range from production and marketing to digital tools and consumer research data.
techforum.booknetcanada.ca

Blue Metropolis Literature Festival
April, Montréal

Blue Metropolis is a non-profit foundation that organizes, among other things, an annual literary festival. The festival attracts more than 60,000 visitors, and the program includes events in both French and English. The 2016 festival featured authors from 10 countries, dedicicated children's book programming, and several literary prizes.
www.metropolisbleu.org

2018 Congress of the Humanities and Social Sciences
May, Regina

Canada's largest scholarly gathering, the Congress includes a week of presentations, lectures, workshops and panels, as well as the country's largest academic trade show. Organized by the Federation for the Humanities and Social Sciences, the Congress takes place at a different university in Canada each year and draws over 70 scholarly associations together.
www.congress2018.ca

Word on the Street
September, Toronto

Word on the Street is Canada's largest book and magazine festival, with sister events in Halifax, Lethbridge, and Saskatoon. The program features writers working in multiple languages, as well as critics and industry professionals. The event began as the Toronto Book and Magazine Fair, and was reimagined as literary festival in 1990.
thewordonthestreet.ca

Festival international de la littérature
September, Montréal

This 10-day literary festival in an around Montréal was created by the Union des écrivaines et des écrivains québécois (UNEQ), a French Canadian writers association. Hosting more than 200 writers and 50 events each year, the Festival international de la littérature is a multidisciplinary platform for Québec writers to present their work.
www.festival-fil.qc.ca

International Festival of Authors
October, Toronto

With its primary event in Toronto and satellite events around the country, the International Festival of Authors is an internationally recognized forum for authors from Canada and around the world. It was founded in 1974, and continuously works toward its mission to advance literature with events, trips, and readings all year long.
ifoa.org

Vancouver Writers Fest
October, Vancouver

With more than 90 events across the city and regular appearances from top Canadian and international authors, the Vancouver Writers Fest is one of Canada's largest literary events. The Fest's activities include both year-round programming and its flagship, annual literary festival.
writersfest.bc.ca

Salon du Livre de Montréal
November, Montréal

The Salon du livre de Montréal is the largest book fair in Canada, with both professional and public components. Nearly 115,000 people attended in 2016. While the exhibitors are predominantly from French Canada, the Salon attracts international visitors from the public and the book trade. In addition, the Salon hosts the annual Translation Rights Fair, where anglophone and francophone publishers and agents meet.
www.salondulivredemontreal.com


BookNet Canada Tech Forum (Photo: Yvonne Bambrick)


Word on the Street Toronto (Photo: Kuru Selvarajah)


Translation Rights Fair (Photo: Canada Council for the Arts)


Rose-Line Brasset at the Salon du livre de Montréal (Photo: Jean-Guy Thibodeau)

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DIRECTORY OF CANADIAN EXHIBITORS AT THE 2017 FRANKFURT BOOK FAIR

6.0/B 65
Livres Canada Books / Canada National Stand
Ontario

4.2/L 66
1science
Québec

5.1/E 111
Alto
Québec

6.0/B 37
Annick Press Ltd.
Ontario

4.2/J 15
Arcler Education Inc.
Ontario

6.0/B 52
Arsenal Pulp Press
British Columbia

6.1/B 12
Beaver Books Publishing, division of PAPP International Inc.
Québec

6.0/A 126
Between the Lines
Ontario

6.3/LitAg
Beverley Slopen Literary Agency
Ontario

6.0/A 43
Biblioasis
Ontario

6.0/A 55
Broquet Inc.
Québec

6.0/B 65
Brush Education
Alberta

6.0/B 76
Chouette Publishing
Québec

6.0/B 65
Crabtree Publishing Company
Ontario

3.1/L 137
D&D Publishing
Vancouver

6.0/B 36
De Marque
Québec

6.0/B 56
Dundurn
Ontario

6.0/B 65
eBOUND Canada
Ontario

6.0/B 39
ECW Press
Ontario

6.0/A 51
Éditions ADA
Québec

5.1/E 111
Éditions du Boréal
Québec

5.1/E 111
Éditions du CHU Sainte-Justine
Québec

6.1/D 145
Éditions Glenat
Québec

5.1/E 111
Éditions Les 400 coups
Québec

6.0/B 46
Firefly Books Ltd.
Ontario

6.0/B 33
Fitzhenry & Whiteside
Ontario

6.1/C 30
Flowerpot Children's Press
Ontario

6.0/D 48
FOCUS
Ontario

6.0/B 54
Formac Lorimer Books
Nova Scotia

6.0/A 47
Friesens
Manitoba

6.1/C 68
Goélette International
Québec

6.0/B 47
Greystone Books Ltd.
British Columbia

5.1/E 111
Groupe d'édition la courte échelle
Québec

5.1/E 111
Groupe Fides
Québec

5.1/E 111
Groupe HMH
Québec

6.0/B 50
Groupe Homme
Québec

5.1/E 111
Groupe Librex/Groupe Ville-Marie Littérature
Québec

6.0/A 43
Guernica Editions
Ontario

5.1/E 111
Guy Saint-Jean Éditeur
Québec

6.3/LitAg
Helen Heller Agency
Ontario

6.0/B 69
House of Anansi and Groundwood Books
Ontario

6.0/A 126
Inanna Publications
Ontario

6.0/D 7
Inhabit Media Inc.
Ontario

4.2/J 72
International Civil Aviation Organization (ICAO)
Québec

3.1/J 130
ITMB Publishing Ltd.
British Columbia

6.0/B 73
Kids Can Press Ltd.
Ontario

5.1/E 111
Le Quartanier
Québec

6.0/B 40
Leméac Éditeur
Québec

6.0/B 42
Les Allusifs Inc.
Québec

5.1/E 111
Les Éditions de Mortagne
Québec

5.1/E 111
Les Éditions du remue-menage
Québec

5.1/E 111
Les Éditions Écosociété
Québec

6.0/A 35
Les éditions les Malins
Québec

6.0/B 78
Les Éditions Michel Quintin
Québec

5.1/E 111
Lux Éditeur
Québec

6.0/B 38
Marquis Book Printing
Québec

6.0/B 45
McGill-Queen's University Press
Québec

5.1/E 111
Médiaspaul
Québec

5.1/E 111
Mémoire d'encrier
Québec

6.0/A 118
Mosaic Press / IPI
Ontario

6.0/A 39
New Society Publishers
British Columbia

6.0/A 41
Nimbus Publishing
Nova Scotia

4.2/M 94
Notion Wave Inc.
Ontario

6.0/B 77
Novalis Publishing Inc.
Ontario

6.2/D 61
Onixedit Inc.
Québec

6.0/B 35
Orca Book Publishers
British Columbia

6.0/B 77
Owlkids Books
Ontario

6.0/A 59
Pembroke Publishers
Ontario

6.0/B 55
Phidal Publishing Inc.
Québec

6.0/A 53
Prologue Inc.
Québec

6.0/B 66
QA International / Québec Amérique
Québec

5.1/E 111
Québec Édition
Québec

6.0/B 44
Robert Rose Inc.
Ontario

6.2/C 57
Scholastic Canada Ltd.
Ontario

6.0/B 58
Second Story Press
Ontario

6.1/E 9
Shoebox Media
Québec

6.1/E 40
Spicebox Production Development Ltd.
Ontario

6.0/A 57
TC Média Livres
Québec

6.3/LitAg
The Cooke Agency International
Ontario

6.0/B 72
The Novelty Book Company
Québec

6.0/B 34
The Right Rights Book Agency
Québec

6.3/LitAg
The Rights Factory
Ontario

6.3/LitAg
Transatlantic Literary Agency, Inc.
Ontario

6.0/B 65
UBC Press
British Columbia

6.0/B 65
University of Ottawa Press
Ontario

6.0/B 43
University of Toronto Press
Ontario

6.0/B 65
Vidacom Publications | Éditions des Plaines
Manitoba

6.0/A 37
Webcom Inc
Ontario

6.3/LitAg
Westwood Creative Artists Ltd.
Ontario

6.0/A 45
Wilfrid Laurier University Press
Ontario

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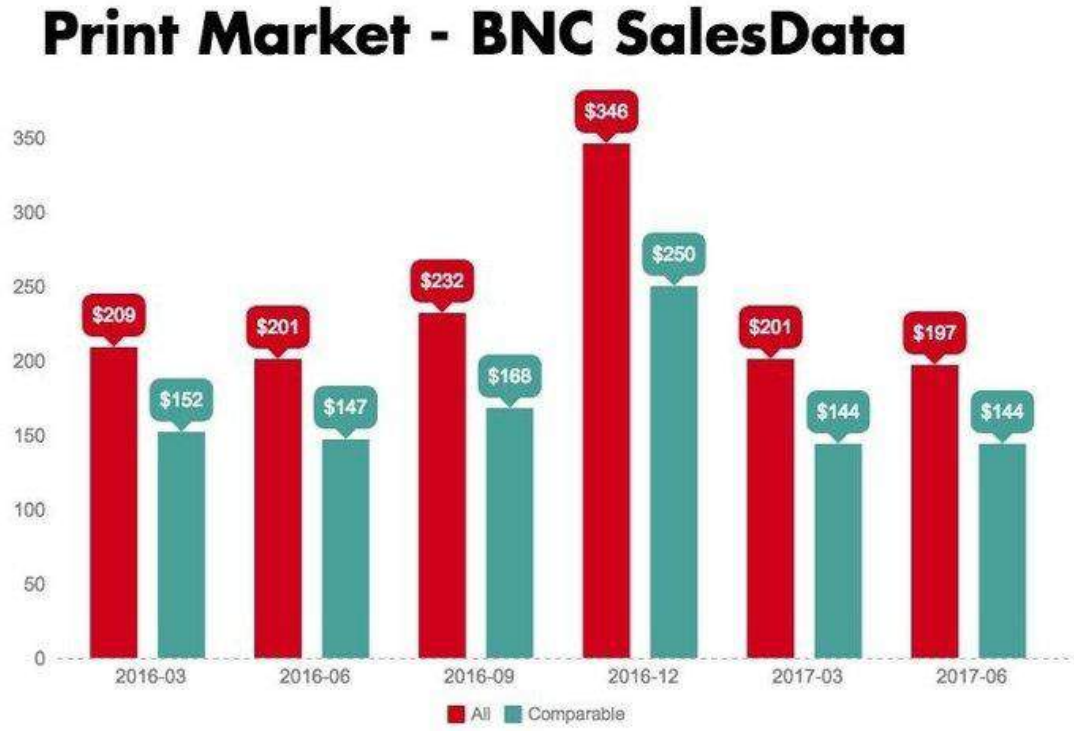
Mid-year state of the nation: Canadian book publishing

Want to know how 2017 is shaping up in terms of book sales? We brought this information to you last year and we're back to do it again this year.

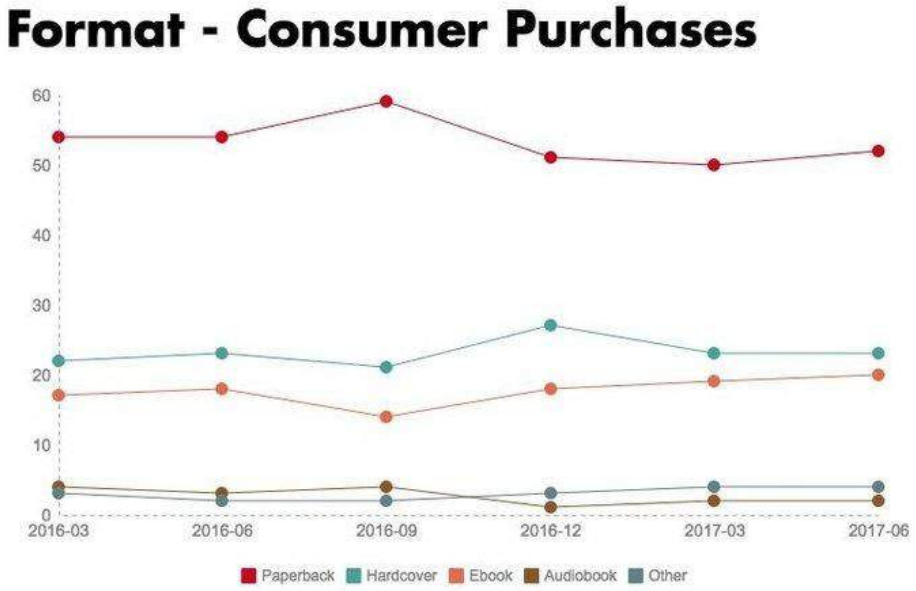
Overall print book market down 2.7% in value sold

Canadian book buyers spent a respectable $398 million on print books in the English-language trade market during the first six months of 2017. When we look at the value sold for a group of comparable stores for the first half of 2017 versus the same period last year, however, we see that overall print book sales were down 2.7%, according to sales numbers reported to BNC SalesData.

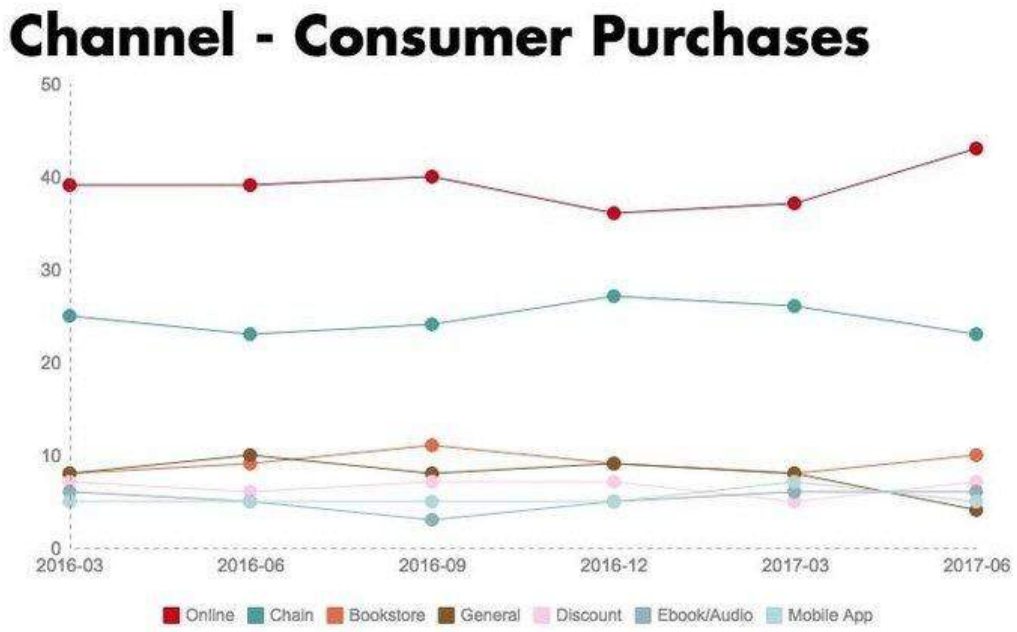


Ebooks, online shopping see gains in first half of 2017

When it comes to format preferences among book buyers in Canada, consumer surveys conducted with 966 book-buying Canadians during the first six months of 2017 show a 3% increase in the number of ebooks purchased versus the same period in 2016. With a 20% share of the market, ebooks remain in third place behind paperback at 51% and hardcover at 23%.



Online shopping, which covers shopping on e-commerce websites, mobile app purchases, and ebook/audio downloads, also saw gains during the first half of 2017, rising from 50% to 52% over the same period last year. The second-most popular channel remains chain bookstores, with a fairly steady 25% of market share.



Further reports on consumer buying habits, sales trends, digital publishing, and more can be found at booknetcanada.ca/bnc-research. We'll also be back in the beginning of 2018 to tell you how the next six months shape up.

Ontario
Book Publishers
Organization

Book Publishing in Ontario:

Maximizing the economic contribution of the Ontario publishing industry while continuing to create cultural works of value to Ontarians

1. Compensate authors and publishers for the use of copyrighted material in Ontario schools and post-secondary institutions, and provide Ontario teachers with relevant learning resources.

The broad interpretation of the federal *Copyright Modernization Act* of 2012 by the Ontario Ministry of Education and school boards, and Ontario's post-secondary institutions, has meant that they **no longer pay any remuneration to authors and publishers** for use of copyrighted works in schools. This has meant significantly reduced investments in creating Ontario-published materials for the classroom, as well as litigation about the legality of this broad interpretation. In July 2017, the Federal Court of Canada concluded that York University's copying policies are not fair, and ordered it to pay its tariffs. The Ministry of Education and most post-secondary institutions allows copying under policies similar or identical to those declared illegal by the Court. We invite the Ontario government to **explore better ways of moving forward that meet the needs of both** the education sector and those of writers and publishers, and **to ensure that Ontario educators have relevant, responsive learning resources to improve student achievement** throughout the 21st century.

2. Increase support for the Ontario Media Development Corporation (OMDC)

Ontario publishers produce a broad diversity of desired Canadian content. In order to develop Canadian literary authors in all stages of their careers, Ontario's independent publishers receive provincial funding and tax credits. **The programs of the OMDC support book publishing with exceptional effectiveness.** In 2015 the Book Fund generated a return of over 300% in sales for every dollar expended. The Export Fund generated international sales of $8.9 million from an investment of $274,000. In addition to these current programs, **an increase to the OMDC's book programs of $3 million** will generate similar returns and boost economic prosperity through employing people from diverse and Indigenous backgrounds, in the writers we publish and the people we employ. It will create higher-paid publishing internships (often an economic barrier for children of immigrants) and develop youth outreach programs, and it will also allow publishers to **create significant opportunities for the creation of diverse content, and the retention of talent in Ontario**.

• The Ontario book publishing tax credit provided $2.9 million to Ontario publishers in 2015-16. Both tax credits and funding are critically important to the stability and future growth of the industry and the ability of Ontario publishers to continue to tell Ontario stories, reflect our diverse culture and employ and retain talented authors and professionals in Ontario. **Two categories of titles that have been excluded from the program should be made eligible:** translations (of Canadian books by Canadian translators) into at least French, English, and Indigenous languages; and graphic novels, a genre that has come to be recognized as a highly creative and sophisticated combination of visual and literary arts. Extending tax-credit eligibility to these two categories would create more breadth in the program without significantly increasing the tax credit as there is a cap per title.

3. Mandate the use of Canadian-authored books in Ontario classrooms

The Ontario government announced, as part of its cultural strategy, funding to develop learning resources for using Canadian-authored books in Ontario classrooms. The OBPO appreciates this commitment and, looking forward, we must find ways for school boards and teachers to be able to afford Canadian books for their classrooms. Giving schools the ability to have books at the same time of giving teachers the ability to have learning resources is key to making this cultural necessity a reality. In August 2017, the OBPO analysed the use of over 2,000 books, as reported by 281 teachers from public and Catholic school boards in Ontario, and found that **no Canadian books were amongst the ten most frequently mentioned titles**. Ontario publishers and books have achieved international acclaim, and Ontario students deserve to have access to these great resources.

The Facts:

- An estimated 14,200 book titles are published in Canada annually.
- Book publishing in Canada is a $1.7 billion industry, with nearly two-thirds of revenues generated in Ontario.
- The Ontario Media Development Corporation estimates that Ontario-based, Canadian-owned book publishers generated 2,590 jobs in 2011.
- In 2014, Ontario publishers paid $226.3 million in wages, salaries and benefits.

Issues:

- The book retail marketplace has been transformed to include both “bricks and mortar” and large, complex websites, where online searches supplant in-store browsing. Competition for attention is fiercer than ever, and Ontario publishers have had to double their marketing efforts to engage both retail streams.
- Canada is one of few developed countries in the world that does not integrate its own literature into its education system.
- Across all school subjects, three foreign-owned publishing companies (McGraw-Hill, Nelson, and Pearson) account for more than 90% of the textbooks and learning materials used in Ontario schools. These firms are all downsizing their Canadian operations, and some are expected to close altogether in the next few years.

Chapter 3
Canadian Independent Bookstores

Canadian Independent Bookstores

Overview of Materials

Bookseller market by store format

While there seems to be little current or historical business data on the health, decline, or general state of Canadian bookstores, what is available points to a rapid decline in market share held by independent bookstores and the rise in market share of the chains and online booksellers.

A Turner-Riggs study commissioned by Canadian Heritage, *The Book Retail Sector in Canada,* September 2007, highlights "the shift in market share from the independent bookstores to a single national chain throughout the country and powerful chains in Quebec. This process has unfolded over the past decade or more, and the result has been to place a majority share of the Canadian consumer book market in the hands of a small number or retailers." (p.4)

The Book Retail Sector, though now ten years old, also raises issues with continued currency for Canadian publishers and booksellers: the shift to online purchasing, price discounting, parallel importation, supply chain improvements (BookManager and BookNet Canada), high consumer expectations with respect to product availability, and a rise in product and competing products in stores (16,000 originally published in Canada; 300,000 in the US, and an increase in used books) (p. 13)

A Canadian Encyclopaedia article on bookselling, first published, December 12, 2012, referenced the lack of data but offered the following: "No official figures exist for the actual number of retail bookstores in English Canada today. There are at least 2000. Of these, about 605 are independently owned, 466 are members of a chain operation, 127 are college or university outlets specializing in texts and scholarly books, 290 are religious bookstores, and approximately 319 are retailers who sell books as a sideline. About 45% of these stores are located in Ontario, by far the largest market for new books in Canada; BC has about 25%, and the Prairie region, perhaps 20%. The remaining 10% of the English-language stores are thinly distributed throughout the Maritimes and Québec. The exact size of the retail book industry is unknown, but it has been estimated as high as $1.3 billion.

Most Canadian booksellers rely to a great degree on imported - mainly American - books for their sales. About 70% of all books sold in bookstores in English Canada are of US origin; Canadian books account for about 20%, and the rest are mainly British. Canadian books comprise a vital and positive element in bookstore sales, often monopolizing the fall and Christmas bestseller lists and making the difference between annual profit and losses for the book retailers."

According to the latest Stats Can study, Table 361-0091*, Book publishers, net value of book sales by customer category, 2014* all bookstores held 46% of the market but it doesn't break this down by Indie, chain, or online; library, direct and wholesale 2.5%; educational institutions 17.03%; and other, including internet sales, were at 8.6%.

Thad McIlroy's article in Livres Canada Books' *Publishing in Canada*, (p. 43) iterates BookNet Canada's (BNC) 2016 data cited in the Overview and brings us to the modern age of retail bookselling, pointing out that bricks and mortar accounted for 52% retail sales (both indie and chain), while online sales now account for 48% of print sales, an increase of 28% since the Turner-Riggs study. As noted below online sales increased to 52% in the first two quarters of 2017 according to BNC surveying, further highlighting that a functioning and attractive online presence is now critical for booksellers of all kinds.

In the same article, McIlroy references BookManager owner, Michael Neill's estimate of 400 indie bookstores in English Canada. If the Canadian Encyclopedia's estimate is correct then there has been a 60% reduction in the number of indies since 2012.

In BNC's latest *Mid-year state of the nation: Canadian book publishing*, August 2017, online shopping, which covers shopping on e-commerce websites, mobile app purchases, and ebook/audio downloads, also saw gains during the first half of 2017, rising from 50% to 52% over the same period last year. The second-most popular channel remains chain bookstores, with a fairly steady 25% of market share. Indie bookstore sales are at 10% in 2017, holding their own in relation to 2016.
These examples serve as reminders of the enormous changes that have taken place in the bookselling environment in Canada in the last ten years.

Bookseller market by sales, print, and ebooks

The Turner-Riggs study of 2007 estimated the total value of Canadian consumer books at that time at $1.59 billion, with Canadian-owned firms holding 41% of domestic sales (p.5). At the time of that study, the market share for chain bookstores had increased to the detriment of the indies. Indigo then held 44% of domestic book sales in 2006, indies held 20%, online 20% and non-traditional retail 4%.

As noted in the Overview document, the print book market in English-language Canada in 2016 was down 4.4% in units sold to 50M units from 2015 and down 1.8% overall sales to $984M on a total of 726,000 ISBNs, according to BookNet Canada's (BNC) recent *The Canadian Book Market, 2016 edition*.

An IbisWorld snapshot of Book Stores in Canada, 2017 calculates a $1 billion industry of 1,056 stores declining -3.8% over 2012-17.

To further understand the current environment for Canadian retailers, BNC in their *Mid-year state of the nation: Canadian book publishing,* August 2, 2017 reports that in the first six months of 2017, Canadian buyers spent $398M on print books. This represents a 2.7% drop in sales over the previous year. Ebook sales increased by 3% at 20% share of the market, in third place behind paperbacks at 51% and hardcover at 23%.

Canadian Indie bookstores' role in distributing Canadian–authored books and awareness of Canadian books

On reading habits and purchases, the Turner-Riggs' study cites the Department of Canadian Heritage readership study*, Reading and Buying Books for Pleasure*, 2005, noting that Canadian book readers most commonly obtain their books from bookstores (62%), then public libraries (32%), and borrowing from other people (19%). , (p. 19)

In 2014, according to Statistics Canada's *Book Publishing Industry, 2014,* bookstores and other trade sales accounted for $517.3M in sales of own and exclusive agency titles from Canadian publishers, followed by educational institutions at $190M and agents, distributors, and wholesalers at $179.5M. Stats Can provides no breakdown by indie or chain stores. Sales of Canadian-authored titles were $681.3M, almost on a par with foreign-authored titles at $683.5M. In 2014, the breakdown of titles published was 14,218 new, 10,433 of which were titles by Canadian authors.

Looking at how readers discover books BNC's The reading habits of Canadians, August 2017 shows that Canadians still hear about the books they read and buy by word of mouth (50%), browsing in physical stores (38%) and browsing online retailers (38%).

The above data demonstrate the importance of bricks and mortar stores, chain and indie, to Canadian publishers for both sales of their Canadian-authored and agency titles. It also indicates how important Canadian-published and Canadian-authored titles are to Canadian booksellers. One suspects that for publishers of regional titles, the health of indie bookstores is even more crucial in building awareness of Canadian books and to the actual sale of their titles. Awareness campaigns such as the Atlantic Publishers Marketing Association's Atlantic Books Today, the Book Publishers Association of Alberta's Read Alberta Books, and the Association of Book Publishers of BC's Read Local BC point to the importance that regional associations place on the relationship with local booksellers and their attempts to build relations with them and with consumers in the regions.

Given that Canadian publishers across the country have relied on independent bookstores to promote and sell regional, literary, as well as bestselling Canadians titles, one may extrapolate that the reduction in physical stores over the time surveyed has had and will have a profound impact on Canadian publishers' sales.

If all of this is making you depressed, this latest post on November 8th from Oren Teicher, CEO of the American Booksellers Association, will give heart. "…, the national business landscape for indie booksellers is far better than in 2011, with growth in the number of new store openings, established stores opening new locations, and a modest increase in sales in the indie channel — facts that are all the more welcome when contrasted with the significant decline in sales for so many other bricks-and-mortar retailers." You may read all at a letter from Oren Teicher.

An overview of ideas for building partnerships with booksellers, publishers, and government

- More data and information on Canadian bookselling focusing on the independent stores is needed. Regional breakdowns would be helpful. Stats Can, Canadian Heritage and the Retail Council could support this initiative.
- Re-introduction of the book rate reported by the Book and Periodical Council. At a meeting in 2010 with then Minister of Canadian Heritage, Hon. James Moore, representatives of Canadian Booksellers' Association (CBA) discussed how competition from discounters and internet retailers has had an impact on pricing strategies and distribution models. CBA recommended the re-introduction of the book rate in order to help booksellers and publishers move special orders and small shipments of books across Canada affordably. Large internet retailers can negotiate rates that are not possible for any other bookseller, effectively shutting independents out of the special-order market. With Canadian Heritage's assistance in offsetting shipping costs, independents would be able compete on a more level playing field.
- Accredited Bookstore Program**: The Québec model.** This program, implemented in 1981 as an Act respecting the development of Canadian firms in the book industry, was set up to encourage the buying of Québec and other "foreign" books by requiring government departments, libraries, and schools to purchase from accredited bookstores throughout Québec. It operated with this mandate: "By ensuring access to all books, both new publications and basic works, the bookstore guarantees the diversity of books and their renewal. Without bookstores there are no publishers; without publishers, there are no authors; and without authors, there is no national or international literature. The Québec government wishes to guarantee that all Quebecers, regardless of where they reside, have free, ready access to books and reading and to this end has sought to establish a network of professional bookstores throughout Québec. It is incumbent upon each one of us to ensure that the network is maintained." Among other things the Act:
    - encourages affordable and available books
    - keeps prices stable
    - encourages a network of bookstores throughout the province
    - helps the development a thriving book industry
    - acknowledges the role of booksellers in the development of reading
    - obliges the bookstores to offer a range of titles (Québec and foreign published), prompt fulfillment, free delivery, employ up-to-date equipment, among others requirements
- The Enterprise Finance Guarantee (EFG) is a UK government guaranteed lending scheme that has been cited as available to cultural enterprises. "It is intended to enable banks to lend to viable small businesses who are unable to provide the security that the bank would otherwise require. The government announced the launch of the Enterprise Finance Guarantee Scheme (EFG) in November 2008 to

provide targeted intervention for viable SMEs, close to the margins on risk, who could not access debt finance during times of tight credit conditions. EFG replaced the previous Small Firms Loan Guarantee scheme."

- In Canada, SODEC, a Québec government initiative to promote the development of cultural enterprises in the province, offers financial assistance for accredited booksellers through the Programme d'Aide aux Entreprises du Livre et de l'édition (Volet 5: Aide aux librairies agréées) to, among other objectives, assist promotion and publicity, improve their administrative and commercial enterprises, modernize electronic bibliographic tools to improve service, and improve the extent of their inventory for consumers and readers.
- Publisher/bookseller collaboration from the American Bookellers' Association's Winter Institute 2016, as reported by BNC in their blog *11 things booksellers want publishers to know in 2016*. The report suggests a number of ways in which publishers and bookseller may collaborate. Here are a few:
    - Selling publisher titles on consignment terms (or, "scan and pay," where booksellers only remit payment to publishers when a book has been sold through the POS) has proven very successful in markets such as Argentina, and panelists reported current experiments in their own stores with select publishers that have seen sales increased 100% or more for those publishers. (This program was also suggested by Jessica Walker from Munro's Books in conversation with Margaret Reynolds in relation to supporting new I ndies.)
    - The retail landscape has changed and indies are no longer driven by backlist sales. (One panelist estimated that backlist currently accounts for approximately 40% of their sales, where it was 60% in the past.) Publishers should count on bookstores to stock any title "as long as it's selling" and to support innovative backlist promotions.
    - Publishers and booksellers cannot ignore the environment in which bookstores operate and must collaborate on political advocacy for things like a maximum lease rate per square footage, subsidized healthcare, and subsidized transit. This would take the burden off bookstores to cover these increasing costs.

What do they do for bookstores in France? Price fixing, restricting predatory behavior from online entities, government grants and loans, urban planning that includes subsidies, and discounts on stores partially owned by the City.

According to articles in *Aljazeerah America*, *The Guardian*, *The New York Times*, and Citylab, France is serious about preserving its independent bookselling community. In a country where book sales represent 53 percent of cultural products nationwide, and reports say independent bookstores are estimated to account for a 19 percent share of all sales channels in France", the state maintains a support system for booksellers. The following condensed from the four news agencies, tells the tale:

- In 2013 the French government passed a bill to update a 1981 law that set a fixed-price system for books. The original aim of the revision was to stop sellers including postage in the price of books, but in its final draft the amendment stipulates that retailers cannot combine the currently allowed 5% discount on new books with free post and packaging. At present only two online companies – Amazon and Fnac – apply this two-tier reduction. According to the government, the bill was to restrict their predatory behavior and protect the stores and customers.
- Government-financed institutions offer grants and interest-free loans to would-be bookstore owners. The €11m ($14.5m) package, announced in March, will double support (rising to €2m) for online trading. The Institute for Funding Films and Cultural Industries will receive €5m to help bookshops manage cashflow, with a further €4m given to the Association for the Development of Creative Booksellers to assist the transfer of bookselling businesses.

- Paris offers subsidies to independent bookstores and the French planning agency Semaeste—in collaboration with city hall—reserves and discounts certain commercial spaces for bookstores to maintain the city's retail diversity and literary tradition. City hall has commissioned town planners to scout for premises in the fifth arrondissement that would make suitable bookshops or small publishing houses and cultural venues. The aim: to reverse a worrying trend which from 2000 to 2008 saw the number of cherished *librairies* drop by 231 to 137. The culture push in the Latin Quarter, launched in 2008 but only recently bearing fruit, is the second phase of a programme coordinated by the Semaest planning agency, in which the Paris city hall holds a majority stake. In those areas, the Semaest targets premises, buys them, renovates them and then advertises for tenants who will be able to pay rent at affordable rates as long as their plans for the space concur with the authorities' vision.

Also, booksellers in Paris have created a network, <u>Librest</u>, of 9 bookstores and 95 booksellers

Librest has over 350,000 titles available by sharing the stock of the nine booksellers. They "claim the vitality of an independent bookstore and the willingness to prudently modernize their profession" offering advice, maintenance of a reasonable fund, service, political lobbying, dynamism and originality, sustainability practices, and a strong local presence.

Librest has also created a national version at www.lalibrairie with 2500 booksellers participating, which has allowed larger offerings and free postage.

Edition

2007

BUYING BOOKS FROM

ACCREDITED BOOKSTORES

shows responsibility

Québec

Since 1981, ***the Act respecting the development of Québec firms in the book industry*** has required institutional buyers such as libraries, schools, colleges, government departments, and municipal corporations to purchase books from accredited bookstores in their administrative regions.

Why was the Act adopted

The Act was adopted to

- make books more affordable and widely available by
  - keeping prices stable or limiting increases (affordability) and
  - implementing a network of bookstores in all regions of Québec (wide availability); and

- develop a thriving and competitive book industry.

How can these objectives be achieved and maintained?

These objectives can be achieved and maintained **in two ways:** by acknowledging the basic role that bookstores play in the development of reading and the consolidation of the publishing industry and by seeking to make all stakeholders in the industry, from publishers to buyers, partners in this development.

In your capacity as an institutional purchaser, you are a partner and are subject to the Act.

What are the advantages of buying books from accredited bookstores?

Accredited bookstores

- are found throughout Québec;
- offer ready access to a wide range of Québec and foreign books;
- are the only outlets that offer new books as soon as they are published; and
- offer throughout Québec
  - high quality, personalized service,
  - prompt fulfilment of special orders,
  - sound advice on book purchases,
  - space reserved for the consultation of books, and
  - free delivery service.

What are institutional buyers?

Institutional buyers are agencies of the Québec government or its mandataries as well as any organization listed in the schedule of the Act:

- **Government departments, agencies, or mandataries**
- **Municipal corporations, regional county municipalities, urban communities, and organizations under their jurisdiction**
- **School boards and organizations under their jurisdiction**
- **Cegeps**
- **Establishments subject to the *Act respecting private education***
- **Public libraries and regional public library service centers (CRSBPs)**
- **Establishments covered by the *Act respecting health services and social services* or the *Act respecting health services and social services for Cree Native persons***

What obligations in the Act apply to institutional buyers?

The *Regulation respecting the acquisition of books by certain persons from accredited bookstores* spells out the obligations that apply to you. Essentially, you have three obligations under the Regulation:

- To buy books from at least three *accredited bookstores in your region* (sections 5 to 13)
- To buy books *at list price* (sections 14 to 20)[1]
- To send a report[2] within three months of each fiscal year to Ministère de la Culture, des Communications et de la Condition féminine or the government department to which you report detailing
  - subsidies received or allocated for the acquisition of books,
  - the number of books purchased, and
  - the names of suppliers and the breakdown of acquisitions among these suppliers.

1. **No institution may evade this obligation through concealed benefits (e.g., books given by bookstores, discounts, etc.) or purchases made on behalf of the institution by individuals, school staff, school councils, parents' committees, etc.**

2. **To download the form, go to www.mcccf.gouv.qc.ca/index.php?id=154**

Which books are covered by the Act?

The Act covers all books purchased by the institution, except school manuals, which are defined as all printed documents designed to achieve the objectives of preschool, elementary, and secondary curricula, including ancillary material, exercise books, and the usual dictionaries used for these levels of instruction and included on Ministère de l'Éducation, du Loisir et du Sport lists, which are available at www3.mels.gouv.qc.ca/bamd/menu.asp.

The bookstore also has obligations

To be accredited, the bookseller must satisfy certain requirements pertaining to inventory and the quality of service offered. These requirements are stipulated in the *Regulation respecting the accreditation of bookstores*. The bookseller must, among other things

- have 6,000 titles in inventory (2,000 Québec titles and 4,000 foreign titles) and minimum quantities for each category of book;
- receive new publications from at least 25 accredited publishers and keep them on the shelves for at least four months;
- operate a readily accessible commercial establishment;
- keep his/her bookstore open year-round;
- have at his/her disposal up-to-date, complete bibliographic equipment;
- fill all book orders within a reasonable lapse of time;
- promptly inform customers of any delay in filling their orders; and
- broaden and enhance, as need be, his/her services, the number of qualified employees, and the range of inventory.

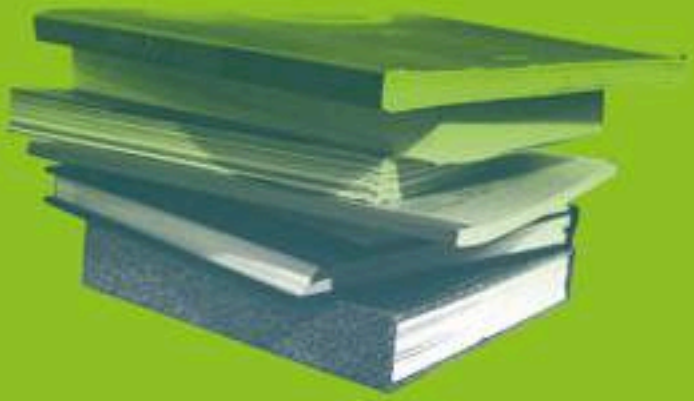
A collective responsibility

By ensuring access to all books, both new publications and basic works, the bookstore guarantees the diversity of books and their renewal. Without bookstores there are no publishers; without publishers, there are no authors; and without authors, there is no national or international literature. The Québec government wishes to guarantee that all Quebecers, regardless of where they reside, have free, ready access to books and reading and to this end has sought to establish a network of professional bookstores throughout Québec. It is incumbent upon each one of us to ensure that the network is maintained.

The *Act respecting the development of Québec firms in the book industry* and the attendant regulations are available on the Publications du Québec website at

@ –www.publicationsduquebec.gouv.qc.ca

They are also sold by bookstores that are partners of Les Publications du Québec.



A list of accredited booksellers is also available on the Ministère de la Culture, des Communications et de la Condition féminine website at (www.mcccf.gouv.qc.ca/index.php?id=2181)

Information:
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des Communications et
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Culture, Communications et Condition féminine

Québec

SODEC Québec

PROGRAMME D'AIDE AUX ENTREPRISES DU LIVRE ET DE L'ÉDITION

2017-2018

En vigueur le 1er avril 2017

TOUS LES VOLETS DOIVENT ETRE DÉPOSÉS AVEC LE FORMULAIRE CORRESPONDANT.

Présentation du programme

Destiné à tous les intervenants du domaine du livre et de l'édition, le Programme d'aide aux entreprises du livre et de l'édition vise à accroître la production et la diffusion de titres québécois.

Objectifs généraux

- Contribuer à la consolidation de l'industrie québécoise de l'édition.
- Soutenir la diffusion de produits québécois d'édition, la création de nouveaux marchés et l'expansion des marchés existants.
- Permettre l'accessibilité physique à un prix raisonnable des produits québécois d'édition.
- Contribuer au développement et au maintien d'un réseau de librairies professionnelles dans toutes les régions du Québec.
- Promouvoir la lecture.

Conditions générales d'admissibilité

Selon les différents volets, les entreprises admissibles sont :

- éditeurs et libraires « agréés » par le ministère de la Culture et des Communications et selon les normes et conditions définies par la Loi sur le développement des entreprises québécoises dans le domaine du livre et par les Règlements sur l'agrément en annexe à ladite loi;

De plus, les éditeurs doivent être à jour dans l'acquittement des droits dus à chacun des auteurs déjà publiés, conformément aux contrats qui les lient.

Volet 1 | Aide à l'édition et à la promotion

Objectifs

- Contribuer à l'essor des maisons d'édition québécoises en soutenant leurs activités de développement, d'édition et de diffusion.
- Soutenir l'édition, la réédition et la réimpression de catégories d'ouvrages à fort contenu culturel.
- Accroître la visibilité et développer la mise en marché des ouvrages d'auteurs québécois en soutenant les activités de promotion des éditeurs sur le marché québécois.

Conditions particulières

Pour être admissibles, les éditeurs agréés doivent répondre aux conditions suivantes :

- s'il y a lieu, avoir vendu, au cours du dernier exercice financier, des ouvrages d'auteurs québécois**, imprimés au Québec**, dans les catégories suivantes : poésie, théâtre, bande dessinée, roman, nouvelle, conte, album pour la jeunesse, essai en sciences humaines, recueil de chansons;

- s'il y a lieu, avoir effectué, au cours du dernier exercice financier, des activités promotionnelles **visant le marché du Québec**, pour des ouvrages d'auteurs québécois de n'importe quel secteur de l'édition, à l'exclusion des manuels scolaires.

Participation financière

Objet et nature de l'aide

L'aide est attribuée sous forme de subvention et vise la réalisation d'activités de développement, d'édition et de promotion.

Calcul de l'aide

Le calcul est effectué en deux parties, sur les ouvrages et sur les activités de promotion.

Première partie

Pour les ouvrages admissibles, le montant de l'aide correspond à un pourcentage du chiffre de ventes réalisé au cours du dernier exercice financier de l'entreprise, selon les catégories d'ouvrages admissibles. L'aide maximale est de 100 000 $.

Aux fins du calcul, le demandeur doit fournir un rapport des ventes brutes par catégorie et joindre la liste des ouvrages publiés dans la dernière année.

Catégories d'ouvrages admissibles	%*
Poésie	20 %
Théâtre	20 %
Roman (œuvres de fiction seulement), nouvelle, conte, etc.	10 %
Album illustré pour la jeunesse	10 %
Livre d'art (à l'exception des ouvrages de grand luxe à tirage limité)	10 %
Bande dessinée	10 %
Essai en sciences humaines	5 %
Recueil de chansons (à l'exception de la musique en feuilles)	5 %

∗ Pourcentage du total des ventes réalisées au cours du dernier exercice, établies au prix de détail, consignations exclues.

*Note : Le livre parlé et les **versions électroniques** des ouvrages déjà publiés en format traditionnel sont admissibles selon le pourcentage de chacune des catégories admissibles.*

Les ventes des versions électroniques devront être distinguées dans chacune des catégories. On entend par livre électronique le contenu original d'un livre, numérisé et pouvant être téléchargé en format standardisé vers les supports informatiques de lecture.

Le montant de l'aide peut exceptionnellement être majoré afin de tenir compte des particularités du marché et des conditions de production dans la catégorie « poésie ». Cette mesure particulière s'applique à de petites entreprises solidement établies qui ont su s'imposer comme chefs de file tant au Québec qu'à l'étranger.

Deuxième partie

Pour les activités admissibles en promotion (marché québécois), le montant de l'aide peut couvrir jusqu'à 50 % des dépenses encourues au cours du dernier exercice financier de l'entreprise. L'aide maximale est de 25 000 $.

Aux fins du calcul, le demandeur doit fournir un budget réalisé, justifié au regard des états financiers fournis avec la demande et joindre des échantillons des publicités et du matériel promotionnel produit. La Société, si elle le juge nécessaire, peut demander des pièces justificatives supplémentaires.

Activités admissibles en promotion

Les activités admissibles sont les suivantes : catalogue, signets, matériel promotionnel, présentoirs, honoraires de relations de presse, publicité, publipostages, site Internet (création et mise à jour), participation à des congrès, colloques et salons.

Les salaires ne sont pas admissibles. La SODEC tiendra compte également de l'aide déjà accordée au volet 4 Aide à la participation aux salons du livre.

Calcul global

L'aide financière est déterminée par le total des deux parties, ou par l'une ou l'autre, selon la demande déposée à la SODEC.

Il peut arriver que le total de l'aide déterminée excède le montant des crédits disponibles. Le soutien est alors diminué d'un pourcentage identique pour tous les éditeurs.

Date et lieu d'inscription

Date d'inscription

Les demandes concernant le Volet 1 | Aide à l'édition et à la promotion doivent être déposées à la SODEC le **5 mai 2017**. Toute demande reçue après cette date sera refusée.

Lieu d'inscription

Direction générale livre, métiers d'art, musique et variétés — Livre et édition
SODEC
215, rue Saint-Jacques, bureau 800
Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître — entreprise comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs ;
- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- CV des dirigeants.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;
  - « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'entreprise;
- copie du rapport annuel de l'agrément déjà déposé au ministère de la Culture et des Communications;
- catalogue des titres disponibles au cours du dernier exercice avec indication des prix de détail;

- déclaration solennelle signée attestant le paiement des redevances aux auteurs.

Aux fins du premier calcul sur les ouvrages admissibles :

- tableau des ventes brutes totales avec précisions sur la remise au distributeur et les ventes nettes du dernier exercice financier;
- tableau distinct pour les ouvrages réguliers et les livres électroniques des ventes brutes admissibles par catégorie pour le dernier exercice, détaillé comme suit : auteur, titre, quantité vendue, prix de détail, total des ventes par titre, total des ventes par catégorie.

Aux fins du deuxième calcul sur les activités admissibles en promotion — marché québécois :

- budget réalisé, justifié au regard des états financiers, échantillons des publicités et du matériel promotionnel produit.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans les publications produites ainsi que dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- respecter la Loi sur le statut professionnel des artistes des arts visuels, des métiers d'art et de la littérature et sur leurs contrats avec les diffuseurs. À cet égard, la SODEC vous encourage à utiliser auprès de vos auteurs le modèle de reddition de comptes minimale ANEL-UNEQ attestant le paiement des redevances aux auteurs et facilitant la reddition de comptes décrite aux articles 31 à 38 de la loi;
- fournir à la SODEC la liste des ouvrages produits dans la dernière année, ainsi qu'une photocopie des pages de crédits correspondantes et un échantillonnage du matériel promotionnel produit.

Toute aide ou subvention subséquente est conditionnelle au respect des conditions et modalités reliées aux subventions précédentes.

Volet 3 | Aide à la traduction

Objectifs

- Soutenir la traduction d'œuvres littéraires québécoises.
- Stimuler l'exportation et une plus grande visibilité de notre littérature à l'extérieur du Québec.
- Favoriser la vente des droits à des éditeurs étrangers et l'exploration de nouveaux marchés.

Conditions d'admissibilité

Pour être admissible, la **maison d'édition agréée** présente un projet de traduction d'un auteur québécois, du français ou de l'anglais vers l'une ou l'autre de ces deux langues, ou vers toute autre langue. La traduction de l'œuvre ou de l'extrait ne doit pas être réalisée au moment de la demande.

De plus :

- la version originale de l'œuvre doit déjà avoir été publiée et distribuée au Québec selon les normes généralement appliquées dans l'industrie. Dans le cas d'une publication simultanée dans les deux langues, la demande peut être faite à l'étape du manuscrit;
- l'œuvre s'inscrit dans les catégories admissibles du programme, soit : poésie, théâtre, roman (œuvres de fiction seulement tels nouvelle, conte, etc.), album illustré pour la jeunesse, livre d'art (à l'exception des ouvrages de grand luxe à tirage limité), bande dessinée, essai en sciences humaines, recueil de chansons;
- dans tous les cas, et tenant compte des expertises disponibles, l'éditeur favorise le recours à des traducteurs québécois;
- exceptionnellement, des œuvres écrites par des auteurs non québécois peuvent être admissibles dans la mesure où leur contenu porte sur un sujet lié à la culture québécoise.

Volet 3.1 | œuvres littéraires

Conditions particulières

Pour être admissible, la maison d'édition agréée doit respecter les conditions suivantes :

- lorsque la maison d'édition assure elle-même la publication de l'œuvre traduite, elle s'engage à le faire à l'intérieur d'une période d'un an et dispose, directement ou par le biais d'une entente avec un tiers, d'un réseau de distribution efficace sur les marchés visés, hors Québec;
- dans les autres cas, elle a signé une entente de cession de droits avec un éditeur étranger. Ce contrat présente l'engagement de cet éditeur à publier l'œuvre traduite, au plus tard dans les deux ans suivant la signature dudit contrat.

Les projets de traduction vers le français ou l'anglais ou vers des langues autochtones, qui bénéficient déjà d'un soutien financier public canadien, ne sont pas admissibles.

Participation financière

Objet et nature de l'aide

La participation financière de la Société, attribuée sous forme de subvention, vise la traduction d'une œuvre et s'applique aux honoraires de traduction et de révision, selon les tarifs habituellement versés pour la catégorie de l'œuvre dans le pays où réside le traducteur.

Calcul de l'aide

L'aide financière peut atteindre 75 % des honoraires de traduction, incluant les honoraires de révision, jusqu'à concurrence de 12 500 $. La SODEC tient compte de la participation financière des autres intervenants publics ou privés et, dans tous les cas, l'éditeur doit assumer au moins 25 % des coûts.

Volet 3.2 | Extraits d'œuvres littéraires

Participation financière

Objet et nature de l'aide

La participation financière de la Société, attribuée sous forme de subvention, vise la traduction du résumé et d'un extrait de l'œuvre (entre 10 % et 20 %), et s'applique aux honoraires de traduction et de révision, selon les tarifs habituellement versés pour la catégorie de l'ouvrage dans le pays où réside le traducteur.

Calcul de l'aide

L'aide financière peut atteindre 75 % des honoraires de traduction, incluant les honoraires de révision, jusqu'à concurrence de 1 000 $ par titre.

Évaluation des demandes

L'évaluation des demandes admissibles aux volets 3.1 et 3.2 repose sur l'expérience et la compétence des dirigeants et sur les réalisations antérieures de l'entreprise québécoise et, le cas échéant, de l'éditeur étranger. La carrière de l'œuvre en version originale et son potentiel de diffusion sur les marchés visés sont également pris en considération.

Au besoin, les demandes d'aide sont soumises à des fins d'analyse et de recommandation à un comité d'évaluation externe formé de représentants ayant une expertise reconnue dans le domaine de l'édition.

Afin de soutenir un nombre appréciable de maisons d'édition, la Société se réserve le droit de limiter la somme totale de fonds accordés à une même entreprise au cours d'un exercice financier.

Date et lieu d'inscription

Date d'inscription

Les demandes concernant le volet 3 Aide à la traduction peuvent être déposées **en tout temps**.

Lieu d'inscription

Direction générale livre, métiers d'art, musique et variétés — Livre et édition
SODEC
215, rue Saint-Jacques, bureau 800
Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître — entreprise comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs;
- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- CV des dirigeants.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;

- « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'entreprise;
- copie du rapport annuel de l'agrément déjà déposé au ministère de la Culture et des Communications;
- exemplaire de l'œuvre originale et renseignements relatifs au tirage et au nombre d'exemplaires vendus au Québec et à l'étranger, s'il y a lieu;
- copie du contrat de vente des droits avec l'éditeur étranger ainsi que copie du catalogue courant de cet éditeur (pour le volet 3.1 uniquement);
- copie d'une entente avec un distributeur quand le marché visé est à l'intérieur du Canada, mais à l'extérieur du Québec (dans le cas d'une publication simultanée);
- copie du contrat de traduction ou copie du devis et liste non exhaustive des traductions déjà réalisées par le traducteur, notamment celles qui ont fait l'objet d'une publication;
- déclaration solennelle signée attestant le paiement des redevances aux auteurs et le respect du contrat avec l'auteur de l'œuvre originale quant à sa traduction.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- respecter la Loi sur le statut professionnel des artistes des arts visuels, des métiers d'art et de la littérature et sur leurs contrats avec les diffuseurs;
- réaliser dans les 12 mois suivant l'annonce de la subvention.

Toute aide ou subvention subséquente est conditionnelle au respect des conditions et modalités reliées aux subventions précédentes.

L'entreprise doit fournir à la SODEC :

- un exemplaire de l'ouvrage traduit;
- un exemplaire de l'œuvre originale dans le cas d'une publication simultanée;
- un exemplaire de la traduction des extraits d'œuvres.

Volet 4 | Participation aux salons du livre

Objectif

Encourager les éditeurs québécois à participer aux salons du livre de Québec, membres de l'Association québécoise des salons du livre (AQSL).

Conditions particulières

Pour être admissible, l'éditeur agréé ou le regroupement d'éditeurs agréés doit répondre aux conditions suivantes :

- s'engager à louer un stand d'une dimension minimale de 2,4 m x 3 m et à être présent au salon qui fait l'objet de la demande d'aide;
- s'il s'agit d'un regroupement d'éditeurs, transmettre le nom de la personne désignée comme responsable du regroupement;
- le demandeur peut confier la vente ou la promotion de ses livres à un distributeur ou encore à un libraire, à la condition cependant qu'un représentant de sa (ses) maison(s) d'édition ou qu'un auteur publié par sa maison dans le cas des salons du livre de l'Abitibi-Témiscamingue, de la Côte-Nord, de Rimouski et du Saguenay–Lac-Saint-Jean, soit présent pendant toute la durée du salon, faute de quoi il ne peut bénéficier d'une aide financière.

Participation financière

Objet et nature de l'aide

L'aide est accordée sous forme de subvention.

Calcul de l'aide

Pour un éditeur qui participe à l'un ou l'autre des salons suivants, à l'exception du salon où se trouve son siège social :

- Montréal, Outaouais, Québec 300 $
- Estrie, Trois-Rivières 400 $
- Rimouski, Saguenay-Lac-Saint-Jean 650 $
- Côte-Nord, Abitibi-Témiscamingue 850 $

Un montant de 5 500 $ sera octroyé à l'éditeur qui s'engage, par écrit, à la date de la demande à participer à tous les salons du livre au Québec soutenus par la SODEC dans le cadre de son Programme d'aide aux salons du livre, et cela, conformément aux conditions d'admissibilité décrites ci-dessus.

Il peut arriver que le total de l'aide déterminée excède le montant des crédits disponibles. Le soutien est alors diminué d'un pourcentage identique pour tous les éditeurs.

Dans tous les cas, l'aide versée à un éditeur ou à un regroupement d'éditeurs ne pourra excéder 5 500 $.

Traitement des demandes

L'administration de ce programme a été confiée à l'Association québécoise des salons du livre (AQSL) et toutes les demandes doivent lui être acheminées.

Liste des salons membres de l'AQSL

Saguenay-Lac-Saint-Jean, Estrie, Rimouski, Montréal, Côte-Nord, Trois-Rivières, Outaouais, Québec, Abitibi-Témiscamingue.

Date et lieu d'inscription

Date d'inscription

Le demandeur avise l'Association québécoise des salons du livre (AQSL) de son intention de participer à l'un ou l'autre ou à l'ensemble des salons, en faisant parvenir le formulaire **avant le 26 mai 2017**. Toute demande reçue après cette date sera refusée.

Lieu d'inscription

AQSL
60, rue Saint-Antoine, bureau 100
Trois-Rivières (Québec) G9A 0C4
Téléphone : 1 418 548-5886
Courriel : paeaqsl@videotron.ca
www.aqsl.org

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître — entreprise comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs;
- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- CV des dirigeants.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;
  - « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'entreprise;
- nom du représentant au salon;
- nom du distributeur ou du libraire auquel est confiée la vente ou la promotion des livres, le cas échéant;
- s'il s'agit d'un regroupement d'éditeurs, nom des maisons qui en font partie, nom de la personne désignée comme responsable du regroupement et coordonnées du bénéficiaire de l'aide.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- respecter la Loi sur le statut professionnel des artistes des arts visuels, des métiers d'art et de la littérature et sur leurs contrats avec les diffuseurs;
- fournir à la SODEC un rapport d'évaluation sur sa participation à chacun des salons deux semaines après l'événement.

Toute aide ou subvention subséquente est conditionnelle au respect des conditions et modalités reliées aux subventions précédentes.

Volet 5 | Aide aux librairies agréées

Objectifs

- Contribuer à l'essor des librairies agréées du Québec en soutenant leurs activités de développement, d'informatisation et de promotion.
- Soutenir et compléter l'informatisation des librairies afin d'améliorer leur gestion commerciale et administrative.
- Favoriser le recours à tous les outils bibliographiques électroniques modernes pour améliorer la rapidité et la qualité du service offert à la clientèle institutionnelle ainsi qu'à l'ensemble de la communauté.
- Favoriser le développement des activités de promotion et d'animation des librairies afin d'augmenter l'achalandage et le rayonnement de la librairie agréée.
- Augmenter la visibilité d'un vaste choix de livres, d'écrits et autres produits culturels et en permettre l'accès plus rapide aux lecteurs et aux consommateurs.
- Stimuler la fréquentation soutenue et assidue des librairies agréées.

Conditions particulières

Pour être admissible, **la librairie agréée** :

- dépose une demande d'aide dans le cadre de ce volet;
- s'engage à investir dans ce projet un montant au moins égal à celui de la subvention qu'elle recevra et à faire un rapport détaillé de l'utilisation qui sera faite de l'aide accordée et de son propre investissement;
- s'engage à réaliser le projet présenté ou les activités prévues dans les douze mois suivants la confirmation et la réception de l'aide;

- est abonnée aux services de la Banque de titres en langue française – BTLF/Memento (en vigueur depuis le 1er octobre 2015);
- transmet ses données de ventes à Gaspard (en vigueur depuis le 1er octobre 2015);
- est présente sur une ou des plateformes de ventes sur le Web (en vigueur depuis le 1er octobre 2015).

À titre exceptionnel, une librairie qui répondrait à l'ensemble des normes et conditions, et qui se consacrerait à la promotion exclusive des ouvrages québécois, mais située à l'extérieur du Québec, pourrait être considérée.

Volet 5.1 | Informatisation et autres projets

Pour un projet d'informatisation, la librairie agréée :

- présente un projet d'informatisation de son entreprise qui doit nécessairement résulter en un système informatique intégré et en liens dynamiques, comprendre l'installation et le branchement au réseau Internet et inclure une banque de données. Ce projet consiste en une proposition d'achat, de renouvellement et de mise à niveau de son parc informatique, y compris les logiciels nécessaires à son utilisation. Le projet soumis peut comprendre les coûts de la formation nécessaire à l'utilisation de nouveaux outils informatiques, ainsi que la création d'un site Internet informatif et transactionnel de base;
- dépose une copie des soumissions et devis établis par les entreprises qui doivent lui fournir les divers équipements ainsi que les services nécessaires à l'implantation du système dans sa librairie.
- Les salaires et les abonnements aux banques de données ne sont pas admissibles.
- L'aide financière de la SODEC ne peut être accordée pour des projets déjà réalisés.

Autres projets admissibles

La SODEC pourra également considérer un projet déterminant pour le développement d'une librairie agréée, tels la modernisation, le réaménagement ou le déménagement.

Le demandeur doit fournir les documents pertinents à l'analyse de la demande : description du projet, montant demandé, budget, soumissions et devis.

Participation financière

Objet et nature de l'aide

La participation financière de la Société, accordée sous forme de subvention, concerne le projet pour lequel la librairie a déposé la demande.

Calcul de l'aide

Le montant accordé peut atteindre 50 % d'un devis admissible et ne peut généralement dépasser 25 000 $. L'aide est pondérée en fonction des demandes et des sommes disponibles.

Date d'inscription

Ce volet du Programme est actuellement en révision. La date de dépôt sera annoncée ultérieurement.

Volet 5.2 | Promotion

Pour les activités promotionnelles, la librairie agréée :

- résume succinctement les activités à venir et les dépenses promotionnelles réalisées lors de l'exercice antérieur justifiées au regard des états financiers fournis avec la demande;
- fournit avec la demande des échantillons des publicités et du matériel produit.

La Société, si elle le juge nécessaire, peut demander des pièces justificatives supplémentaires.

Activités admissibles en promotion

Les activités admissibles sont les suivantes : affiches, publicité, participation à des événements collectifs, expositions, publicité coopérative, animations, rencontres, ateliers, débats, honoraires (animateurs), **ainsi que les activités promotionnelles sur Internet et les médias sociaux.**

La SODEC peut également considérer un projet collectif de promotion.

Participation financière

Objet et nature de l'aide

La participation financière de la Société, accordée sous forme de subvention, concerne le projet pour lequel la librairie a déposé la demande.

Calcul de l'aide

Le montant accordé peut atteindre 50 % des **dépenses encourues** au cours du dernier exercice financier de l'entreprise et ne peut généralement dépasser 25 000 $. L'aide est pondérée en fonction des demandes et des sommes disponibles.

Dans le cas d'un projet collectif, l'aide accordée tiendra compte du budget déposé et des réalisations antérieures, s'il y a lieu.

Évaluation des demandes

Les demandes font l'objet d'une analyse comparative qui repose sur les critères suivants :

- l'expérience et la compétence des libraires, et les réalisations antérieures de l'entreprise;
- la pertinence et la faisabilité de la démarche au regard du développement de l'entreprise et des objectifs du programme et du volet d'aide;

- le réalisme des prévisions budgétaires;
- les disponibilités financières de la SODEC.

Date et lieu d'inscription

Date d'inscription

Ce volet du Programme est actuellement en révision. La date de dépôt sera annoncée ultérieurement.

Lieu d'inscription

Direction générale livre, métiers d'art, musique et variétés — Livre et édition
SODEC
215, rue Saint-Jacques, bureau 800
Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître — entreprise comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs et curriculum vitae;
- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- plan d'affaires.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;
  - « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'entreprise;
- copie du rapport annuel de l'agrément déposé au ministère de la Culture et des Communications;
- pour un projet d'informatisation : proposition d'achat, de renouvellement et de mise à niveau de son parc informatique, y compris les logiciels nécessaires à son utilisation. Le projet soumis peut comprendre les coûts de la formation nécessaire à l'utilisation de nouveaux outils informatiques, ainsi que la création d'un site Internet informatif et transactionnel de base;
- pour tout autre projet : budget détaillé comprenant le montant de l'aide demandé à la SODEC, plans et devis s'il y a lieu;
- pour l'aide à la promotion : description des activités promotionnelles réalisées lors de l'exercice antérieur justifiée au regard des états financiers fournis avec la demande, et joindre des échantillons des publicités et du matériel promotionnel produit.
- rapport d'utilisation de l'aide accordée antérieurement.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;

- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- déposer un rapport d'utilisation de la subvention incluant copies des pièces justificatives (copies de factures) et, le cas échéant, un exemplaire des produits réalisés notamment grâce à la subvention.

Toute aide ou subvention subséquente est conditionnelle au respect des conditions et modalités reliées aux subventions précédentes.

Volet 6 | Aide au transport de livres au Québec

Objectif

Réduire les coûts élevés de transport de livres au Québec pour les librairies agréées établies à l'extérieur de la région de Montréal.

Conditions particulières

Pour être admissible, la **librairie agréée** est établie à 143 kilomètres ou plus de Montréal.

Dans le cas des entreprises à succursales multiples comptant plus d'une librairie agréée dans une même ville, un seul établissement du réseau de librairies situé dans cette ville est admissible à la subvention.

Participation financière

Objet et nature de l'aide

L'aide est accordée sous forme de subvention et vise à réduire les coûts de transport de livres pour les librairies situées à l'extérieur de la région de Montréal.

Calcul de l'aide

L'aide est établie en fonction de la distance entre Montréal et la localité de la librairie agréée. Un montant maximal annuel est fixé pour chacune des zones suivantes :

Zone	Distance depuis Montréal	$
1	de 143 à 240 km	950
2	de 241 à 480 km	1 100
3	de 481 à 800 km	1 250
4	à plus de 800 km	1 400

Date et lieu d'inscription

Date d'inscription

Ce volet du Programme est actuellement en révision. La date de dépôt sera annoncée ultérieurement.

Lieu d'inscription

Direction générale livre, métiers d'art, musique et variétés — Livre et édition
SODEC
215, rue Saint-Jacques, bureau 800
Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître — entreprise comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs;
- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- CV des dirigeants.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;

- « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- formulaire de demande d'aide, disponible sur le site Internet de la SODEC, à compléter et à transmettre à la SODEC;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'entreprise;
- copie du rapport annuel de l'agrément déposé au ministère de la Culture et des Communications.

Toute demande devra comprendre le formulaire dument complété. À noter que les demandes transmises par voie électronique ne seront pas acceptées.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC.

Toute aide ou subvention subséquente est conditionnelle au respect des conditions et modalités reliées aux subventions précédentes.

Volet 7 | Aide aux projets collectifs et aux associations

Volet 7.1 | Aide aux projets collectifs et aux événements

Objectifs spécifiques

- Promouvoir et mettre en valeur l'édition québécoise sur le territoire du Québec.
- Soutenir des événements d'envergure nationale mettant en jeu l'ensemble de la chaîne du livre.
- Soutenir des projets collectifs de diffusion et de promotion des ouvrages québécois.

Conditions particulières

Ce volet s'adresse aux organismes professionnels de la filière du livre. Ces organismes doivent :

- être sous contrôle majoritaire de citoyens canadiens domiciliés au Québec;
- avoir leur siège établi au Québec. On entend par siège l'endroit où se situe le centre de décision et où s'exerce la direction véritable de l'organisme.

Les activités admissibles sont des événements de diffusion à rayonnement national ou des projets collectifs impliquant de façon significative des entreprises admissibles à ce programme d'aide (éditeurs et libraires agréés) et pouvant s'étendre aux autres intervenants de la chaîne du livre au Québec.

Participation financière

Objet et nature de l'aide

L'aide financière est attribuée sous forme de subvention.

Calcul de l'aide

Le montant de l'aide est établi selon :

- les disponibilités financières du programme;
- l'évaluation des demandes selon les critères ci-après énumérés.

L'aide ne peut généralement dépasser 50 % des coûts admissibles du projet.

Évaluation des demandes

Les demandes sont évaluées selon les critères suivants :

- l'expérience et la compétence des dirigeants;
- le caractère représentatif de l'événement ou du projet collectif;
- la qualité des réalisations antérieures;

- l'articulation des activités et leur conformité avec les objectifs;
- le réalisme des prévisions budgétaires au regard du plan d'activités et de la santé financière de l'organisme;
- l'importance et la diversification des sources de revenus autonomes.

Date et lieu d'inscription

Date d'inscription

Les demandes doivent être déposées à la SODEC le 16 juin 2017. Toute demande reçue après cette date sera refusée

Lieu d'inscription

Direction générale livre, métiers d'art, musique et variétés — Livre et édition
SODEC
215, rue Saint-Jacques, bureau 800
Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître entreprise — comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs;
- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- CV des dirigeants.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;
  - « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'organisme;
- rapport d'activités de l'événement pour lequel l'aide a déjà été accordée, s'il y a lieu;
- budget détaillé du projet et montant de l'aide demandée.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- respecter la Loi sur le statut professionnel des artistes des arts visuels, des métiers d'art et de la littérature et sur leurs contrats avec les diffuseurs;

- déposer un rapport d'activités du projet collectif ou de l'événement pour lequel la subvention a été accordée, accompagné des derniers états financiers, et, le cas échéant, d'un exemplaire des produits réalisés notamment grâce à la subvention.

Toute aide ou subvention subséquente est conditionnelle au respect des modalités et conditions reliées aux subventions précédentes.

Volet 7.2 | Aide aux associations et aux regroupements nationaux

Objectifs spécifiques

- Soutenir les associations professionnelles, les organismes et les regroupements nationaux œuvrant dans le domaine du livre pour l'ensemble de leurs activités ou pour des projets ponctuels qui s'inscrivent en continuité de leur mandat.
- Maintenir les échanges et la consultation avec les milieux professionnels concernés.
- Favoriser le développement des secteurs d'activités suivants : information aux membres, reconnaissance professionnelle et promotion de leur domaine d'activité.

Conditions particulières

Pour être admissible, l'association, l'organisme ou le regroupement :

- est une corporation sans but lucratif, une association coopérative ou un syndicat de professionnel dans le domaine des industries culturelles;
- est représentatif de sa discipline ou de son domaine.

Participation financière

Objet et nature de l'aide

L'aide financière est attribuée sous forme de subvention.

Calcul de l'aide

Le montant de l'aide est établi selon :

- les disponibilités financières du programme;
- l'évaluation des demandes selon les critères ci-après énumérés.

Le montant maximal de la subvention ne peut représenter plus de 90 % des revenus de l'organisme.

Modalités d'application et critères d'évaluation

Les dossiers sont évalués en fonction des critères suivants :

- l'expérience et la compétence des dirigeants;
- le caractère représentatif de l'organisme;
- la qualité des réalisations antérieures;
- l'articulation des activités et leur conformité avec les objectifs de l'organisme;
- le réalisme des prévisions budgétaires au regard du plan d'activités et de la santé financière de l'organisme;
- l'importance et la diversification de l'ensemble des sources de revenus.

Date et lieu d'inscription

Date d'inscription

Les demandes doivent être déposées à la SODEC le **16 juin 2017**. Toute demande reçue après cette date sera refusée.

Lieu d'inscription

Direction générale livre, métiers d'art, musique et variétés — Livre et édition
SODEC
215, rue Saint-Jacques, bureau 800
Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Présentation d'une demande

La SODEC constitue un dossier de référence (dossier maître) pour toutes les entreprises avec lesquelles elle fait affaire. Aussi, l'entreprise qui présente une demande pour la première fois doit joindre les éléments d'information nécessaires à l'ouverture de ce dossier. Dans les autres cas, seule une mise à jour de cette information est demandée. Par ailleurs, l'entreprise doit aussi transmettre les éléments d'information requis par le programme pour lequel la demande est formulée.

Le dossier maître entreprise — comprend :

Description de l'entreprise

- description des activités et principales réalisations;
- plan d'affaires;
- copie des documents constitutifs (certificat de constitution, statuts, déclaration d'immatriculation, certificat de modification, le cas échéant) et de la convention de société ou entre actionnaires;
- liste des administrateurs;

- organigramme de l'entreprise requérante et des entreprises reliées à celle-ci, le cas échéant, avec actionnariat;
- CV des dirigeants.

Information financière

- dans le cas d'une première demande, les états financiers de l'entreprise (bilan, état des résultats) — dûment approuvés et signés par les administrateurs — et des sociétés apparentées, si pertinent. Pour les demandes subséquentes, ces états financiers doivent être :
  - « maison ou avis au lecteur » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 15 000 $ ou moins;
  - « commentés ou mission d'examen » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, se situe entre 15 000 $ et 100 000 $;
  - « vérifiés » si le total du soutien financier accordé par la SODEC, pour l'exercice visé, est de 100 000 $ ou plus.

Dans tous les cas, il est nécessaire de faire apparaître le détail des sources de subventions.

- les prévisions financières détaillées pour un exercice;
- les coûts admissibles et les dépenses réelles (rétributions, indemnités et autres dépenses) concernant des transactions entre sociétés liées doivent être communiqués à la SODEC et divulgués aux états financiers conformément aux principes comptables généralement reconnus.

La présentation d'une demande pour ce volet comprend :

Résumé de la demande

- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'organisme;
- rapport d'activités de l'événement pour lequel l'aide a déjà été accordée, s'il y a lieu;
- budget détaillé du projet et montant de l'aide demandée.

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- respecter la Loi sur le statut professionnel des artistes des arts visuels, des métiers d'art et de la littérature et sur leurs contrats avec les diffuseurs;

- déposer un rapport d'activités du projet collectif ou de l'événement pour lequel la subvention a été accordée, accompagné des derniers états financiers, et, le cas échéant, d'un exemplaire des produits réalisés notamment grâce à la subvention.
- Toute aide ou subvention subséquente est conditionnelle au respect des modalités et conditions reliées aux subventions précédentes.

Volet 8 | Aide à la numérisation (en vigueur depuis le 7 juillet 2011)

Objectifs généraux

- Contribuer à l'essor des entreprises québécoises du livre et de l'édition en soutenant les activités de production, de promotion et de diffusion des œuvres québécoises en versions numériques.

Objectifs spécifiques

- Contribuer à l'essor des maisons d'édition québécoises en soutenant la numérisation des ouvrages et la conversion des fichiers en format adéquat pour l'intégration à des entrepôts numériques permettant le commerce électronique.
- Favoriser le positionnement national et international de ces entreprises en leur permettant de proposer des contenus en ligne ou sur d'autres supports numériques.
- Permettre la numérisation et la conversion des ouvrages de fonds des éditeurs afin d'améliorer l'offre numérique auprès des consommateurs et des institutions.

Conditions générales d'admissibilité

Les entreprises admissibles sont les éditeurs « agréés » par le ministère de la Culture et des Communications, selon les normes et conditions définies par la Loi sur le développement des entreprises québécoises dans le domaine du livre et par les Règlements sur l'agrément en annexe à ladite loi.

Objet et nature de l'aide

La participation financière de la Société, attribuée sous forme de subvention, vise la numérisation des ouvrages et la conversion des fichiers en formats adéquats à la mise en ligne (PDF, ePub ou autre) aux fins de promotion et de commercialisation.

Les dépenses admissibles sont : les frais de numérisation, de conversion, de production des métadonnées, d'indexation, de feuilletage, de stockage, de déstockage et de contrôle de qualité. Les coûts d'insertion dans un entrepôt numérique sont également admissibles.

L'ensemble des ouvrages constituant le catalogue d'un éditeur est éligible. Les manuels scolaires, scientifiques et techniques sont exclus.

Condition particulière

Les fichiers convertis devront être déposés dans un entrepôt numérique situé au Québec qui les rendra accessibles aux diverses clientèles. Une confirmation de ce dépôt devra être déposée lors de la demande.

Calcul de l'aide

L'aide est calculée à partir des coûts encourus pour la numérisation, la conversion et le dépôt dans un entrepôt numérique.

L'aide financière peut atteindre 70 % des coûts admissibles jusqu'à concurrence de 500 $ par titre et de 30 000 $ par exercice, par éditeur.

L'aide accordée est versée sur présentation de la liste des titres traités, **laquelle devra comprendre le nombre de pages, le coût total par ouvrage ainsi que le format final (PDF, ePub ou autre)**. L'éditeur devra également identifier l'entrepôt numérique dans lequel ces fichiers ont été déposés.

Présentation d'une demande pour ce volet comprend :

- liste détaillée des ouvrages traités comprenant le coût total par ouvrage, le format final (PDF, ePub ou autre), et le nom de l'entrepôt numérique;
- les pièces justificatives démontrant le coût et la réalisation des travaux ainsi que le dépôt dans un entrepôt;
- objet de la demande et montant demandé;
- identification de l'entreprise (coordonnées complètes) et des personnes ressources;
- signature de la demande par le président de l'entreprise;
- copie du rapport annuel de l'agrément déjà déposé au ministère de la Culture et des Communications, si non déjà fournie ;
- déclaration solennelle signée attestant le paiement des redevances dues aux auteurs, si non déjà fournie.

Date et lieu d'inscription

Date d'inscription

Ce volet du Programme est actuellement en révision. La date de dépôt sera annoncée ultérieurement.

Lieu d'inscription

Programme d'aide aux entreprises du livre et de l'édition
SODEC - Direction générale livre, métiers d'art, musique et variétés – Livre et édition
215, rue Saint-Jacques, bureau 800, Montréal (Québec) H2Y 1M6
Téléphone : **514 841-2200** | sans frais : **1 800 363-0401**
Télécopieur : **514 841-8606**
www.sodec.gouv.qc.ca

Engagement de l'entreprise

Lorsqu'un projet est accepté par la SODEC, l'entreprise s'engage à respecter les modalités et conditions suivantes :

- informer la SODEC si l'entreprise ne peut réaliser en tout ou en partie les activités prévues au moment du dépôt de la demande, qui pourrait, selon le cas, exiger un remboursement;
- fournir à la SODEC tout renseignement ou tout document jugé nécessaire au traitement et au suivi des dossiers, incluant les éléments de visibilité de la SODEC;
- faire mention de la contribution de la SODEC dans tous ses documents de présentation, d'information ou de publicité destinés au public, y compris son site Internet, et ce, dans des proportions correspondantes à l'ampleur de l'aide. À cet effet, elle doit utiliser, en respectant son intégralité, la version la plus récente du logotype de la SODEC disponible sur le site Internet de la SODEC;
- respecter la Loi sur le statut professionnel des artistes des arts visuels, des métiers d'art et de la littérature et sur leurs contrats avec les diffuseurs;
- déposer un rapport d'activités du projet collectif ou de l'événement pour lequel la subvention a été accordée, accompagné des derniers états financiers, et, le cas échéant, d'un exemplaire des produits réalisés notamment grâce à la subvention.

Toute aide ou subvention subséquente est conditionnelle au respect des modalités et conditions reliées aux subventions précédentes.

Bilan de programme et études de la SODEC

La SODEC procède périodiquement à des évaluations du programme et à diverses études afin d'adapter sa stratégie d'intervention ou ses outils aux besoins des entreprises culturelles. Les entreprises qui ont bénéficié d'une aide financière en vertu du présent programme, doivent alors fournir tous les registres, documents ou autres renseignements nécessaires à cet égard, et ce, durant les cinq ans qui suivent ladite participation financière de la SODEC. L'information recueillie est gardée sous le sceau de la confidentialité, seules des données agglomérées pourront être publiées et diffusées par la SODEC.

Ententes spécifiques de régionalisation

La SODEC peut signer avec des organismes régionaux des ententes spécifiques qui ont pour but de concrétiser des objectifs de développement régional. Dans cette éventualité, la SODEC s'associera à des partenaires qui sont en position de contribuer à l'essor des entreprises culturelles.

Déclaration de renseignements au ministère du Revenu

Veuillez noter que la SODEC produira au ministère du Revenu une déclaration de renseignements à l'égard d'un paiement contractuel ou d'une subvention versée à un particulier, à une société ou à une société de personnes et à cet effet, transmettra à tout bénéficiaire un relevé 27 faisant état des sommes versées au cours de l'année.

Autres formes de soutien

À titre d'information, les entreprises du domaine du livre et de l'édition ont également accès au Programme d'aide à l'exportation et au rayonnement culturel pour les activités à l'exportation, ainsi qu'au financement des entreprises. Pour connaître les critères d'admissibilité de ces formes de soutien, veuillez consulter notre site Internet à l'adresse suivante : *www.sodec.gouv.qc.ca*.

Règles d'éthique liées aux activités et projets culturels

Les projets dérogeant aux lois et règlements ou allant à l'encontre des politiques gouvernementales, notamment à l'égard de la violence, du sexisme, de la pornographie ou de la discrimination, ne peuvent être acceptés par la SODEC. La SODEC encourage le respect des codes d'éthique des associations.

Bookselling

The earliest booksellers in Canada were Jean Seto and Joseph Bargeas, who in the 1840s and 1850s operated out of Montréal, importing books "for the gentry, the merchants, and the garrison: that is, a small middle and upper-middle-class readership." The earliest English-language bookseller was James Rivington of Halifax, who began operating in May 1761. In North America generally, early booksellers also acted as printers and binders. H.H. Cunningham of Montréal was the only colonialist bookseller to aspire to be a publisher. He issued John Perrin's *The Elements of French Conversation* in 1810 and other works, including *The Canadian Review and Magazine* (1824-26).

Later, other booksellers also began publishing. The first trade bookseller in Toronto was Thomas Maclear, who came to the city from Blackie & Son of Glasgow in 1842. He bought a retail bookstore and attracted some leading writers to his house, including Susanna Moodie and Catharine Parr Traill.

Booksellers in Canada during the 19th century usually purchased their books from 3 sources: directly from British publishers, from American printers of "pirated" British books (often sold at a fraction of the price of the British editions), or

from Canadian printers who pirated British works or reproduced them under licence.

Beginning in the 1850s booksellers in Montréal and Toronto began to act as wholesalers (agents) for UK and US publishers, distributing the agency lines to local and country booksellers. By the 1860s some booksellers were also starting their own publishing ventures. The bookstore market was eroded during the latter half of the 19th century by the expansion of the railway and the opening of "railway stalls" where books were sold. And in the 1880s and 1890s several bookstores were driven out of business when the large department stores - Eaton's and Simpson's - began selling books as loss leaders (a development which parallels competition from chain booksellers today).

No official figures exist for the actual number of retail bookstores in English Canada today. There are at least 2000. Of these, about 605 are independently owned, 466 are members of a chain operation, 127 are college or university outlets specializing in texts and scholarly books, 290 are religious bookstores, and approximately 319 are retailers who sell books as a sideline. About 45% of these stores are located in Ontario, by far the largest market for new books in Canada; BC has about 25%, and the Prairie region, perhaps 20%. The remaining 10% of the English-language stores are thinly

distributed throughout the Maritimes and Québec. The exact size of the retail book industry is unknown, but it has been estimated as high as $1.3 billion.

The selling of educational books (textbooks and learning aids) is left almost entirely to college and university outlets. Most booksellers are concerned with what are known as "trade books," which are sold by publishers to booksellers in hardcover or paperback format and which cover any subject - novels, biography, cookbooks, self-help, art, etc. Trade books have been categorized as books that people do not have to buy for educational or professional purposes, though some trade books do find their way into the educational market.

Specialization is increasing among Canadian bookstores and it is common to find a bookstore devoted entirely to science fiction, cookbooks, theatre books or some other specific subject.

Most Canadian booksellers rely to a great degree on imported - mainly American - books for their sales. About 70% of all books sold in bookstores in English Canada are of US origin; Canadian books account for about 20%, and the rest are mainly British. Canadian books comprise a vital and positive element in bookstore sales, often monopolizing the fall and Christmas bestseller lists and making the difference between annual profit and losses for the book retailers.

The great majority of American and British books purchased by Canadian booksellers arrives through exclusive Canadian agencies or the Canadian subsidiaries of foreign publishers. Virtually all US or UK publishers of any size have either a Canadian office or an agency arrangement, though a few booksellers do buy their foreign titles directly from the US or UK wholesalers.

There are virtually no Canadian wholesalers selling to booksellers except in the mass-market field, where some booksellers prefer to deal with a local wholesale supplier. Canadian titles are bought from the publishers, who either have a Canadian publishing program as well as agency (US, UK) lines or devote themselves entirely to the publishing of Canadian books.

The Canadian Booksellers Association, founded in 1957, has a healthy and steadily growing membership of about 1200 (1996). It also offers associate nonvoting memberships to publishers and agents. Each year in June, a large and lively annual convention takes place, along with a trade fair at which publishers display their new titles in preparation for the major fall and Christmas season. Booksellers from across Canada make many of their buying decisions during the CBA trade fair.

Corporate Concentration

In 1985, when WH Smith bought Classic Bookshops which was in financial difficulty, it left about 50% of the market's purchasing power in the hands of 2 companies. The late 1990s saw a greater threat to the independent booksellers with the advent of "big box" discount chain bookstores such as Chapters and Indigo. Independent booksellers, which have traditionally been the primary supporters of Canadian-authored titles, fear that the power of the chains will result in even greater disparities in trading terms, with greater margins being awarded to the chains.

The greater the margin advantage the chains have, the more they are able to offer discounts to the public which the independents cannot match. If the trend results in fewer independent bookstores, it is expected that the variety of books available to the public will decrease. On the other hand, the 2 large chains have rapidly increased the number of bookstores in Canada and have often provided outlets in communities without bookstores. The Internet created a new kind of corporate book conglomerate in the 1990s. Web booksellers such as the extraordinarily successful Amazon.com allowed readers to order books directly from their own home, often at discount prices, putting even more pressure on smaller retailers.

Taxation

Throughout the history of Canadian bookselling major battles have been fought over taxation or duties on books. Since the 19th century booksellers have opposed a "tax on knowledge." In 1987, a 10% tax on imported books was reinstated during a trade dispute with the US and then eliminated after a media outcry and efforts by the book industry. The publishing industry and the reading public mounted a campaign against the inclusion of books under the Goods and Services Tax, fearing the added cost would limit book availability to the public, but with no effect.

Electronic Ordering

In order to preserve Canadian sources of supply for books, the book industry, with the active participation of booksellers, has moved to introduce an electronic ordering system for the trade. The purpose of the system is to ensure that it is more efficient for Canadian booksellers to purchase books from Canadian publishers and Canadian agents of imported books than it is from US-based wholesalers (who do not carry Canadian titles) or directly from US publishers.

BNC RESEARCH

How Canadians Buy Books 2015

9.2016

PREPARED BY BOOKNET CANADA STAFF

BOOKNET CANADA

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If you have questions about public disclosure of this report, please contact media@booknetcanada.ca.

Introduction

For several years, BookNet Canada has been producing consumer studies by asking book-buying Canadians about the attitudes and behaviours surrounding their purchases. In this study, we want to dive a little deeper and focus just on the path to purchase in three parts: how people become aware of the books they buy; what factors influence their decisions; and how they complete their purchases—from awareness to decision to action.

Our 784 respondents reported a total of 2,170 purchases—an average of 2.8 purchases per book buyer, per month—giving us a wide pool of consumer data with which to investigate the following questions:

In Awareness, we look at how buyers find out about the books they purchase: is it online, through a physical store, or from a friend?

In Decision, we look at how people decide to make a purchase: what made them decide to buy the book, and was the purchase planned or an impulse buy?

After that we come to Action: where was the book purchased, and why did they choose to purchase from that outlet?

Methodology

All respondents were aged eighteen or older and had purchased a minimum of one book, regardless of format, in the prior month. The panel was representative and included women and men along with adequate representation from all regions across Canada.

Surveys were circulated in March and July 2015, representing book purchases that took place in February and June, respectively. Respondents were asked to report on all books they purchased in the prior month.

Focus was placed on having a statistically valid panel. The panel included the recruitment of approximately 800 book buyers who completed surveys about their book-purchasing behaviour.

Select representatives from a larger panel qualified to receive a fielding of the survey because they indicated they had purchased or downloaded a book in the prior month. Those who met the criteria were asked to complete the online survey. Respondents were given an incentive for completing the survey.

BookNet Canada partnered with Nielsen Book for data collection and processing.

SAMPLING DETAILS

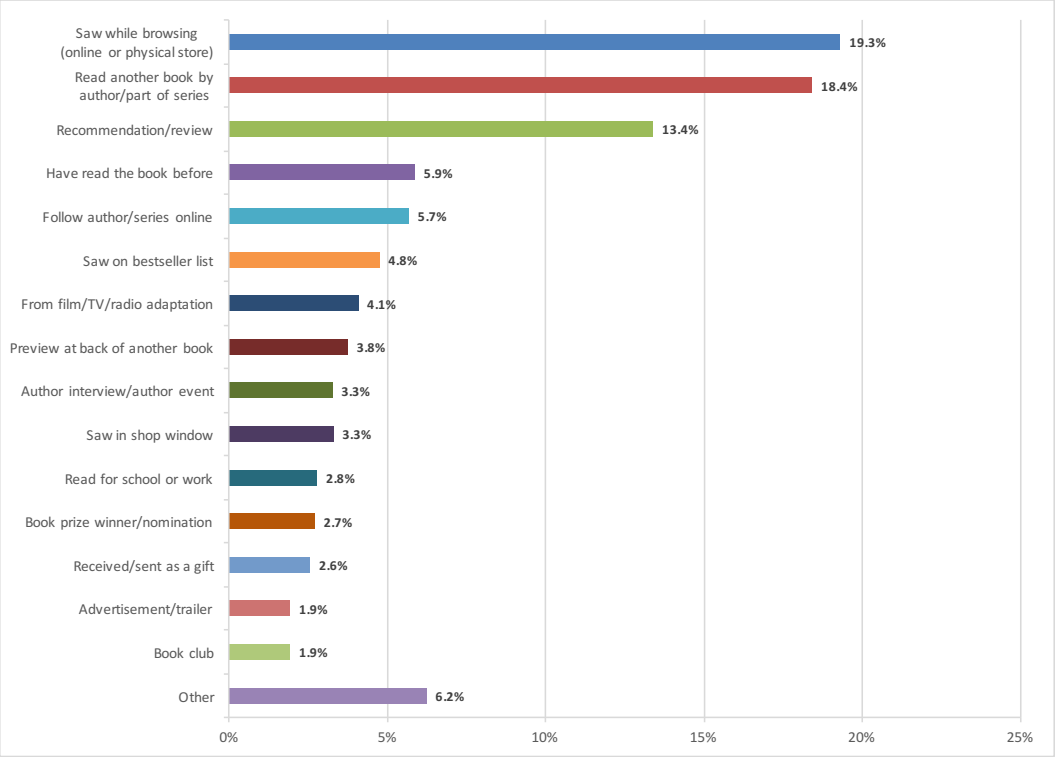
For each fielding of the survey, the margin of error is 5% at a 95% confidence internal. For these questions, we received a minimum of 400 responses per month for a total of approximately 800 responses encompassing ~2,200 purchases.

Awareness

By a wide margin, the top three ways readers became aware of the book they purchased was by browsing online or in a physical store (19.3%), through other books they read by the same author or as part of a series (18.4%), or through a recommendation or review (13.4%).

This question was framed as a multi-answer so each respondent was able to choose more than one option if they saw the book in more than one place. It is interesting to consider this when thinking about the rule of three, which is the marketing concept that suggests a consumer must see an item three times before they will seek it out for research or purchase. Recently it has been suggested that with the overflow of marketing channels on the internet and particularly social media, the rule of three has become the rule of seven.

HOW BUYERS BECAME AWARE OF THEIR BOOK PURCHASES



How did you become aware of this book?
(N=2,690)

25%
of Fiction buyers previously read the author or series

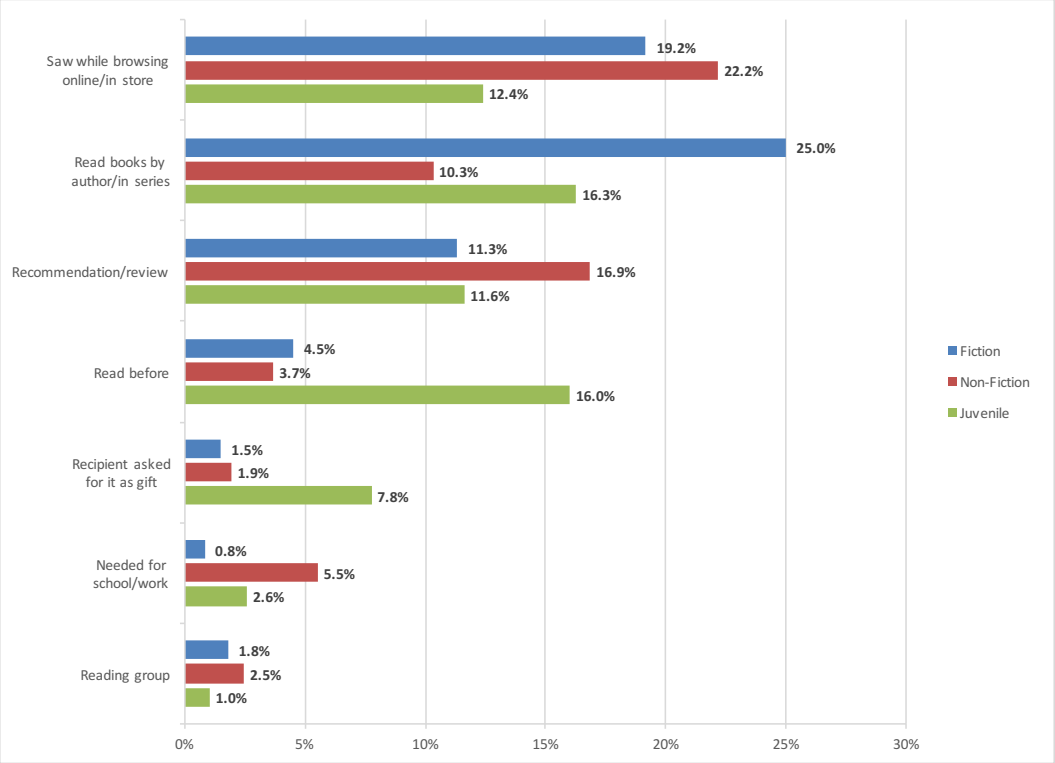
The methods of discovery that directly pertain to a book's metadata are particularly interesting. For example, 25% of people who bought a fiction book did so because they had read other books by the same author or because it was part of a series, making data points like series information vital to searchability. However, this is less important for non-fiction, where only 10.3% of book buyers did so. For juvenile books, 16% of buyers purchased books by authors they were already familiar with.

It's important for publishers to provide full, complete, and up-to-date metadata to aid in discoverability. In particular, paying attention to data such as series information, previews, book prizes, and reviews can be useful to discovery.

Two of the most popular ways readers become aware of new books—i.e., browsing (19.3%) and word of mouth (13.4%)—rely on the readers themselves. This makes it difficult to develop targeted marketing strategies, but there are things publishers can do to boost discoverability, starting with making sure that books are visible and easy to find.

Paying attention to how different subjects are discovered can also benefit publishers as they try to help readers find their books. With juvenile books, for example, most purchases are found because the buyer was already familiar with the author (16.3%) or because they had read the title before (16.0%). This seems to indicate that focusing marketing efforts on familiar books and authors, through comparative titles or author-focused marketing, will be beneficial.

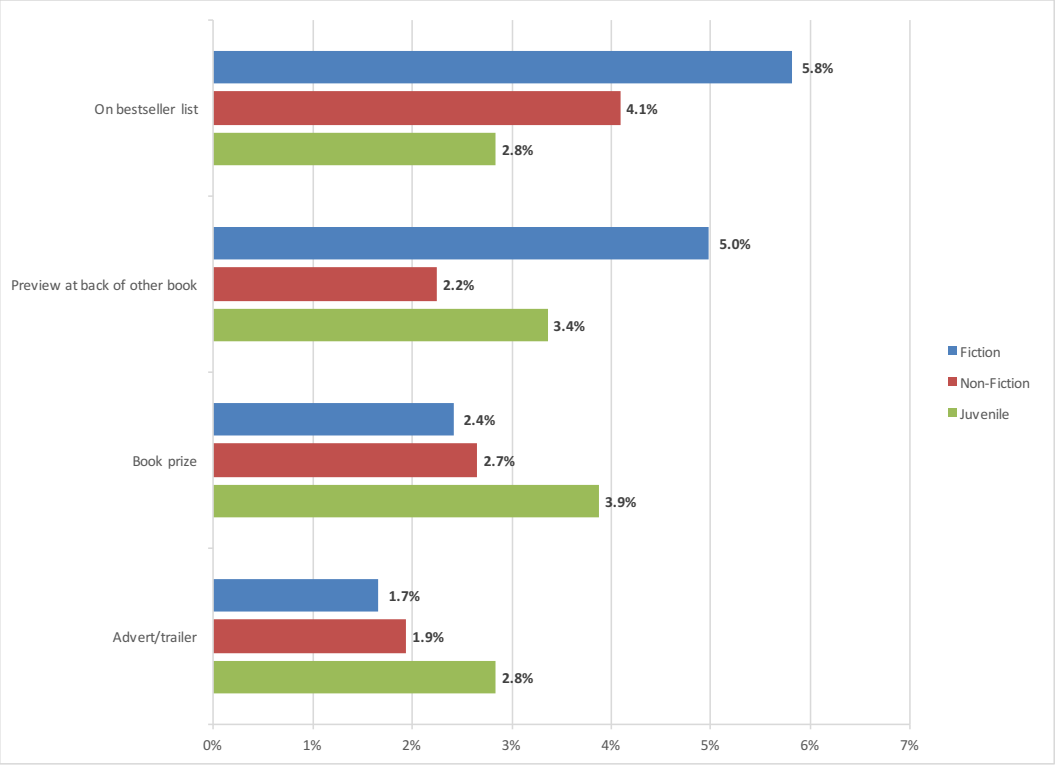
HOW READERS BECOME AWARE OF BOOKS – READER-DRIVEN



How did you become aware of this book?
(N=2,690)

As for modes of discovery where the publisher can exert more control, the graph on page 8 indicates that fiction books are often discovered on bestseller lists (5.8%) or in a preview at the back of another book (5.0%). A book prize nomination or win, however, is more effective for a juvenile book than it is for a fiction title (3.9% compared to 2.4%, respectively). While reviews/recommendations are most commonly found through in-person interactions, a significant percentage of them come from online sources, such as bookseller websites (15.6%), book review websites (4.4%), blogs (4.2%), and other online community websites (3.3%), suggesting that publishers should continue to push their books out to reviewers, whether professional or amateur. On the list of things that publishers can do to help with discoverability, securing book reviews remains the most effective way with an average of 13.3% over all subjects.

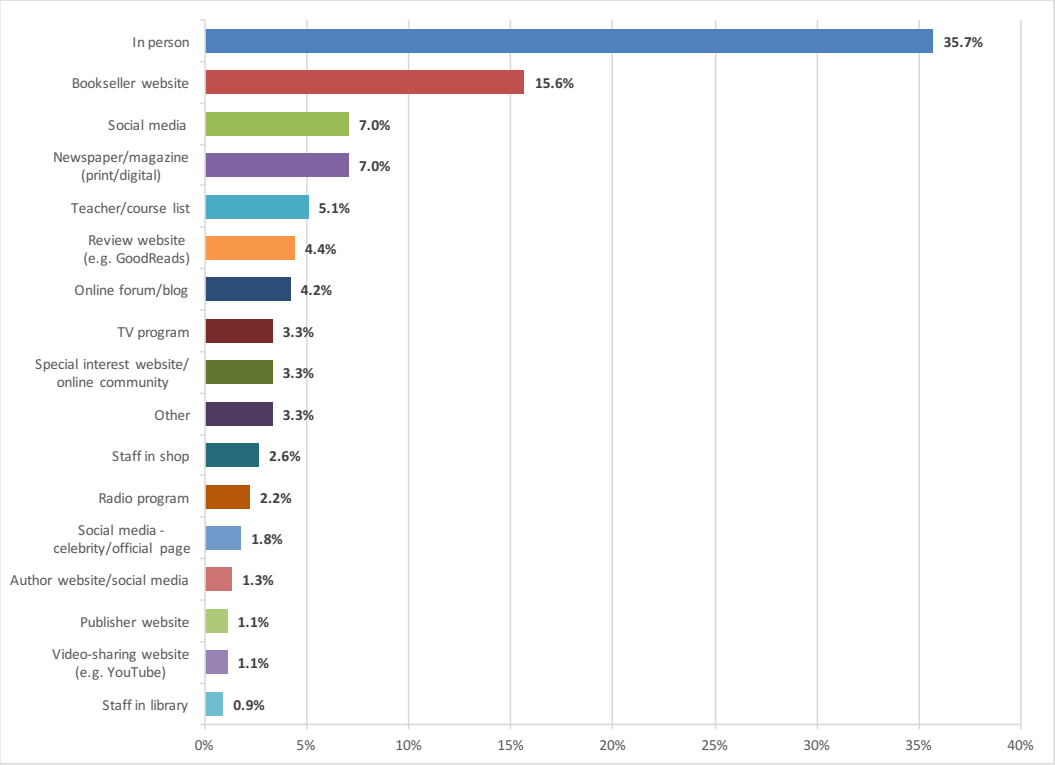
HOW READERS BECOME AWARE OF BOOKS – PUBLISHER-DRIVEN



How did you become aware of this book?
(N=2,690)

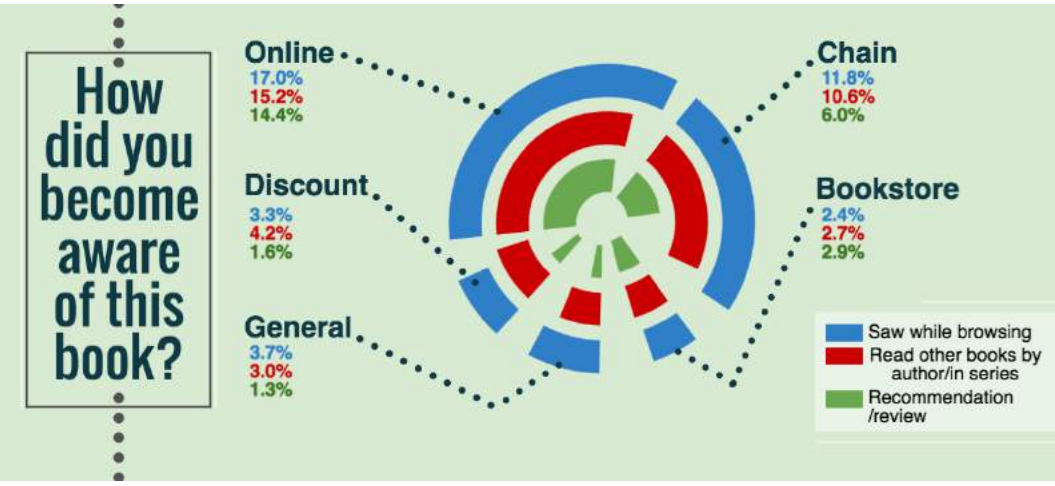
The chart on page 9 outlines where recommendations and reviews generally come from. The majority of recommendations are in-person (35.7%) but there are quite a few places online where people go to find book reviews and recommendations, such as social media, review sites, blogs, and online magazines/newspapers.

WHERE READERS FIND RECOMMENDATIONS AND REVIEWS

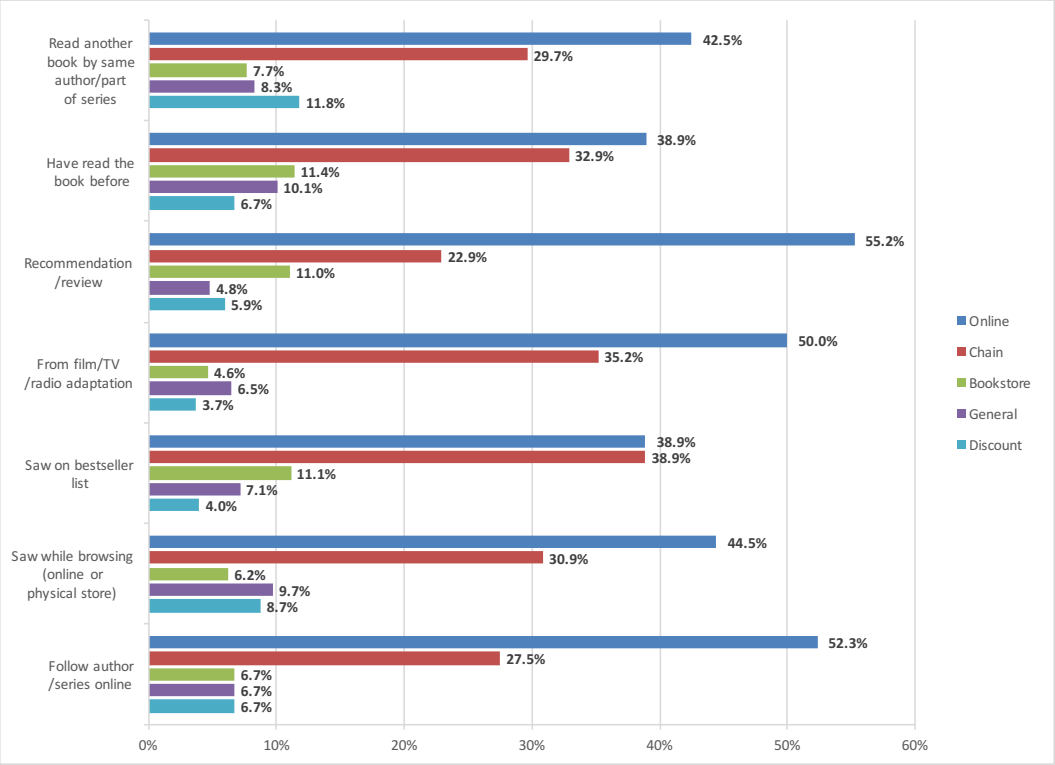


Where did the recommendation/review come from?
(N=454)

MODES OF DISCOVERY – BY CHANNEL



How did you become aware of this book?
(N=1,228)



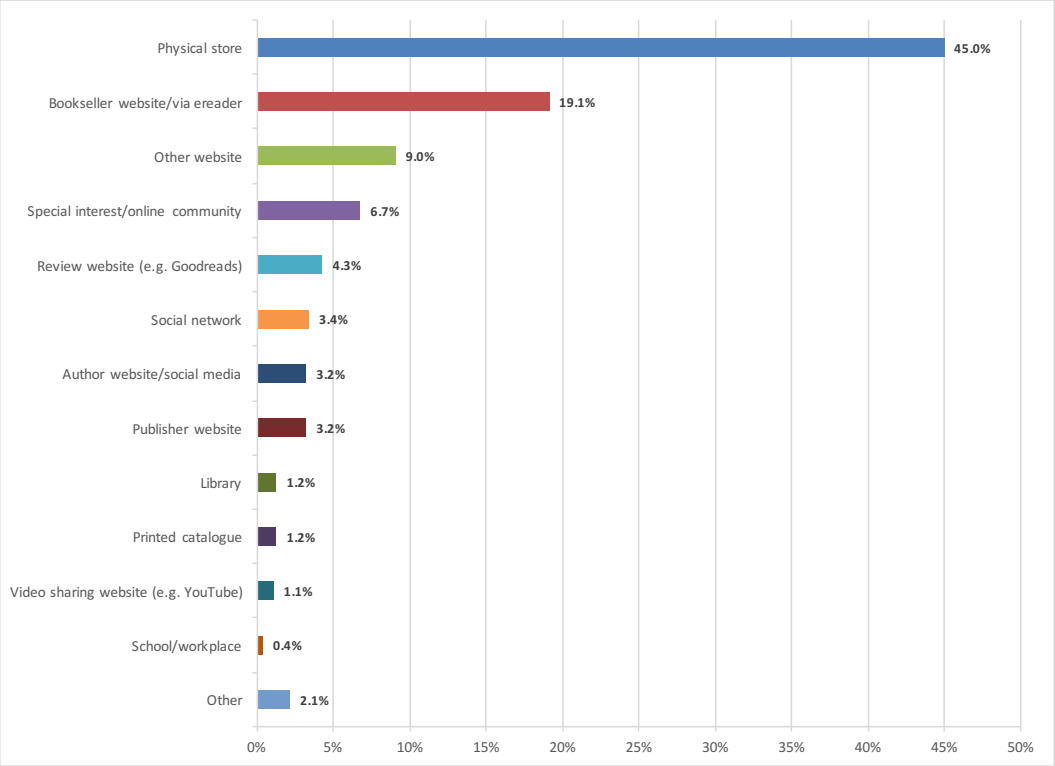
How did you become aware of this book?
(N=2,384)

When book buyers reported that they found the book while browsing "in a shop/online/elsewhere," we asked for details on where they were browsing. The number of people who browse for books online compared to in-person is almost equal: 47.9% of respondents found books in person and 50% were browsing online.

The majority of the in-person browsing occurs in a physical store (45%), with the other in-person options (library, school, and workplace) amounting to only 2.9% combined.

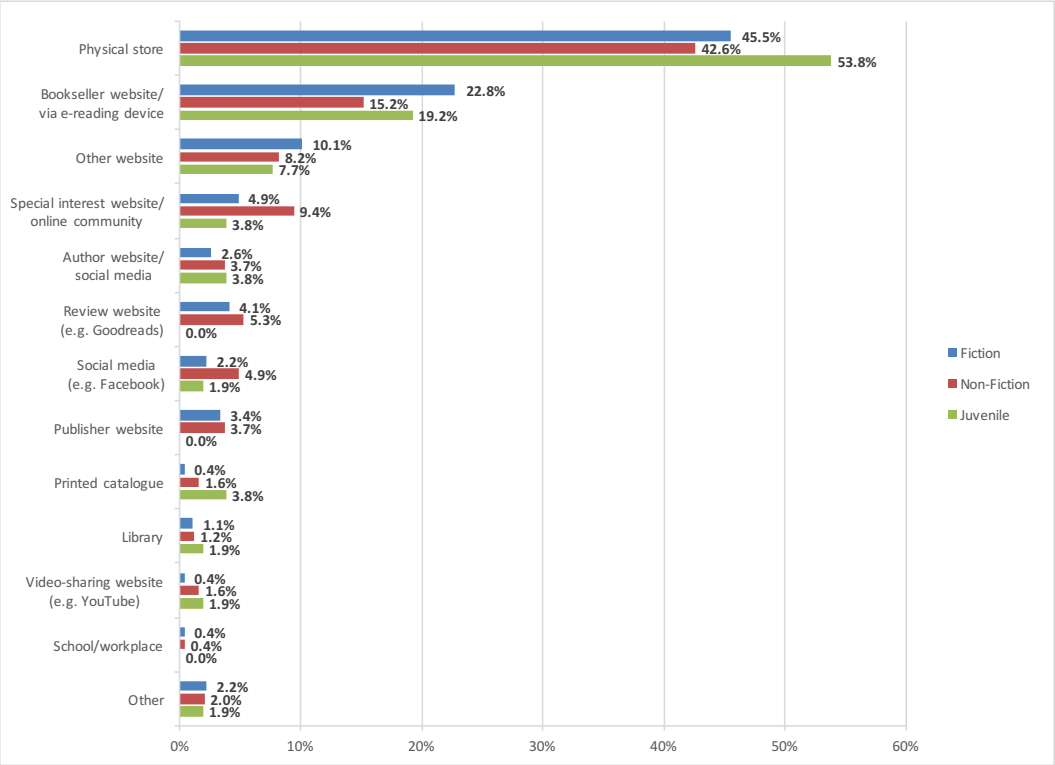
When it comes to online browsing, responses are spread over a number of categories with bookseller websites at 19.1%, review websites such as Goodreads at 4.3%, and author websites/social media at 3.2%.

WHERE READERS BROWSE/SEARCH FOR BOOKS



Where were you browsing/searching when you became aware of this book?
(N=564)

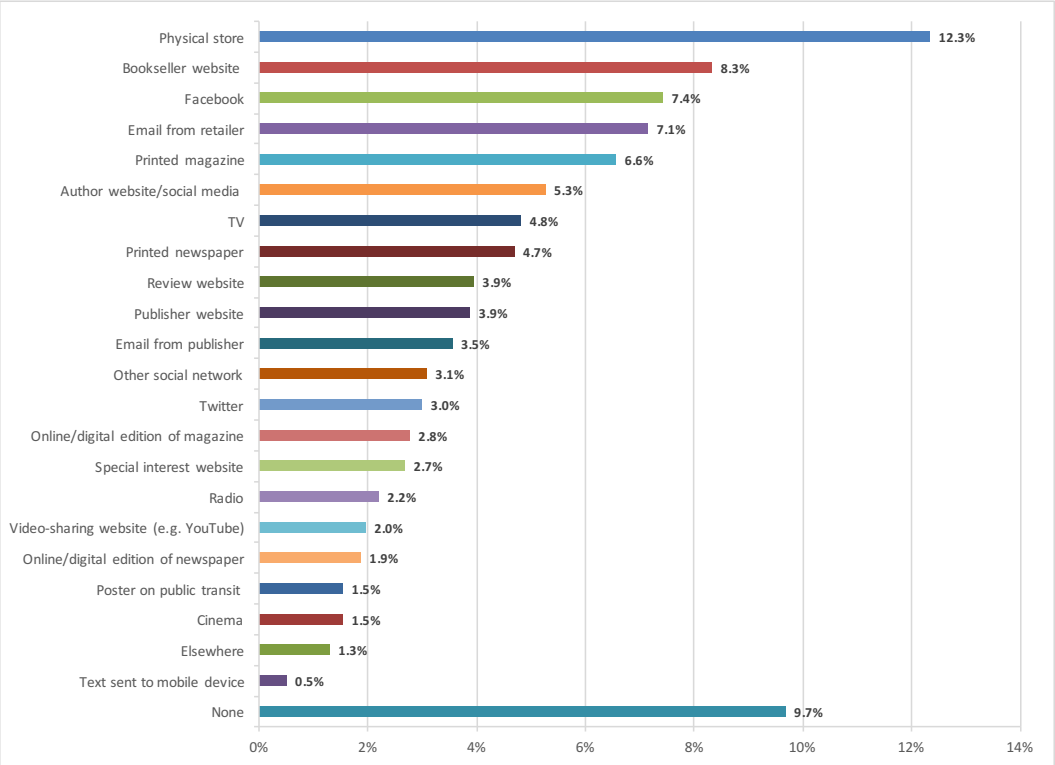
WHERE BUYERS BROWSE/SEARCH FOR BOOKS – BY SUBJECT



Where were you browsing/searching when you became aware of this book?
(N=564)

We asked book buyers where they have seen or heard books advertised in the prior month. Seeing books in a physical store was highest (12.3%) and online views via retailers ranked very high, either on a retailer website (8.3%) or from a retailer's email (7.1%).

EFFECTIVENESS OF ADVERTISING

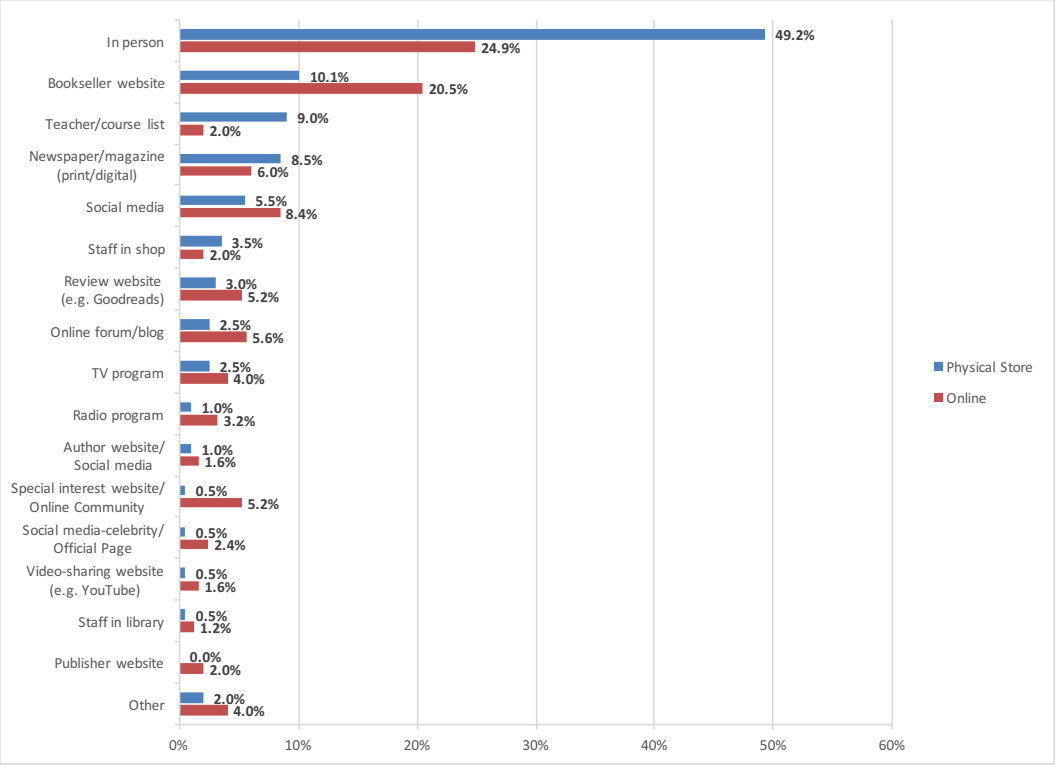


Where, if at all, have you seen or heard books advertised in the last 4 weeks?
(N=5,779)

In-person recommendations tend to result in purchases from a physical store

If we take a look at where a recommendation came from and compare that to where the actual sale occurred, we can see some distinct differences between in-person and online purchases. In-person recommendations predominantly result in purchases made in a physical store (47% compared to 25% made online). Whereas online sources of recommendations, such as social media, websites, and blogs, tend to result in online purchases.

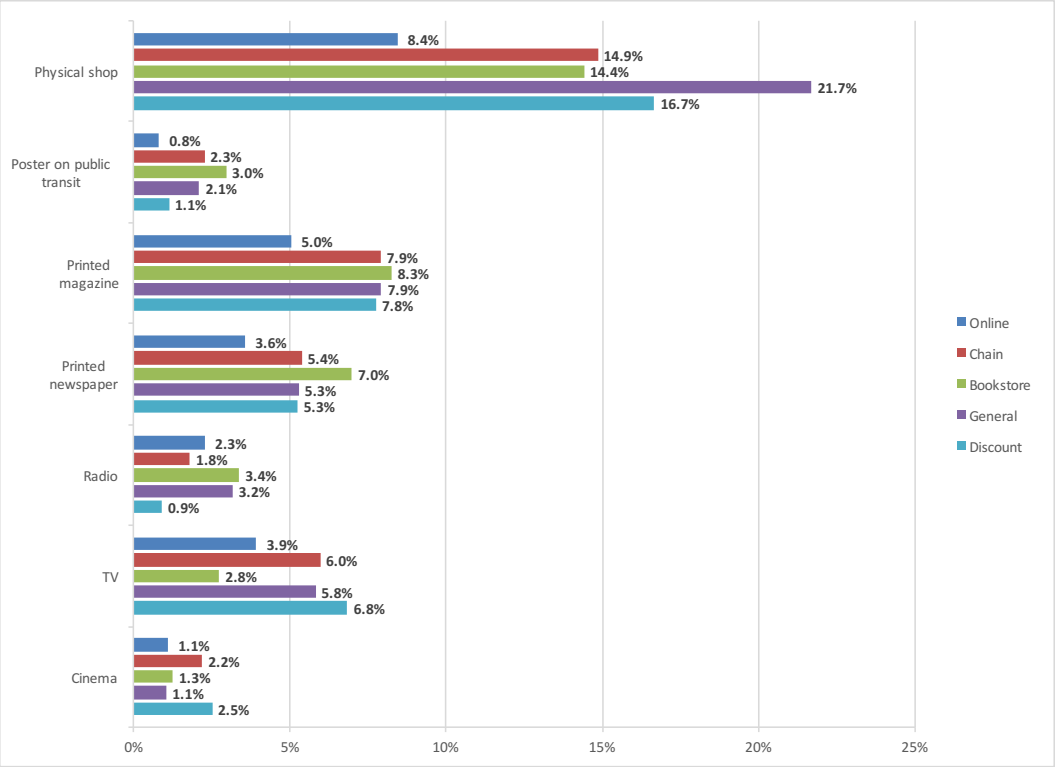
SOURCE OF BOOK RECOMMENDATION



Where did the recommendation/review come from?
(N=448)

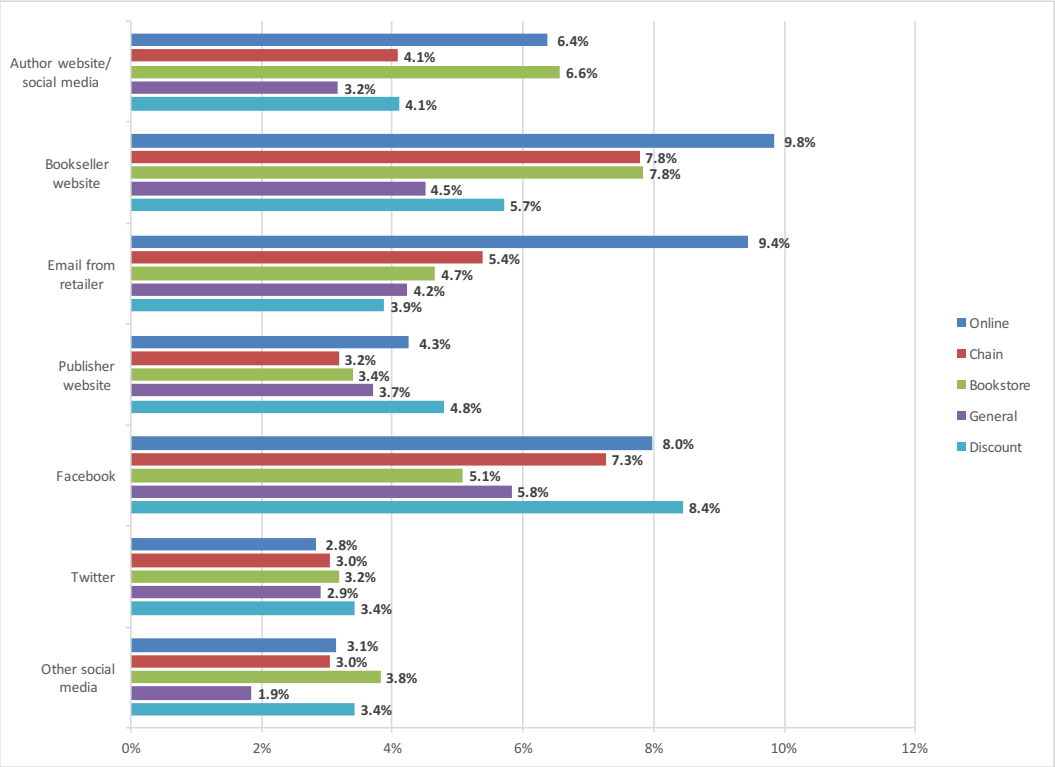
The next two graphs look at things in a bit more detail, breaking out purchasers' sources of recommendations/reviews by in-person (first graph) or online (second graph) against the channels where those purchases were made.

SOURCES OF IN-PERSON RECOMMENDATIONS/REVIEWS – BY CHANNEL



Where did the recommendation/review come from?
(N=454)

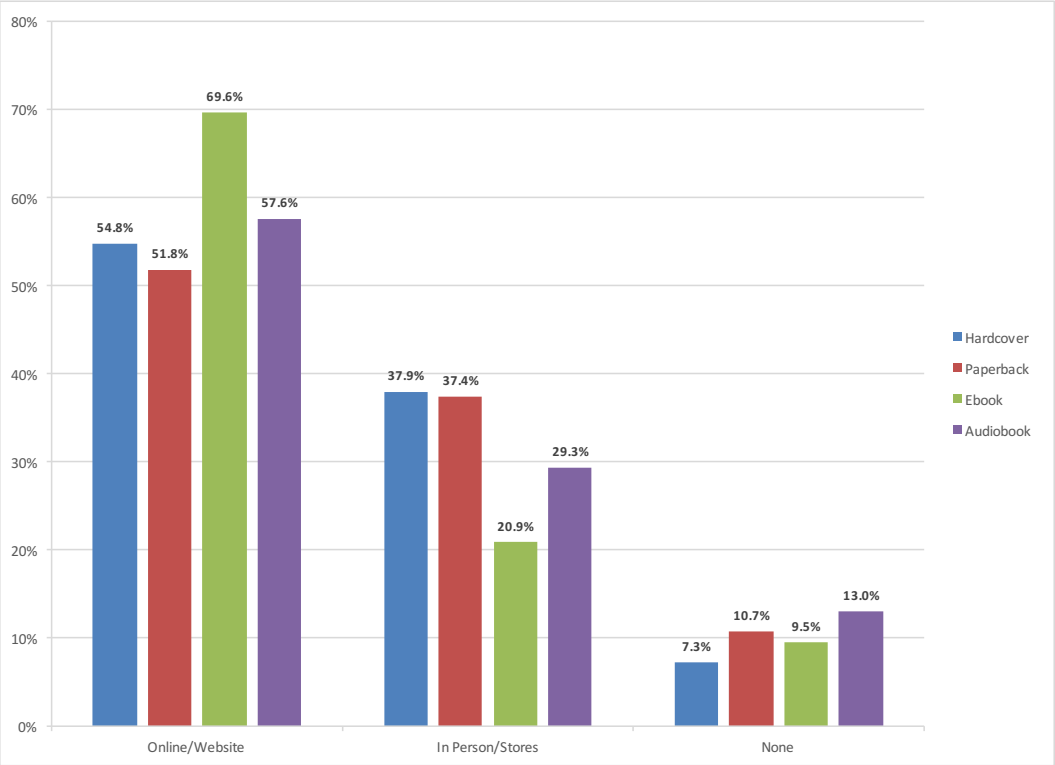
SOURCES OF ONLINE RECOMMENDATIONS/REVIEWS – BY CHANNEL



Where did the recommendation/review come from?
(N=454)

The majority of advertisements for books are found online—the internet, it seems, is inundated with ads—while stores, offline venues, and 'in person' dominate when it comes to trusted recommendations. That being said, there is still a significant group of people who find advertisements for books offline (34.2%).

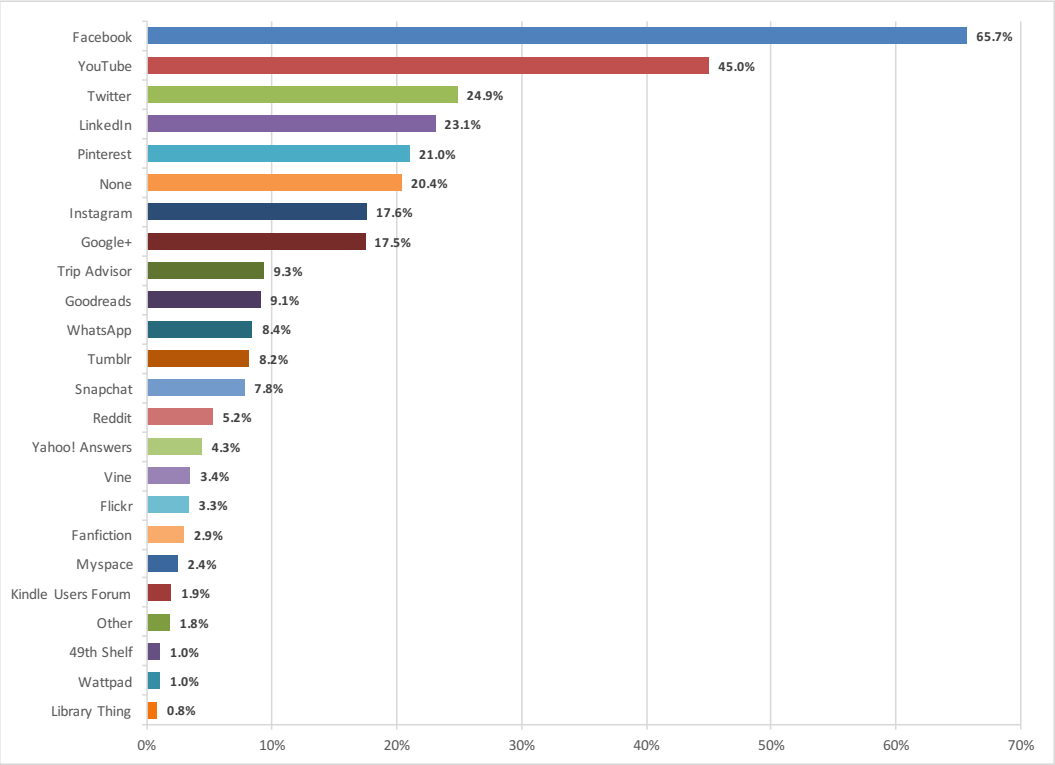
WHERE BOOK ADVERTISEMENTS ARE FOUND



Where, if at all, have you seen or heard books advertised in the last 4 weeks?
(N=5,558)

As more and more book discovery moves online, it is important to note how, and where, book buyers are spending their time online. When asked what social networks they use, respondents were able to select multiple answers, resulting in a very strong showing of the top seven social networks, with small numbers for the rest of the options.

PARTICIPATION IN SOCIAL NETWORKS



Which, if any, of the following online social networks, communities, or sharing sites do you currently participate in? (N=784)

Decision

Once a buyer has decided to make a purchase, the time comes to evaluate the various alternatives available in the market and the many factors that can influence a final decision. A buyer will try to make the best choice based on their needs, tastes, and budget, while taking into consideration factors like the value of a recommendation or review—for example, a bestseller list, award, or recommendation from a respected friend may be all that is needed to make a decision—or additional considerations like price, perceived quality, and interest in the subject matter.

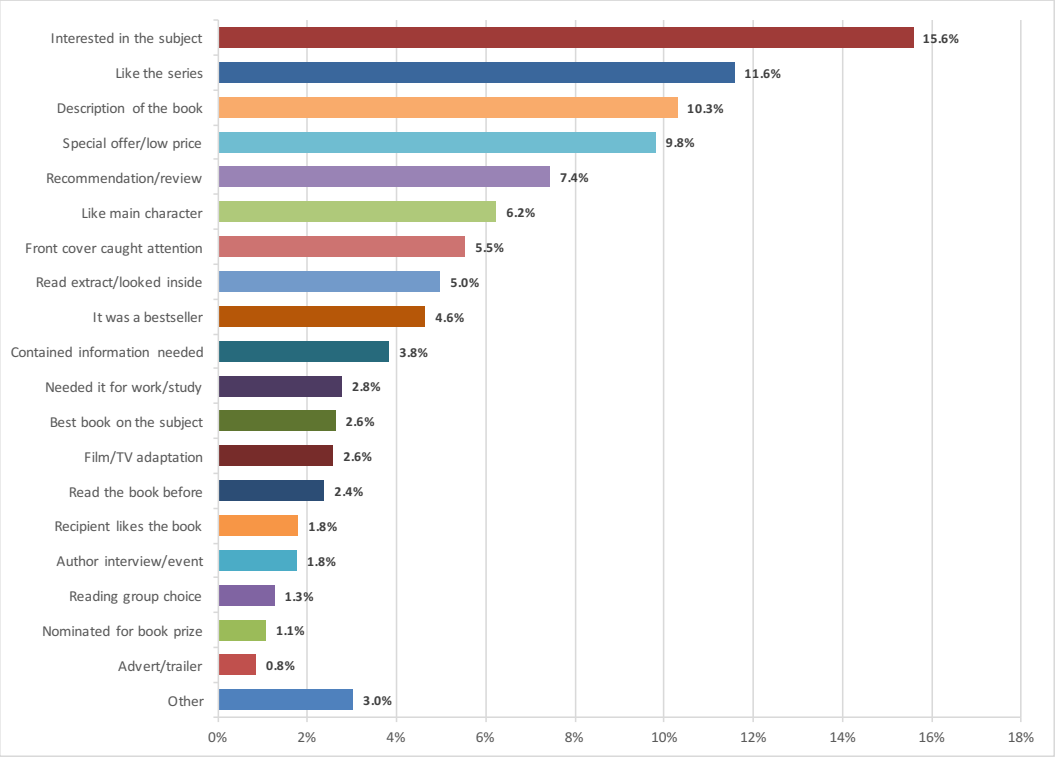
The type and quality of metadata, such as cover image and description, may also play an important role in the buyer's decision. The availability of the data points listed below, including series information, description, reviews, and excerpts, are all important bits of information that can factor into a buyer's decision, if, of course, they appeal to the buyer.

A few notable shifts from 2013 to 2015:

Book description as a reason for making a purchase rose from 3% to 10%

- The number of book buyers indicating they made their purchase because they were interested in a series rose from 7% to 12%.
- Buyers who noted the book description as a reason for making their purchase rose from 3% to 10%.
- The influence of the front cover on a purchase increased from 2.6% to 5.5%.
- Bestseller lists played a more important role in 2015, increasing from 1.8% to 4.6%.

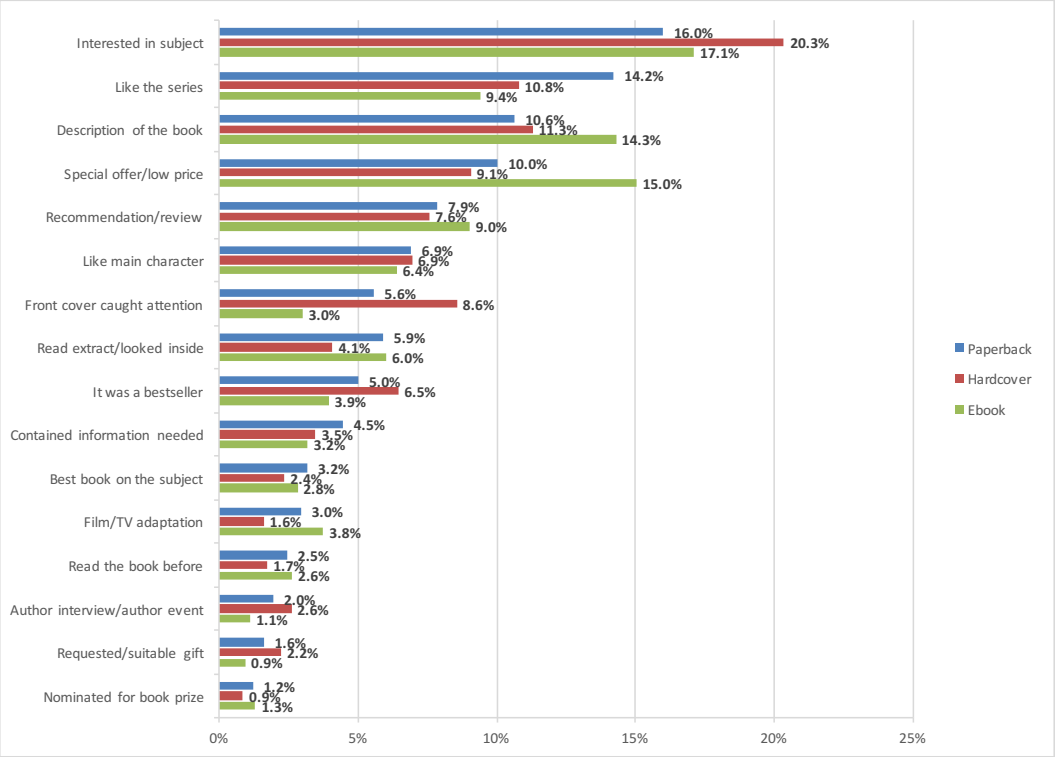
PRIMARY REASON FOR PURCHASE



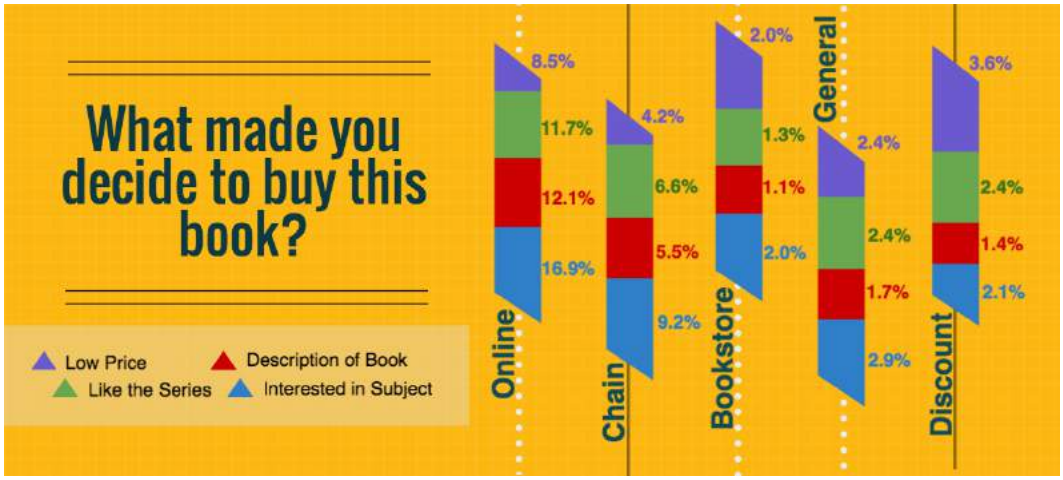
What made you decide to buy this book?
(N=3,579)

When we break out the factors that influence the decision to buy by format, we find some variances in importance. For example, buying a book because of the low price or special offer is much more common for ebooks. Buyers who are seeking out more books in the same series tend to purchase paperbacks more frequently.

PRIMARY REASON FOR PURCHASE – BY FORMAT



What made you decide to buy this book?
(N=3,132)



What made you decide to buy this book?
(N=1,511)

When it comes to the decision to buy, another important element is whether or not the purchase was planned: did the buyer plan to go to the store and buy that particular book? Did they plan on buying "a" book? Or was it a completely impulsive purchase?

31%
of purchases are completely planned

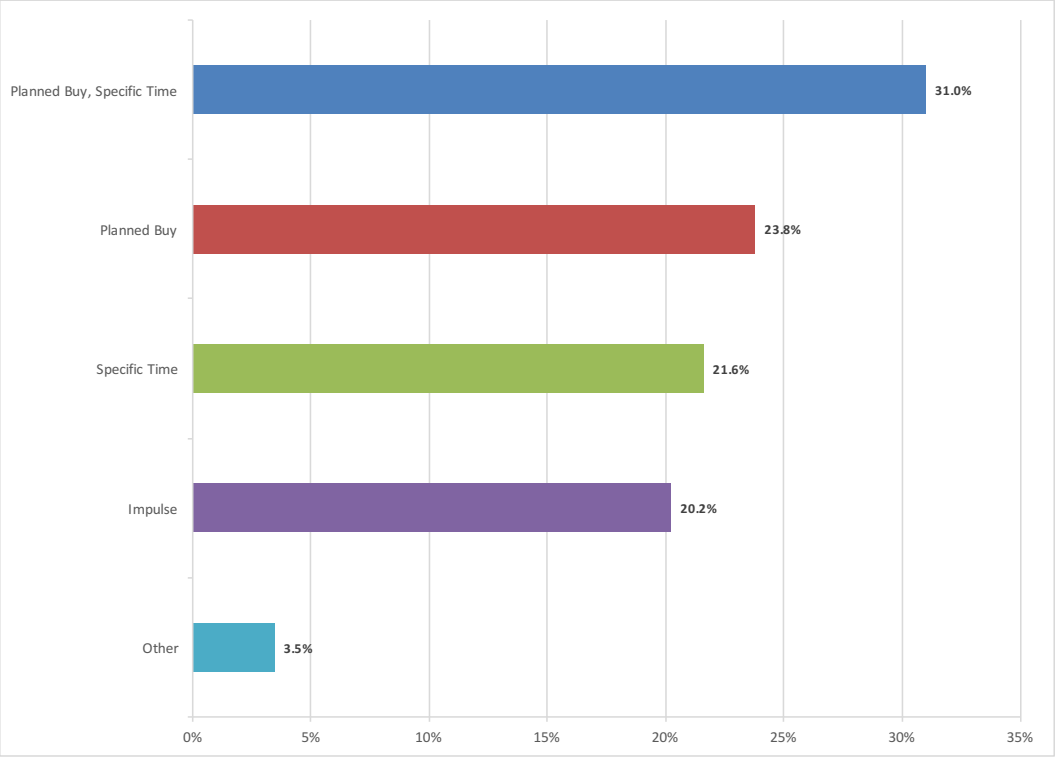
It's widely believed that purchasing is becoming more intentional[1], especially with the increasing prevalence of online shopping. The graphs below support this and tell us that the majority of purchases (31%) are completely planned (i.e., the buyer planned on buying that book at that specific time).

Respondents were presented with the following options:

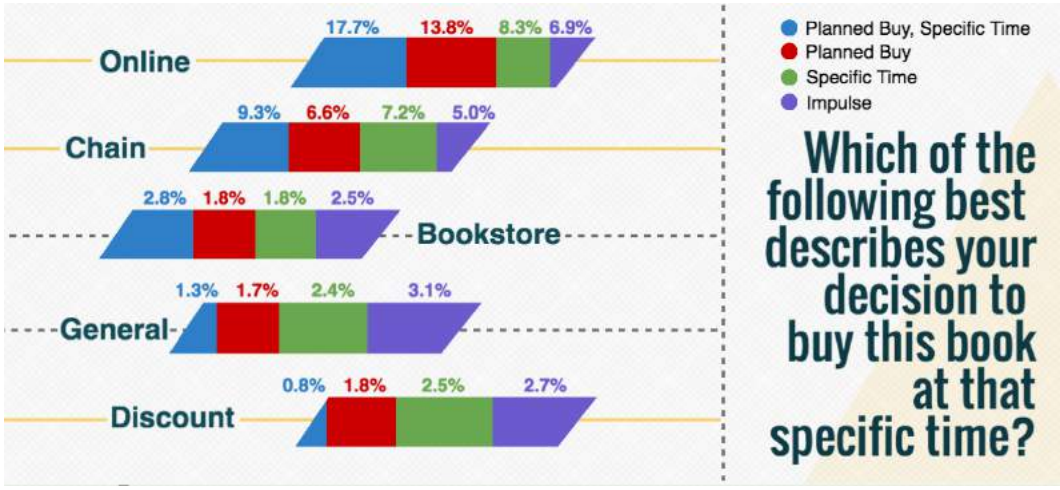
- "I had planned ahead to buy this specific book at that specific time." (Planned Buy, Specific Time)
- "I had planned to buy this specific book, but not necessarily at that specific time." (Planned Buy)
- "I was planning to buy a book at that specific time, but had not planned to buy this specific book." (Specific Time)
- "I was not planning to buy a book at that specific time; it was an impulse purchase." (Impulse)

1 http://www.wsj.com/articles/the-end-of-the-impulse-shopper-1416872108

PLANNED VS. IMPULSE PURCHASE

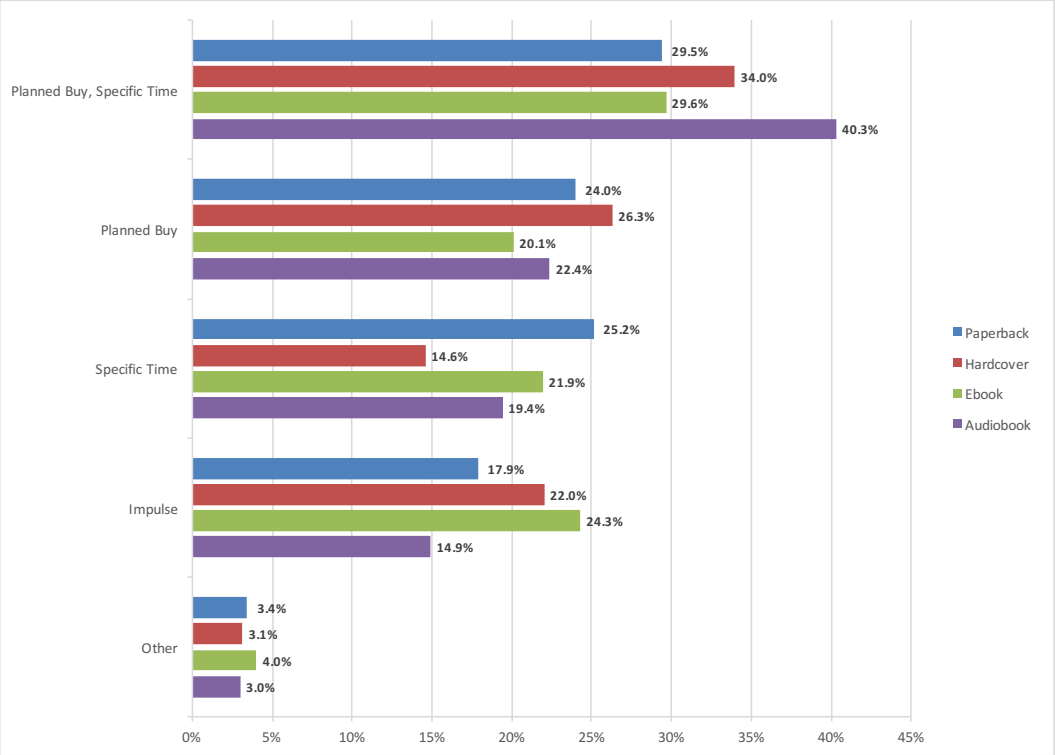


Which one of the following best describes your decision to buy this book at that specific time?
(N=3,345)



Which of the following best describes your decision to buy this book at that specific time?
(N=1,844)

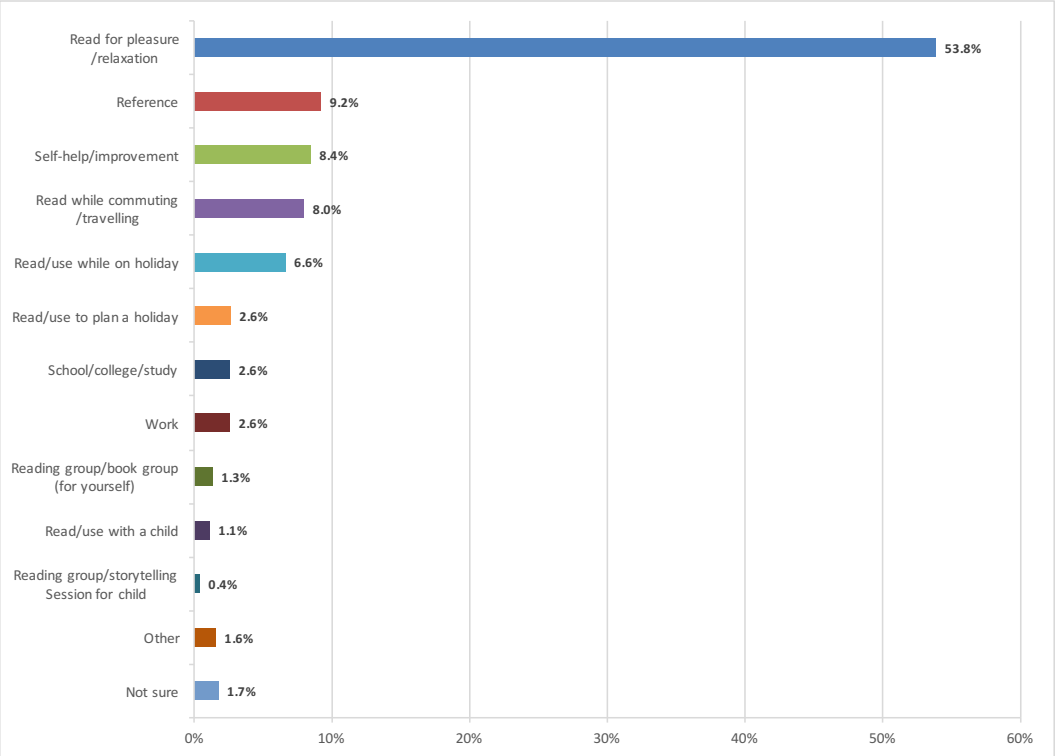
PLANNED VS. IMPULSE PURCHASE – BY FORMAT



Which one of the following best describes your decision to buy this book at that specific time?
(N=2,170)

More than half of the books purchased were done so for pleasure (54%), with purchases for work or study accounting for only 2.6% each.

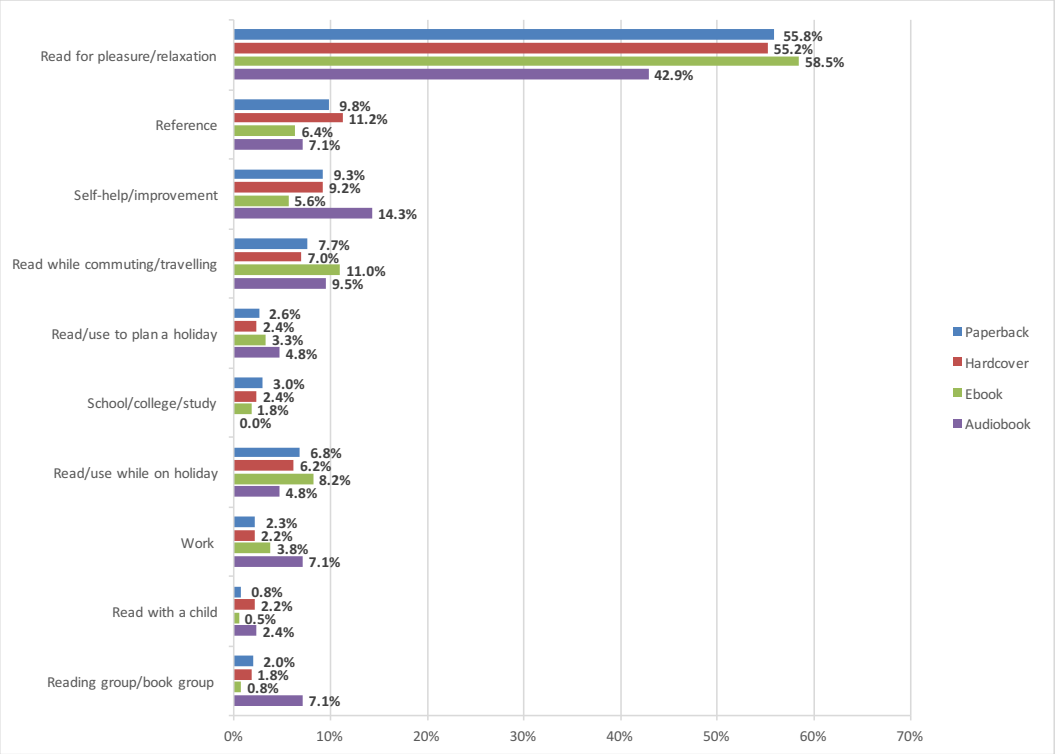
REASON FOR BOOK PURCHASE



What do you plan to use this book for?
(N=2,238)

While format doesn't often play a big part in how a buyer plans to use their book, audiobooks are the one exception. While the majority are still bought for pleasure, 14% of audiobook purchases were for self-improvement, compared to 9% for hardcover. Audiobooks also ranked relatively high when it comes to purchases made for work at 7%, compared to the next highest format, ebooks, at 3.7%.

REASON FOR BOOK PURCHASE – BY FORMAT



What do you plan to use this book for?
(N=2,238)

Action

So your buyer has found your book and made the decision to buy—now comes the time to act. The biggest questions when it comes to action are:

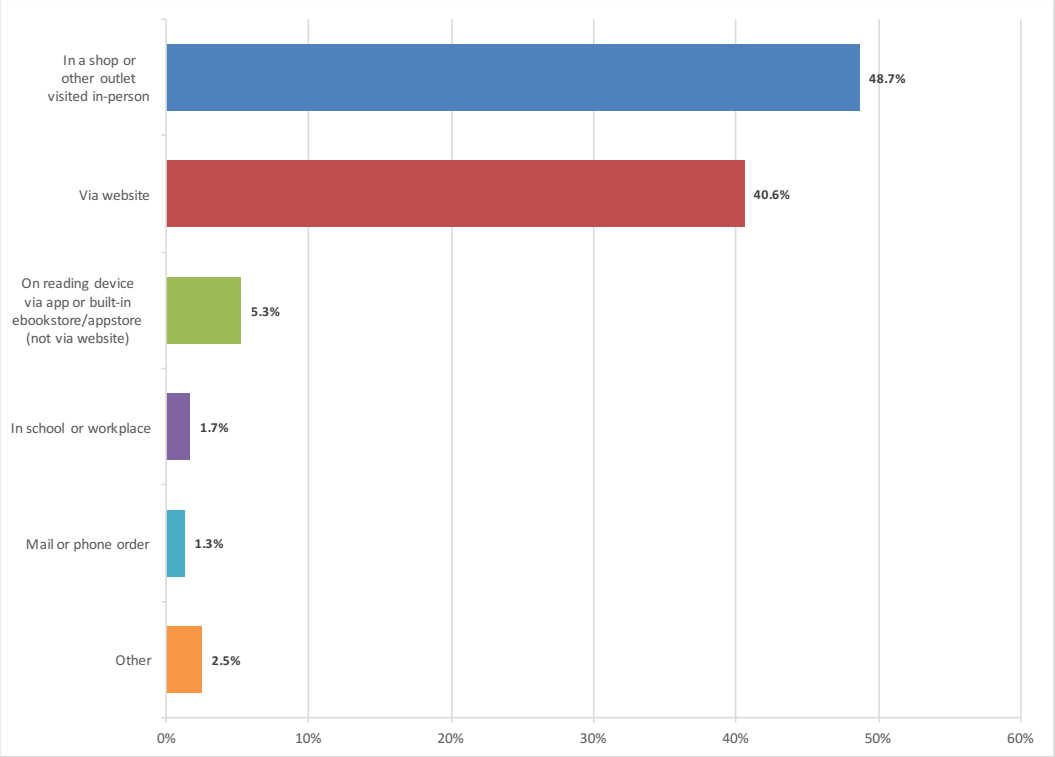
- Did they purchase the book online or in a physical outlet?
- Where, specifically, did they complete the purchase? This includes where they found the book in a physical store.
- Why did they decide to buy the book there?

Where did you buy this book?
(N=951)

When it comes time to actually buy a book, there is a surprisingly small divide between online and in-person shopping: 40.6% compared to 48.7%, respectively.

Shopping directly from an e-reader or a built-in ebookstore (not on a website) is small compared to online and in-store, but it's still present at 5.3%. Interestingly, when online and e-reader/ebookstore purchases are combined (45.9%), they are almost equal to those made in physical outlets.

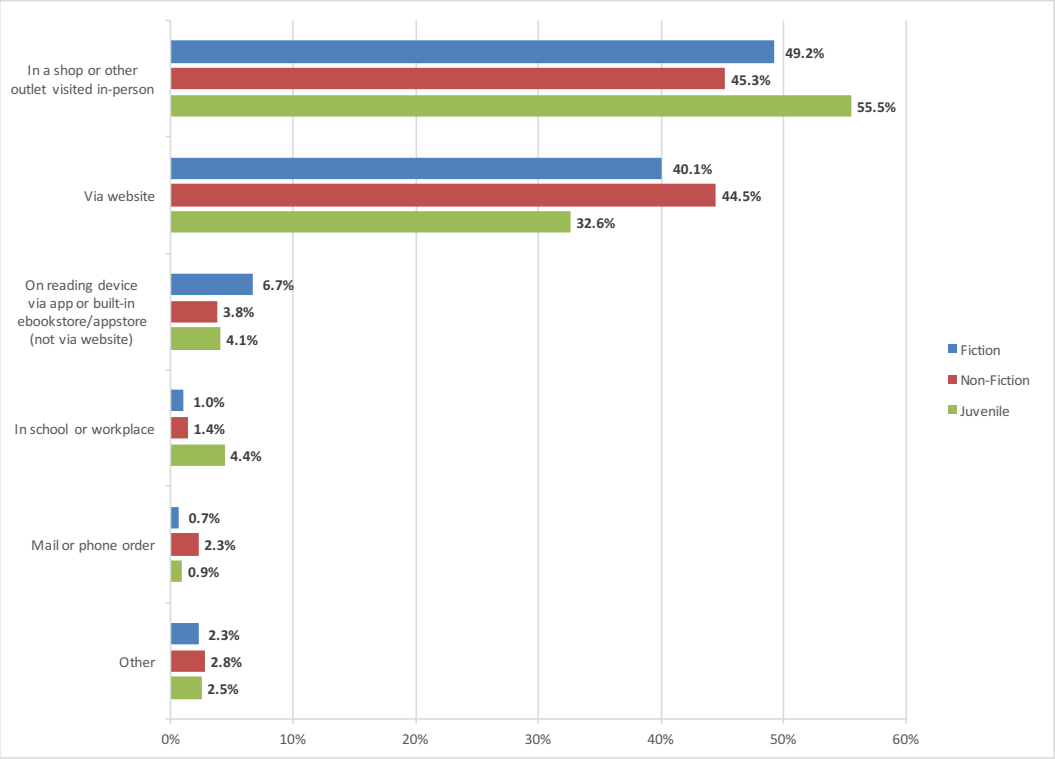
HOW THE BOOK WAS PURCHASED



How did you buy this book?
(N=2,169)

In terms of subject, the difference between online and in-person shopping is not significant. Fiction and non-fiction books are mostly bought in a physical store, with fiction at 49.2% and non-fiction at 45.3%. The breakdown for online shopping is almost the same: 40.1% for fiction and 44.5% for non-fiction. There is a bit more of a difference with juvenile, with 55.5% buying in person and 32.6% online.

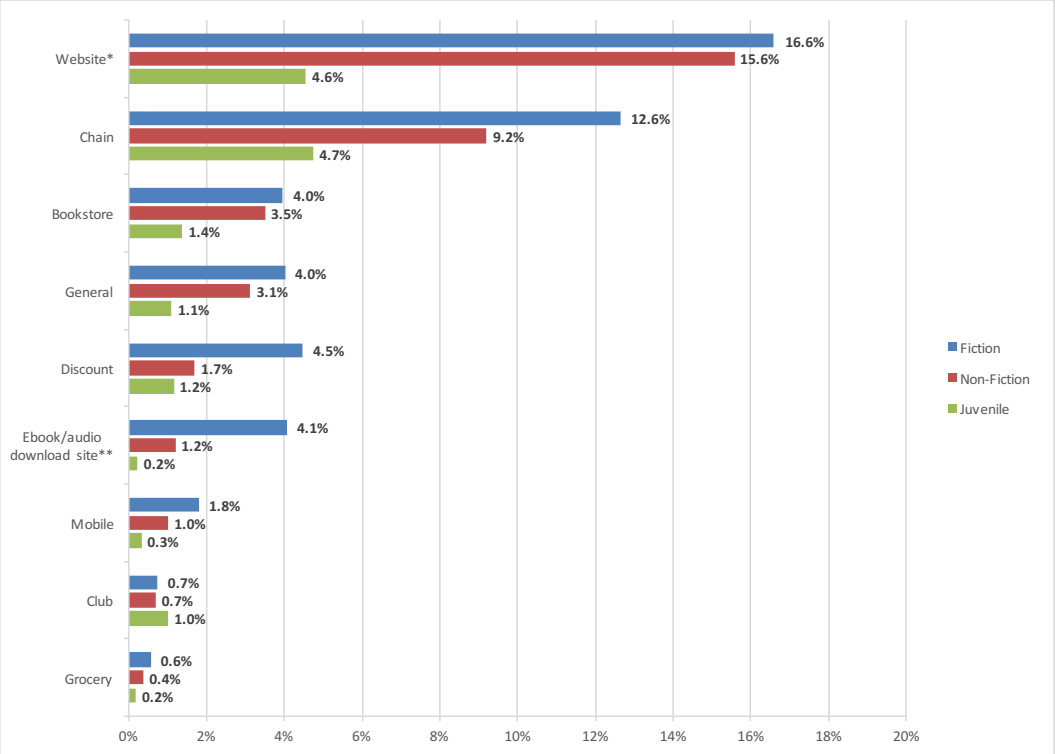
HOW THE BOOK WAS PURCHASED – BY SUBJECT



How did you buy this book?
(N=2,170)

When looking at where people shopped by top-level subject, it's important to consider the type of books that are predominantly available at each retail outlet. Anecdotally, it's more common for discount stores to carry fiction, which would result in a greater amount of fiction sales through that channel. That being said, it's interesting to see that fiction far outsells non-fiction in mobile sales.

WHERE BOOK WAS PURCHASED – BY SUBJECT



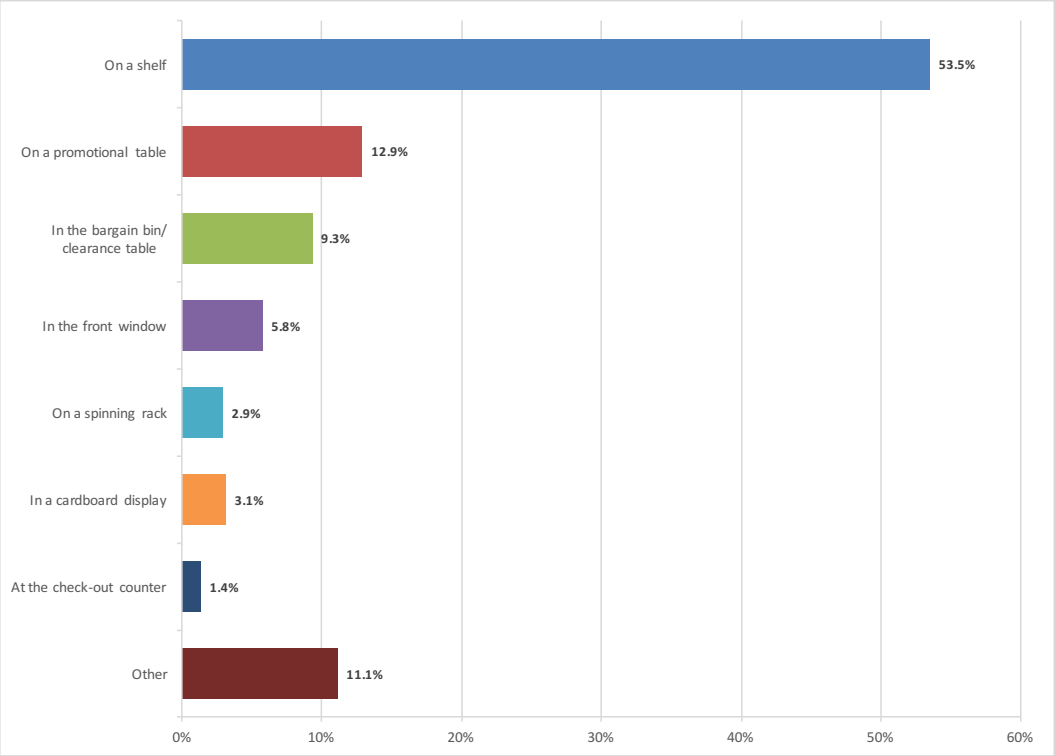
Where did you buy this book? (N=2,168)

*Website: e.g. Indigo or Amazon

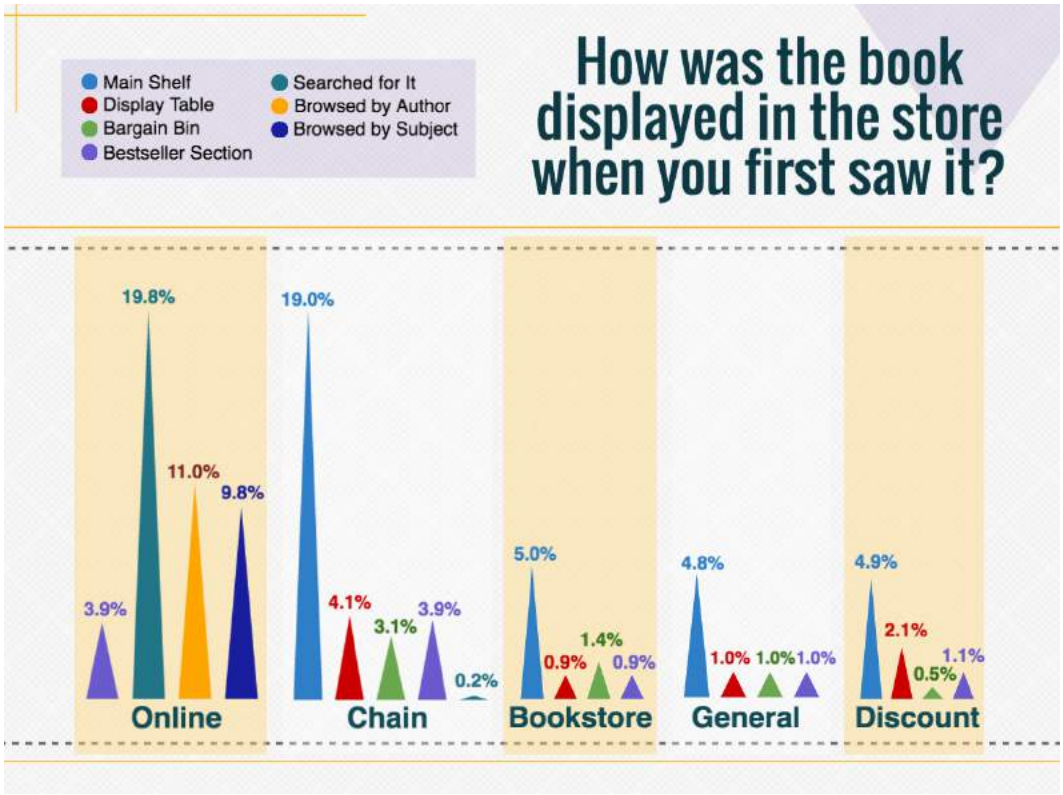
**Ebook/Audio Download Site: e.g. Kobo or iTunes

Though planned purchases are on the rise, there is still a fairly high number of purchases reported as impulse buys (20%), many of which are influenced by how a book buyer finds a book. Display, whether in a physical store or online, plays a huge part in discoverability. In physical stores, finding a book on the shelf is still the most common occurrence. Rising in popularity, though, are "front-of-store" locations such as promotional tables, displays, front windows, and bargain bins.

HOW THE BOOK WAS DISPLAYED – PHYSICAL OUTLET



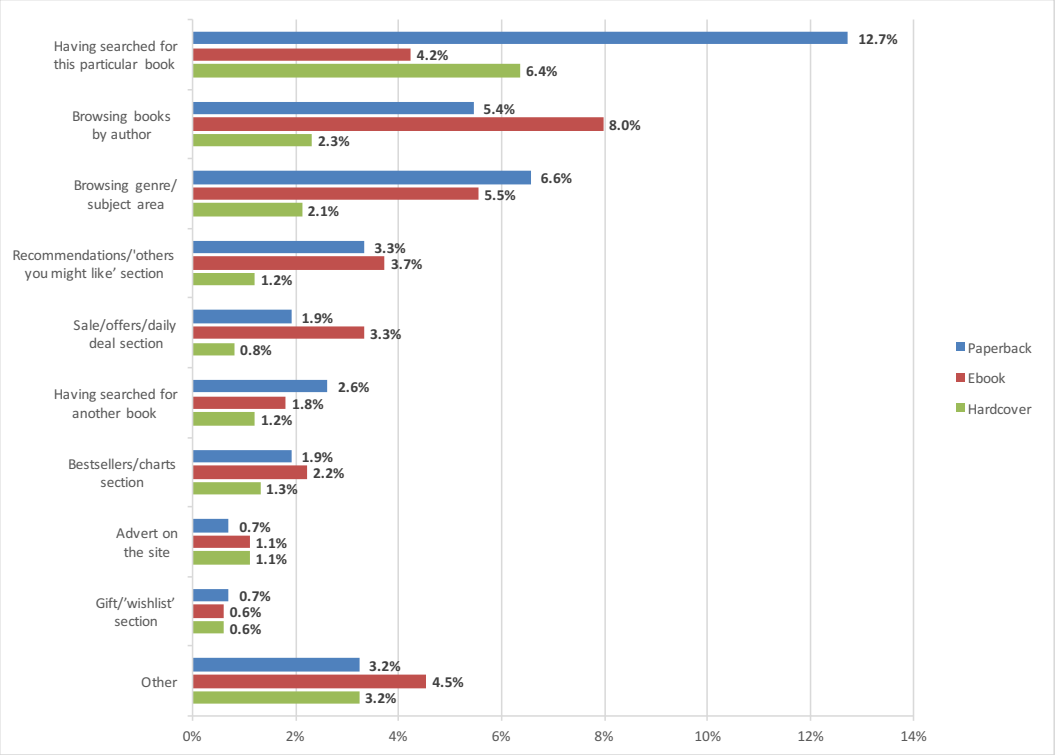
How was the book displayed in the store when you first saw it?
(2015 N=1,056)



How was the book displayed in the store when you first saw it?
(N=1,552)

When looking at physical books purchased online, the majority were found through searches. For ebooks, we see that serendipitous efforts, such as browsing by subject or author, were more common.

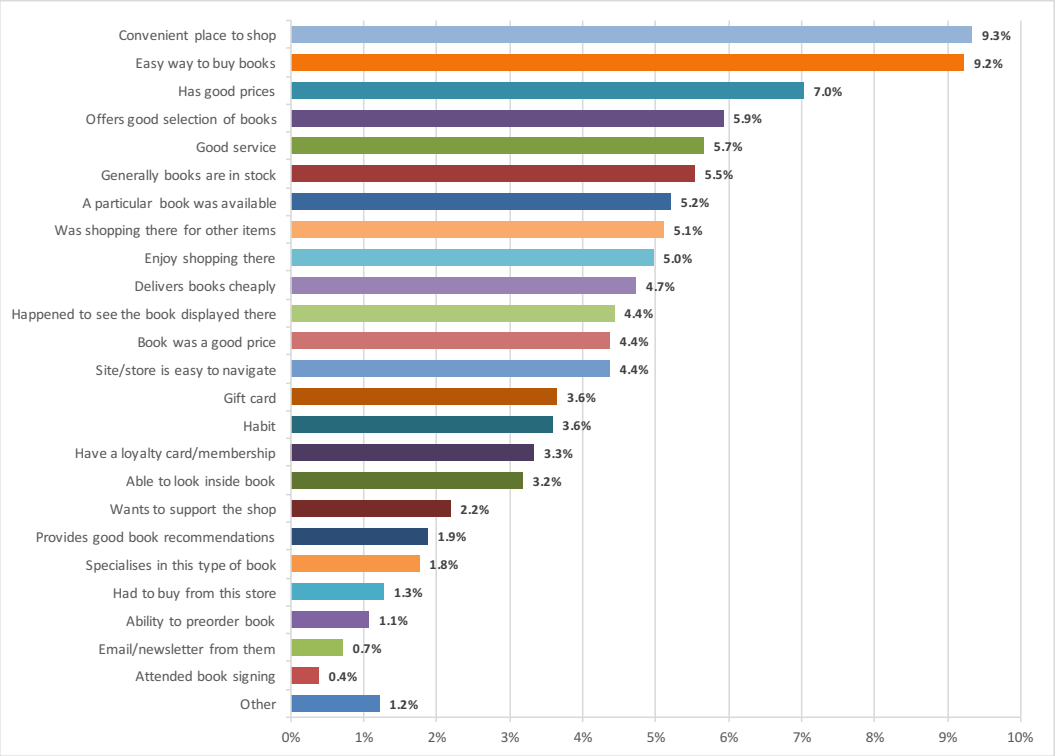
HOW THE BOOK WAS NOTICED – ONLINE OUTLET



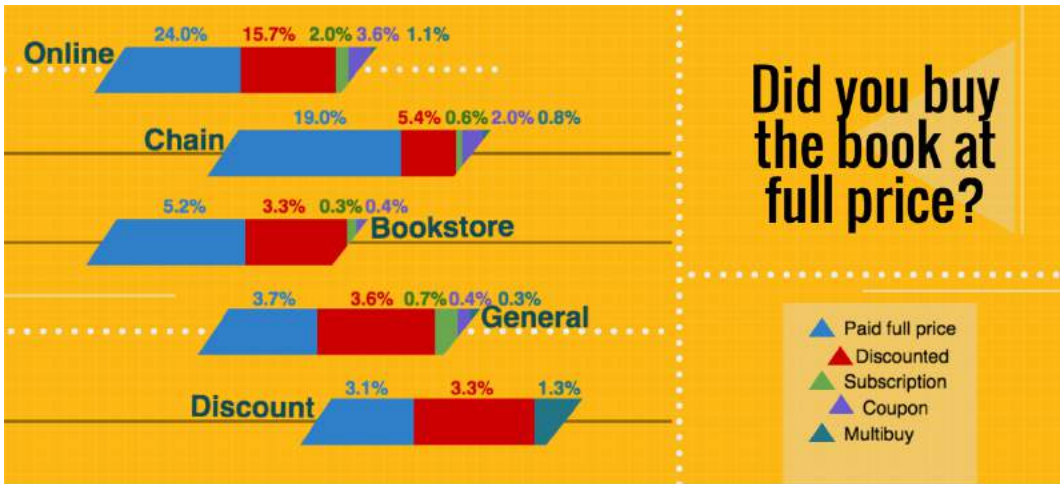
Where did you first see the book on the website/ebookstore/appstore?
(N=991)

The most popular reasons for choosing a particular place to buy a book are the convenience of the physical location (9.3%) and the ease of buying it there (9.2%). Price becomes a factor after those conveniences, with good prices or cheaper offers accounting for 7.0% of responses. After that the next four are close: liking the selection at 5.9%; good service at 5.7%, having books that are generally in-stock at 5.5%; and availability of this particular book at 5.2%.

WHY BOOK BUYERS MADE THEIR PURCHASE AT THAT STORE



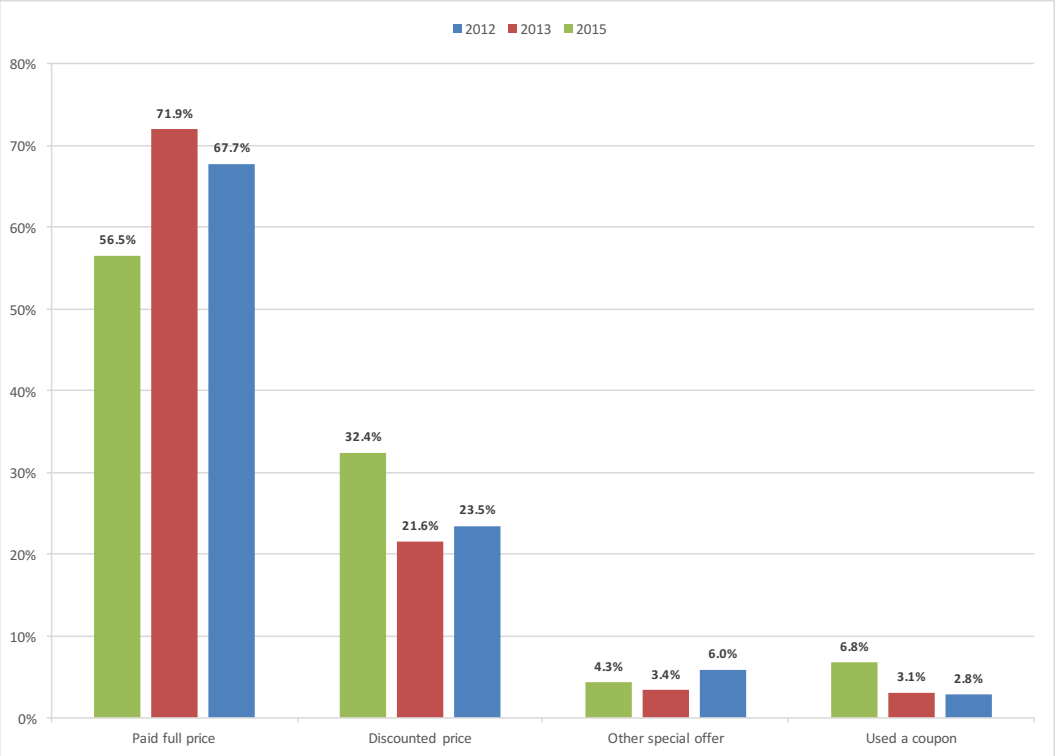
Why did you use this particular shop/website/organization to buy this book, rather than buying it somewhere else? (N=6,367)



Did you buy the book at full price?
(N=1,880)

In 2015, people were less willing to pay full price for a book they wanted compared to 2012 and 2013, with the number of people who paid full price for their book dropping from 71.9% in 2013 to 56.5% in 2015. Sales or discount prices are becoming increasingly important to consumers—the number has jumped from 21.6% in 2013 to 32.4% in 2015, which surpasses the 2012 number as well.

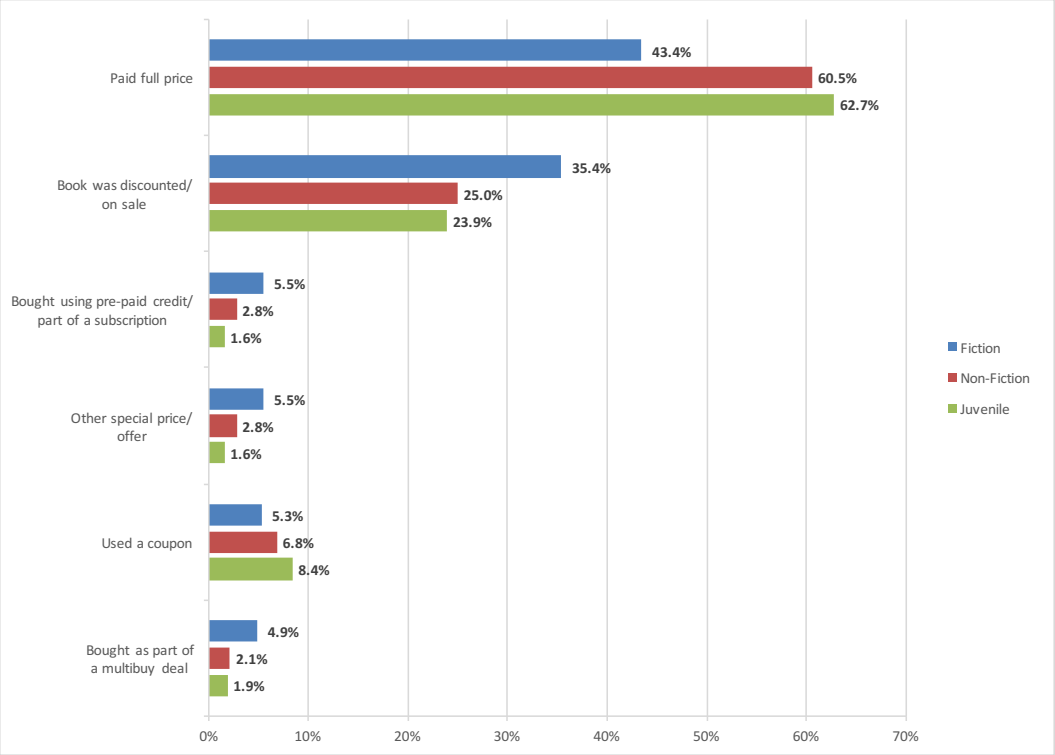
WHAT BUYERS PAID



Did you buy the book at full price or did you buy it at a special price or on offer?
(2015 N=2,221)

For fiction books, only 43.4% of purchases were full price while 35.4% were discounted or on sale. Non-fiction and juvenile purchases fared a bit better with a similar breakdown: approximately 60% full price and 23-25% discounted/on sale.

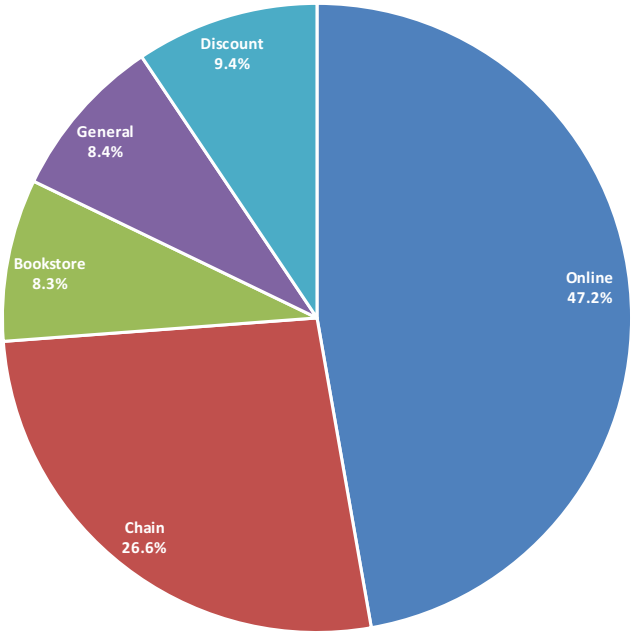
WHAT BUYERS PAID – BY SUBJECT



Did you buy the book at full price or did you buy it at a special price or on offer?
(2015 N=2,221)

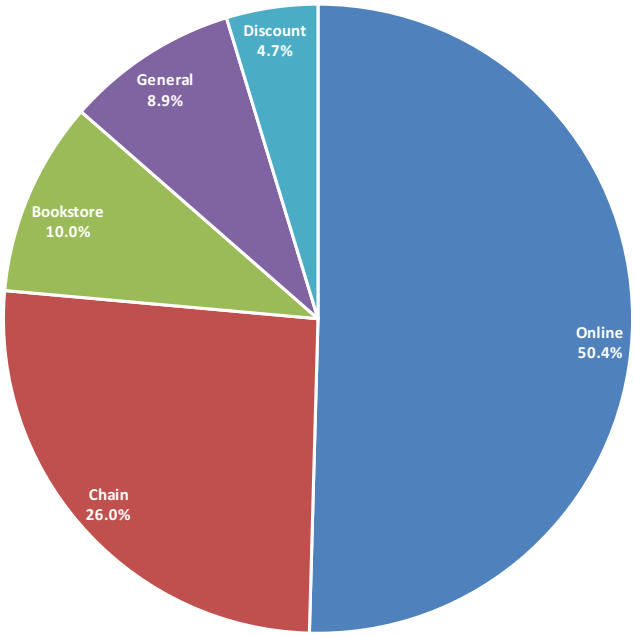
Appendix A: Channel Sales by Subject

CHANNEL SALES BY SUBJECT – FICTION



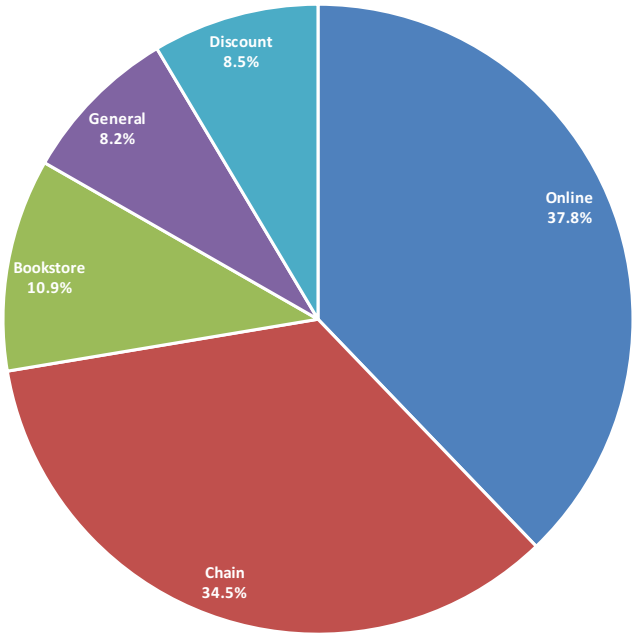
Question: Which one of the following categories best describes this book? Cross-tabbed with Where did you buy this book?
N=904

CHANNEL SALES BY SUBJECT – NON-FICTION



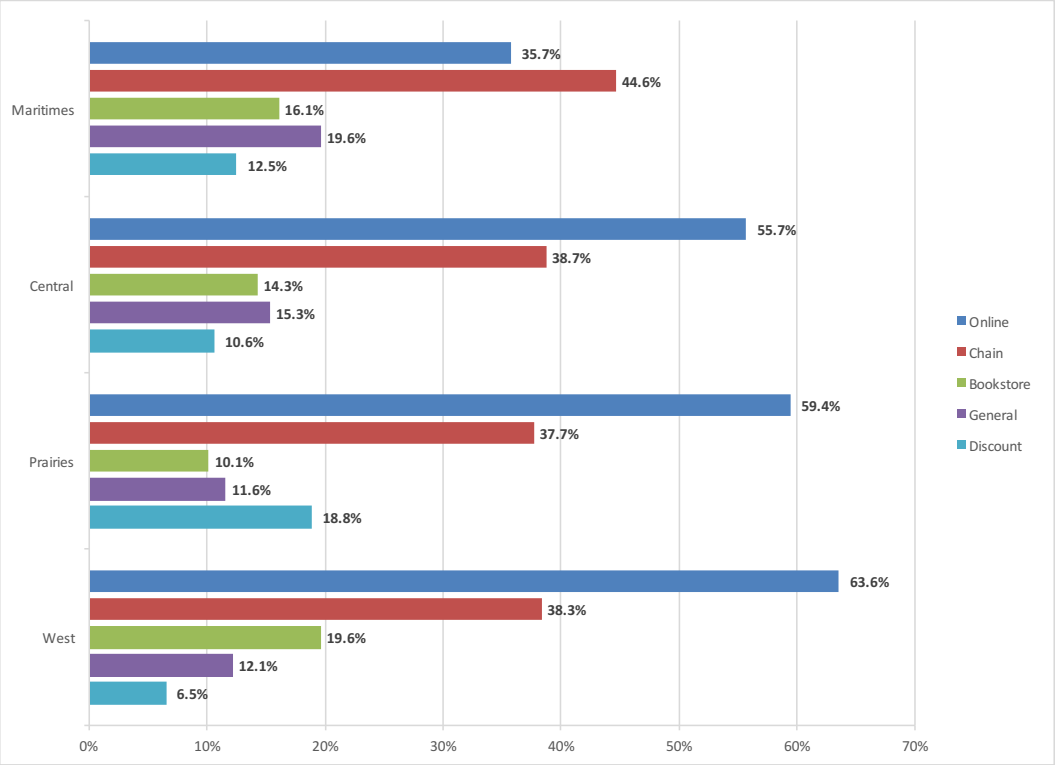
Question: Which one of the following categories best describes this book? Cross-tabbed with Where did you buy this book?
N=719

CHANNEL SALES BY SUBJECT – JUVENILE



Question: Which one of the following categories best describes this book? Cross-tabbed with Where did you buy this book?
N=281

Appendix B: Channel Sales by Region



Question: Where did you buy this book?
N=784

Acknowledgements

ABOUT BOOKNET CANADA

BookNet Canada is a non-profit organization that develops technology, standards, and education to serve the Canadian book industry. Founded in 2002 to address systemic challenges in the industry, BookNet Canada supports publishing companies, booksellers, wholesalers, distributors, sales agents, and libraries across the country.

BookNet Canada's services and research help companies promote and sell books, streamline workflows, and analyze and adapt to a rapidly changing market. BookNet Canada sets technology standards and educates organizations about how to apply them, performs market research, and tracks 85% of all Canadian English-language print book sales through BNC SalesData.

Industry-led and partially funded by the Department of Canadian Heritage, BookNet Canada has become, as *The Globe and Mail* puts it, "the book industry's supply-chain nerve centre."

We acknowledge the financial support of the Government of Canada through the Canada Book Fund (CBF) for this project / *Nous reconnaissons l'appui financier du gouvernement du Canada par l'entremise du Fonds du livre du Canada (FLC) pour ce projet*

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ISBN 978-1-927655-20-7

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11 things booksellers want publishers to know in 2016: A #WI11 report

Lauren Stewart
February 8, 2016
Conferences & Events, Bookselling

The American Booksellers Association's annual conference, Winter Institute, celebrated its 11th year Jan. 23-26 in Denver, Colorado. BookNet's own Lauren Stewart trekked to Denver to join

booksellers in professional development, networking, collaboration, and a good time. What follows is one of her reports from the conference.

Winter Institute is celebrated by booksellers as an essential meeting to acquire professional development and connect with their bookselling peers, but publisher support (and attendance!) is essential to its success and provides opportunities for trading partners to participate in meaningful exchanges about forthcoming titles, terms of trade, and a collaborative approach to the future sustainability and success of the industry.

At a Sunday morning session called "Education for Publishers: Bookstore P&L," general interest booksellers from various markets shared a sampled profit and loss statement from a typical "mid-profit" store. Our illustrious panelists (names follow) ran through their stores' unique financial successes and stresses while entertaining questions from a very engaged audience of (mostly) publishers. Here's a round-up of **11 things booksellers want publishers to know in 2016**:

1. There are three major "costs" encountered by booksellers that are outside of their control—i.e., cost of goods sold, wages/payroll, and occupancy—that, for a typical "mid-profit" store (the middle 40% of bookstores), account for 86.8% of their net before taxes.
2. There is a direct correlation between having high numbers of professional, knowledgeable staff (ideally full-time and dedicated to the store) on the floor and increased sales. When booksellers reduce staffing, they risk reducing sales.
3. Publishers and booksellers cannot ignore the environment in which bookstores operate and must collaborate on political advocacy for things like a maximum lease rate per square footage, subsidized healthcare, and subsidized transit. This would take the burden off bookstores to cover these increasing costs.
4. Because book prices are printed on the product, it's impossible for booksellers to pass along increased costs (in the three above areas and others, such as inventory shrinkage) to their customers, as is done in other retail sectors. Removing printed prices could provide certain opportunities.
5. Rather than bringing in sidelines to complement their book product offering and enhancing the experience for their customers, bookstores must maintain sideline at levels up to 25-30% of inventory to increase profits.
6. Publisher implementation of rapid replenishment has made a significant impact and resulted in increased sales.
7. Selling publisher titles on consignment terms (or, "scan and pay," where booksellers only remit payment to publishers when a book has been sold through the POS) has proven very successful in markets such as Argentina, and panelists reported current experiments in their own stores with select publishers that have seen sales increased 100% or more for those publishers.
8. Running events are very expensive, requiring dedicated staffing and resources. Amy Thomas from Pegasus Books in Berkeley, CA reported her average event cost is $2,000.
9. Booksellers are willing to take risks on events with new authors, just as publishers take risks with new authors, based on their belief that while such an event may only bring in

5-10 people, the store will be more likely in the future to secure bigger (500+) events with the same author or others.

10. The retail landscape has changed and indies are no longer driven by backlist sales. (One panelist estimated that backlist currently accounts for approximately 40% of their sales, where it was 60% in the past.) Publishers should count on bookstores to stock any title "as long as it's selling" and to support innovative backlist promotions.
11. A successful, curated bookstore is guided by the principle that every book in the store must have a story behind why it's being sold there. Publishers are partners in communicating those stories first to the buyers, which trickle down to the customers.

Resources

Panelists:

- Steve Bercu, BookPeople (Austin, TX)
- P.K. Sindwani, Towne Book Center & Café (Collegeville, PA)
- Amy Thomas, Pegasus Books (Berkeley, CA)
- Oren Teicher, ABA (White Plains, NY) (Greeter)

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We acknowledge the financial support of the Government of Canada through the Canada Book Fund (CBF) for this project.

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Aljazeera America

Indie bookstores alive and well in Paris by Sousan Hammad, May 29, 2014

PARIS — Chronicle of a death foretold.

The death of books and bookselling has been predicted for years. But this year in particular has witnessed a barrage of newspaper and magazine articles about the decline of the American bookstore. The conversation takes place on many fronts: Americans don't read, as the World Culture Index suggests, or the bookstore has been undercut by Amazon, or, as The New York Times wrote in March, bookstores aren't economically viable because of rising rents.

In France, in spite of rent, corporate competition and the economic crisis, large numbers of independent bookstores continue to exist — roughly 3,000, which is double the amount in countries like the U.S., Spain, the U.K. and Germany. Still, things are changing quite rapidly, and according to the voices from within France, the book business here is not as good as the outside world may think.

Like so many things French, much of the media coverage has been in line with the cultural exclusivity that many ascribe to France (women don't get fat, children don't throw food, and nobody emails after 6 p.m.). France is misleadingly familiar, and the bookstore is talked about as if it were an economic anomaly — that despite the ongoing disappearance of cultural fabric in cities like New York or London, Paris is somehow immune.

Chain bookstores have faced challenges here, just like in the U.S., and with Virgin, France's equivalent to Borders, shutting down all of its stores, book buying seems poised to go to one of two extremes: cyber or local. This last year has also witnessed the dissolution of Chapitre, another large chain, which shut down 23 of its 57 stores after it filed for bankruptcy in December 2013. This is good news for the 3,000 independent bookstores of France. (According to a 2012 study, Paris alone has 370 — that's one bookstore for every 4,000 inhabitants.) These numbers don't even include all the used-book shops, stationery stores and newsstands, or the ubiquitous emerald-colored "bouquinistes" that have bordered the Seine since the 16th century.

Like France's national health care, largely financed by taxes, bookstores have a support system to keep them economically and structurally sustainable. (In 2014 alone, Paris plans to invest 9 million euros into the book industry.) But book sales represent 53 percent of cultural products nationwide, and reports say independent bookstores are estimated to account for a 19 percent share of all sales channels in France. Figures such as these are reason enough for the state to continue maintaining a support system for bookstores.

Government intervention

The first major government initiative to help bookstores started in the 1980s, when then cultural minister Jack Lang proposed the Lang Law in an effort to protect independent bookstores from corporate chains. The law, which passed unanimously, introduced a fixed rate

for books that prohibited vendors from selling books at more than 5 percent below the cover price. Though the regulation was controversial at the time for obstructing free competition, today it is a big part of what keeps independent bookstores financially stable.

Of course, there's still the problem of competition with corporations, primarily the growing impact of online retailers such as Amazon (which is accused of dodging taxes, and as a result is under scrutiny by six European countries).

In 2003, online sales made up just 3 percent of sales here, but data shows that now 18 percent of all book purchases are online (compared to 26 percent in the U.S.). To combat this, the French government extended the Lang Law to online sales in 2011. (In the U.S., Amazon offers up to a 40 percent discount off the cover price.) Despite the lower-than-average numbers, online book buying is still considered a threat. So in January of this year, another law to protect the bookstore was passed, banning online services from offering free delivery. It's known as the "anti-Amazon" law.

Independent booksellers are also aware of the limits of online book buying. In Paris, even specialty bookstores such as Shakespeare and Company, which caters to Anglophone crowds, look for ways to tailor personal relationships with their customers in order to counter the system of online sales.

"Bookstores have the unique situation of being a destination for writers as well as readers. This means, if it's your local bookshop … you get to go and watch world-class writers read and talk. I imagine Amazon could fashion webcam readings, but even if a writer has won every prize going, they can't reach through their screen and into yours to sign a book for you," says Rosa Rankin-Gee, author of "The Last Kings of Sark."

Unlike America, which has just one organization that acts as a collective for independent bookstores (the American Booksellers Association), France has several organizations that act as important support systems (and watchdogs), whether it's the Region Ile-de-France, which offers support for independent bookstores, or ADELC, the association that subsidizes bookstores (though this organization offers aid more in the form of zero-interest loans). But the source of the most important funding is the Centre National du Livre (CNL), which has a multimillion-euro budget to give out grants for bookstore development. And yes, there are even unions.

Just as the French prize good food and wine, they award special status to bookstores. In 2012, the CNL took their labeling obsession to bookstores by starting the Librairie Independante de Reference (Recommended Independent Bookstore) project, where bookstores can qualify for a LIR label, which indicates a high-quality bookstore. Among other advantages, if a bookstore wins the LIR label its owners can receive tax breaks from the government and special subsidies from the CNL, such as interest-free loans for store improvement or money to support events.

In addition to France's 9 million-euro plan to support independent bookshops, CNL has also raised its direct grant budget from 4 million to 6 million euros a year.

The Digital Reluctance

In the U.S. the e-book market represents a billion-dollar industry, but the digital book remains marginal in France, where it accounts for a mere 1 percent of annual book sales. Still, in 2011, the government decided to extend the Lang Law to impose restrictions on e-books as well.

While it's true that the French are not sold on the e-book (according to a 2012 study, only 5 percent said they had read an e-book, and 90 percent said they didn't intend to read digital books in the future), some leaders of the industry worry that the country can't sustain the battle for much longer.

"Some people believe France could resist the digital technology on a long-term basis. I don't think so. The digital technology implies such a speeding process worldwide that no country will be able to stand aside and watch the train pass by. In France, the book [on paper] industry won't collapse and the two markets can coexist for a long time. For it is true there is a strong attachment to paper," Vincent Monade, president of CNL, said in an interview.

Nevertheless, the publishing world isn't waiting. Hachette Livres, France's largest publishing group, sought help from Google to digitize its catalog of 50,000 titles, and public libraries are now getting more government funding for digital projects than they are for anything else.

The Fate of Bookstores?

With all the caveats of uncertainty, of government support and the timid arrival of the e-book, the bookstore here, like everywhere in the world, is indeed facing its share of problems. The overall French book market has been in a slow, continuous decline, with sales shrinking each year.

Dominique Mazuet, owner of Librairie Tropiques in the 14th arrondissement, who introduces himself as a Marxist, has one of the more radical perspectives on France's book industry. In 2011, he wrote a letter announcing a proposed bill that would promote and strengthen the independent bookstore. A letter was also sent to the former CNL president saying France was in need of reforming its publishing industry, a sort of top-down change.

According to Mazuet, the real threat isn't the e-book but the publishing industry. He's recently spearheaded a project, along with the syndicate FILPAC-CGT (a workers' book and communication federation), called Plan Livre, which aims to remedy the problem that small bookshops are facing by pushing for new regulations within the book industry. The project also includes an economic cooperative to support bookstore employees (who typically make minimum wage) and a complete transformation of all the intertwined sectors involved in the book trade, from distribution to printing.

"Bookstores are hardly staying alive because they don't imagine doing anything else. The issue isn't with customers or a declining readership. It's the deteriorating working conditions in the

sectors of the book chain and unequal distribution of wealth within the larger publishing groups [like Hachette and Gallimard]," he says.

In Ivry, just on the Peripherique of Paris, the lone bookstore, Envie de Lire, has been open for 15 years. The store is run as a cooperative and rarely makes a profit. Much of the co-op board's complaints weren't about the e-book or the financial crisis, but about problems way beyond bookselling (such as why book delivery takes so long). After a brief lecture on the anthropology of bookselling, which included wry commentary on America, the board insisted that the question of survival was unimportant; for them, bookselling is more intimate.

Raul Mora, one of the store's four co-op members, warns, "The whole industry will collapse. If there are no bookstores, there are no places for meetings and readings. We're moving toward a cultural monopoly… Slowly, independent bookshops, critical bookshops, will disappear, and when that happens we will enter a cultural monopoly that will destroy other ways of thinking and the cultural specificity in France."

The Guardian

France shows its support for independent booksellers by Hélène Bekmezian and Alain Beuve-Méry, October 15, 2013

Law stops online giants from offering discounts along with free post and packing

Customers in the independent Shakespeare and Company bookshop, Paris. Photograph: Eamonn McCabe

Supporting bookshops is one of the few issues on which both sides of the French parliament more or less agree. On 3 October they passed a bill to update a 1981 law that set a fixed-price system for books.

The original aim of the revision was to stop sellers including postage in the price of books, but in its final draft the amendment stipulates that retailers cannot combine the currently allowed 5% discount on new books with free post and packaging. At present only two online companies – Amazon and Fnac – apply this two-tier reduction.

There was heated debate between the government and the conservative MP Christian Kert who tabled the bill. "The government has been in a pickle all along, because they support the bill," centre-right Union for a Popular Movement (UMP) MPs joked. But the Socialists (PS) were nevertheless determined to vote against the opposition bill as it stood. When agreement was finally reached on the amendment, it was passed almost unanimously, which is unusual for an opposition bill.

The aim of the bill, as Kert explains, "is to ensure that the price of a book sold online is higher than one sold by an independent bookshop". The government puts it slightly differently, stating that the purpose of the amendment is to "restrict predatory behaviour". Online booksellers now represent the third-largest trading network in France, behind independent bookshops and big cultural chains (such as Fnac), both of which have 23% market share. In 2012 the internet accounted for 17% of sales of "general literature", with Amazon taking 70% of this market, well ahead of Fnac and other online vendors.

"E-trade now holds a 20% share of the market for printed books and is putting increasing pressure on bookshops," says Vincent Chabault, a researcher at Paris Descartes University.

French bookshops have been slow to respond to the internet. Despite being represented by a single body, the French Booksellers Association (SLF), they have focused their efforts on maintaining their independence, and have failed to agree on a common website for online sales. The only venture of this sort, 1001libraires.com, was a commercial disaster that cost the trade almost €2m ($2.6m). These days the cost of launching a site is much too steep for an independent bookseller. So some large shops – such as Mollat in Bordeaux or Sauramps in Montpellier – and chains such as Gibert, based in Paris, or Decitre in Lyon now have their own websites. Bookshops in and around eastern Paris have formed the Librest collective (librest.com), and Charles Kermarec, the former head of Dialogues, a bookstore in Brest, Brittany, has launched a site (leslibraires.fr) supported by shops all over the country. "All bookshops are losing money at present, even if they have an internet outlet, but at the same time they cannot afford not to be represented online," says Guillaume Husson, the head of SLF.

The new amendment should reduce Amazon's competitive advantage and ease the financial pressure on Fnac. Free postage, which is a key feature of Amazon's strategy, costs the company an estimated $5.1bn worldwide, SLF alleges, condemning the practice as a form of dumping.

In response, Amazon France said that it makes "more than 70% of its sales with remainders" and that it is more "complementary" rather than "in competition" with French booksellers, who sell mainly new books. It also suggested that, by raising the price of books, the amendment would be bad news for consumers.

Grant to aid booksellers

A new head is to be appointed for France's National Book Centre. On taking office his or her top priority will be to convene a board meeting and release funds allocated by the government to help retail booksellers. The €11m ($14.5m) package, announced in March, will double support (rising to €2m) for online trading. The Institute for Funding Films and Cultural Industries will receive €5m to help bookshops manage cashflow, with a further €4m given to the Association for the Development of Creative Booksellers to assist the transfer of bookselling businesses.

This article appeared in Guardian Weekly, which incorporates material from Le Monde

The New York Times

The French Still Flock to Bookstores by Elaine Sciolino, June 20, 2012

PARIS — The French, as usual, insist on being different. As independent bookstores crash and burn in the United States and Britain, the book market in France is doing just fine. France boasts 2,500 bookstores, and for every neighborhood bookstore that closes, another seems to open. From 2003 to 2011 book sales in France increased by 6.5 percent.

E-books account for only 1.8 percent of the general consumer publishing market here, compared with 6.4 percent in the United States. The French have a centuries-old reverence for the printed page.

"There are two things you don't throw out in France — bread and books," said Bernard Fixot, owner and publisher of XO, a small publishing house dedicated to churning out best sellers. "In Germany the most important creative social status is given to the musician. In Italy it's the painter. Who's the most important creator in France? It's the writer."

A more compelling reason is the intervention of the state. In the Anglophone book world the free market reigns; here it is trumped by price fixing.

Since 1981 the "Lang law," named after its promoter, Jack Lang, the culture minister at the time, has fixed prices for French-language books. Booksellers — even Amazon — may not discount books more than 5 percent below the publisher's list price, although Amazon fought for and won the right to provide free delivery.

Last year as French publishers watched in horror as e-books ate away at the printed book market in the United States, they successfully lobbied the government to fix prices for e-books too. Now publishers themselves decide the price of e-books; any other discounting is forbidden.

There are also government-financed institutions that offer grants and interest-free loans to would-be bookstore owners.

The contrast between the fate of English- and French-language bookstores is playing out in Paris these days.

Next month, after 30 years in business, the leading English-language Paris bookstore will close. For a generation authors like David Sedaris, Susan Sontag, Raymond Carver and Don DeLillo gave talks and readings at the store, the Village Voice, on one of the chicest streets of St.-Germain-des-Prés.

"When Stephen Spender gave a talk, Mary McCarthy was in the audience," Hazel Rowley wrote in a 2008 essay on the bookstore. "One evening Edmund White introduced Jonathan Raban, with

Bruce Chatwin among the audience." But the Village Voice could not survive the deep discounting of Amazon and sellers of e-books.

The specter of loss hovered over a party there Saturday night, when hundreds of well-wishers crammed into the store and spilled out onto the narrow street to mourn its passing.

"I want you to know what a privilege it was to have you come and sit with me in my dark and cramped little den at the back of the bookshop, to chat, talk about books, about your own work and about life," said Odile Hellier, the founder and owner. "I will dearly miss those moments and can only hope that there will be another dark little den where I can sit and share ideas, and all the rest."

It may have to be in a French-language bookstore like L'Usage du Monde across town in the heart of a gentrifying neighborhood of the 17th Arrondissement, which will celebrate its first anniversary in August.

The owners, Katia and Jean-Philippe Pérou, received grants from the National Center of the Book in the Culture Ministry and the Paris regional government and an interest-free loan from a group with the unwieldy name the Association for the Development of the Bookstore of Creation.

"We couldn't have opened our bookstore without the subsidies we received," Ms. Pérou said. "And we couldn't survive now without fixed prices."

Beneath the surface there are predictions that France is only delaying the inevitable, and that sooner or later market forces will prevail. Despite the appeal of the neighborhood bookstore 13 percent of French books were bought on the Internet in 2011.

An agreement that Google announced this month with the French Publishers Association and the Société des Gens de Lettres, an authors' group, should allow publishers to offer digital versions of their works for Google to sell. Until now sales of e-books have lagged in France and much of the rest of Europe in part because of disputes over rights.

"We are in a time of exploration, trial and error, experimentation," Bruno Racine, president of the French national library, wrote in his 2011 book, "Google and the New World." "Many scenarios are envisioned. The least probable is certainly that of a victorious resistance of the paper book."

A 59-page study by the Culture Ministry in March made recommendations to delay the decline of print sales, including limiting rent increases for bookstores, emergency funds for booksellers from the book industry and increased cooperation between the industry and government.

"Running a bookstore is a combat sport," the report concluded.

One tiny operation determined to preserve the printed book is Circul'livre.

On the third Sunday of every month this organization takes over a corner of the Rue des Martyrs south of Montmartre. A small band of retirees classify used books by subject and display them in open crates.

The books are not for sale. Customers just take as many books as they want as long as they adhere to an informal code of honor neither to sell nor destroy their bounty. They are encouraged to drop off their old books, a system that keeps the stock replenished.

"Books are living things," said Andrée Le Faou, one of the volunteer organizers, as she hawked a three-volume biography of Henri IV. "They need to be respected, to be loved. We are giving them many lives."

CityLab

Bookstore Protectionism: Where it Works, and How by Henry Grabar, July 18, 2012

In some places, governments consider independent bookstores a vital part of the urban fabric.

There's no end to the good things people have to say about independent bookstores. Some of it is teary-eyed hyperbole—they reflect the soul of a community; they offer the comforts of a second home—but even if such appraisals are sentimental, they're always sincere. The local bookstore may be a repository for literary history, an instrument for social change, or a place to meet neighbors. That and a nice place to buy books.

Bookstore love isn't always so abstract. In 2002, threatened by the looming prospect of a Borders across the street, Austin's BookPeople hired consultancy Civic Economics. The firm found that for every $100 spent at the bookstore, the homegrown shop put $45 back into the local economy, compared to just $13 for the national chain. The Borders development, which had been set to receive about $2 million in incentives from the city, eventually fell through.

So the recent news that online bookselling giant Amazon will shift its strategy toward offering same-day shipping—investing hundreds of millions of dollars in supply centers near urban areas and conceding to pay sales taxes for that privilege—has spawned widespread concern, and at least one doomsday scenario in which brick-and-mortar bookstores (and maybe a lot more) will all finally go the way of the dinosaur. With Borders gone and Barnes and Noble flailing, what chance does your local bookstore stand?

Turns out, it depends on where you are. In Paris, the government started protecting indie bookstores back in the 1980s, a tacit admission that the corner bookshop—like a museum or a park—is a public amenity that transcends market value. France's 1981 Lang Law, the brainchild of Minister of Culture Jack Lang (who also came up with the Fête de la Musique, the Paris-wide free music festival on the summer solstice), fixed the price of books nationwide, preventing chain stores (and now, Amazon) from undercutting independents. As a result, the French capital's network of bookstores is in good shape.

Last month, the Israeli government passed a similar law in an attempt to stop price-gouging at chain bookstores which, according to a report from the Trade and Labor Ministry, was forcing locally owned bookstores out of business. Israeli author Meir Shalev, one of several prominent writers who pushed for the legislation, did not mince his words: "We must struggle against the belligerent, crude and culture-less gangs—the two largest bookstore chains."

There has been bookstore protectionism at the municipal level as well. Paris offers subsidies to independent bookstores, and the French planning agency Semaeste—in collaboration with city hall—reserves and discounts certain commercial spaces for bookstores to maintain the city's retail diversity and literary tradition. Shanghai bookstores receive government subsidies, and similar efforts may be underway in Taipei.

Here in the U.S., most bookstores survive in tales of grassroots preservation or community campaigns. Price-fixing is undoubtedly the least likely American solution, though as Jason Boog has pointed out at NPR, booksellers and publishers actually did persuade FDR to enforce a price floor to prevent Macy's from undercutting small book retailers with loss-leader pricing on *Gone with the Wind* during the Great Depression. (That policy was later declared unconstitutional, but it did throw a wrench in the Macy's strategy.) This April, though, the U.S. Department of Justice filed a lawsuit accusing Apple and several publishers of colluding to raise the price of e-books to compete with Amazon's price-discounting. Don't expect to see federal protection of local bookstores via price-setting anytime soon.

There are, however, other ideas. Jack McKeown, former president and CEO of the Perseus Books Group, proposed in 2009 (and re-proposed in *Publisher's Lunch* last year) the creation of a Neighborhood Bookstore Development Bank (NBDB) to invest in bookstores and promote their importance to developers and city officials. His inspiration came in part from special-purpose investment vehicles like the Fresh Food Financing Initiative, which provided loans for independent neighborhood grocery stores (in 2010, the Obama administration committed over $400 million to invest in grocery stores and eradicate food deserts). It's hard to argue that bookstores are as important as groceries—you can't eat books, you can only devour them—but as an endangered small business and, often, de facto community center, they might deserve some of the same advantages.

CityLab is committed to telling the story of the world's cities: how they work, the challenges they face, and the solutions they need.

A Letter From ABA CEO Oren Teicher [1]

Posted on Wednesday, Nov 08, 2017

Dear Booksellers,

With Halloween, the New York City Marathon, and Election Day in the rearview mirror, I know it's that time of year when indie booksellers are finalizing their plans for the always-important — and busy — holiday season. Despite the changes in our business, holiday sales continue to represent a significant percentage of annual sales for most stores, and all of us at ABA know how hard you are all working in preparation for the upcoming season.

While we entered the final quarter of the year with no lessening of the myriad challenges we face, we've also seen some significant progress in creating a 21st-century business model for indie bookstores, which features a vast array of new frontlist and backlist programs offered by our publishing colleagues [2]. I urge you to review and evaluate these programs as soon as possible. They can make the difference between profitability — or not.

Six years ago, at ABA's annual meeting at BookExpo, I broke with that meeting's tradition to address more directly the state of indie bookselling in the U.S. I exhorted our partners in the publishing community to take out a clean sheet of paper and to ask themselves: If we were to design a business model that would give all stakeholders in our industry the best possible opportunity for success, what would it look like? How could booksellers and individual publishers work together to update a business model that had not changed in decades with the goal of creating a business environment where everyone grows and prospers?

Change did not happen overnight — but after sustained dialogue initiated by ABA, and experimentation among booksellers and individual publishers, new policies were introduced and companies' operations were improved. Now, on the cusp of the 2017 holiday season, the national business landscape for indie booksellers is far better than in 2011, with growth in the number of new store openings, established stores opening new locations, and a modest increase in sales in

the indie channel — facts that are all the more welcome when contrasted with the significant decline in sales for so many other bricks-and-mortar retailers.

These gains for indie bookstores are the result of countless hours of hard work and innovation on the part of you and your colleagues, work that I believe is being conducted in a significantly improved trade environment for both established and new stores. Recognizing the very high barrier many stores face in lessening the occupancy or compensation pressures on their bottom line, it has been through our ongoing discussions with individual publishers that ABA has been able to help facilitate changes in terms of sales and operations that have delivered solid gains in the cost of goods sold and gross margin for indie stores.

And, as I am pleased to report, the numbers from the upcoming ABACUS report [3] bear this out. The new report, which will be released in a few weeks, will show an average year-over-year improvement in gross margin of almost a full percentage point. This continues the heartening trend we have seen following the recent changes in publishers' terms and operations. Over the past five years, the ABACUS numbers regarding gross margin have improved by 2.3 percentage points. For many years, ABA education has focused on making significant improvements on the business expense lines that have the most impact on your store's profitability — and the cost of goods sold is key. An improvement of potentially more than two percentage points to the bottom line can be the difference between a bookstore's profitability or losses.

Which brings me back to my exhortation to you regarding the new and very favorable vendor terms that are part of Indies First [4], as well as publishers' backlist offers [5] and offers for new stores [6].

So, here's my challenge to every ABA member bookstore: Review the offers; use the new Backlist Buying Calculator [7] to evaluate the bottom-line benefit to your store; look over the bookseller [8] and publisher [9] suggestions of proven university and small press titles (there are more than 30 university and small presses offering special offers in conjunction with Indies First); and remember what your ABA President, Robert Sindelar of Third Place Books [10], wrote about these offers [11]: "If you looked at the Indies First offers from publishers a few

years back and decided they were too much work for not enough payoff — you need to look again.... The Indies First offers currently on BookWeb.org are dramatically different from the offers that appeared when this program first began."

ABA's work to help to create a new bookselling business model for the 21st century is far from over. We understand that there is still significant work to be done. But there have been real improvements in the Indies First special terms over the past few years — and the most important factor in realizing further gains will be an increasing level of participation among indie bookstores nationwide. When you utilize these offers, you improve your store's operations and increase ABA's ability to work on your behalf for even more changes that will help you and publishers sell more books.

Make no mistake, our publishing colleagues realize that online retailers can't match physical bookstores as the prime venue for discovering new titles and new authors. They know that it's within the four walls of your bookstore that buyers can browse in an unparalleled way and find and purchase their next great read. From the publishers' perspective, these offers and fundamental changes are helping to sell more books in more stores, and are maximizing the value of the indie channel and helping to strengthen the industry as a whole.

But this progress can't continue without your participation. The challenge is on us to take full advantage of these new special programs and offers. I look forward to the day when these frontlist and backlist terms become industry norms, and when "special" has become a book industry standard.

My colleagues and I were delighted to see so many booksellers at the recent trade shows. And in the weeks ahead, please don't hesitate to e-mail me with any comments, feedback, or questions.

Sincerely,

Oren J. Teicher [12]
CEO, American Booksellers Association

Enterprise Finance Guarantee

From Wikipedia, the free encyclopedia

The **Enterprise Finance Guarantee** (EFG) is a UK government-guaranteed lending scheme intended to help smaller viable businesses who may be struggling to secure finance, by facilitating bank loans of between £1,000 and £1 million.

It is intended to enable banks to lend to viable small businesses who are unable to provide the security that the bank would otherwise require. The government announced the launch of the Enterprise Finance Guarantee Scheme (EFG) in November 2008 to provide targeted intervention for viable SMEs, close to the margins on risk, who could not access debt finance during times of tight credit conditions. EFG replaced the previous Small Firms Loan Guarantee scheme.

Under the scheme, the decision on whether or not to lend rests solely with the participating bank. The Government meets some of the bad debt costs incurred by the lender on the scheme loans. The borrower pays interest and fees to the participating bank on normal commercial terms; and in addition the borrower pays a quarterly fee to the Government.

In total, for its first period from January 2009 to March 2010 the Government announced that it would support a total of up to £1,300 million loans under the scheme. For its second period from April 2010 to March 2011 the Government announced that it would support a total of up to £500m loans under the scheme.

Contents

Details

In his Pre-Budget Report, presented 24 November 2008, the Chancellor announced a Small Business Finance Scheme. This went live as the Enterprise Finance Guarantee on 14 January 2009.

The government offer to bear 75% of the risk of default on each eligible individual loan, subject to a cap on the total claims that may be made by each participating bank.

EFG has replaced the Small Firms Loans Guarantee (SFLG) Scheme. It has wider criteria, in that it offers guarantees of loans of up to £1 million, rather than £250,000, and is available to businesses with turnover of up to £41m, rather than £5.6m. It provides lesser support to lenders, in that the total amount paid by the Government to each participating bank may not exceed 9.75% of the total amount advanced by that bank on all loans in the period, whereas SFLG contained no such cap. It allows the participating bank to insist, for the first time, on personal guarantees.

The scheme is open to businesses with an annual turnover of up to £41m, seeking loans of £1,000 to £1 million, repayable over a period of 3 months to 10 years. State aid rules restrict or exclude businesses in certain industries such as agriculture, coal and transport.

The scheme is only open to viable businesses with no security or insufficient security.

The purpose of the guarantee is to support new or existing borrowing or converting an existing overdraft into a loan freeing money for working capital. An important point is that the decisions on loans are made by the lenders, not BIS.

The cost of the guarantees to the borrower is 2% per annum of the outstanding balance, collected quarterly, payable to BIS. BIS are offering a discount of 25% (making the cost of guarantees 1.5% per annum) for all premiums successfully collected in 2009.

Under the EFG scheme the UK government, through its Department for Business, Innovation and Skills[1] (BIS) will guarantee 75% of any loans made, with the bank covering the remaining 25%. The guarantees will mean that the government, or taxpayers, will pick up three-quarters of the tab for any bad loans for which a claim can be made.

However, lenders participating in the scheme cannot exceed claiming back more than 13% of the total amount lent under EFG. Therefore, only 9.75% of the total loan portfolio is recoverable (75% of value of loans recoverable until ceiling of 13% is reached = 9.75% total amount recoverable by scheme participants making loans).

The maximum cost to the taxpayer is the 9.75% less the total fees collected from all borrowers.

The Enterprise Finance Guarantee applies to loans, and can also be used to convert existing overdrafts into loans to enable businesses to free up their current overdraft facilities to meet working capital demands.

The EFG is designed primarily as a means of providing working capital to businesses, however loans can also be provided for other purposes such as asset purchase, business expansion or acquisition, or property/equipment purchase.

- Applications will be considered where a business has a viable proposal but may incur difficulty in obtaining conventional finance because of lack of security.
- The EFG is not restricted to established businesses. If a new start-up, with no/little available security, meets usual credit policy criteria and has presented a sound business plan, the Bank may still choose to support an EFG application.

The EFG was initially managed on behalf of the Government by Capital for Enterprise Limited (CfEL),[2] an arm's length body which was the UK Government's centre of knowledge and expertise in SME finance interventions. On 1 October 2013, CfEL became part of the British Business Bank which is now responsible for the EFG.

Main Principles

BIS requires that before sanctioning any facilities under EFG the Bank has confirmed the following:

- the applicant's plans are viable and would meet our usual commercial requirements for a loan.
- the Bank would wish to lend to the applicant and that all the applicant's available collateral has been exhausted.
- EFG loans may be used to refinance existing overdraft borrowing (the current utilisation not the limit). The Bank must however be prepared to continue to make available an appropriate working capital facility following the refinance; it is not permissible to use EFG finance to simply terminate all existing overdraft debt and not provide working capital finance.

Eligibility

- Businesses of any age may apply for EFG.
- There is no maximum number of employees.
- The applicant's turnover during the previous 12 months must not exceed £41m. This ceiling was increased from a £25m turrover in March 2012. Where an applicant is part of a corporate group (whether a parent, subsidiary or holding company), the £41m figure relates to the entire group.

- There are few sectoral restrictions although an eligibility check should be undertaken in the event of a customer operating in any of the following sectors or in any other instances in the event of doubt:-
    - Fishing
    - Agriculture
    - Shipping
    - Forestry
    - Performing Arts
    - Education
    - Healthcare
    - Social Care Services
    - Coal and Steel

Purpose of Facility

• EFG loans may only be used for business purposes, principally to provide working capital, or to fund expansion or capital expenditure in the UK. Other purposes such as acquisition/purchase of businesses, land/property purchase, and start-up costs are also permitted.

• EFG loans may be used to refinance existing overdraft facilities afforded by the Bank. The Bank must however continue to provide an appropriate working capital facility (i.e. continue to make available an overdraft) should existing borrowing be refinanced and the customer still wishes an overdraft. The level of any continuing overdraft is to be determined by the Bank in that it does not necessarily require to equal the amount of the overdraft which is being refinanced by EFG.

• EFG loans can be used to fund share purchases in respect of business acquisition transactions, subject to the Bank being satisfied that structuring the purchase in such a manner is appropriate.

• EFG loans are available to businesses which export but may not be used to finance large individual transactions which would be more suited to Trade Finance facilities.

• EFG finance may be used to refinance any loan facilities (apart from an SFLGS loan) where the Bank are facing such a large security shortfall that they have made a decision to call up the loan. Such instances will, however, be extremely rare. However, in a non-distress scenario, EFG finance cannot be used to refinance loans which we have afforded or loans which have been afforded by other lenders.

EFG Parameters

Borrowing Amount

- The minimum loan amount is £1,000
- The maximum loan amount is £1m.

- Any loans previously provided under SFLGS, even if still outstanding, do not count towards the £1m EFG limit.
- There is no restriction on the number of EFG facilities a customer may have so long as the aggregate of these facilities (based on the original amount granted, not the current outstanding balance) does not exceed £1m.
- Where more than one business wishes to apply for an EFG, each separate business may qualify for an aggregate amount of up to £1m, provided that the applicant is not part of a corporate group and each separate business meets the eligibility criteria.
- Where an applicant is part of a corporate group (whether a parent, subsidiary or holding company), the maximum figure available to the entire group is £1m.

Term

- The minimum term is 3 months.
- The maximum term is 10 years (including any capital repayment holiday).

Drawdown

- tranche drawdowns are permitted, subject to a maximum of four tranches. If the loan is to be drawn in tranches, no capital repayments are to be made until the loan is fully drawn, which must be within 1 year of the date of the EFG loan agreement.
- The first tranche must be drawn no later than 6 months after the date of the EFG loan agreement. Failure to draw the loan within this period will necessitate the submission of a new application.

Capital Repayment Holidays

- Capital Repayment Holidays, in multiples of 3 months, are permitted up to a maximum of 3 years.
- Subsequent Capital Repayment Holidays may be sanctioned after initial drawdown.

Repayments

- EFG loans must be repaid on a capital only (straight line) basis with interest being debited quarterly to a separate account held at the same branch as the loan account.
- Capital and interest loans (actuarial) or interest only (bullet) repayment loans are not permissible.
- Loan repayments may be monthly or quarterly.

Security

General

- Before offering a borrower an EFG facility, the Bank must be satisfied that it would have offered conventional finance but for the lack of security.

Pledging of Personal Assets

- The Bank must be satisfied that all available personal assets have been pledged for conventional facilities, before considering lending under EFG.
- It is the Bank's decision as to whether or not personal assets may be considered available as security for conventional lending.
- The Bank must be satisfied that the applicant is personally committed to the venture, and is not using EFG as a means of avoiding pledging personal assets.
- In the event that conventionally chargeable assets are jointly owned with a spouse or third party who is not directly connected to the business any refusal by that spouse/third party to charge those assets is sufficient to render these assets as not being available for conventional lending. For our purposes, a direct connection with the business is defined as partner, director or shareholder with 20% or more of the share capital. The same principle applies where an occupier of a conventionally chargeable asset refuses to grant consent to a charge.
- If the applicant is not prepared to allow all their available personal assets to be used to secure conventional lending, this renders them ineligible for EFG.
- In exceptional circumstances, personal guarantees may be taken in respect of EFG loans.
- The Bank is not permitted to take a charge over guarantors' principal residences in support of personal guarantees.

Pledging of business assets

- Applicants should be asked to pledge premises, machinery and other assets used in the business as security for the EFG loan, usually in the form of a fixed or floating charge.
- Where the assets to be pledged include property with any element of residential use (e.g. shop with flat above) consideration must be given as to whether or not the borrowing will be MCOB regulated. If the borrowing would be MCOB regulated, these assets must be pledged to secure conventional facilities only as it is not possible for EFG loans to be MCOB regulated.

Guarantee Premium

- A guarantee premium is payable to the Government to the value of 2% per annum on the reducing balance of the loan.
- Premiums will be reduced to 1.5% (i.e. a 25% discount) will be applied to premiums due and collected in 2009. This will be managed centrally by the Government's collection agents; there is no requirement for the Bank to amend premium schedules.
- All premiums are paid quarterly by Direct Debit.
- It is essential that the direct debit in respect of the BIS premium be paid as it falls due for payment.

ATLANTIC PUBLISHERS
MARKETING ASSOCIATION

Atlantic Books Today

Book Buyer Survey
May 2017

Methodology

This report has been prepared on behalf of the Atlantic Publishers Marketing Association (APMA) and details the results of a survey conducted with 400 book buyers in Atlantic Canada. The purpose of the study was to evaluate awareness and impact of the *Atlantic Books Today* magazine and obtain any insights that might assist APMA in promoting books published in Atlantic Canada.

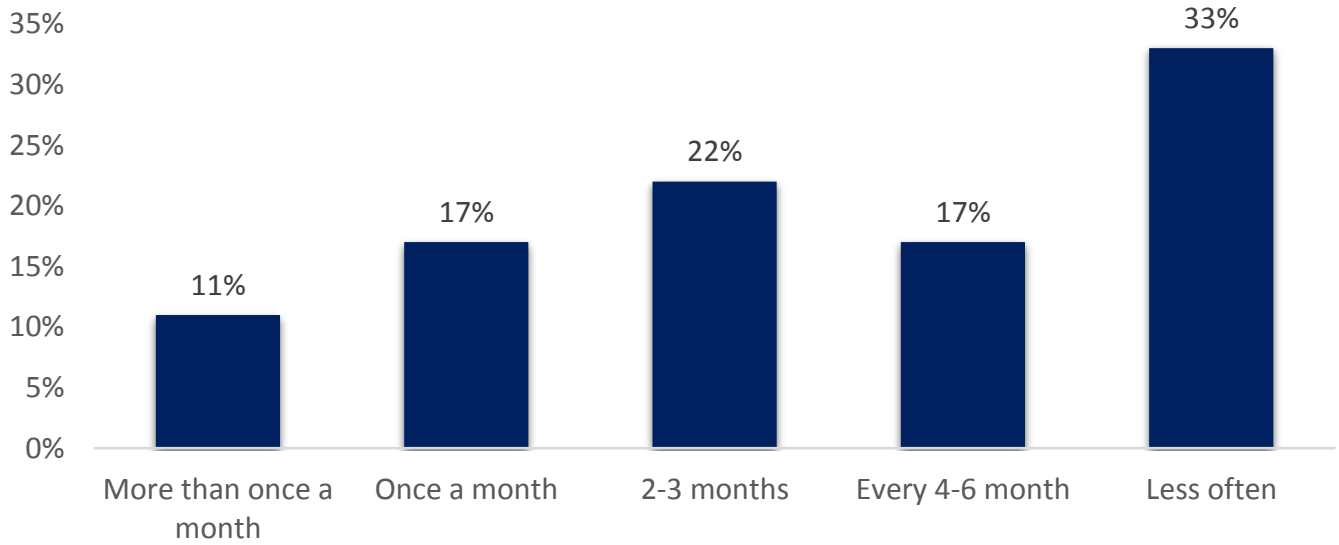
The surveys were distributed across the region in proportion to population size based on the 2016 Canada census. Some weighting was used to adjust for slight variances during data collection. **Panelists who did not purchase books were disqualified.**

Please note that due to the data collection format this study is only representative of book buyers with internet access.

Regardless of generation or geography buying books continues to be a mainstream purchase.

Two in three (64%) Atlantic Canadians purchase books and almost a third (28%) purchase at least *once a month*. There are no significant demographic biases towards purchasing books; both young and old, urban and rural, low and high income and consumers of all education levels buy books.

How often do you buy books or e-books? This could include any type of book including eBooks, hardcovers, softcovers or audiobooks in both fiction and non-fiction categories.

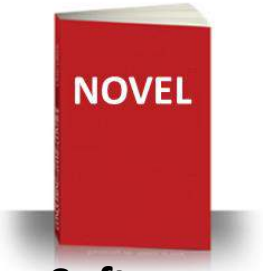


The above chart is inclusive of panelists who were disqualified from the study for not buying books.

Printed books are the preferred format, however, a third of readers have adopted reading eBooks. Only one in ten purchase eBooks exclusively.

Softcover books are the most popular format with eight in ten (80%) book buyers. Half (49%) of book buyers, especially younger readers, buy hard cover. A third (32%) buy eBooks. especially men (38%) and people who buy books frequently (44%). eBook purchases are correlated with education level in that the more education someone has the more likely they are to purchase. Interestingly, unlike other technology trends, eBook adoption is appealing to both young and old readers.

Which book formats have you purchased in the past year?



Softcover

80%

Hardcover

49%

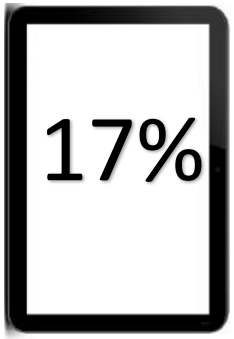
eBook

32%

While Apple iTunes dominates 75% of digital music sales*, iBooks ranks third behind kobo and kindle for eBook purchases.

The most popular eBook formats are kobo (48%) and kindle (48%) with kobo being more popular with younger readers and kindle being the preferred choice amongst women. Other popular eBook services include iBooks (20%) and Google Books (17%). The least popular option is nook by Barnes & Noble (4%). Book buyers use multiple services (1.4 on average) perhaps as a result of deal seeking behaviour, device ownership or search engine results.

Which of the following services do you use to buy eBooks? **eBook Purchases only (32%)**



kobo

amazon kindle

iBooks

Google

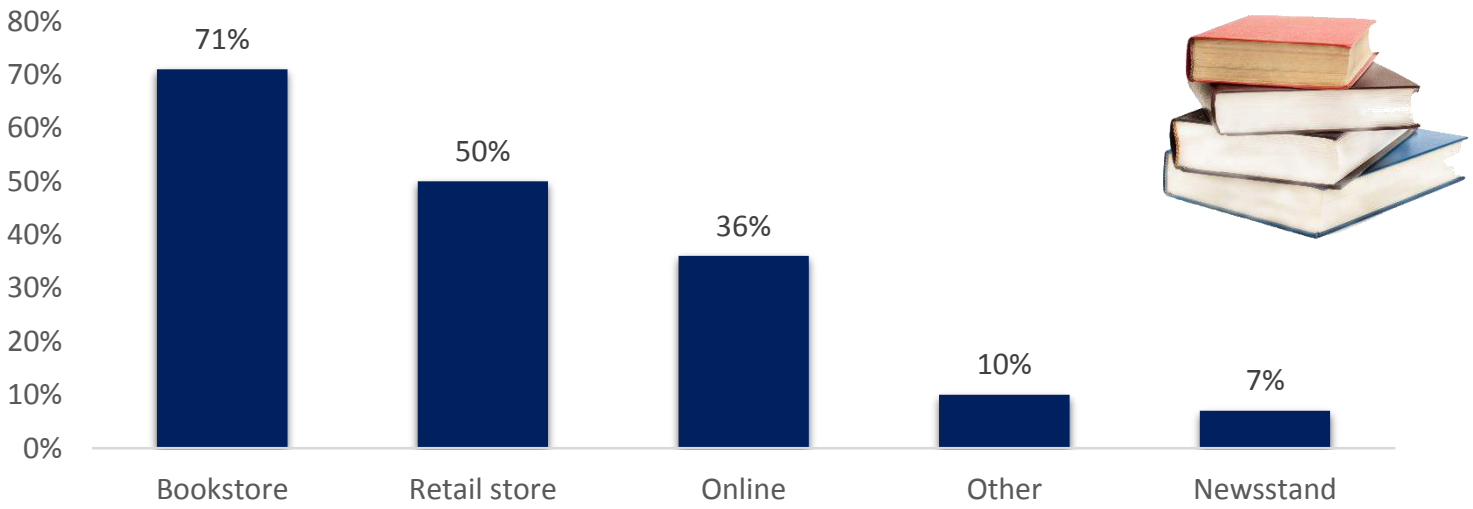
nook by Barnes & Noble

*appleinsider.com

Shoppers use an average of 1.75 different sales channels to buy printed books. While one in three buy printed books online, bricks & mortar retail is still the most popular choice.

Seven in ten (71%) book buyers shop at book stores, especially consumers with higher education and income. Interestingly, younger consumers are also more likely to visit a bookstore than older consumers (81% vs 62%). Big box retail is also popular with half (50%) of book buyers, especially women (55% vs 38%). Online is popular with one third (36%) of buyers, in particular those under 55 or those with at least a university education. Only 6% of book-buyers shop exclusively online.

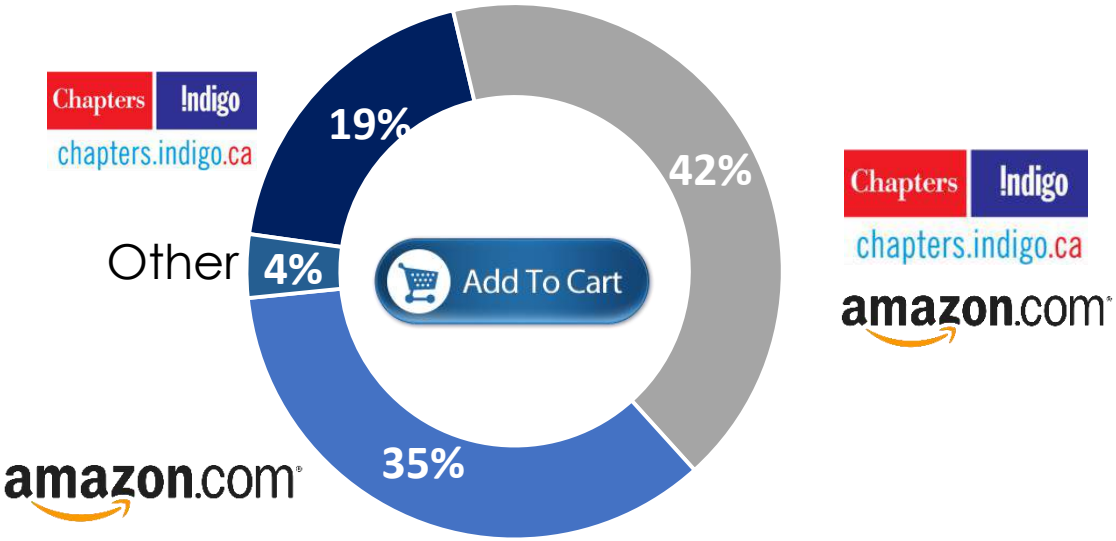
Where do you buy hardcover/softcover books?



Almost half of consumers who buy printed books online shop at both Chapters.ca and Amazon.ca. Overall, Amazon.ca has a more loyal customer base with almost twice as many *exclusive* shoppers.

Three in four (77%) book buyers purchase printed books from Amazon and slightly less (61%) use Chapters.ca suggesting that people who buy printed books online are willing to shop around. This might be driven by the fact that pricing can vary between the two sites, especially when used books are available. The number of customers who shop exclusively on Amazon is double that of Chapters.

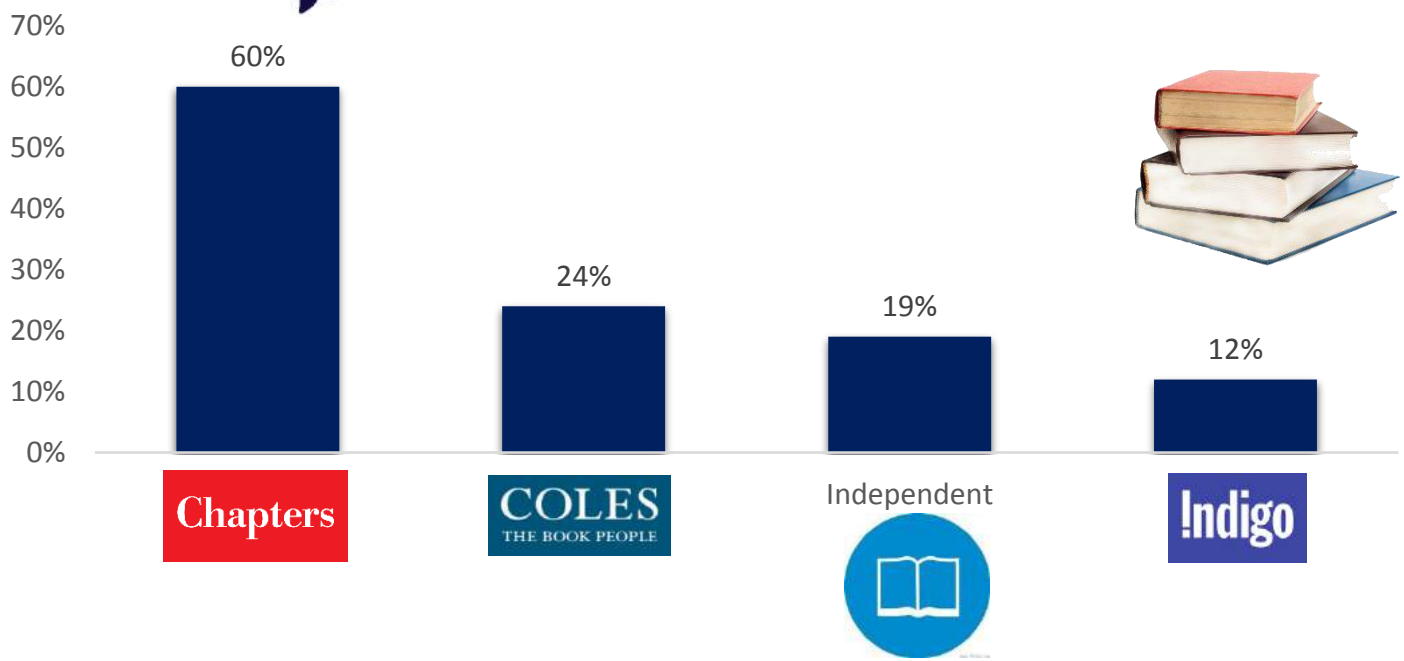
Which websites do you use to purchase hardcover/softcover books? ***Percentage scores are based on the 36% of buyers who purchase printed books online.***



While Chapters/Indigo ranks 2nd for online purchases (of printed books) they are the #1 choice for bricks and mortar retail.

Six in ten (60%) book buyers who frequent book stores go to Chapters. Coles is the 2nd most popular choice (24%) followed by independents (19%) like Bookmark, Cover to Cover, Bookworm, Dust Jacket etc. Indigo is the least (8%) popular option likely as a result of fewer locations. Indigo appears to have a higher share of market on Prince Edward Island.

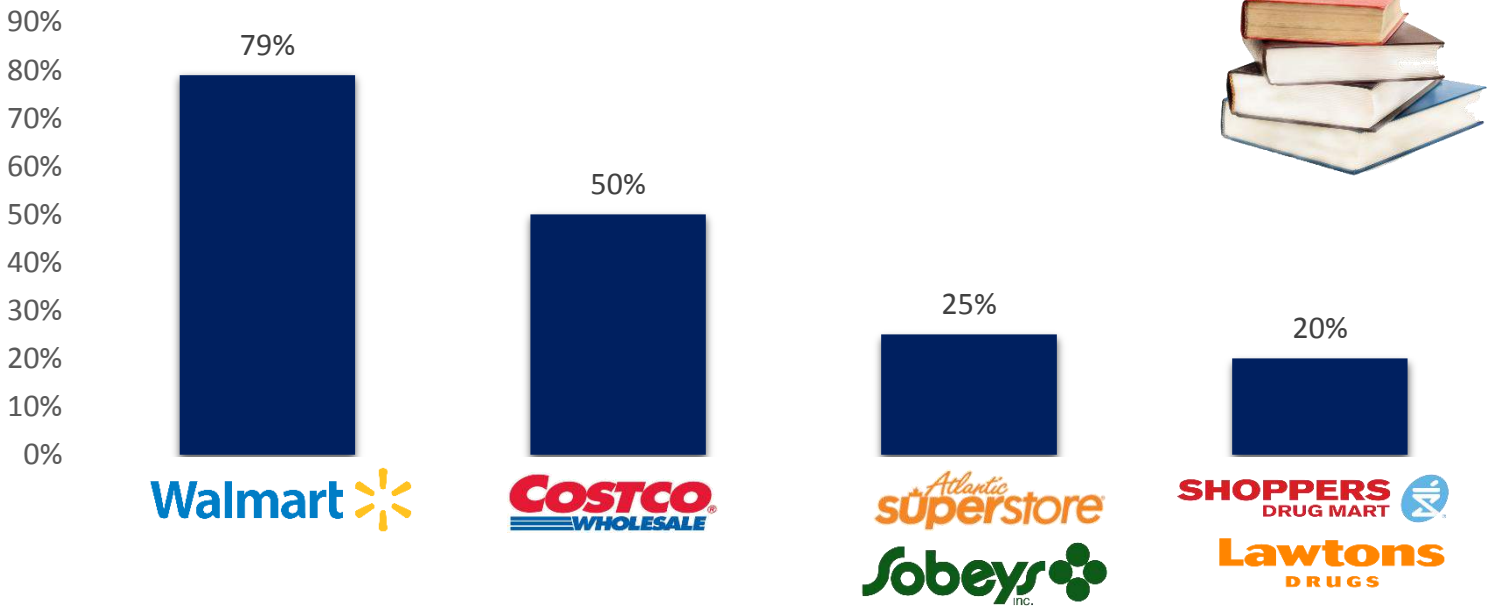
At which bookstores do you purchase books? ***Percentages based on 71% of buyers who purchase at book stores.***



Wal-Mart and Costco are the most popular big-box retail locations for book purchased.

Eight in ten (79%) people who purchase books at big-box go to Walmart and half (50%) go to Costco. While some people purchase at grocery (25%) or drug stores (20%) these are less popular options.

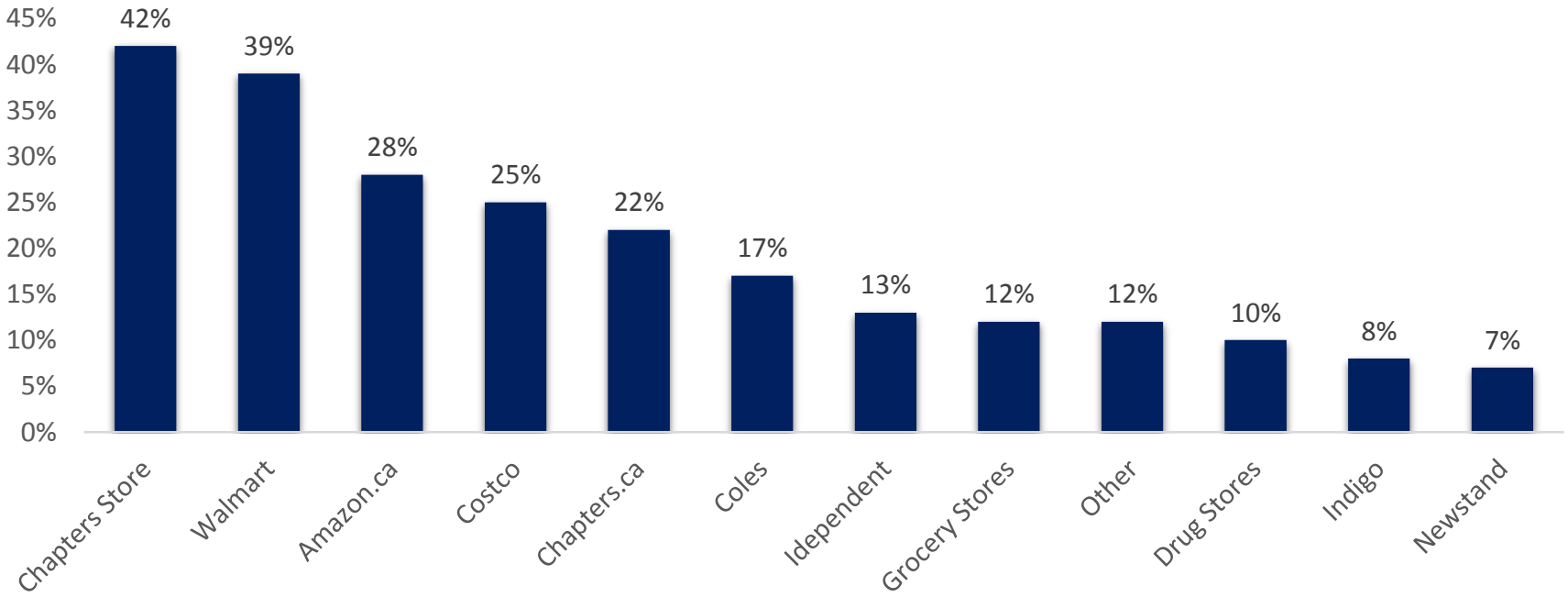
At which **retail stores** do you purchase books? ***Percentages based on 50% of buyers who purchase at big-box retail***



Overall, Chapters (retail), Walmart, Amazon.ca, Costco and Chapters.ca are the top five locations where people buy printed books. The least popular options are newsstands, Indigo and drug stores.

Demographic correlations for each sales channel is detailed on the next slide.

Where do you buy printed books? ***Percentage based on all consumers who buy printed books***



As the most popular location for buying books Chapters is most appealing to consumers under 55 with mid to high level education and incomes. Chapters shoppers are also more likely to browse the local section when they visit.

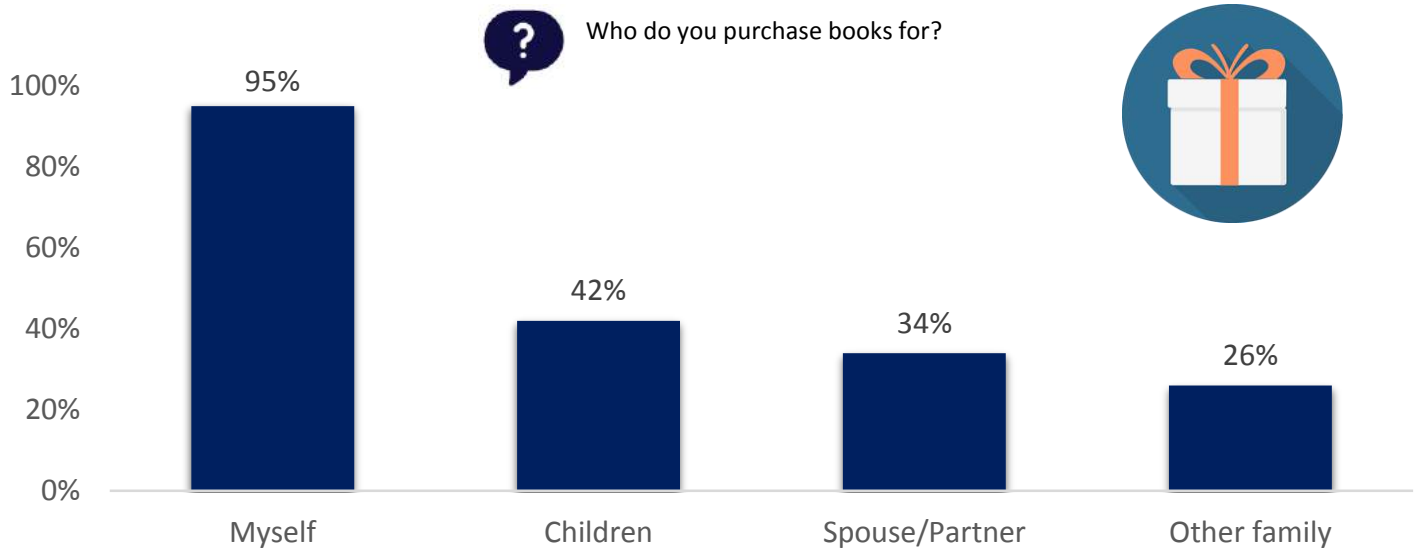
By comparison/contrast people who buy books at Walmart are more likely to be women, aged 35-54, low to mid education and lower income levels.

Where do you buy printed books? ***All sales formats/locations as a percentage of printed book buyers***

	%	Correlations
Chapters Store	42%	<55 year of age, local section browsers, mid to high education, mid to high income
Walmart	39%	Women, 35-54, low to mid education, lower income
Amazon.ca	28%	Men, frequent book buyers, non-local browsers
Costco	25%	Women, frequent book buyers, high income, high education, urban dwellers, newspaper readers
Chapters.ca	22%	<35, frequent book buyers, local section browsers, university education
Coles	17%	No correlations
Independents	13%	Frequent book buyers, local section browsers, university education
Indigo	8%	Non-local browsers, newspaper readers
Drug Stores	10%	No correlations, newspaper readers
Newsstand	7%	Newspaper readers

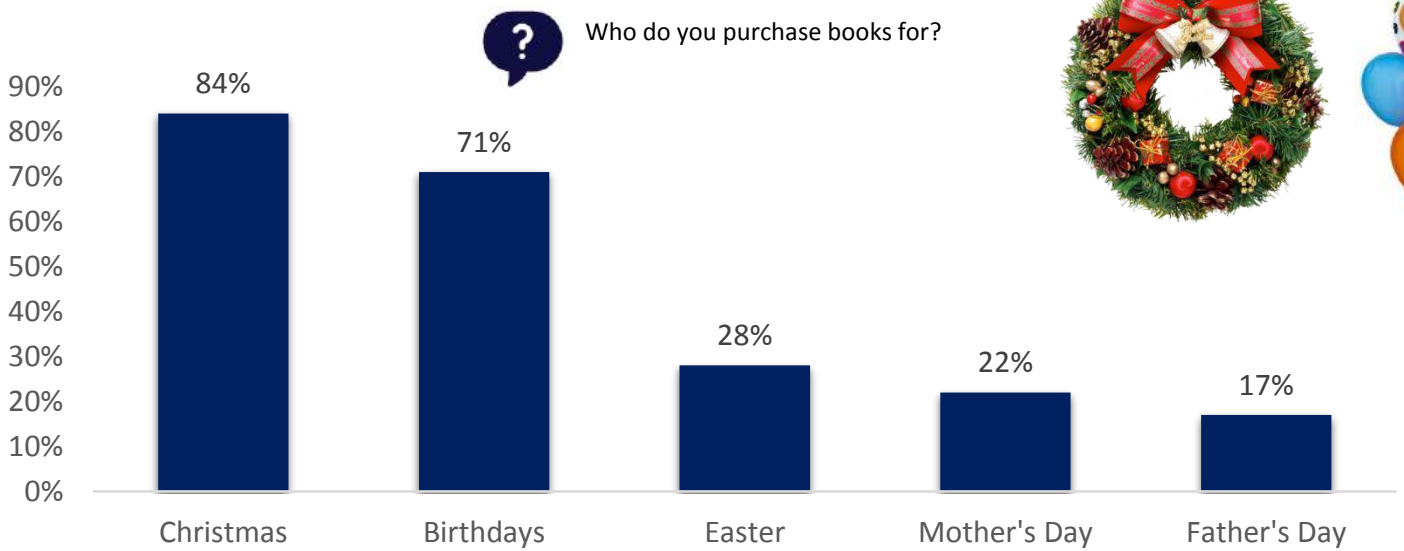
Purchasing books is a self indulgent behaviour for most people. Gift purchases typically involve buying for others who live in the same household (i.e. buying for children or spouse/partner).

Almost every (95%) book buyer purchases for themselves. When it comes to gift purchases moms are twice as likely as dads to buy books for their kids (50% vs 27%). Men, however, are more likely to buy books as a gift for their spouse/partner (51% vs 25%). There is also a correlation between gift purchases for parents/grandparents and visiting the local section of a bookstore.



Books are most frequently purchased as gifts at Christmas and birthdays. Buyers who frequent the local section are the most likely to purchase books as gifts during these occasions.

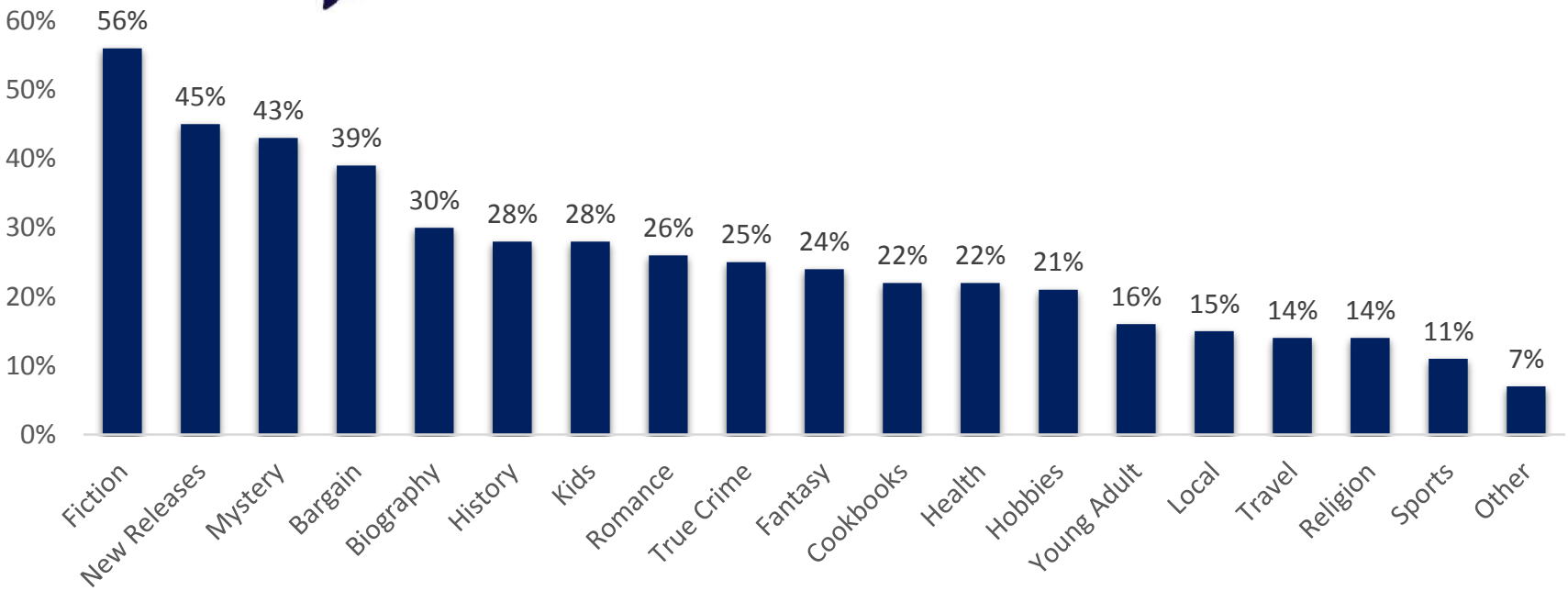
Almost every (84%) book buyer has books on their gift giving list at Christmas. Books are also a popular gift for birthdays (71%) but are less likely to be gifts for other occasions. Interestingly, women are more likely to buy a book as a gift for mother's day while the reverse is true for father's day. Women are also significantly more likely than men to purchase a book as a gift for someone at Easter.



Most book buyers are interested in multiple genres and visit, on average, 4.8 different sections of a bookstore/website. Visiting the local section, however, does not appear to be top of mind for most book-buyers.

Fiction (56%), new releases (45%), mystery (43%) and bargain books (39%) are the most visited sections of a bookstore or website. The local section tends to be more niche (15%) despite the fact that it contains books from across all of the most popular categories. Statistical correlations for each genre is available on the next slide.

When visiting a bookstore or website which categories do you browse for books?



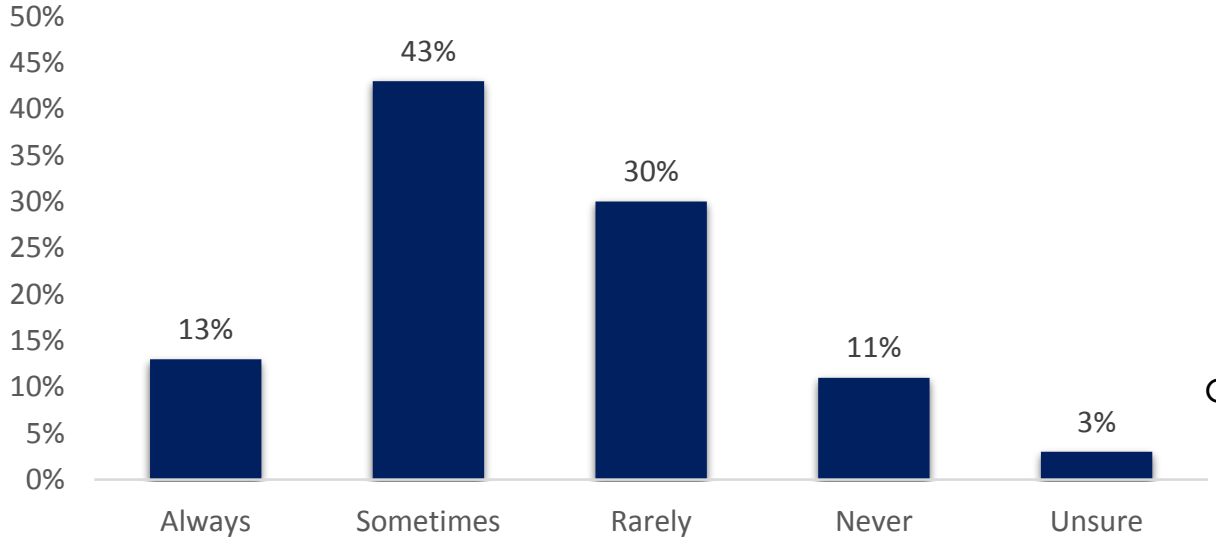
When visiting a bookstore or website which categories do you browse for books?

	%	Correlations
Fiction	56%	Universal appeal – no correlations
New Releases	45%	Women , local section browsers, urban dwellers, newspaper readers, mid to high income, mid to high education.
Mystery	42%	Women, 55+, Low to mid education
Bargain books	39%	Women, frequent book buyers, local section browsers, newspaper readers, lower income
History	28%	Men, 55+, frequent book buyers, local section browsers, newspaper readers
Kids	28%	Women, under 55, university education, higher income
Biography	30%	Frequent book buyers, local section browsers, newspaper readers, university education
Sci-Fi/Fantasy	24%	Men, don't read newspapers
True Crime	25%	Local section browsers, frequent book buyers, newspaper readers
Romance	26%	Women, Low to mid education, low to mid income
Cookbooks	22%	Over 35, women, newspaper readers, low to mid education, low to mid income
Health & Well-being	22%	Frequent book buyers, women, university education or higher
Hobbies/Crafts	21%	High school education, rural, lower income
Local	15%	55+, newspaper readers
Travel	14%	Newspaper readers, higher education
Young Adult	16%	Women, <35, infrequent newspaper readers, rarely visit local section
Religion/Spirituality	14%	55+
Sports/Fitness	11%	Men, newspaper readers

In direct questioning, over half of people who buy books say they visit the local section at *least sometimes*.

While only one in ten (13%) people always visit the local section, over half (56%) of book-buyers visit the section on occasion. Older consumers are somewhat more likely than younger to always visit (15% vs 10%). People who buy books the most often or people with post graduate degrees (PhD) are also more likely to browse for local books.

More specifically, how often do you visit the local section of a bookstore or website to look for books published in your home province or in Atlantic Canada?

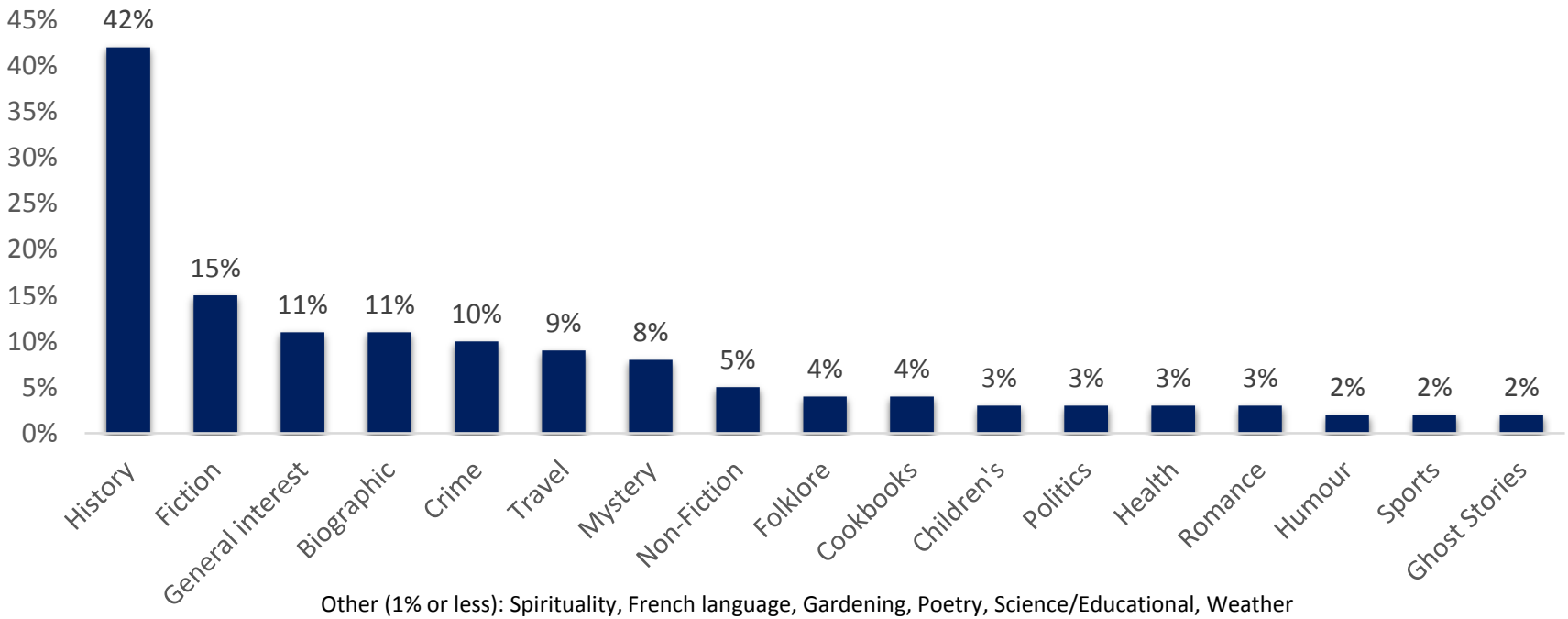


Book buyers who read newspapers are twice as likely to visit the local book section than the average book buyer (25% vs 13%).

Book-buyers who visit the local section appear overwhelmingly driven by non-fiction titles, especially history. While fiction ranks 2nd there is a risk that those drive by non-fiction interested may overlook a visit to the local section.

Four in ten (42%) people who visit the local section are looking for books related to local history. Other popular categories include fiction (15%), general interest (11%), biographic (11%) and crime/true crime (10%).

What type of books do you look for when browsing the local section? In other words, what local subjects interest you the most? **Unaided – choice options were not given.**



Other (1% or less): Spirituality, French language, Gardening, Poetry, Science/Educational, Weather

Many consumers who don't visit the local section simply don't think about it or don't fully understand the range of books available.

While some consumers don't visit the local section because they are not interested in local books (23%) or feel the selection is poor (10%) many consumers have no reason other than they don't think about it (35%). Others don't investigate because they are only interested in specific genres (10%) or are unfamiliar with the authors (8%). A greater level of awareness of what is available might peak the curiosity of those who today are prone to walk past this section.

Why don't you visit the local section more often? Percentages based on 44% of book-buyer who rarely or never visit the local section.

	%
No particular reason/don't think about it.	35%
Not interested in local books	23%
Poor variety/selection of books	10%
Purchase specific books/genres only/don't browse	10%
I don't know any of the authors/unfamiliar	8%
Local books tend to be more expensive	5%
No local section where I buy books	4%
Don't have time to browse	4%
Not originally from Atlantic Canada	2%
From here/no read to read about it	2%
Go to the library for local books	1%

Drawing direct attention to books published in Atlantic Canada will increase engagement.

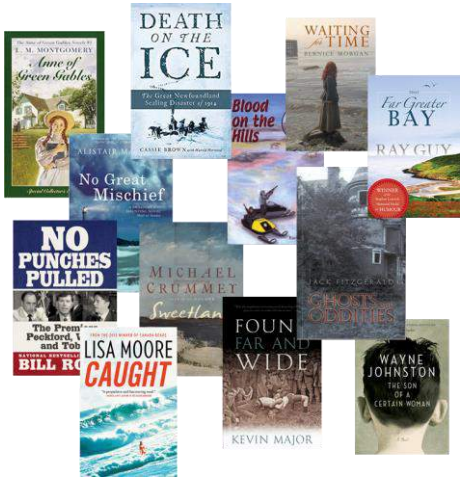
When thinking of which sections of a book-store they frequent, only 15% of book buyers mention the local section. When asked directly 15% increases to 56%. Atlantic Canadian publishers need to actively remind book buyers to visit the local section. Preferably APMA can work with book sellers to create in-store reminders (e.g. in aisle signage saying "More great fiction in the local section")

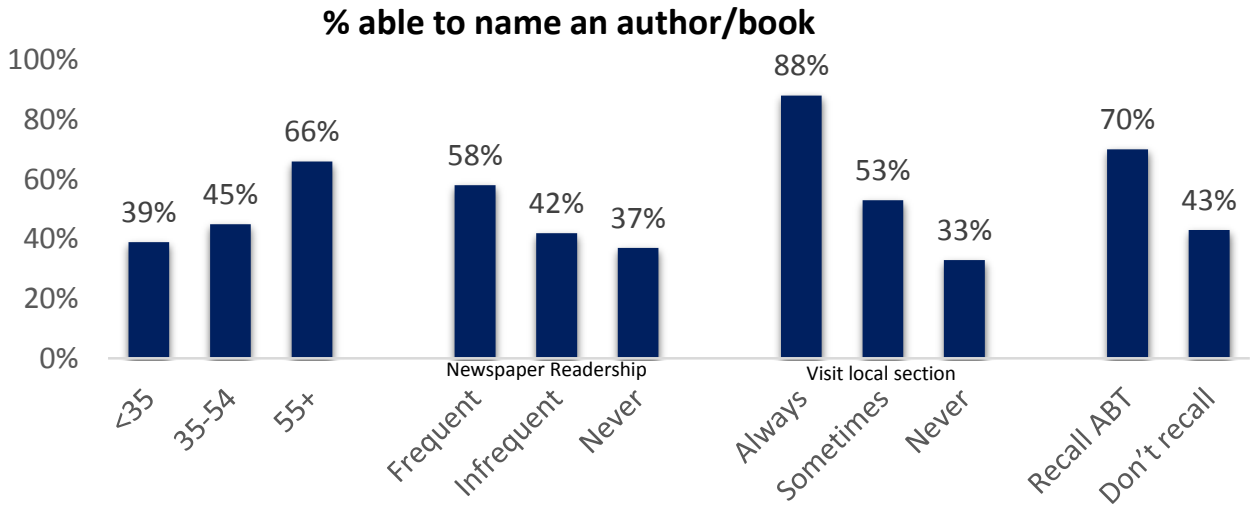
15% → 56%

Almost half of book buyers are able to mention at least one Atlantic Canadian author. Familiarity is extremely fragmented, however, with a total of 189 different authors mentioned.

Familiarity with at least one Atlantic Canadian author varies by age with consumers over 55 being significantly more likely to mention an author than those under 35 (66% vs 39%). Frequent newspaper readers are also more able to mention an author and, not surprisingly, so are consumers who visit the local section of a book store. More importantly, book-buyers who recall seeing *Atlantic Books Today* are significantly more able to name an author.

Can you name any Atlantic Canadian authors? All authors mentioned are included whether they are in fact actually Atlantic Canadian or not.





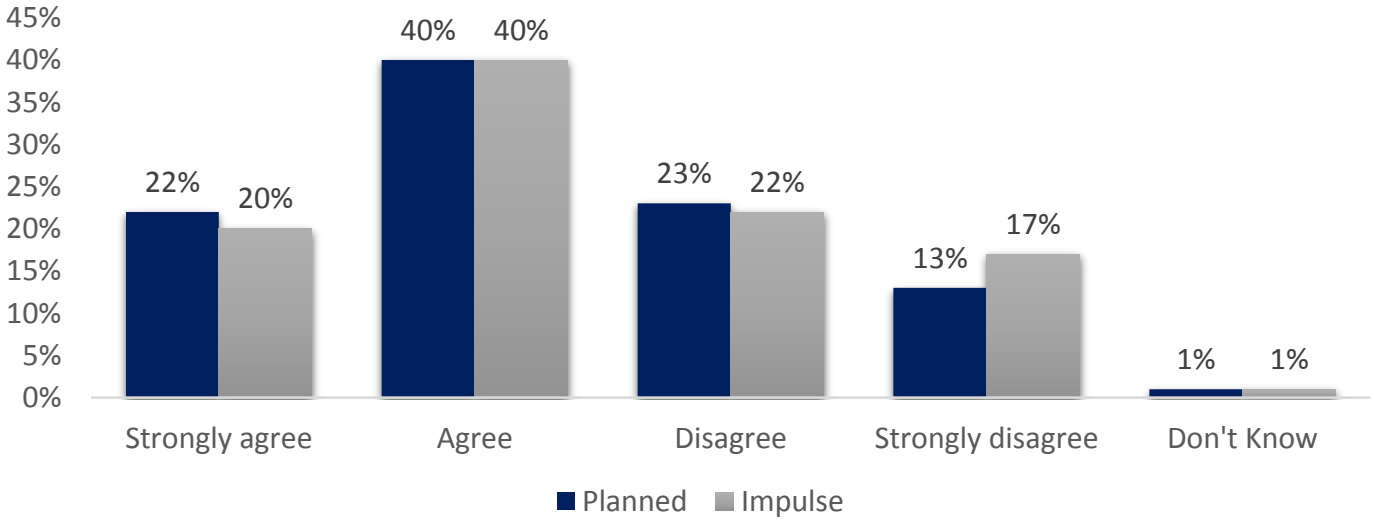
TOP MENTIONS: Listed alphabetically by first name

Alistair MacLeod, Antonine Maillet, Bernice Morgan, Bill Rowe, Cassie Brown, Cindy Day, David Adams Richards, David Weale, Earl Pilgrim, Gordon Pinsent, Jack Fitzgerald, Joey Smallwood, Kevin Major, Leslie Choice, Leslie Crewe, Lisa Moore, Lucy Maud Montgomery, Michael Crummy, Phonse Jessome, Ray Guy, Thomas Raddall, Wayne Johnston

Book buyers are equally prone to making impulse purchases as they are planned purchases.

Six in ten (62%) book buyers frequently know which book they are purchasing before they arrive at the store or website. An equal number make impulse buys (60%). People who buy books the most often are the most likely to make impulse purchases. Interestingly, buyers who *always* visit the local section of a bookstore are also more prone to impulse purchases.

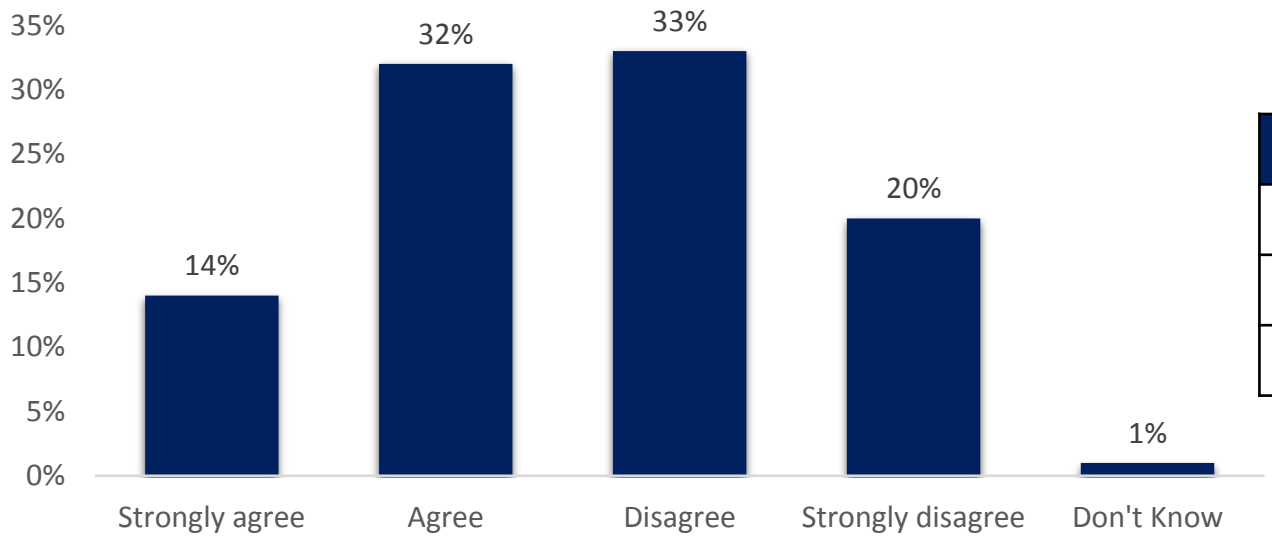
To what extent do you agree or disagree with the following statements?
a. I frequently know which book I'm going to purchase before I arrive at the store or website
b. When I visit a bookstore or website I often make impulse purchases when buying books.



Book buyers are split between those who prefer to stick with authors they know and those willing to take a risk on someone new. Endorsements from well known authors can help minimize the risk, especially with older consumers.

While half (46%) of book buyers prefer to purchase books by authors hey are familiar with only 14% strongly agree (i.e. are completely risk averse). There is a direct correlation with age in that younger book buyers are more likely to take a risk on an unknown author.

I typically only purchase books written by authors I'm familiar with.



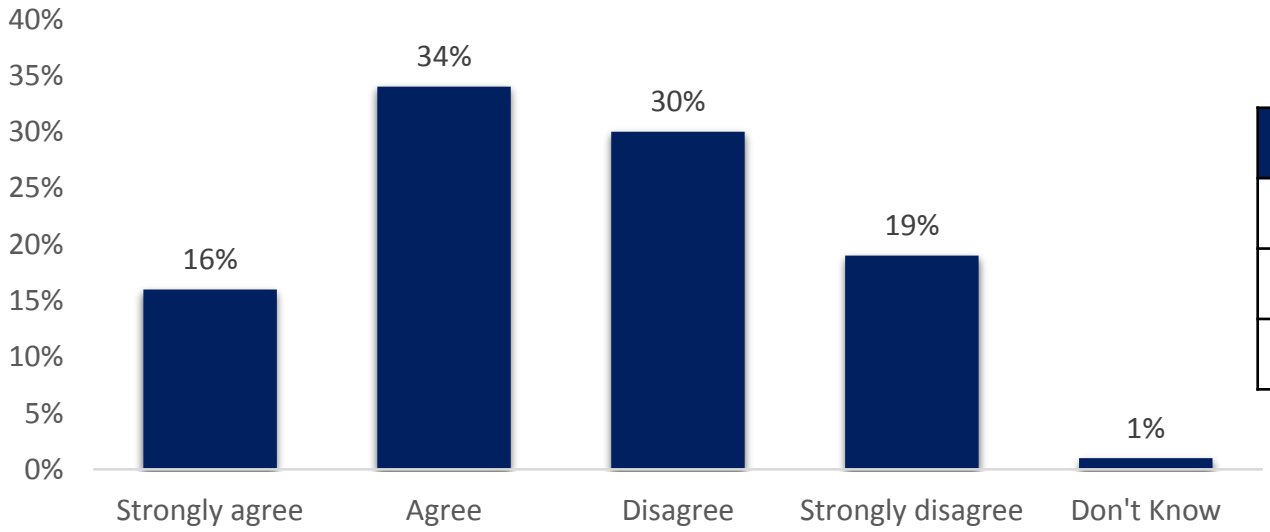
Agree + Strongly Agree

	%
<35	38%
35-54	45%
55+	54%

Online reviews are especially important when dealing with a younger audience who spend the most time online and carry a smartphone with them into the store.

Half (50%) of book buyers read online reviews before making a purchase. Buyers under 35 are significantly more likely to read online reviews that older book buyers (66% as compared to 42%) which might be factor in why they are more willing to try a new author. Consumers who buy most more frequently are also more likely to rely on reviews. Most importantly, **consumers who browse the local section are more than twice as likely to select strongly agree** (35% as compared to 16%).

To what extent do you agree or disagree with the following statements?
I regularly read online reviews about a book before I purchase it.



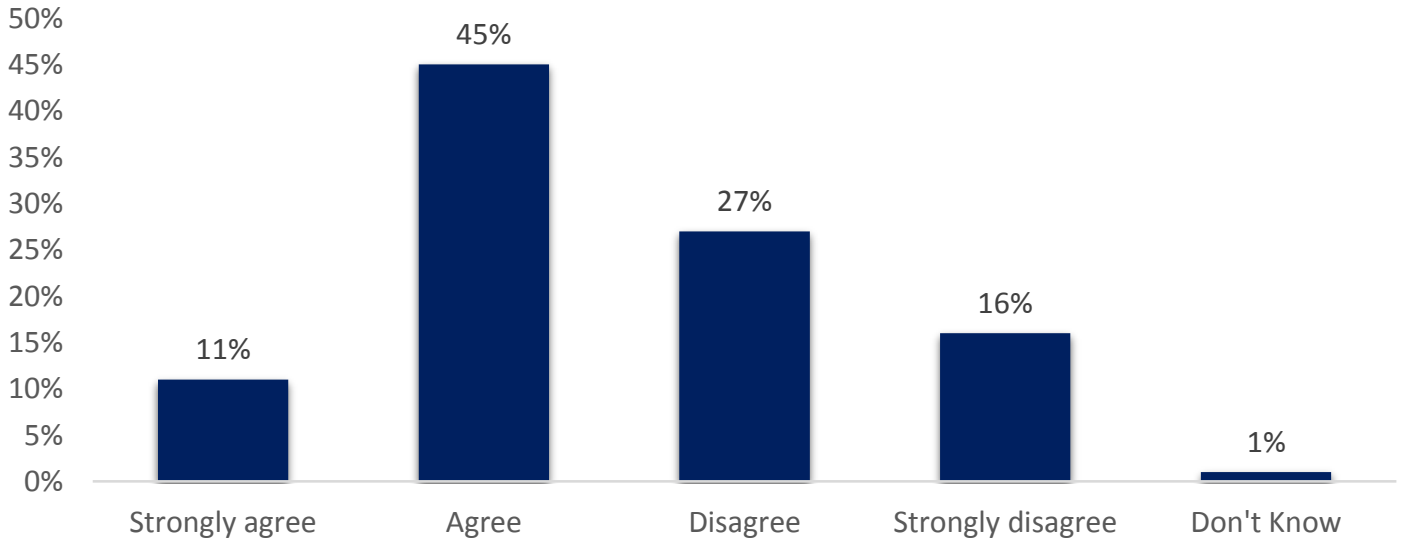
Agree + Strongly Agree

	%
<35	66%
35-54	48%
55+	42%

Half of book buyers agree they have been influenced to purchase a book after seeing/hearing an interview with the author.

About half (56%) of book-buyers agree that they have been influenced to buy a book as a result of the author being on TV or the radio. This is especially true for book buyers who frequent the local section of bookstores where 31% *strongly agree*. While the survey did not directly ask about newspaper interviews it should be noted that frequent newspaper readers are amongst the most likely to agree with this statement.

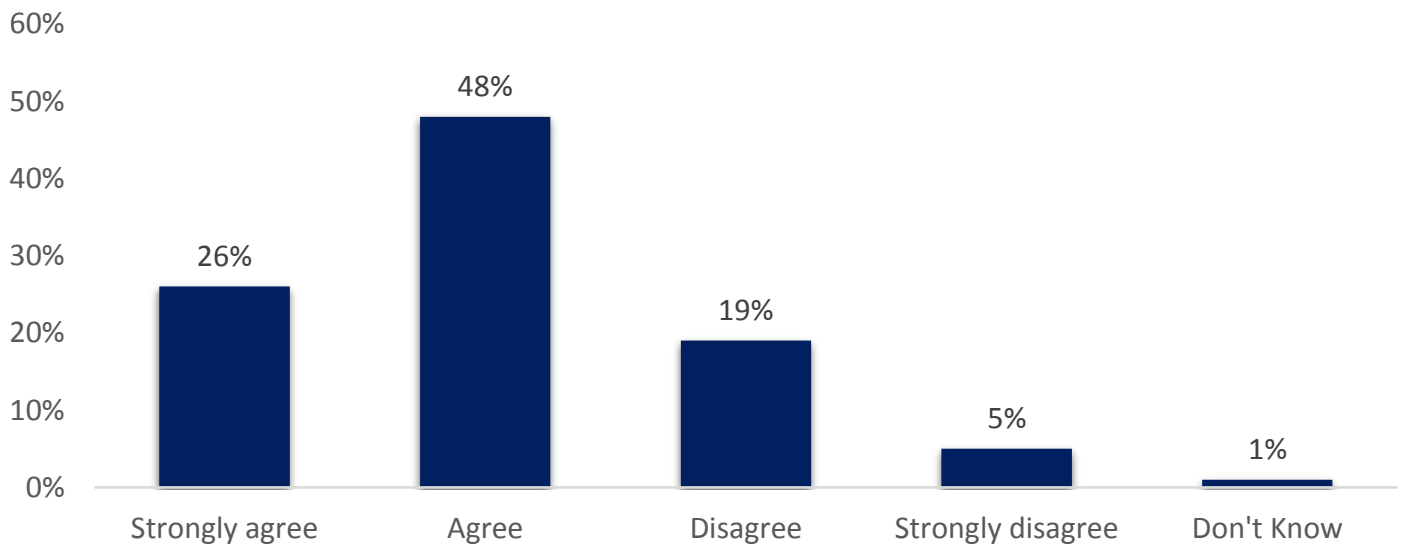
To what extent do you agree or disagree with the following statements? ***I sometimes purchase books after hearing an author interviewed on radio or TV.***



Books displayed at the front of the store are more likely to get noticed by book buyers.

Three in four (74%) book buyers say they regularly check out books that are highlighted on the front of store display tables. Women are somewhat more likely to agree as are frequent book buyers and those who browse the local section. Interestingly, there is a *very strong* correlation between people who check out display tables and those to recall *Atlantic Books Today*. Not surprisingly, those who read the magazine have a greater curiosity about books overall and are more likely to engage with anything involving books.

To what extent do you agree or disagree with the following statements? ***I regularly check out the books that are highlighted on the display tables at the front of the store.***



Facebook dominates social media channels and is the only service that provides strong reach with older book buyers.

Daily Facebook use is at least four times that of other social media. While frequency of use for all social media declines with older consumers, Facebook provides significant reach with those 55+ (62%). The gap in daily usage for those under 35 and those over 55 is significant for Twitter (20% vs 8%), Instagram (34% and 16%) and Snapchat (31% and 1%).

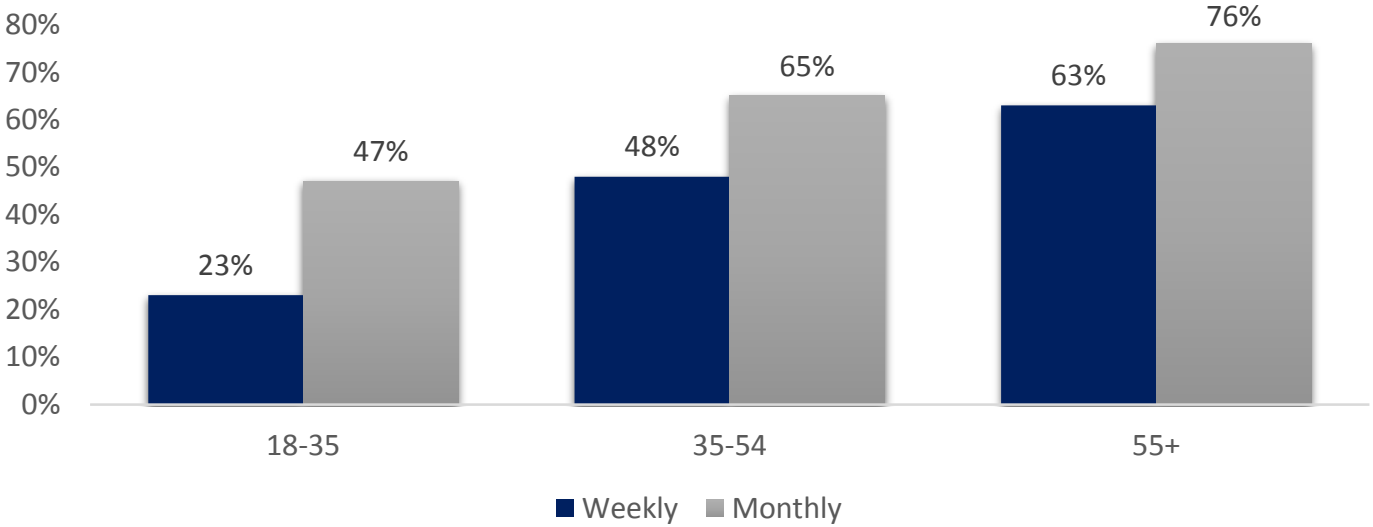
How often do you use the following social media?

	REGULAR USERS	Daily	Weekly	Less often
Facebook	85%	71%	14%	15%
Twitter	28%	14%	14%	72%
Instagram	29%	16%	13%	71%
Snapchat	19%	11%	8%	81%

Overall, half of the population reads a newspaper at least once a week, however, engagement varies considerably by age.

Not surprisingly, younger consumers are less engaged with newspapers than older consumers. Only one in four (23%) people under 35 read a newspaper at least once a week and almost half (47%) read a paper at least once a month. The highest readership is with consumers over 55 where two in three read weekly (63%) and three in four read monthly (76%). **Book buyers who recall seeing *Atlantic Books Today* are the most avid newspaper readers with 73% reading weekly.**

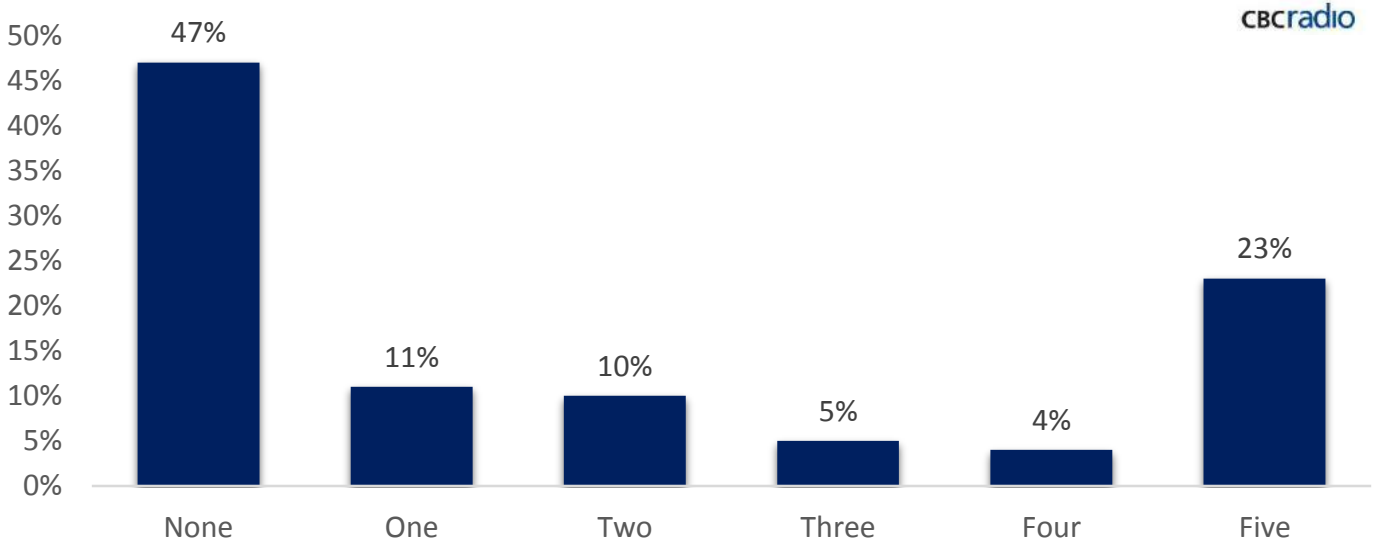
How often do you read a newspaper?



Half of book buyers listen to CBC radio at least one day during the week (Mon-Fri) and one in four listen every weekday. CBC and local books appeals to the same audience.

Week-day reach for CBC radio is 53% of the book buyers with one in four (23%) tuning in every day. The most avid CBC listeners tend to be over the age of 55. Consumers that listen to CBC are also more likely to have higher education levels and incomes and are the most likely to read newspapers on a weekly basis. There is a significant correlation between listening to CBC (especially every day) and whether or not someone browses the local section of a bookstore.

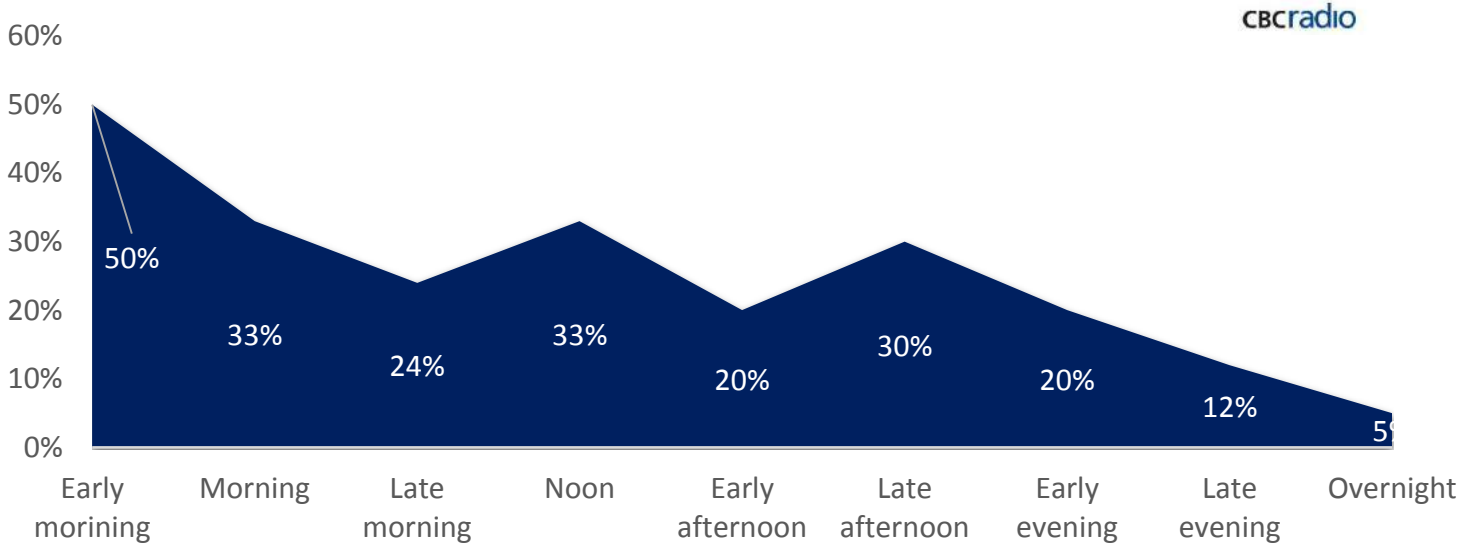
Approximately, how many week-days (Monday to Friday) do you: Listen to CBC radio?



Audience numbers for CBC radio are strongest in the early morning (6 a.m. to 8 a.m.) and peak again at noon and late afternoon (4 p.m. to 6 p.m.)

Half (50%) of CBC listeners tune into the early morning show (i.e. Information Morning, Island Morning or the Morning Show). Listeners decline into the late morning picking up again (33%) for Maritime Noon/Cross Talk between 12 p.m. and 1 p.m. The audience peaks a third time during the commute home and tapers off into late evening and overnight.

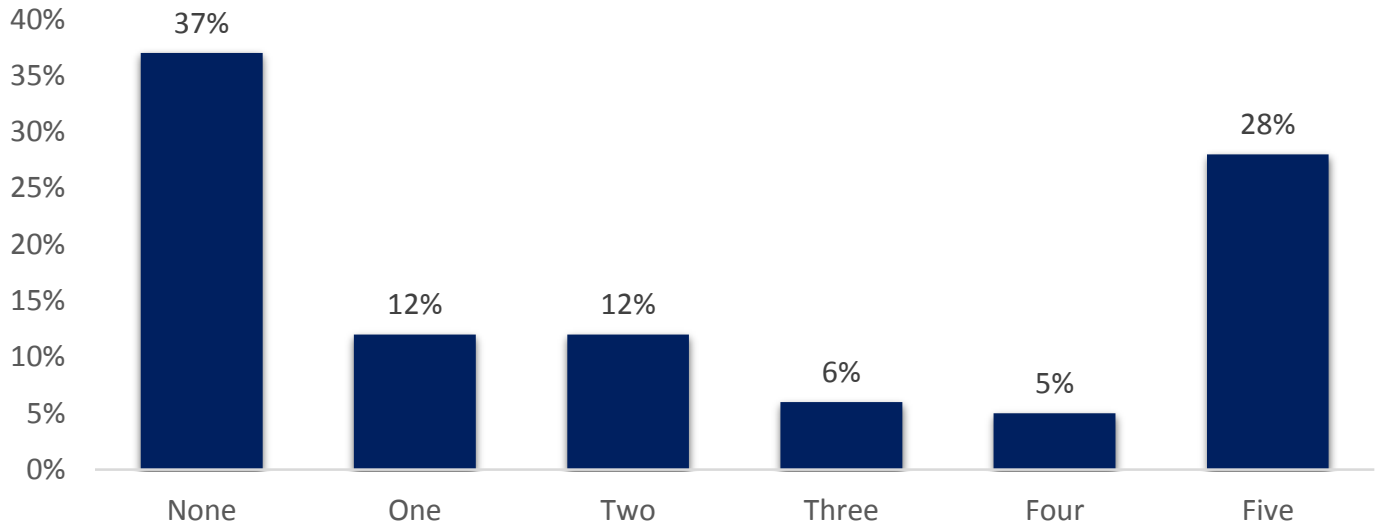
What time of the day do you listen to CBC radio?



CTV News at Five/NTV Evening News hour offers considerable reach with six in ten (63%) book buyers watching at least one night a week. As with newspapers, older consumers are the most likely to tune in.

Almost a third (28%) of book buyers are loyal to CTV News at Five tuning in every week-day. Overall, two in three (63%) tune in at least once a week. Older consumers (55+) are the most likely to watch and are the most likely to watch every day. As with newspapers there is a strong correlation between watching CTV News at Five and the tendency to browse the local book section; almost half (46%) of local section browsers tune in to the news every day.

On weekdays (Monday to Friday) how many evenings do you typically watch CTV News at Five (formerly known as ATV Live at Five)? NTV Evening Newshour in Newfoundland & Labrador.



Chapter 4
Canadian School and Public Libraries

Canadian School and Public Libraries

Overview of Materials

Library usage in Canada

The Department of Canadian Heritage 2005 study *Reading and Buying Books for Pleasure*, reported that 40% of Canadians had borrowed a book from a public library in the last 12 months. *An Analysis of Public Library Trends*, 2011, prepared for the Canadian Urban Library Council (CULC) which collects data from 44 libraries surveying a population of over 17.5M Canadians, provides information on trends from 2000 to 2009. In that time, "… the average annual number of library transactions per capita increased 45%, from 16.6 events in 2000-01 to 24.1 events in 2008-9. Per capita transactions include all in-person visits, circulation, program attendance, electronic database usage, and Internet visits." (p.4.)

Much of this increase in transactions was attributed to accessing of digital information: "use of electronic databases (library Internet subscriptions or stand-alone or networked CD-ROM databases) more than doubled, and Internet visits to library websites and catalogues grew five-fold in the period. Nevertheless, the number of items circulated per capita had also increased a substantial 16% over the past decade, while per capita in-person visits have remained stable". (pp. 22-23)

The 2012 study for the Canadian Library Association (CLA) *National Statistical and Values Profile of Canadian Libraries* indicated that 41% of Canadians are active public library cardholders. "Of the 58% of Canadian readers who have visited a library or online portal operated by a library in the past 12 months, most (81%) have visited to borrow or access books for pleasure reading. Fourteen per cent visit a library as a requirement for formal education."

According to the 2015 Ekos Research's *Public Opinion on the Value of Books in the English Language Book Sector,* six in ten Canadians (58%) have visited a public library or an online portal operated by a public library in the past twelve months. Those who read for work or education, people under the age of 35, allophones, and people with children under 18 at home. Women also have a somewhat higher propensity to visit a library compared with men. Ontarians are also more likely to have used a library. (p.26)

The most recent data from BookNet Canada (BNC), August 17, 2017, The reading habits of Canadians indicates that, of respondents who had read a book in 2016, 46% had checked out a book (in any format) from the library. The Atlantic Publishers spring 2017 reader survey reports that 65% of readers visited a public library once or more a year, and 27% of readers reported visiting at least once a month (p.39). (They were not asked if they had borrowed a book on their last visit.)

Public and school materials spending, suppliers, and selection spending:

According to CULC's 2011 report *An Analysis of Public Library Trends* cited above, there is a direct correlation between spending on materials and library use which in turn relates to a decline in overall average cost per use. (p.7) "Spending on materials has a strong role in increasing library use. Libraries whose per capita spending on materials is

in the top third register [report] nearly twice the number of usage transactions as do libraries whose materials spending is in the bottom third. The impact of materials on usage is so great that libraries which are among the top per capita spenders on materials realize the lowest costs per usage transaction." (p.2)

Spending on books declined from 72% of material expenditure in 2000-01 to 61% in 2008-09. Expenditures on electronic materials including ebooks doubled from 6% to 11%. (p.7) The Organization of Book Publishers of Ontario (OBPO) and the Ontario Media Development Corporation (OMDC), Canadian books count: *A Study of the Ontario School Library and Public Library Acquisition Process*, 2006 which surveyed 434 Ontario libraries, estimated materials spending in Ontario in 2004 at $57,378,620. The study found it easier to express the materials spending for school libraries on a per student rate of, at that time, $13.03. (p.9) It is estimated between 9-14% of this was spent on Canadian materials or $5.16M - $8.03M. (p.77) Among materials expenditures, a smaller percentage is being spent on books and periodicals, while strong increases have been seen over the past decade in spending on electronic and audiovisual materials. The percentage of materials expense devoted to these latter items had increased from 18% in 2000-01 to 31% in 2008-09. (p.2)

The CLA's, *National Statistical and Values Profile of Canadian Libraries*, 2012 reported that for fiscal 2009-10 overall collection expenditure for public, academic, special, and school libraries was $558M+. Of this, public libraries spent $159.2M and school libraries $56.2. The total spending on print was $269,328 with public libraries spending $87.3 and school libraries $100.8. Electronic materials spending was $912,017 for public libraries and $179,137 for schools. (p.4)

Suppliers

The OBPO/OMDC, Canadian books count: *A Study of the Ontario School Library and Public Library Acquisition Process*, 2006 noted that wholesalers play an important role in the acquisitions of Canadian books for libraries. At that time, public libraries made 70% of collection purchases through wholesalers, 16% from bookstores, 4% direct from the publisher, and 3% online. Large public libraries indicated a greater proportion from wholesalers at 82%. Smaller libraries made a larger proportion of their purchases from bookstores at 19% vs 3%. (p.31)

School libraries, who often have the additional challenge of relying on untrained clerical staff to order books for their libraries, purchased 53% from wholesalers accounting for 57% of the dollar value of their purchases. Larger schools purchased 22% from bookstores for 17% of dollar purchases, and online for 6% of dollar purchases. Smaller schools tended to order direct from publishers 24%. Wholesalers also play a significant role providing lists, catalogues and processing services. (pp. 34-35)

Selection by and promotion to libraries

The OBPO/OMDC 2006 study reports on interviews with librarians, wholesalers, and publishers. The researchers' informants stated that book reviews and awards play a significant role in the selection process for both school and public libraries. The Ontario

Library Association (OLA) "tree awards" are a key factor in selection. (p. 37).

For school libraries selection factors, in order of importance according to the study's interviewees, were the OLA awards, Canadian content, accessibility of Canadian-authored or subject areas, and curriculum matches. (p. 53) School librarians also emphasized the importance of age-relevant cover designs.

For public libraries patron requests, awards and nominations, and reviews were reported to be important factors in the decision to purchase. The study did not attempt to compare the responses of study interviewees with the actual measurable practices of libraries and wholesalers.

The *Consultation on K to 12 Educational Publishing in Canada*, 2012 by Glenn Rollans and Simon de Jocas under the direction of the Association of Canadian Publishers, Education Committee offers Canadian publishers much information on the current educational market including this advice to trade publishers: "… effective and successful K to 12 education resources begin their lives as K to 12 resources. Publishers often find incremental markets in the K to 12 sector for their trade products, but these markets are typically similar [in terms and discounts] to trade and library sales." (p.37) And later in the study, the advice to "consider building supplemental resources with careful attention to curricula." (pp. 38-39 referencing the Study of the Canadian K to 12 Educational Book Publishing Sector, 2010 by Glenn Rollans and Michel de la Chenelière, (pp.64-65) Ekos Research's *Public Opinion on the Value of Books in the English Language Book Sector,* 2015 noted that for the education sector, better pricing for Canadian books was cited by respondents as the strongest factor in the decision to purchase according to six in ten (59%) interviewees. Specific guidelines developed and/or enforced by government were also cited by just under half of respondents (46%). Increased advertising to teachers, an easy way to identify Canadian books, and more relaxed rules about conditions of use were each suggested by about one in three as good methods of promoting the use of Canadian books in classrooms. (p. 17)

The OBPO/OMDC 2006 study has a substantial section reporting on potential publisher marketing and promotional efforts which could be directed at influencers beyond acquisition librarians to other library staff, CEOs, school principals, wholesalers and distributors, as well as public awareness that leads to patron requests. Also swag, author visits, online reviews, and identifying Canadian books are cited as measures which would lead to increased Canadian author presence in libraries. (p.11)

Book reviews and awards were cited in the 2006 study as playing a significant role for both school and public library selection teams, and the report lists Canadian and US periodicals which respondents said were influential in book selection decisions at that time.

Tracking Canadian Books in library collections

The OBPO/OMDC 2006 study attempted to quantify Canadian-authored books in Ontario's libraries. Many library systems were at the time not tracking how many books in their collections were Canadian authored. "Many in the industry feel that no one knows what the overall percentage of Canadian-authored books is in current library collections." The survey question posed was: "Q: Overall, what percentage of books in

your library are Canadian authored? There were 22% of the public library systems surveyed who provided an answer to this question. Of that number, 2/3 responded that the overall percentage was between 10% and 20% of their collections; 1/3 responded that the overall percentage was between 20% and 30%. The average reported percentage from all the reporting larger and smaller public library systems was 26%. It is unclear whether the reported data was based on a count of the total print collections of these systems, and the percentage which were Canadian authored, or a count of the total number of titles in these systems.

The same 2006 report provided data on the presence of Canadian authored books in school libraries as reported by school library respondents. The percentage reported varied widely from school to school (see graph at p.51) with some school libraries at 0-10% Canadian authored titles to some at 50-75%. The average reported was 34%. Of the school library respondents, 44% did not know or declined to answer the question.

For the 2006 study, measuring the presence of Canadian authored titles in the books that libraries offer to their users was not accompanied by measurement of the share of Canadian-authored titles in the books that public library patrons borrow to read. The 2006 study does indicate that many of the respondents felt that the presence of Canadian books in their libraries was increasing.

In 2006 there was an absence of reliable metadata on Canadian authorship of titles. This deficiency was resolved through Booknet and enriched ONIX metadata in the past decade, and there is now high compliance with the ONIX standard for identifying Canadian-authored titles by publishers in Canada

BookNet Canada's offering of ONIX-to-MARC record exporting from BiblioShare (noted in the 2014 *Canadians Reading Canadians* study) offers Canadian book wholesalers and libraries the information so that MARC records can include Canadian authorship data. We have located no recent studies reporting on the presence of Canadiian-authored books in library collections, or on the share of library book reading represented by Canadian authors.

Libraries and reading Canadian books

Given the extensive statistics and research that has been done, we expected to find data on the role of libraries in providing the Canadian books that public library users read. We know that libraries are a major source of the books that are read, and circulation statistics are easily found. However, we were able to locate no data on what share of library circulation is represented by Canadian-authored books. The one exception was a baseline number from 1978, when the Stats Canada data on last book read showed that, for those reporting that their last book read was borrowed from a public library, 17% were Canadian authored books, and for books from school libraries, 21% were Canadian authored. (Table 126, p.279)

The role of public libraries in creating awareness of books

Reader surveys which include questions about the sources of awareness which influence the reading of Canadians have shown some remarkable consistency – and

some dramatic changes – since the baseline 1978 Statistics Canada readership study. That study documented the importance of word-of-mouth / informal recommendation from friends and contacts, and that continues through all the relevant studies to the present. Discovering a book more or less serendipitously in bookstores, through browsing and display, was identified as a powerful influence, and it continues to be through time. Like bookstores, public libraries create awareness (for the portion of the population that are public library users) through browsing and display. In the 1978, it was cited by 14% of all book readers as a source of awareness of the last book read, but for public library users browsing and display was a source of awareness for 53% of the last book read reported on by those readers. (page 338, table 162)

The 2005 reading study reports 44% of book readers borrowed one or more books in the past 12 months, but has no data on last book read, and notes that this percentage cannot be used to compare with earlier studies to determine whether public libraries had become more important as a source of books for leisure reading. That study also reports on the role of public libraries in generating awareness of books, representing a source of awareness for 17% of book readers in general and 27% for the important category of heavy readers (Table 31, p.199). The study does not include an analysis of the impact of library display and browsing on public library users only, but it is clear that for these readers public library display and browsing is a major source of awareness. So, the report shows, is personal recommendation from librarians (cited by 10% of all readers).

Clearly public libraries reach only a percentage of total book readers, but together they are a powerful and important source not only of books for leisure reading, but also of awareness of books. Supplementing the impact of browsing and display is the digital public library catalogue, and public libraries' online presence including websites and social media. Sophisticated catalogue and circulation management software allows libraries to provide users with information about individual titles, but also recommendations for additional titles. With ebooks comes software which manages the circulation of ebooks, but also provides users with digital display of covers, information about titles and their authors, and recommendations of other titles. Taken together, these physical and digital information sources are likely to be at least as important in 2017 as simple browsing and display were in 1978.

Though we did not locate recent studies to document this, and we found no recent data on the role of public libraries in creating awareness of Canadian-authored titles, the available data underline the importance and potential of this role. While there is widespread understanding of the importance of public libraries as a source of books themselves, the research underlines their important parallel function as a source of information and awareness both physical (conveyed by books themselves) and digital.

The role of school libraries in awareness

We did not locate any research specifically addressing the role of school libraries in generating awareness of books. However, given the similarities in the operation of school and public libraries, it is reasonable to expect that school libraries are a major

source of awareness of the books that young readers read, as well as acting as a source for the books themselves. It's reasonable to expect that reader research would show that, alongside display and browsing, recommendations by library staff would be a major source of awareness. So would be the digital catalogues used in school libraries, and their function as recommendation engines.

Canadian books in library collections – user awareness and attitudes

The 2006 OBPO/OMDC study provides the best and most recent overview of the overwhelmingly positive attitude of public and school librarians towards Canadian authored books. The study reported that 55% of library respondents were "strongly" influenced to consider purchasing Canadian-authored or books with Canadian content. Larger libraries at 67% reported being strongly influenced by the fact that an author is Canadian vs 49% of smaller libraries. 82% strongly agree "it is important to have Canadian books in public libraries". (p.36)

Overall 66% of public libraries indicated that the proportion of Canadian-authored books in their collection had increased in the last five years. (p.47) Teacher-librarians (78%) also reported that the proportion of Canadian-authored books in the collections had increased in the last five years. (p.52)

The picture for Canadian readers is more complex. Attitudes and actions seem to diverge substantially. BookNet Canada's *Canadians Reading Canadians*, 2013, looked at the attitudes and practices of book buyers regarding the purchasing and reading of Canadian authors or on Canadian subjects. BNC found that book buyers who reported having read a Canadian author in the past year declined from 41% in 2001 to 24% in 2012 and also that 43% of respondents did not know whether they had read a Canadian author in the last year, up from 19% in 2002. (pp. 3-4). The 2017 version of this study, Canadians Reading Canadians 2017, shows a reversal of this trend with 44% now reporting that they had read a Canadian authored book in the past 12 months. But, as the report notes, this jump is at least in part a result of the high profile at the time of the survey of Handmaids Tale as a TV series, evidenced by the fact that the Canadian author respondents could name was Margaret Atwood (21% cited her) and Robert Munch was the next most often cited at 4%. The number who did not know if they had read a Canadian author declined from 43% in 2012 to 33%. The Atlantic book buyer survey in spring 2017 found that almost half of the region's book buyers could successfully name an Atlantic Canadian author, with a total of 189 different authors named. None of these studies sought to measure the share of reading represented by Canadian authored books.

BookNet followed up on the earlier study to see if library users who are also book buyers were reading Canadian authors, and if they were aware of which authors are Canadian. Surveying 1,005 book buyers for their 2014 study, *Checking Out Canadians: Are library users interested in Canadian content?*, BNC discovered that more book buyers who use the library reported reading a Canadian author in the past year at 30%, compared to 21% of non-library users. This good news was tempered by the

finding that 38% did not know if they had read a Canadian author, compared to 29% of non-library users. And 36% of all respondents did not know, up 19% from 2002.

Yet at the same time the 2014 study found that 70% of library users were impressed with and had a positive attitude towards Canadian authors and their books. When BNC looked at the perception of Canadian books, they found that "27% of respondents said they were interested in reading Canadian authors but did not know if they had read a Canadian author… . This information appears to point not to a lack of interest, but to a lack of awareness of who Canadian authors are, and perhaps to a shortage of identifying information on products or retail display that indicates Canadian authors." (pp. 5-8)

BNC explored the discoverability issue further with the help of a CULC survey that showed that 19% use an identifier such as the Canadian flag on the physical book, 12% dedicated part of stacks, 55% have occasional table displays while others cite booklists, literature guides, highlighting award-winners, as way in which to highlight Canadian books for patrons. Twenty percent of reporting public library systems indicate Canadian authorship in the library catalogue and 24% allow patrons to search by Canadian authorship. Twenty-eight percent said they did not know where to find complete and authoritative information on Canadian authorship. (pp. 9-11)

As noted Canadian publishers have addressed the above issue for, between 2011 and 2014, BNC saw a 146% increase in the use of the Canadian contributor fields in BiblioShare, indicating an awareness of the importance of highlighting Canadian authorship. (p.12).

When these surveys move from measuring reading of Canadian authors and knowledge of them to respondents' attitudes towards Canadian authors and books, the picture changes substantially. All these surveys document a very positive attitude on the part of public library users towards Canadian authors and Canadian books. The 2014 Booknet study reports: "We found that library users feel more strongly about Canadian authors, with 70% responding they are "moderately," "somewhat," or "very" impressed with Canadian authors. This compares to only 56% of non–library users who were moderately to very impressed. The 2012 Booknet consumer survey found a similarly positive attitude: 70% of book consumers were "moderately," "somewhat," or "very" impressed with Canadian authors." But this positive impression had declined from n 88% share in 2002. But the 2017 showed that this decline had been virtually reversed: Over the past 15 years, impressions of Canadian authors have improved. In 2017, 84% of book buyers were "moderately," "somewhat," or "very" impressed with Canadian-authored books, compared to only 70% in 2012." Among book buyers, public library users, and library professionals, the attitude towards Canadian authors and Canadian books remains very positive. There seems to be no doubt about the cultural value and importance of Canadian books of all kinds, including local and regional as well as national titles.

Canadian books count…

A Study of the Ontario School Library and Public Library Acquisition Process

A Report Prepared for:

The Organization of Book Publishers of Ontario
and
The Ontario Media Development Corporation

By:

February 2006

POLLARA Inc. (http://www.pollara.com), the largest Canadian public opinion and marketing research firm, helps its clients improve their performance through strategic research designed and analyzed by consultants who are experts in their fields.

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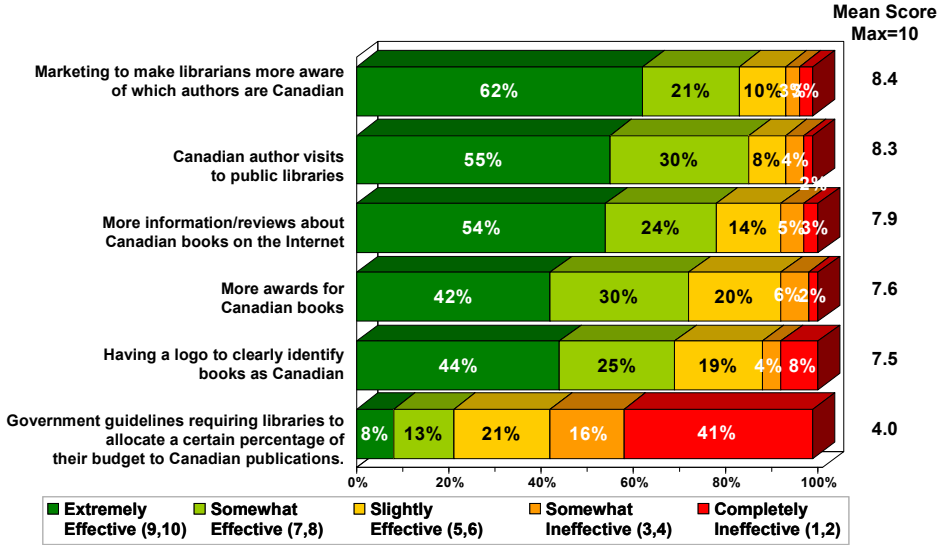
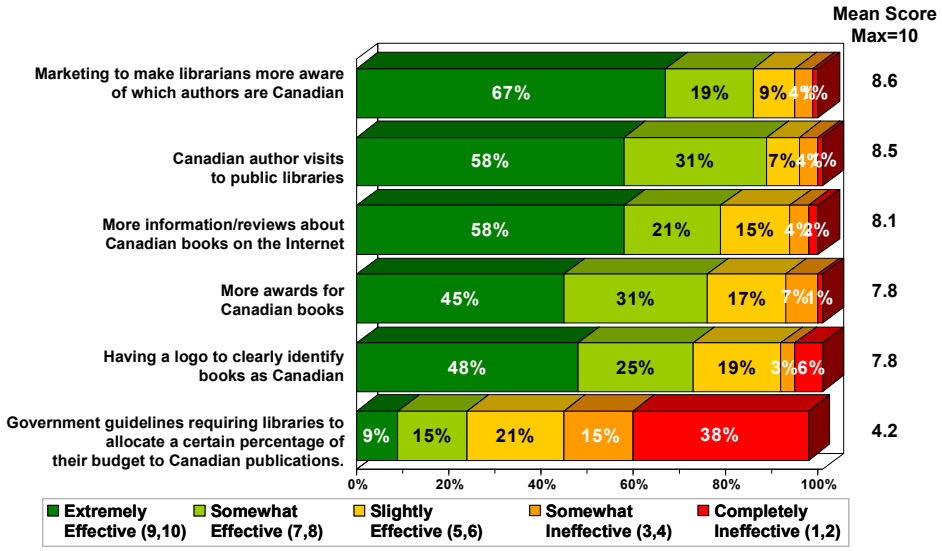
Encouraging Public Libraries (Overall) to Purchase More Canadian Content



Q: How effective do you think each of the following factors would be in encouraging you to purchase more Canadian content for your library? Please use a scale from 1 to 10 where 1 means completely ineffective and 10 means extremely effective.

Smaller Public Libraries



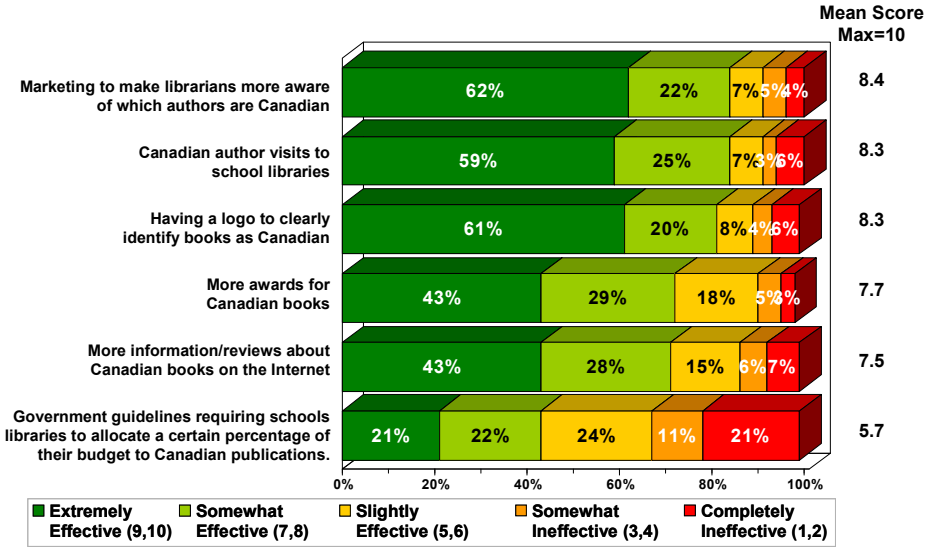
School Libraries

School Library respondents agreed with respondents from Public Libraries that "marketing to make librarians more aware of which authors are Canadian" would be the most effective way of encouraging them to purchase more Canadian content for their library. In total, 62% thought such a measure would be extremely effective and 22% thought it would be somewhat effective. "Canadian author visits to school libraries" and "having a logo to clearly identify books as Canadian" were considered almost as effective, with 59% and 61% respectively rating these as extremely effective and 25% and 20% rating them as somewhat effective.

Over two-thirds of survey respondents also indicated that "more awards for Canadian books" and "more information/reviews about Canadian books on the Internet" would be either somewhat or extremely effective in encouraging them to purchase more Canadian content for their libraries (72% and 71% in total, respectively).

The School Library respondents also agreed with their Public Library counterparts that "Government guidelines requiring school libraries to allocate a certain percentage of their budget to Canadian publications" would be the least effective of the measures proposed. However, 43% thought such guidelines would be either extremely (21%) or somewhat (22%) effective.

Encouraging School Libraries (Overall) to Purchase More Canadian Content



Q: How effective do you think each of the following factors would be in encouraging you to purchase more Canadian content for your library? Please use a scale from 1 to 10 where 1 means completely ineffective and 10 means extremely effective.

II. Executive Summary

This study was conducted to gain an understanding of the collection acquisition process of Public Libraries and School Libraries in Ontario, gather information on acquisition budgets, assess the proportion of Canadian books in current library collections, and determine the factors that influence book selection decisions. In addition, attitudes towards Canadian books in libraries were examined, and ways to encourage librarians to buy more Canadian books were identified, as were perceived barriers to increasing acquisitions of Canadian books.

The study was conducted in two phases. In Phase I, 22 in-depth interviews were conducted with various industry stakeholders, publishers and wholesalers. In Phase II, an on-line survey of 434 libraries was conducted.

No Common Process

Study findings indicate that there is no common acquisition process among public and school libraries, making it difficult for the publishing industry to use a systematic approach to market to this community. The majority of public library and school library purchases, however, are made through wholesalers (or "jobbers"). Overall, public libraries purchase 81% of the total dollar value of their books from wholesalers, and school libraries purchase 57% through them. Librarians, pressed for time, often rely on the lists and catalogues that they publish. As a result, wholesalers play an important role in title selection and acquisition.

The Role of Wholesalers

Survey respondents acknowledged the importance of the role played by the wholesalers. They deliver two important benefits to under-staffed and under-budgeted libraries: the convenience of one-stop shopping and volume discounts – and convenience and price are of particular importance to smaller libraries. Most publishers also recognize the importance of the role played by the wholesalers and direct their marketing effort at them, in an attempt to ensure that their books are included in the wholesalers' lists and catalogues.

By contrast, a few publishers still regard wholesalers and purchasing groups as functional vehicles to get the books from them to the libraries, while they are in fact an important player in the acquisition process. In some cases, particularly in smaller libraries, wholesalers will select the individual titles for entire categories of a library collection, or even a complete collection for a new library.

Factors that Influence Title Selection

Survey respondents ranked patron requests (public libraries) and curriculum connection (school libraries) as the most important factors driving their book selection decisions.

Awards and nominations, as well as book reviews, also play a significant role in influencing title selection. The Quill and Quire and the Globe and Mail are seen as important sources that librarians consult for book reviews. The Silver Birch Awards were frequently mentioned as being an important factor in title selection.

Clearly, members of the library community are very positive in their views of Canadian books and their importance. While it is "never the most important factor", Canadian authorship, content, setting and themes are generally taken into consideration when librarians select books for their collections.

Lack of Awareness of Canadian Books and Canadian Authors

However, there is insufficient knowledge across the industry of which books and authors are actually Canadian. In spite of this low awareness of Canadian authorship, respondents have expressed a desire to select Canadian books for their library collections. They are of particular importance to school libraries, where curriculum dictates some Canadian content. Also, schools want the children to "*see themselves in the books they read*".

Aside from budget cutbacks, the lack of awareness of Canadian books and authors combined with the difficulty in identifying Canadian authors was identified as the main barrier to increasing the number of Canadian authored books in library collections.

Need to Implement Measurement System

The majority of libraries do not currently track Canadian authored books in their collections. Indeed, in addition to the difficulty in identifying Canadian authored books, which in itself represents a major obstacle to acquiring more Canadian books, one of the problems with tracking and measuring Canadian authorship within current library collections is that there is no standard definition of what constitutes a Canadian author. This needs to be addressed before any measurement system can be implemented.

A common definition will also allow for better identification and focus on Canadian books in the marketing process.

Developing a tracking code, based on an industry definition of "Canadian books", will be critical to the implementation of an ongoing measurement system of Canadian book sales. After facing a similar challenge, the television industry had to develop specific codes in order to track Canadian content. Television stations cooperated to jointly develop a definition and related codes that would allow the set up of a tracking system.

Publishers and wholesalers need to take a similar approach to develop a common definition of what the industry considers to be a "Canadian book". This will allow them to develop a code to enable publishers and wholesalers to track all sales of Canadian books. Inventory and shipping software programs should be adapted accordingly to flag Canadian books, using this code, throughout the acquisition and cataloguing process.

Encouraging Librarians to Buy more Canadian Books

Respondents' suggestions on ways to encourage librarians to purchase more Ontario and Canadian authored books were consistent with the perceived barriers identified in the survey. The measures thought to be most effective revolve primarily around raising awareness of Canadian authored books, and making those books easier to find and identify. They also suggest that increased library budgets and government grants aimed at the specific purchase of Canadian books would also contribute to raising Canadian content in library collections. Over half the respondents, however, rejected the proposal of "*government guidelines requiring libraries to allocate a certain percentage of their budget to Canadian publications*".

Library Purchases

While librarians often do not have easy access to financial data, and many found it difficult to provide a breakdown of their budget for library purchases, particularly in terms of the proportion of Canadian content, the financial data collected provides a solid estimate of total spending, especially in the public library sector. In total, 309 School Libraries and 125 Public Libraries responded to the online survey – the 125 public libraries that responded represent 70% of Ontario active library cardholders.

Based on the findings from the survey, we can estimate total public library expenditures on materials in 2004 to be $57,378,620.

In order to further confirm our estimate of total spending among public libraries, we compared it to two other sources. First, we found that this amount is in line with the results from the 2003 Ontario Ministry of Culture Libraries Survey in which Ontario libraries had total library materials

expenditures of $54,001,808. We also compared the total estimate to a third amount calculated using information provided by wholesalers, which provided an estimate of approximately $56,500,000.

With regards to school libraries, we found it more relevant to calculate an estimate of materials expenditure per student, rather than extrapolate to the entire market from the partial financial information provided. The average per student spending is estimated to be $13.03 per student.

As can be expected, given the lack of awareness of Canadian authors mentioned earlier, close to half of the respondents could not indicate the percentage of Canadian authored books in their collection. Among those who provided an answer to this question, the average percentage is estimated to be 26% among public libraries and 34% among school libraries.

Communicating with Librarians

Librarians would like information about Canadian books to be communicated to them in a number of ways. While there is no consensus regarding a preferred method, electronic means such as email and Internet were most frequently mentioned, including monthly emailed newsletters distributed through library service listserves and other similar services. General media, book reviews and journals are also a good source.

In its communications efforts, the publishing industry might want to emphasize the concepts that received the strongest agreement scores from survey respondents. The librarians most strongly agree that it is important "*to have Canadian books in libraries*" and "*to encourage the writing and publishing of Canadian books*". Clearly, support for authors and creators would be viewed very positively. Agreement was not as strong with statements referring to "*Canadian values*" and to those values being different and being reflected in our books.

Recommendations

Based on the findings of the study, we would recommend that the following initiatives be undertaken to encourage librarians to buy more Canadian books, and to assist the industry in measuring sales of Canadian books:

- As mentioned earlier in this summary, one of the priorities is to first develop an industry-accepted definition of what constitutes a Canadian author – Is it someone who was born in Canada? Someone who lives in Canada? Someone who is published by a Canadian publisher? (For example, one of the wholesalers said that they measure Canadian

authorship using a set of criteria such as Canadian Publisher, Canadian Author, Canadian Illustrator and Canadian Content. If the book satisfies at least two of these criteria, it is considered Canadian.) Publishers and wholesalers need to cooperate to develop this definition.

- Once a definition of "Canadian book/author" has been agreed to, a process needs to be initiated to systematically track sales of Canadian books throughout the acquisition and cataloguing process. Publishers' and wholesalers' inventory and shipping software programs should be adapted to include a "Canadian code" developed from the definition, to flag all Canadian sales at the distribution point. The detailed description of books provided at the source (ISBN, etc.) could also include this Canadian code so that it would be tracked through the entire selling and cataloguing process by publishers, wholesalers and librarians.

- Increased marketing and promotional efforts focused specifically on Canadian titles:

    - marketing efforts aimed at increasing awareness of Canadian authors should target all the various decision-makers and influencers, including librarians and other library staff, CEO's of public libraries, school principals, wholesalers and distributors, as well as the general public – "*more marketing aimed at readers and clientele…", "higher profile would lead to more patron requests"*

    - provide libraries with materials that can be immediately used as promotion to increase awareness among their readers (free posters, bookmarks, etc.)

    - because of the importance of word-of-mouth in marketing books to librarians, "*creating a buzz*" is key – through promotional activities and getting positive reviews that will get people talking

    - assist libraries in arranging author visits

    - make more information and reviews about Canadian books available on the Internet

- Make it easier to identify Canadian books – identify books more clearly in showrooms and catalogues. Aside from offering separate sections exclusively for Canadian books, this could be done by adding a (maple leaf) logo to the publications and on the books themselves to clearly identify books as Canadian. Relevant websites could also include a

B. Factors Influencing Book Selection

Respondents were presented with a list of factors and were asked to indicate whether each one influenced their libraries' book selection decisions "*strongly", "somewhat", or "not*".

Public Libraries

Public Libraries indicate that requests from patrons and staff have the greatest influence on their book selection decisions. The fact that a book is "Canadian", as well as book awards, nominations and reviews also strongly influence their book selection.

Book awards, nominations and reviews are much more important to large public libraries than they are to the smaller ones, as are Canadian authorship and content.

Overall, 82% of respondents said that patron requests strongly influence the book selection decisions and 18% said they somewhat influence the decisions. Staff requests also play an important role in influencing book selection decisions. 58% of respondents said that these strongly influence book selection and 35% said they somewhat influence it.

Libraries also select books based on awards and nominations (54% strongly influence, 45% somewhat influence) and book reviews (50% strongly influence, 44% somewhat influence).

As mentioned earlier, large libraries are much more likely to consider these latter factors than smaller libraries, with 83% of large libraries indicating they were "strongly influenced" by book awards and nominations, compared to 49% of smaller libraries, and 67% of large libraries vs. 48% of smaller ones saying they are "strongly" influenced by book reviews.

Respondents also consider whether the book is Canadian authored (55% strongly influence, 42% somewhat influence) or whether it has Canadian content, settings and/or themes (50% strongly influence, 49% somewhat influence). The fact that the book is illustrated by a Canadian also has an impact on the selection decision (30% strongly influence, 54% somewhat influence).

The fact that a book is "Canadian" bears more weight in the book selection decisions of large libraries than it does in smaller libraries. While 67% of large libraries report being "strongly" influenced by the fact that an author is Canadian, 53% of smaller libraries feel the same way. And while 67% of

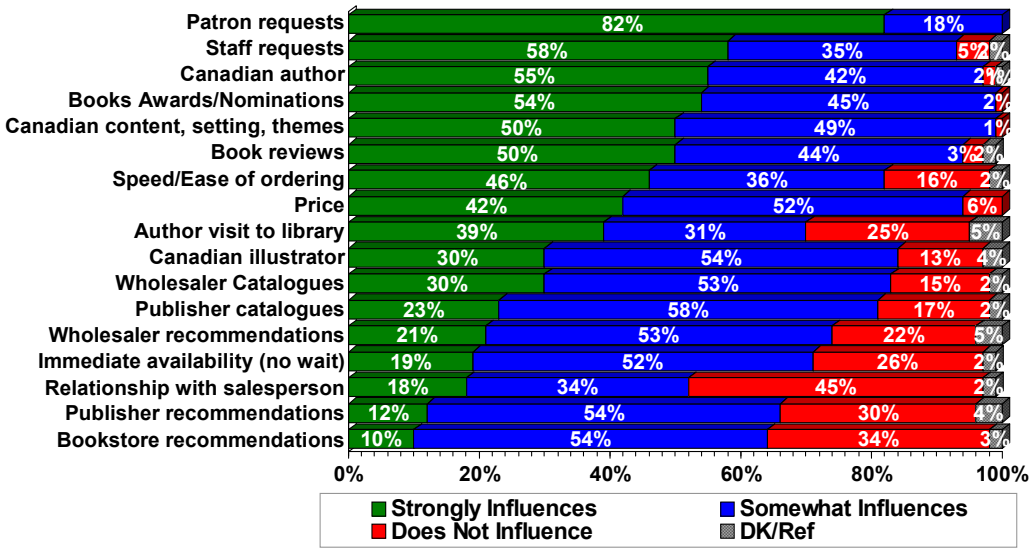
large libraries are “strongly” influenced by Canadian content, setting and themes, only 49% of smaller libraries are.

Convenience and Price also influence large and small libraries differently. Smaller libraries are more conscious of both, with 50% saying they are “strongly” influenced by Speed and Ease of Ordering and 46% saying they are “strongly” influenced by Price, compared to 28% and 17% respectively for large libraries.

Catalogues and recommendations appear lower on the list, but still play a role in the selection decision. Librarians indicate that catalogues and recommendations received from wholesalers are more influential than those received from publishers or bookstores.

The comprehensive charts that follow provide the detailed scores for each factor on the list.

Factors Influencing Public Library Book Selection Decisions – OVERALL



Q. Please indicate to what extent each of the following factors influences your library’s book selection decisions

C. Attitudes Towards Canadian Books

In order to gauge libraries' attitudes towards Canadian books, respondents were presented with a list of statements and they were asked how strongly they agreed with each statement using a 10-point scale where 1 meant they *strongly disagreed* and 10 meant they *strongly agreed*.

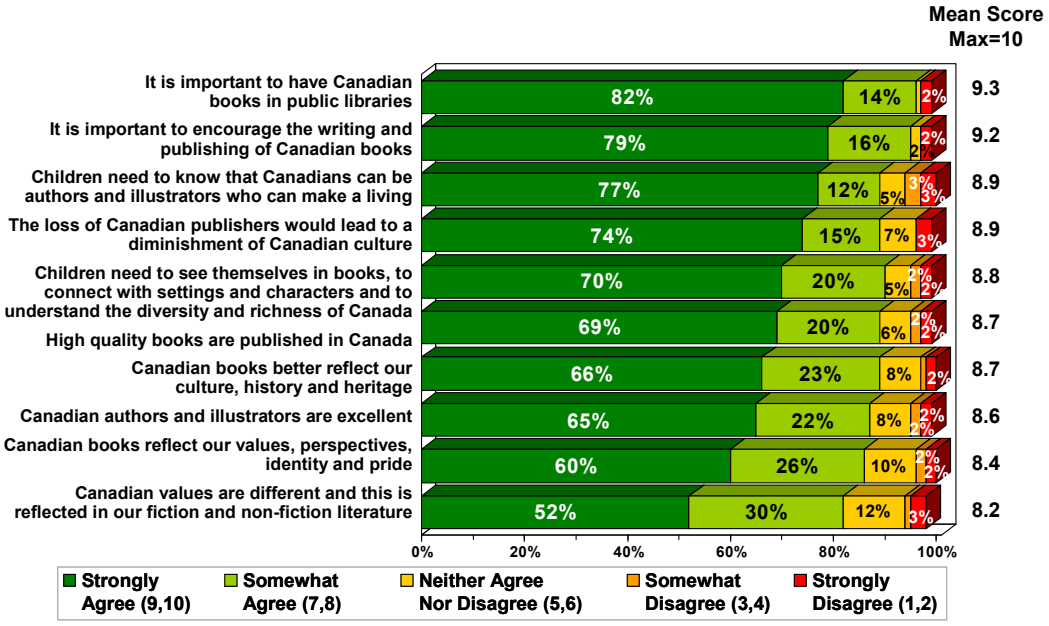
Public Libraries

Public Libraries are extremely positive in their view of Canadian books and their importance. Over half strongly agreed (scores of 9 or 10 out of 10) with every statement that they were presented with, and all scores were above 8, which is considered a good score.

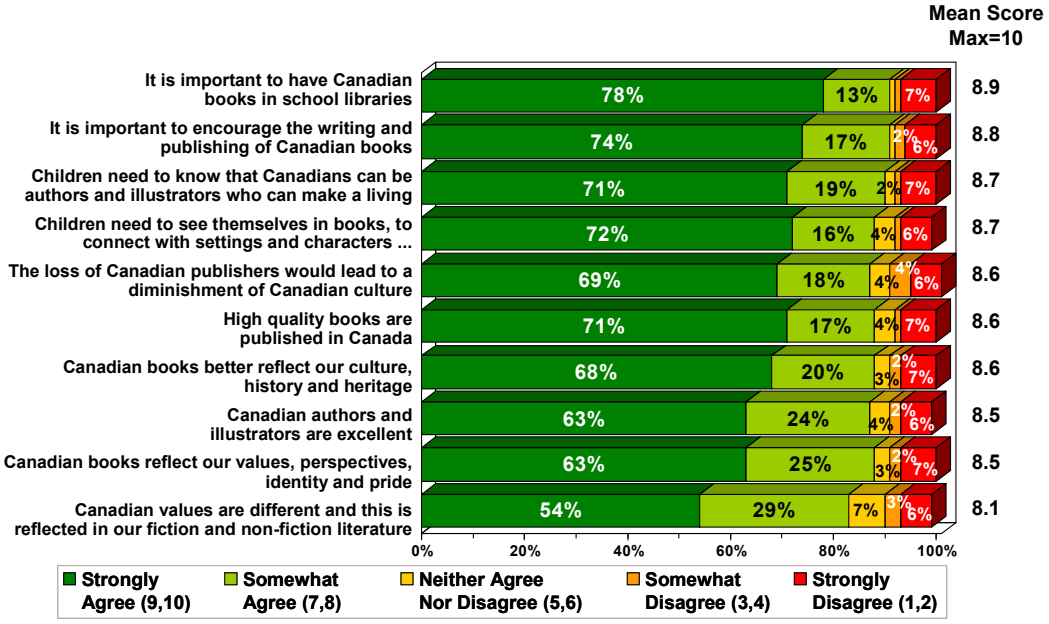
The statement that they most strongly agreed with is that "*It is important to have Canadian books in public libraries*", with 82% strongly agreeing, closely followed by *"it is important to encourage the writing and publishing of Canadian books",* with which 79% of librarians strongly agreed.

Agreement was lowest (although still strong) for the two statements that referred to Canadian values, *"Canadian values are different and this is reflected in our fiction and non-fiction literature",* and *"Canadian books reflect our values, perspectives, identity and pride".* However, only 4% of respondents either somewhat or strongly disagreed with these statements.

Public Libraries' Attitudes Towards Canadian Books - Overall

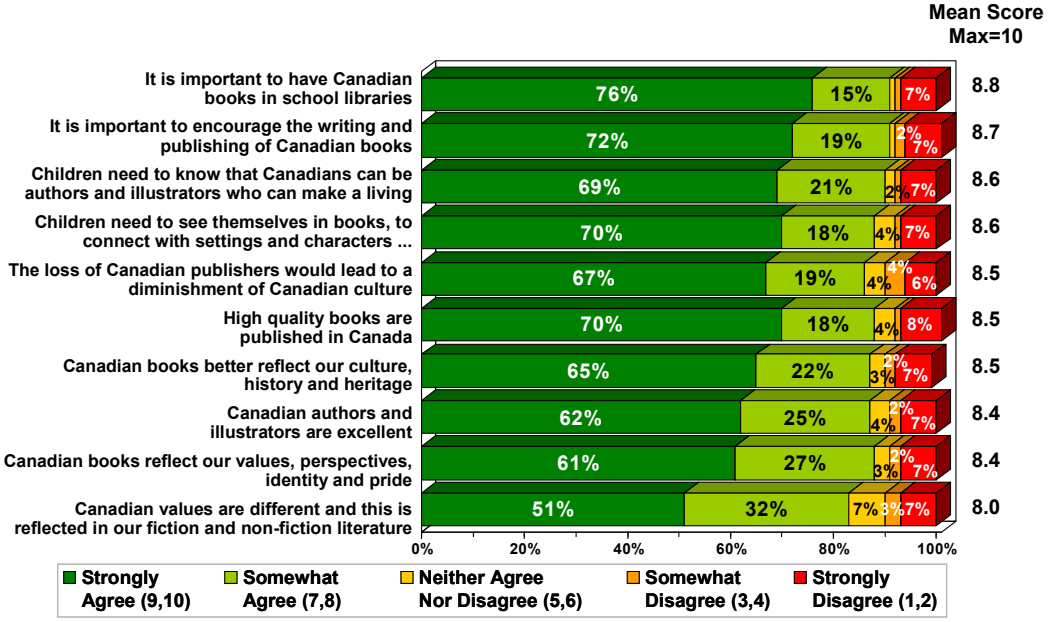


School Libraries' Attitudes Towards Canadian Books – Overall



Q: Please indicate how strongly you agree or disagree with the following statements using a scale from 1 to 10 where 1 means you strongly disagree and 10 means you strongly agree.

School Libraries' Attitudes Towards Canadian Books – Smaller Schools



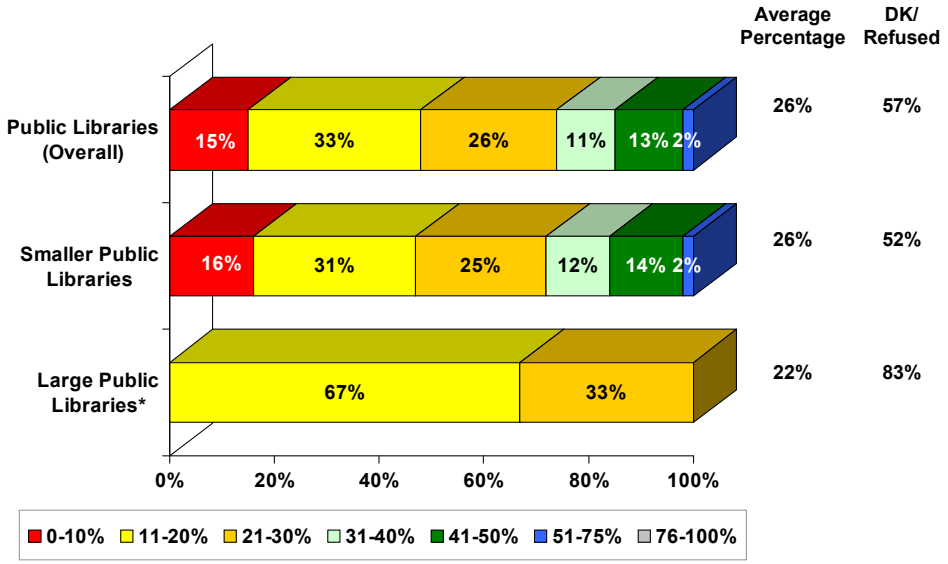
D. Canadian Books in Library Collections

The results of the survey confirm the opinions of key informants gathered in the first phase of this study regarding the lack of information available about the proportion of Canadian books in library collections. Indeed, findings indicate that awareness of Canadian authors is low and data regarding Canadian books is generally not tracked systematically in the library community.

Public Libraries

Over half (57%) of public libraries were unable to say what percentage of books in their library collections is Canadian authored. Among the largest libraries, only three of the 18 libraries responding were able to provide an answer to the question.

Percentage of Public Libraries' Books that are Canadian Authored



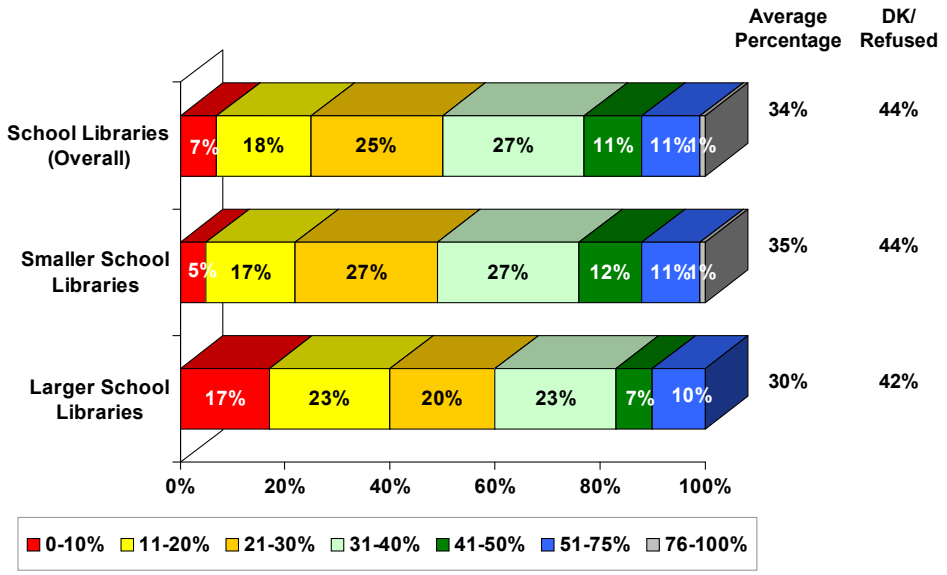
Q: Overall, what percentage of books in your library are Canadian authored? (Base : Those that provided an answer)

The average percentage of Canadian authored books among those that answered was 26%. The percentage was similar for both large and smaller libraries (22% and 26% respectively), however the percentage varied from library to library. Over half of libraries overall (59%) said that between 11-30% of their collection is Canadian authored, while at the lower end of the scale, 15% of libraries reported that 0-10% of books in their library are

School Libraries

As with the Public Libraries, a large percentage of School Libraries (44%) were unable to provide an estimate of the percentage of books in their library that are Canadian authored. However, of those that did provide an answer, they reported that, on average, 34% of books in their collections were Canadian authored. The percentage was slightly higher in smaller school libraries (35%) than in larger school libraries (30%). Almost three-quarters of schools (70%) said that between 11-40% of their collection was Canadian authored.

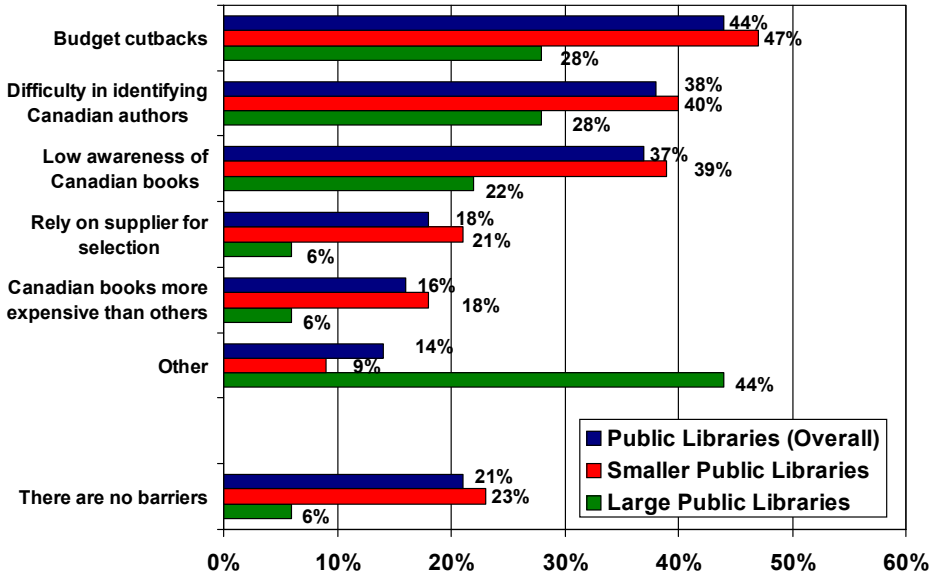
Percentage of School Libraries' Books that are Canadian Authored



Q: Overall, what percentage of books in your school library are Canadian authored? (Base : Those that provided an answer)

Over three-quarters (78%) of School Libraries indicated that, compared to five years ago, the proportion of books in their collections that are Canadian authored has increased. One in five (20%) said it has remained the same while only 2% said it has decreased. Smaller schools were more likely to report an increase than larger schools (81% vs. 63%) while the larger schools were more likely to say that the proportion had remained the same (33% vs. 18%)

Barriers to Having More Canadian Authored Books in Public Libraries



Q. What are the barriers to having more Canadian authored books in public libraries? (SELECT ALL THAT APPLY)

Fourteen percent of Public Libraries, including 44% of large public libraries (8 libraries), indicated that there were other barriers to having more Canadian authored books in Public Libraries. A few respondents, including 22% of large public libraries report that there are not enough Canadian books being published, either in general, or in certain subject areas. Another barrier is that there is not enough demand from library patrons for Canadian books and that they prefer to read best sellers, primarily from the U.S. A few also feel that they do not get enough information, particularly about small publishers. Specific comments include:

- *"May not be available in subject required."*
- *"Not enough selection in adult fiction"*
- *"Low to moderate demand"*
- *"Low interest in new Canadian authors"*
- *"Requests from patrons for 'best-sellers'" "Best-selling non-Canadians"*
- *"Patron preference not always Canadian"*
- *"The availability of cheap US paperbacks."*
- *"US companies are in your face advertisers"*

- *"No reliable reviewing media for Canadian"*
- *"Receiving publication info from small presses"*
- *"Small press/self-pub. hard to find"*

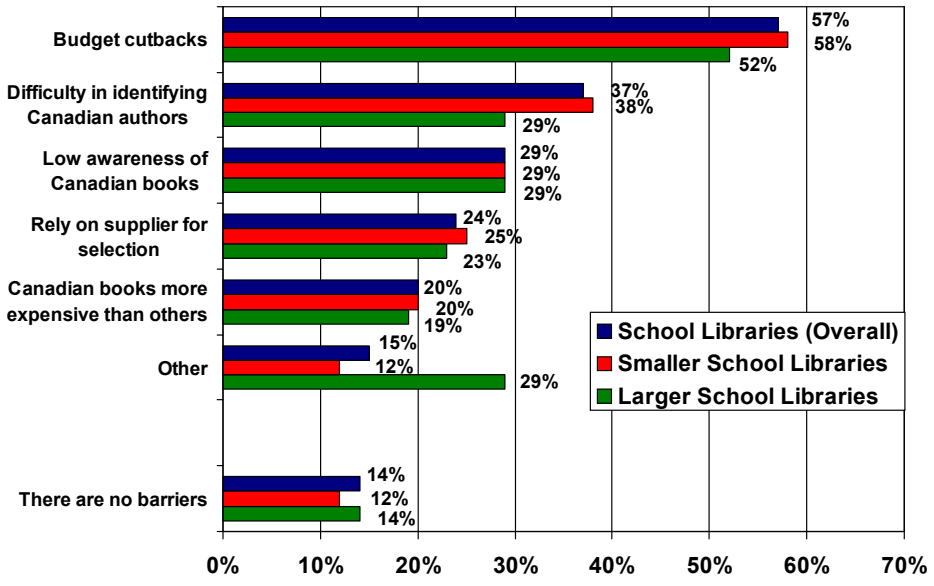
Overall, 21% of public libraries feel that there are no barriers to having more Canadian authored books in public libraries. Smaller public libraries are more likely to feel this way than large public libraries (23% vs. 6%).

School Libraries

As with Public Libraries, budget cutbacks were seen as the greatest single obstacle by School Libraries. However, this represents a greater problem for School Libraries than for Public Libraries, with 57% of School Libraries compared to 44% of Public Libraries, indicating this was a barrier to having more Canadian authored books in their libraries.

Again, low awareness of Canadian authors and Canadian books, combined, is seen as the greatest barrier to having more Canadian authored books in School libraries. Indeed, more than a third of respondents cite "difficulty in identifying Canadian authors" as a barrier to having more Canadian authored books in school libraries. This is slightly more of a problem for smaller schools 38% than for larger schools 29%. And 29% cite "low awareness of Canadian books" (29%) as a barrier.

Barriers to Having More Canadian Authored Books in School Libraries

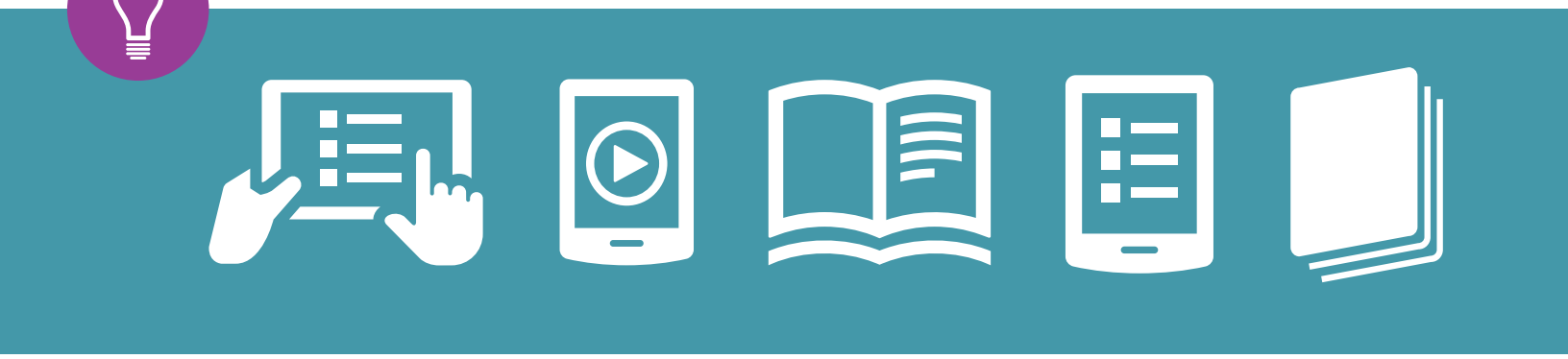


Q. What are the barriers to having more Canadian authored books in school libraries? (SELECT ALL THAT APPLY)

BNC RESEARCH

Checking Out Canadians

Are library users interested in reading Canadian content?



PREPARED BY BOOKNET CANADA STAFF

BOOKNET CANADA

Methodology

This study is a part of The Canadian Book Consumer, a BookNet Canada initiative that tracks book-buying behaviour in Canada over a two-year period.

BookNet Canada partnered with PubTrack Consumer, a service of R.R. Bowker LLC, for data collection and processing. PubTrack Consumer utilized online market research firm MarketTools Inc. to collect data from a representative Canadian panel.

Respondents were English-speaking residents of Canada, aged 18 years or older, who had purchased a minimum of one book, regardless of format, in the prior month. The panel included participants from all regions of Canada.

A statistically valid panel was built through monthly recruiting of book buyers who completed the Canadian Book Consumer survey about their book-purchasing behaviour. Monthly data was then rolled into a quarterly panel with a minimum of 1,000 respondents. This panel, consisting of 1,005 participants in Q3, was queried for the present study between July and September 2013.

BookNet Canada conducted a custom survey comprised of Q3 panelists who participated in the larger Canadian Book Consumer survey. The goal was to learn respondents' perceptions and attitudes towards Canadian books, authors, and subject matter. Findings were then compared to data from an equivalent consumer study published by the Association of Canadian Publishers in 2002.

Also included as part of this paper are the results of a survey conducted with librarians across Canada in November 2013. This survey was completed with the assistance of the Canadian Urban Libraries Council and received responses from a total of 36 librarians representing 31 library systems.

Introduction

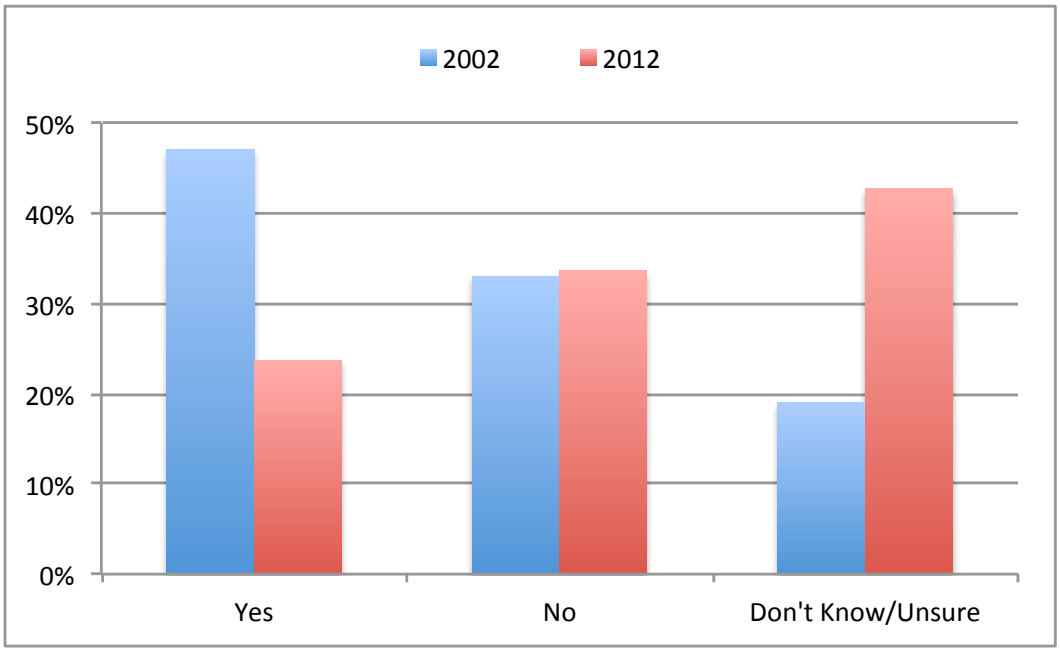
Book buyers who have read a Canadian author declined from **41%** in 2002 to **24%** in 2012

In February 2013 BookNet Canada released the study *Canadians Reading Canadians: How Interested Are Canadians in Reading Canadian Content?* The goal of this research was to review the attitudes and opinions of Canadian book-buyers when it comes to purchasing and reading books by Canadian authors or about Canadian subjects.

In this study BookNet Canada followed up on earlier research that was conducted by the Association of Canadian Publishers (ACP) in 2002. In 2002, the ACP released a consumer study titled *Canadian Book Buying Habits: What Influences Purchases?* BookNet Canada replicated the ACP's questions, creating the opportunity to measure how opinions have changed over this ten-year period.

One of the most poignant findings that came out of the BookNet Canada study was pertaining to the decline of book buyers reading Canadian authors and the increase in uncertainty over whether they had even read a Canadian author in the last year. Respondents who said they read a Canadian author declined from 41% in 2002 to 24% in 2012. Corresponding to this, we found that 43% of respondents did not know whether they had read a Canadian author in the last year, up from 19% in 2002. There was a similar trend over the past decade with Canadian subjects.

HAVE YOU READ A CANADIAN AUTHOR IN THE LAST YEAR?



Question: Have you read a book by a Canadian author in the last year?
(N=1005, ACP 2002 N=990)

The fact that 43% of respondents did not know if they had read a Canadian author in the past year indicates that there may be issues with discoverability or awareness. If you are a reader and don't know any Canadian authors, where do you go for that information?

Where Libraries Enter the Picture

30%
of library users have read a Canadian author in the past year

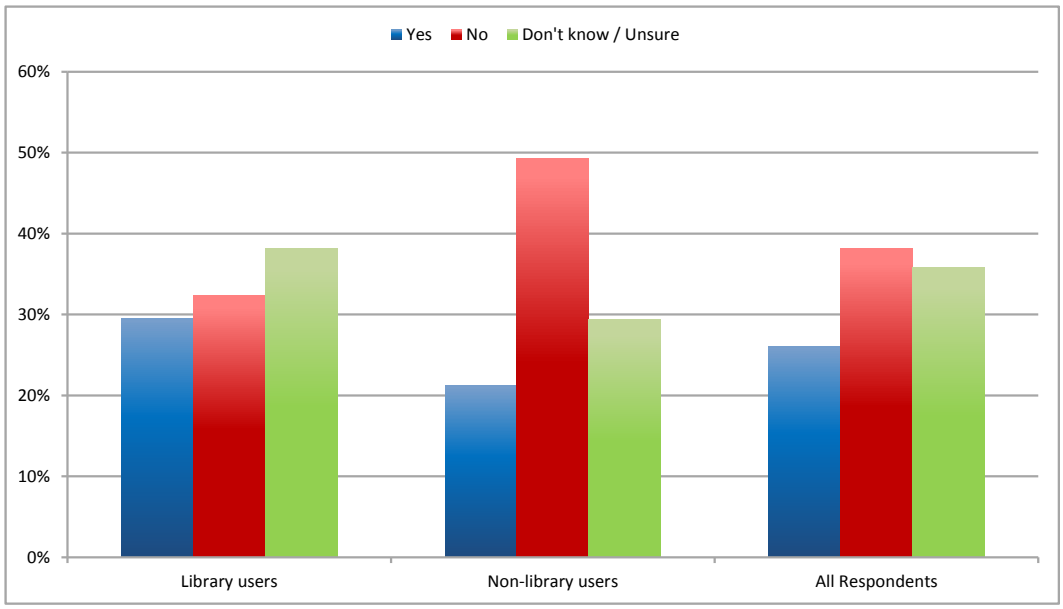
After *Canadians Reading Canadians* was released, BookNet Canada was asked to conduct some follow-up research to see whether these same findings apply to book buyers who use the library. It is important to emphasize that the focus of this work is not to review library collections, as we assume that Canadian public libraries provide their patrons with exceptional access to Canadian authors and content, but rather to assess patrons' ability to discover Canadian content, with a particular focus on online discovery. BookNet Canada works extensively with publishers in order to ensure that their bibliographic data includes the data points that are needed by the book industry, including Canadian authorship. Canadian publishers have done an immense amount of work in order to ensure they are delivering high quality bibliographic data for use throughout the book industry supply chain.

So BookNet Canada ran the same set of survey questions in Q3 2013, adding one additional question that asked whether the respondent had used a public library (online or in person) in the past 12 months. We received responses from 1,005 Canadians who had bought a book in the prior month, and a few of the results we found were surprising.

The graph below looks at whether respondents have read a Canadian author in the past year and breaks out this data by library users as compared to non–library users. Perhaps unsurprisingly, more library users claim to have read a Canadian author in the past year (30% as compared to 21% of non–library users). Similarly, fewer library users have not read a Canadian author (32% as compared to 49% of non–library users).

Where the responses start to diverge and perhaps become surprising is more library users (38%) do not know if they have read a Canadian author as compared to 29% of non–library users. Looking at all respondents, those who use the library and those who do not, we find that 36% do not know if they have read a Canadian author. This is up from 19% in 2002.

HAVE YOU READ A BOOK BY A CANADIAN AUTHOR IN THE PAST YEAR?



Question: Have you visited your public library (in person or online) in the past 12 months?
Crosstab question: Have you read a book by a Canadian author in the last year?
(N=1,005)

So why are we seeing such differences? This query led us to do a little head scratching, and then we contacted some experts—librarians in the field. A couple of feasible explanations that may contribute to these differences are that a lot of library loans are children's titles and there is a perception that there is less of a profile, or focus, on Canadian authors of YA and children's literature. While a few Canadian children's authors such as Robert Munsch and Jean Little come to mind, it is easier to recall a much longer list of authors that focus on adult fiction and non-fiction.

Similar to children's books, there are many non-fiction subject areas in which regional interest doesn't play much of a role, as with the borrowing of DVDs. As the survey we conducted was qualitative, we did not limit responses by the type of materials that a library patron borrowed.

Library users purchase
10%
more books than non-library users

Another possible contributing factor is cultural differences between library users and general book buyers in Canada. Slightly more book buyers who use the library were born outside of Canada (64%) than in Canada (59%). In our survey the difference in numbers is not significant, but the thinking is that library users tend to be quite culturally diverse and this may account for less interest in or knowledge about Canadian authors.

An additional possibility is that library users are likely to have read more books than non–library users in the previous 12 months, which may make it harder for the respondent to recall the nationality of all of the authors they read, resulting in greater uncertainty. Looking at our consumer data, we have found that library users purchase approximately 10% more books than non–library users.

Regardless of the reason, or whether library users are more or less aware than your average book buyer, the point is we are finding that library users also have a high level of uncertainty when it comes to whether they have read a Canadian author in the past year.

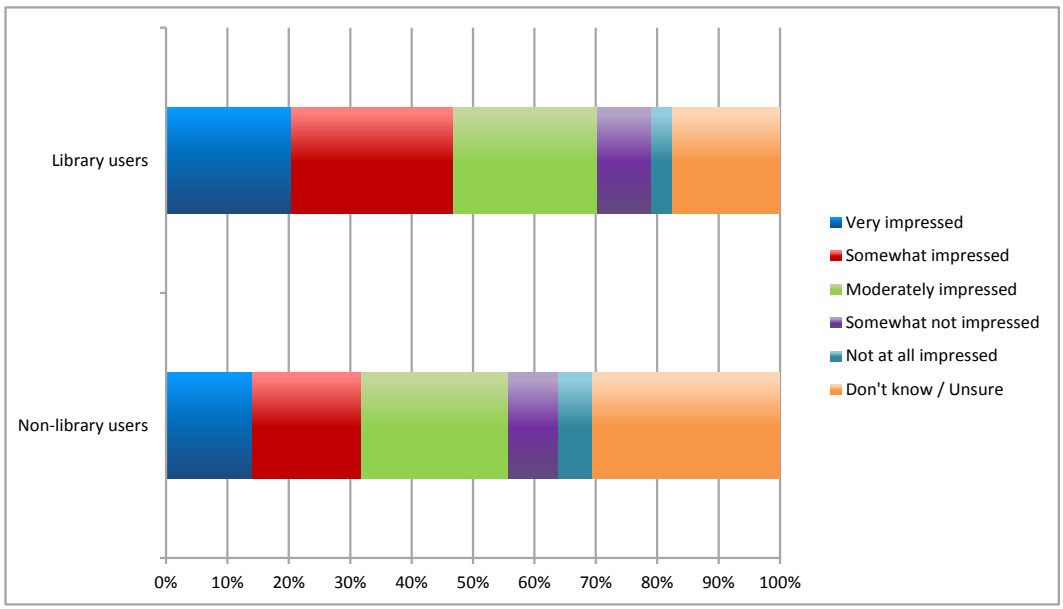
Perceptions of Canadian Books

70%
of library users said they are impressed with Canadian authors

As in our earlier study, we need to look at whether Canadian library users are really interested in reading Canadian authors and whether this differs from non–library users. What we did was cross-tabulate the questions "How interested are you in reading books by Canadian authors?" and "Have you read a book by a Canadian author in the past year?" This allows us to explicitly look at respondents who are interested in reading Canadian books and whether they are aware of whether they have done so in the past year. We found that 27% of respondents said they are somewhat or very interested in reading Canadian authors but did not know if they had read a Canadian author in the past year, as compared to only 18% of non–library users. This information appears to point not to a lack of interest, but to a lack of awareness of who Canadian authors are, and perhaps a shortage of identifying information on products or retail displays (physical and online) that indicates Canadian authors.

We also asked respondents, when thinking generally about their impressions of books, how impressed they are by books written by Canadian authors. We found that library users feel more strongly about Canadian authors, with 70% responding they are "moderately," "somewhat," or "very" impressed with Canadian authors. This compares to only 56% of non–library users who were moderately to very impressed.

IMPRESSION OF BOOKS WRITTEN BY CANADIAN AUTHORS



Question: Have you visited your public library (in person or online) in the past 12 months? Crosstab question: Thinking generally about your impressions of books written by Canadian authors, how impressed would you say you are? (N= 1,005)

Discoverability of Canadian Authors

If 38% of library users don't know if they have read a Canadian author in the past year, where are they finding information on Canadian books and authors?

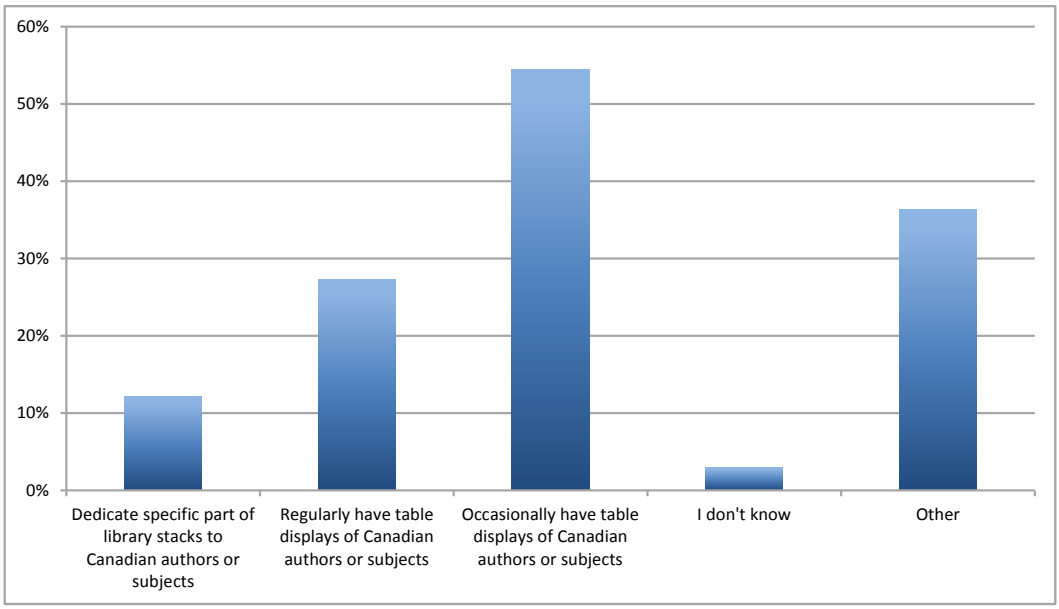
Major online retailers do not list a Canadian flag associated with specific titles, offer Canadian search limiters, or provide any other indicators of Canadian authors or subjects. Some retailers do offer Canadian lists or a Canadian store. Websites such as 49th Shelf (49thshelf.com) feature Canadian books, and readers are able to find Canadian bestseller lists in sources such as *The Globe and Mail*. While not directly consumer-facing, BNC CataList also offers the ability to access and export Canadian authorship data—a public version of the website is also available.

In order to explore discoverability in libraries, with the assistance of the Canadian Urban Libraries Council, BookNet Canada circulated a short survey asking librarians how they are enabling their patrons to discover Canadian authors. In total we had responses from 36 librarians representing 31 library systems from across Canada. While this is not an incredibly large number of responses, most major library systems are represented and we feel that the data is representative enough to generalize about some trends and areas of interest.

When looking at how libraries treat physical product, three quarters of librarians said they include a Canadian flag on the book or product spine (CD, DVD, etc.), while 19% of librarians said they indicate this via other means, such as a non-fiction "c" prefix or through subject classification.

Within the library, 12% of librarians said they dedicate part of their stacks to Canadian content (author or subject); note that this may be a regional section or one dedicated to more general Canadian content. 55% of librarians said that they only have occasional table displays, while the "other" responses include literature guides, booklists, sections for regional content, and the presentation of Canadian award nominees and winners.

PROMOTION OF CANADIAN AUTHORS OR SUBJECTS IN THE LIBRARY

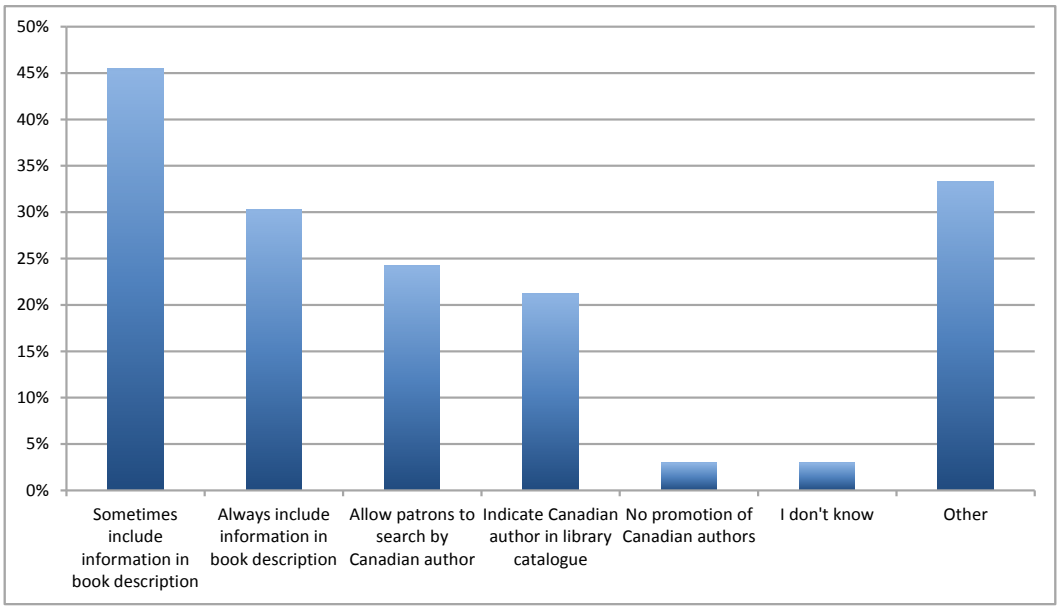


Question: How do you promote Canadian authors or subjects in your library? (Please select all that apply)
(N= 33)

When speaking specifically about library catalogues, we found that just over 20% of responding libraries are indicating Canadian authorship in their catalogue and just under a quarter (24%) allow patrons to search by Canadian authorship. Libraries do undertake other initiatives such as including information in the book description, but when it comes to discoverability this information may be difficult for patrons to find when they are seeking Canadian materials.

Respondents who chose “other” as an answer cited practices such as highlighting Canadian award winners on the library website and having separate lists of Canadian books in the library catalogue (e.g., Canadian award winners or staff recommendations).

PROMOTION OF CANADIAN AUTHORS OR SUBJECTS IN LIBRARY CATALOGUES



Question: How do you promote Canadian authors or subjects in your library's catalogue? (Please select all that apply) (N= 33)

In BookNet Canada's discussions with libraries we have heard that many library systems find it difficult to find authoritative information on Canadian authorship. We asked librarians in our survey where they tend to find that information: 28% said they don't know where to find complete and authoritative information on who is a Canadian author, and 6% said they don't look for this information. The most commonly used sources are journals, library databases, online searches, author websites, and staff knowledge.

BookNet Canada's Provision of Data

BiblioShare provides libraries with free access to over 1.6 million bibliographic records

For a number of years, BookNet Canada has been developing BNC BiblioShare, a bibliographic database that aggregates and disseminates information to the Canadian book supply-chain. One of the data points that is handled in the ONIX records is the country indicator in the contributor composite—a simple, straightforward way for publishers to indicate that their work has a Canadian contributor. The term "contributor" in this context may extend to author, illustrator, or other types of contributor. Between April 2011 and April 2014, we have seen a 146% increase in the use of the Canadian contributor field. Whether it is to flag a Canadian author or to be considered for inclusion in a Canadian bestseller list, publishers appear to be increasingly aware of the importance of promoting and marketing Canadian content.

BISAC subject codes[1] are the current North American standard that publishers use to tell retailers or libraries into which category or section of a bookstore a book might be placed. Think of it as a generalized cataloguing system for the trade book industry.

To provide help in identifying books of specific interest, BISAC has established merchandising codes, which are not often used in Canada, and a system to identify regional themes.[2] At the moment, the formal list identifies provinces and a limited number of cities and sub-regions, but further refinement has been ongoing. This allows for greater flexibility, as the theme can be as loosely geographical as the Canadian Rockies, and has the potential to be as specific as a Montreal neighbourhood. It's just a matter of enough books being published about a regional subject to make it a viable theme—book publishing subject lists always require enough books being currently published about a subject to make it useful. This rule applies both to the BISAC Subject Code and the BISAC Regional Theme. The standard rule of thumb would be 100 active titles to support a code value.

1 "Classification Schemes (including BISAC Subjects)," Book Industry Study Group, http://ftp.bisg.org/what-we-do-cat-20-classification-schemes-including-bisac-subjects.php.
2 "BISAC Regional Themes (version 1.1)," Book Industry Study Group, http://ftp.bisg.org/what-we-do-20-10-bisac-regional-themes-version-11.php.

There is a new publishing subject standard being developed, Thema, and the primary difference between Thema and BISAC is that Thema is international, while BISAC is focused solely on North American publishing. Otherwise the general concept of the codes being tied to actual use is similar, though Thema subjects can be 'qualified' with the addition of codes for geography, historical period, language, educational purpose, interest (includes merchandising codes), and artistic style. While the subject codes might be argued to be a bit constrained to support international neutrality, they are balanced by a feature of Thema: National groups can add codes to the qualifier lists. So using the geography list as an example, Thema supports the country- and continent-based codes you would expect, but the Canadian national group has already added over 180 codes breaking down the "Canada" code into some very specific regions. The hierarchical nature of the codes allows out-of-country groups to take the codes to the level of interest suitable for their market, while supporting each country with as much detail as they care to request for support.

For any publishing subject standard a regional theme is intended to refer to the book's content (there are separate means in ONIX to identify the author's hometown) and should be used to highlight a book for regional opportunities such as cataloging considerations for regional libraries, regional promotions and media, and regional purchase by booksellers, libraries, and retailers.

BookNet Canada is also in the process of adding basic ONIX-to-MARC exporting from BiblioShare. This will allow MARC records to include Canadian authorship data. Stay tuned for more information.

If you are interested in seeing what free services BiblioShare has to offer your library, please email biblioshare@booknetcanada.ca and we will get you started.

Conclusion

BookNet Canada would like to issue a challenge to Canadian libraries: examine the effectiveness of your promotional efforts around books authored by Canadians or about Canadian subjects. When you put together a display of Canadian award winners or Canadian authors, do these titles circulate more? When you create a resource on your website that gives librarian picks of Canadian authors or new Canadian content, do you see an increase in visits to those pages or increased circulation? If the answer is yes, then take some time to look at how searchable this information is in your library catalogue. Can patrons limit their search criteria to Canadian authors? Are Canadian titles visually flagged in your catalogue?

Canadian publishers have done a lot of work over the past several years to include this regional and Canadian information in their bibliographic data. Most Canadian and many of the multinational publishers now include the country indicator in the contributor composite of their ONIX files, actively promoting the fact that their work is Canadian.

Canadians (and library users) are telling us that they want to read books by Canadian authors and about Canadian subjects. The fact that close to half of our respondents don't know if they have read a Canadian author in the past year indicates that work may be needed in other areas: specifically, improvements to discoverability to make it easier for readers to find Canadian content.

Whether we are talking about libraries, publishers, or retailers, we should do all we can to make this information as accessible as possible. Rich ONIX data that flags Canadian contributors and identifies regional themes was an excellent first step, and now that much of this content is readily available to libraries, at no cost, we urge you to take note of it and use as much of it as you can.

Acknowledgements

ABOUT BOOKNET CANADA

BookNet Canada is a non-profit organization that develops technology, standards, and education to serve the Canadian book industry. Founded in 2002 to address systemic challenges in the industry, BookNet Canada supports publishing companies, booksellers, wholesalers, distributors, sales agents, and libraries across the country.

BookNet Canada's services and research help companies promote and sell books, streamline workflows, and analyze and adapt to a rapidly changing market. BookNet Canada sets technology standards and educates organizations about how to apply them, performs market research, and tracks 85% of all Canadian print book sales through BNC SalesData.

Industry-led and partially funded by the Department of Canadian Heritage, BookNet Canada has become, as The Globe and Mail puts it, "the book industry's supply-chain nerve centre."

We acknowledge the financial support of the Government of Canada through the Canada Book Fund (CBF) for this project / *Nous reconnaissons l'appui financier du gouvernement du Canada par l'entremise du Fonds du livre du Canada (FLC) pour ce projet*

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To learn more about BookNet Canada Research visit BNC Research and Education.

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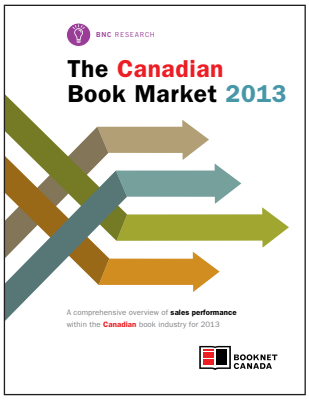
Cover Design and Layout: MRd Michael Ralph design inc. | mrdesign.ca

Also available from BookNet Canada



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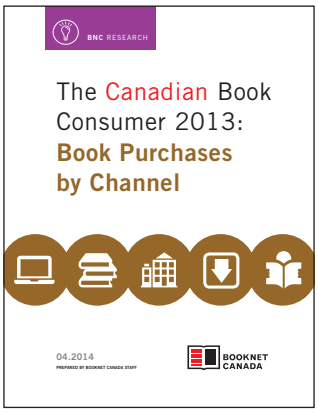

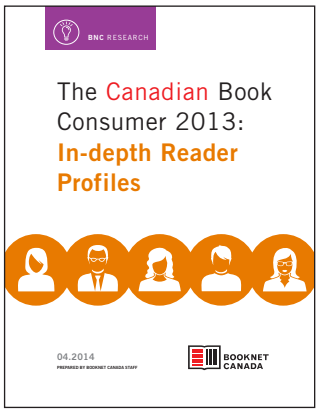

These consumer research reports provide an in-depth look at Canadian book buyers: their reading preferences, their adoption of digital content, their buying habits, and more.

www.booknetcanada.ca/consumer-studies

Canadian Urban Libraries Council
Conseil des Bibliothèques Urbaines du Canada

2015 CANADIAN PUBLIC LIBRARY STATISTICS

Report prepared by Jennifer Marriott
for the Canadian Urban Libraries Council (CULC)/Conseil des Bibliothèques Urbaines du Canada (CBUC)

A – General Information

Library Name	Population	City	Province	Postal Code	Library Director	Director's Phone Number	Director's Fax Number	Director's Email Address	Website	Number of Locations	Does this system have a central library?
Toronto Public Library	2,826,498	Toronto	ON	M4W 2G8	Vickery Bowles	416-393-7032	416-393-7083	citylibrarian@torontopubliclibrary.ca	www.torontopubliclibrary.ca	100	Yes
Montréal, Bibliothèque de	1,731,245	Montréal	QC	H3C 0G4	Ivan Filion	514-872-1608	514-872-5588	ifilion@ville.montreal.qc.ca	bibliomontreal.com	45	No
Ottawa Public Library	951,727	Ottawa	ON	K1P 5M2	Danielle McDonald	613-358-0242 x32189	613-567-8815	Danielle.mcdonald@biblioottawalibrary.ca	www.biblioottawalibrary.ca	33	Yes
Edmonton Public Library	877,926	Edmonton	AB	T5J 2V4	Pilar Martinez	780-496-7050	780-496-7097	pmartinez@epl.ca	www.epl.ca	18	Yes
Mississauga Library System	766,000	Mississauga	ON	L5B 3Y3	Rose Vespa	905-615-3200 x3601	905-615-3625	rose.vespa@mississauga.ca	www.mississauga.ca/library	18	Yes
Fraser Valley Regional Library	706,117	Abbotsford	BC	V2S 5Y1	Scott Hargrove	604-859-7141 x7004	604-859-4788	scott.hargrove@fvrl.bc.ca	www.fvrl.ca	25	No
Winnipeg Public Library	704,800	Winnipeg	MB	R3C 3P5	Rick Walker	204-986-6472	204-942-5671	rwalker@winnipeg.ca	winnipeg.ca/library	20	Yes
Vancouver Public Library	618,500	Vancouver	BC	V6B 6B1	Sandra Singh	604-331-4003	604-331-4080	sandra.singh@vpl.ca	www.vpl.ca	21	Yes
Brampton Library	571,700	Brampton	ON	L6W 3L6	Rebecca Raven	905-793-4636 x4344	905-453-0810	rraven@bramlib.on.ca	www.bramptonlibrary.ca	7	No
Hamilton Public Library	545,850	Hamilton	ON	L8N 4E4	Paul Takala	905-546-3200 x3214	905-546-3202	ptakala@hpl.ca	www.hpl.ca	23	Yes
Surrey Libraries	526,004		BC	V3T 4B8	Melanie Houlden	604-598-7305	604-598-7310	mghoulden@surrey.ca	www.surreylibraries.ca	9	Yes
Vancouver Island Regional Library	418,831	Nanaimo	BC	V9R 5N3	Rosemary Bonanno	250-729-2313	250-758-2482	rbonanno@virl.bc.ca	www.virl.bc.ca	39	No
Halifax Public Libraries	390,342	Dartmouth	NS	B2Y 4P8	Åsa Kachan	902-490-5868	902-490-5762	kachana@halifaxpubliclibraries.ca	www.halifaxpubliclibraries.ca	14	Yes
London Public Library	381,310	London	ON	N6A 6H9	Susanna Hubbard	519-661-5143	519-663-5396	susanna.krimmer@lpl.london.on.ca	www.londonpubliclibrary.ca	16	Yes
Markham Public Library	349,984	Markham	ON	L3P 3A7	Catherine Biss	905-513-7977 x5999	905-471-6015	cbiss@markham.library.on.ca	www.markhampubliclibrary.ca	7	No
Greater Victoria Public Library	320,321	Victoria	BC	V8W 3H2	Maureen Sawa	250-413-0353	250-385-5971	msawa@gvpl.ca	gvpl.ca	10	Yes
Bibliothèque municipale de Gatineau	284,135	Gatineau	QC	J8X 3Y9	Carole Laguë	819-243-2345 x2548	819-243-2399	lague.carole@gatineau.ca	bibliotheque.gatineau.ca	11	Yes
Saskatoon Public Library	255,194	Saskatoon	SK	S7K 0J6	Carol Cooley	306-975-7575	306-975-7542	c.cooley@saskatoonlibrary.ca	www.saskatoonlibrary.ca	8	Yes
Richmond Hill Public Library	203,211	Richmond Hill	ON	L4C 0H5	Louise Procter Maio	905-770-0310 x420	905-770-0312	lproctermaio@rhpl.ca	www.rhpl.richmondhill.on.ca	4	Yes
Richmond Public Library	201,303	Richmond	BC	V6Y 1R8	Greg Buss	604-231-6418	604-278-0459	greg.buss@yourlibrary.ca	www.yourlibrary.ca	4	Yes
Regina Public Library	193,100	Regina	SK	S4P 3Z5	Jeff Barber	306-777-6099	306-949-7263	jbarber@reginalibrary.ca	www.reginalibrary.ca	9	Yes
Burlington Public Library	186,241	Burlington	ON	L7R 1J4	Maureen Barry	905-639-3611 x1100	905-681-7277	barrym@bpl.on.ca	www.bpl.on.ca	7	No
Idea Exchange	134,900	Cambridge	ON	N1S 2K6	Helen Kelly	519-621-0460 x120	519-621-2080	hkelly@ideaexchange.org	www.ideaexchange.org	4	Yes
Coquitlam Public Library	127,809	Coquitlam	BC	V3J 6A9	Todd Gnissios	604-937-4132	604-931-6739	tgnissios@coqlibrary.ca	www.coqlibrary.ca	2	No
Waterloo Public Library	117,700	Waterloo	ON	N2L 5E2	Cathy Matyas	519-886-1310 x123	519-886-0296	cmatyas@wpl.ca	www.wpl.ca	2	Yes
Thunder Bay Public Library	108,359	Thunder Bay	ON	P7B 1A9	John Pateman	807-684-6802	807-344-5119	jpateman@tbpl.ca	www.tbpl.ca	4	No
Median	**385,826**									**11**	
Total	**14,499,107**									**460**	
Average	**557,658**									**18**	
Maximum	**2,826,498**									**100**	
Minimum	**108,359**									**2**	

A – General Information

Library Name	Adminstrative Locations that do not directly	Registered Borrowers/ Active Users	Number of Bookmobiles	Floor Space (Sq Ft)	Lease Space (Sq Ft)	Leased Space Percentage
Toronto Public Library	Yes	1,228,992	2	1,884,785	107,946	5.73%
Montréal, Bibliothèque de	Yes	388,922	2	692,976	91,073	13.14%
Ottawa Public Library	Yes	368,888	2	449,536	102,506	22.80%
Edmonton Public Library	No		1	473,814	96,107	20.28%
Mississauga Library System	Yes	427,097		347,252	27,351	7.88%
Fraser Valley Regional Library	Yes	259,542		254,851		
Winnipeg Public Library	No			342,701	65,350	19.07%
Vancouver Public Library	No	432,355		499,953	34,088	6.82%
Brampton Library	Yes	151,720		123,636	98,944	80.03%
Hamilton Public Library	No		2	318,683	35,564	11.16%
Surrey Libraries	No	160,577		188,246	184,781	98.16%
Vancouver Island Regional Library	Yes	154,564		165,270	116,525	70.51%
Halifax Public Libraries	Yes	192,207		211,253	97,053	45.94%
London Public Library	Yes	169,381		329,105	38,883	11.81%
Markham Public Library	Yes	152,298		153,241		
Greater Victoria Public Library	Yes	200,070		135,716		
Bibliothèque municipale de Gatineau	Yes	97,048		92,762	3,443	3.71%
Saskatoon Public Library	No	164,443		148,968	5,600	3.76%
Richmond Hill Public Library	No			99,600	6,300	6.33%
Richmond Public Library	No	110,282		69,758	16,487	23.63%
Regina Public Library	No	76,369		160,730	11,592	7.21%
Burlington Public Library	No	73,536		106,784	106,784	100.00%
Idea Exchange	No	44,059		71,675		
Coquitlam Public Library	No	60,499	1	58,158		
Waterloo Public Library	No			38,800		
Thunder Bay Public Library	No	27,688		59,956	4,200	7.01%
Median		**160,577**	**2**	**163,000**	**52,117**	
Total		**4,940,537**	**10**	**7,478,208**	**1,250,577**	
Average		**235,264**	**2**	**287,623**	**62,529**	
Maximum		**1,228,992**	**2**	**1,884,785**	**184,781**	
Minimum		**27,688**	**1**	**38,800**	**3,443**	

B – Annual Activity

Library Name	Registered Borrowers/ Active Users	Annual In Person Visits	Annual Circulation	Children's Circulation	Youth Circulation	Interlibrary Loans borrowed	Interlibrary Loans loaned	In-House Use of Library Materials	Program Attendance	Children's Program Attendance	Youth Program Attendance	Total Number of Library Programs	Total Number of Children's Programs	Total Number of Youth Programs
Toronto Public Library	1,228,992	18,153,058	32,505,963	8,207,060	670,667	1,827	4,386	5,892,962	925,417	589,916	62,760	37,080	21,116	3,382
Montréal, Bibliothèque de	388,922	7,857,747	11,611,309	5,196,588		1,724	1,578	2,982,104	559,182	462,545	12,168	29,010	23,947	645
Ottawa Public Library	368,888	4,800,900	11,425,711	3,662,378	395,999	7,119	2,923	1,482,500	235,998	190,277	8,922	12,120	6,789	530
Edmonton Public Library														
Mississauga Library System	427,097	4,758,400	6,385,679	2,522,189	219,728	1,348	2,312	1,490,300	149,379	64,306	11,286	9,394	2,832	1,113
Fraser Valley Regional Library	259,542	3,729,450	6,462,774	2,356,095	209,668	4,660	1,844		202,010	145,200	8,380	7,821	3,719	398
Winnipeg Public Library														
Vancouver Public Library	432,355	6,811,877	10,422,942	2,332,473	407,126	3,168	10,352	1,478,450	276,624	205,717	10,504	9,687	6,274	577
Brampton Library	151,720	2,061,872	4,940,235	1,818,403	223,931	1,853	5,233	1,078,150	71,631	56,370	6,820	3,351	2,103	299
Hamilton Public Library														
Surrey Libraries	160,577	2,457,384	3,758,563	2,031,670		3,360	4,991	550,250	172,992	147,455	5,630	4,782	2,820	302
Vancouver Island Regional Library	154,564	2,501,882	5,023,091	1,183,794	92,494	5,743	2,456		103,559	78,738	2,422	4,718	2,664	147
Halifax Public Libraries	192,207	3,579,775	5,078,716			4,696	5,964		209,772			9,662		
London Public Library	169,381	2,737,988	3,869,642	1,117,194	95,003	2,035	2,585	586,750	190,524			14,465		
Markham Public Library	152,298	2,369,199	4,828,389	1,613,590	188,372	239	203	885,263	157,930	97,892	2,050	7,434	3,176	141
Greater Victoria Public Library	200,070	2,459,075	5,977,540	1,611,943	103,959	8,024	2,796	505,000	81,569	62,445	5,081	2,807	1,757	376
Bibliothèque municipale de Gatineau	97,048	970,527	1,736,625	852,374	87,952	1,520	1,584	320,139	42,731	32,046	166	1,999	1,809	4
Saskatoon Public Library	164,443	1,401,186	3,608,076	473,034	65,054	1,076	241	407,867	113,867	29,983	1,881	4,468	1,603	329
Richmond Hill Public Library														
Richmond Public Library	110,282	1,636,590	3,094,775	1,374,199	90,629	1,819	1,117	450,100	74,962	62,236	782	2,879	1,963	63
Regina Public Library	76,369	1,410,332	2,060,197	729,237	32,651	205	794		134,859	69,465	1,712	6,419	3,119	158
Burlington Public Library	73,536	1,101,017	1,951,585	521,110	43,396	2,829	2,972	200,400	56,349	41,093	5,866	2,379	1,712	172
Idea Exchange	44,059	847,127	1,082,600	384,858	19,266	3,496	2,791	119,300	55,305	51,605	752	2,187	1,875	67
Coquitlam Public Library	60,499	813,790	1,197,120	553,275	56,693	1,378	2,568	205,234	64,685	49,190	7,284	1,492	670	146
Waterloo Public Library														
Thunder Bay Public Library	27,688	466,185	754,343	137,419	19,471	901	1,652	344,800	31,587	18,669	912	1,355	606	41
Median	**160,577**	**2,457,384**	**4,828,389**	**1,493,071**	**93,749**	**1,853**	**2,568**	**550,250**	**134,859**	**64,306**	**5,630**	**4,782**	**2,664**	**299**
Total	**4,940,537**	**72,925,361**	**127,775,875**	**38,678,883**	**3,022,059**	**59,020**	**61,342**	**18,979,569**	**3,910,932**	**2,455,148**	**155,378**	**175,509**	**90,554**	**8,890**
Average	**235,264**	**3,472,636**	**6,084,565**	**1,933,944**	**167,892**	**2,810**	**2,921**	**1,116,445**	**186,235**	**129,218**	**8,178**	**8,358**	**4,766**	**468**
Maximum	**1,228,992**	**18,153,058**	**32,505,963**	**8,207,060**	**670,667**	**8,024**	**10,352**	**5,892,962**	**925,417**	**589,916**	**62,760**	**37,080**	**23,947**	**3,382**
Minimum	**27,688**	**466,185**	**754,343**	**137,419**	**19,266**	**205**	**203**	**119,300**	**31,587**	**18,669**	**166**	**1,355**	**606**	**4**

Programs (Total Hours)	Reference Transactions/ Information Questions	Directional and Policy Transactions	Electronic Reference Transactions	Percentage Electronic Questions	Annual Hours of Library Service	Annual Hours at the Central Library	Annual Hours of all Branches	Annual Hours of Bookmobile Service	Additions (Items)	Additions (Titles)	Holdings (Items)	Holding (Titles)	Current Serial Subscriptions	Print Subscription (Titles)	Print Subscription (Copies)
37,080	1,937,096	5,175,569	19,013	0.98%	271,570	3,450	264,350	2,020	666,401	64,451	10,630,720	4,412,113	15,508	3,125	189,301
	798,950		2,197	0.28%	121,827		121,317	510	291,869	49,504	4,334,652	1,068,712	25,529	9,998	13,924
	643,200		24,050	3.74%	80,113	3,150	73,651	1,995	270,903	48,528	2,279,852	551,040		1,662	87,637
	204,150		9,100	4.46%	54,350	3,600	50,750		108,312	26,188	1,166,421	316,192	3,800	696	3,590
	246,203		4,950	2.01%	65,480		65,480		180,552	13,668		182,589	3,407	459	3,407
	776,748	532,407	9,540	1.23%	61,961	3,360	58,601		216,774	49,574	2,098,316	1,113,478	37,147	5,145	9,261
3,351	196,196		2,775	1.41%	19,900		19,900		74,107	33,630	620,470	266,713	5,435	237	667
									118,004	27,937					
	411,320		2,288	0.56%	27,430	3,575	27,430		104,053	21,938	792,257	240,294	2,399	1,165	
	193,581		24,300	12.55%	65,596		65,596		136,784	40,145	788,873	274,835	533	492	2,359
	235,247		2,730	1.16%	38,371	3,587	30,451		117,133	34,840	948,166	330,420	3,250	873	3,192
	595,686	404,482	9,334	1.57%	38,819	3,319	35,500		83,255	20,789	893,729	350,119	1,380	775	1,299
7,937	149,613	383,550	1,424	0.95%	22,797		22,797				739,489			318	1,244
	137,700		1,300	0.94%	28,940	3,275	25,665		76,571	76,446	736,234	347,453		715	1,700
	66,767	72,540	397	0.60%	22,886	3,226	19,660		43,112	18,214	662,305	318,875	1,083	350	1,079
	432,782				22,118	315,650	1,896,150		74,938	25,993	542,828	268,479	47,991	723	17,635
3,106	131,340	29,188	3,942	3.00%	14,307	3,820	10,487		77,724	14,814	408,434	142,144	6,952	164	351
	170,208	104,880	12,120	7.12%	25,495	3,316	22,179		84,560	29,276	407,385	194,501	674	461	1,598
	94,276		1,328	1.41%	17,956	3,386	17,956		62,760	60,260	343,106	228,662	75,773	273	655
1,874	31,700	37,550	1,750	5.52%	10,701	3,144	7,557		29,332	13,796	247,262	145,372		231	522
1,462	81,801	13,017	268	0.33%	7,003	3,386	3,386	231						283	467
1,694	100,050	81,350	12,950	12.94%	9,596	2,753	6,843		19,919		252,801			236	
3,106	**196,196**	**93,115**	**3,359**	**--**	**27,430**	**3,373**	**27,430**	**1,253**	**94,307**	**29,276**	**739,489**	**295,514**	**3,800**	**492**	**1,700**
56,504	**7,634,614**	**6,834,533**	**145,756**	**--**	**1,027,216**	**365,997**	**2,845,706**	**4,756**	**2,837,063**	**669,991**	**28,893,300**	**10,751,991**	**230,861**	**28,381**	**339,888**
8,072	**363,553**	**683,453**	**7,288**	**--**	**48,915**	**22,875**	**135,510**	**1,189**	**141,853**	**35,263**	**1,520,700**	**597,333**	**15,391**	**1,351**	**17,889**
37,080	**1,937,096**	**5,175,569**	**24,300**	**--**	**271,570**	**315,650**	**1,896,150**	**2,020**	**666,401**	**76,446**	**10,630,720**	**4,412,113**	**75,773**	**9,998**	**189,301**
1,462	**31,700**	**13,017**	**268**	**--**	**7,003**	**2,753**	**3,386**	**231**	**19,919**	**13,668**	**247,262**	**142,144**	**533**	**164**	**351**

C – Resources

Library Name	Operating Surplus	Municipal Revenue	Provincial Revenue	Federal Revenue	General Revenue	Donations Revenue	Other Revenue	Total Revenue	Capital project funding approved for year	Salaries & Benefits	Materials Expenditure	Other Expenditures
Toronto Public Library		$175,738,082	$5,689,502	$137,909	$6,877,911	$1,881,215	$229,013	$190,553,632	$20,206,951.00	$143,259,553	$18,444,049	$30,314,025
Montréal, Bibliothèque de		$83,272,482	$4,520,248		$219,170		$4,019,586	$92,031,486	$13,843,345.00	$54,854,008		$37,177,478
Ottawa Public Library	$156,194	$41,718,909	$1,611,166	$91,401	$1,943,637	$180,685		$45,545,798	$3,325,000.00	$34,840,463	$5,109,996	$12,086,529
Edmonton Public Library												
Mississauga Library System		$24,402,537	$805,576		$1,211,110	$320	$3,914	$26,423,457	$321,498.00	$20,418,456	$2,665,810	$2,906,312
Fraser Valley Regional Library	$723,034	$23,307,036	$1,423,618		$587,587	$148,367	$17,739	$25,484,347	$407,210.00	$17,197,104	$3,520,409	$7,564,209
Winnipeg Public Library												
Vancouver Public Library		$43,127,070	$1,318,187		$1,982,264	$522,398	$1,111,254	$48,061,173	$7,991,700.00	$35,749,583	$4,896,140	$7,686,242
Brampton Library	$100,000	$14,188,551	$466,576		$526,138	$1,765	$101,810	$15,284,840	$1,484,144.00	$11,121,898	$1,629,589	$4,148,256
Hamilton Public Library												
Surrey Libraries		$16,074,834	$970,516		$798,010	$83,876	$152,965	$18,080,201		$12,969,416	$2,130,226	$5,320,377
Vancouver Island Regional Library	$278,378	$19,653,792	$1,307,405		$410,004	$17,906	$54,648	$21,443,755	$885,850.00	$11,970,003	$2,412,568	$9,195,374
Halifax Public Libraries	$16,118	$18,530,571	$4,930,400		$827,785	$491,559	$264,111	$25,044,426		$17,697,296	$1,783,500	$7,435,798
London Public Library		$19,195,376	$698,571	$6,637	$843,795	$199,920	$18,965	$20,963,264	$922,607.00	$14,410,018	$1,945,774	$8,368,491
Markham Public Library	($439,564)	$13,143,449	$265,656	$11,880	$760,573			$14,181,558	$131,200.00	$9,884,855		$2,331,141
Greater Victoria Public Library		$15,636,801	$641,527	$7,379	$600,575	$209,794	$80,129	$17,176,205		$12,899,751	$2,272,573	$2,721,646
Bibliothèque municipale de Gatineau		$8,058,133	$723,300	$2,000	$641,441			$9,424,874		$6,645,946	$1,207,648	$965,434
Saskatoon Public Library	$3,068,000	$19,429,000	$752,000		$366,000		$336,000	$20,883,000		$11,082,000	$2,195,758	$6,730,000
Richmond Hill Public Library												
Richmond Public Library	$92,152	$8,767,700	$406,523	$4,566	$295,530	$83,029	($15,152)	$9,542,196		$6,570,413	$1,473,815	$1,364,498
Regina Public Library	$2,191,000	$18,509,999	$1,659,000	$516,000		$159,000	$657,000	$21,500,999	$1,534,000.00	$11,983,000	$1,673,634	$7,326,000
Burlington Public Library	$116,190	$10,147,439	$229,403		$284,254	$60,030	$28,580	$10,749,706	$570,350.00	$8,031,126	$1,028,169	$1,733,896
Idea Exchange	$6,856	$5,484,600	$177,548		$272,611	$15,360	$130,064	$6,080,183	$294,871.00	$4,529,899	$571,996	$1,210,945
Coquitlam Public Library		$4,884,112	$282,904		$106,293	$67,827	$32,470	$5,373,606		$3,693,832	$432,484	$978,842
Waterloo Public Library												
Thunder Bay Public Library	$4,379,365	$5,397,500	$247,112		$95,914	$115,260	$8,808	$5,864,594	$910,000.00	$4,614,736		$1,901,282
Median	**$136,192**	**$18,509,999**	**$752,000**	**$9,630**	**$594,081**	**$115,260**	**$90,970**	**$20,883,000**	**$916,303.50**	**$11,983,000**	**$2,038,000**	**$5,320,377**
Total	**$10,687,723**	**$588,667,973**	**$29,126,738**	**$777,772**	**$19,650,602**	**$4,238,311**	**$7,231,904**	**$649,693,300**	**$52,828,726.00**	**$454,423,356**	**$55,394,138**	**$159,466,775**
Average	**$890,644**	**$28,031,808**	**$1,386,988**	**$97,222**	**$982,530**	**$249,312**	**$401,772**	**$30,937,776**	**$3,773,480.43**	**$21,639,207**	**$3,077,452**	**$7,593,656**
Maximum	**$4,379,365**	**$175,738,082**	**$5,689,502**	**$516,000**	**$6,877,911**	**$1,881,215**	**$4,019,586**	**$190,553,632**	**$20,206,951.00**	**$143,259,553**	**$18,444,049**	**$37,177,478**
Minimum	**($439,564)**	**$4,884,112**	**$177,548**	**$2,000**	**$95,914**	**$320**	**($15,152)**	**$5,373,606**	**$131,200.00**	**$3,693,832**	**$432,484**	**$965,434**

C – Resources

Library Name	Value City Services	Expense Total	Hours per Week for an FTE	Librarians (FTEs)	Other non-librarian staff (FTEs)	Total FTEs	Annual Full-time Hours Total	Number of Librarians (FT)	Number of Librarians (PT)	Total number of Librarians (FT and PT)	Number of non-librarian staff (FT)	Number of non-librarian staff (PT)	Total number of non-librarian	Total number of Librarians and other
Toronto Public Library		$192,017,627	35	449.5	1,287.90	1,737.40	3,162,068	403	80	483	854	958	1,812	2,295
Montréal, Bibliothèque de		$92,031,486	35	164.9	563.5	728.4	1,325,688	132	33	165	326	246	572	737
Ottawa Public Library	$5,373,602	$57,410,590	35	107.1	350.9	458	833,560	100	33	133	181	425	606	739
Edmonton Public Library			35											
Mississauga Library System	$433,573	$26,424,151	35	64.9	252	316.9	576,758	61	9	70	131	219	350	420
Fraser Valley Regional Library		$28,281,722	35	37	189.2	226.2	411,684	37		37	83	246	329	366
Winnipeg Public Library			35											
Vancouver Public Library		$48,331,965	35	131	363.4	494.4	899,808	117	85	202	248	336	584	786
Brampton Library	$849,914	$17,749,657	35	24.2	112.4	136.6	248,612	24	1	25	50	99	149	174
Hamilton Public Library			35											
Surrey Libraries		$20,420,019	35	51	133	184	334,880	37	28	65	65	127	192	257
Vancouver Island Regional Library		$23,577,945	35	37.5	157.2	194.7	354,354	47		47	23	193	216	263
Halifax Public Libraries		$26,916,594	35	52	278.4	330.4	601,292	52		52	145	330	475	527
London Public Library		$24,724,283	35	55.5	177	232.5	423,150	54	5	59	129	34	163	222
Markham Public Library	$249,081	$12,465,077	35	31.9	118.7	150.6	274,092	31	2	33	39	196	235	268
Greater Victoria Public Library		$17,893,970	35	35.5	146.7	182.2	331,604	25	8	33	79	25	104	137
Bibliothèque municipale de Gatineau		$8,819,028	35	10	77.3	87.3	158,886	10		10	29	104	133	143
Saskatoon Public Library		$20,007,758	36.25											
Richmond Hill Public Library			35											
Richmond Public Library		$9,408,726	35	22.1	70.6	92.7	168,714	18	4	22	52	17	69	91
Regina Public Library		$20,982,634	36.25	23	134	157	295,945	22	2	24	86	95	181	205
Burlington Public Library		$10,793,191	35	21.4	98.7	120.1	218,582	20	3	23	39	157	196	219
Idea Exchange		$6,312,840	35	17.4	45.9	63.3	115,206	14	6	20	25	36	61	81
Coquitlam Public Library	$1,000	$5,106,158	35	13.3	38.9	52.2	95,004	12	7	19		52	52	71
Waterloo Public Library			40											
Thunder Bay Public Library		$6,516,018	35	9	68	77	140,140	9		9	47	68	115	124
Median	**$433,573**	**$20,420,019**	**35**	**36.3**	**140.4**	**183.1**	**333,242**	**34**	**7**	**35**	**79**	**142**	**194**	**240**
Total	**$6,907,170**	**$676,191,439**	**917.5**	**1,358.20**	**4,663.70**	**6,021.90**	**10,970,027**	**1,225**	**306**	**1,531**	**2,631**	**3,963**	**6,594**	**8,125**
Average	**$1,381,434**	**$32,199,592**	**35.29**	**67.9**	**233.2**	**301.1**	**548,501**	**61**	**20**	**77**	**138**	**198**	**330**	**406**
Maximum	**$5,373,602**	**$192,017,627**	**40**	**449.5**	**1,287.90**	**1,737.40**	**3,162,068**	**403**	**85**	**483**	**854**	**958**	**1,812**	**2,295**
Minimum	**$1,000**	**$5,106,158**	**35**	**9**	**38.9**	**52.2**	**95,004**	**9**	**1**	**9**	**23**	**17**	**52**	**71**

D – Materials Expenditure

Library Name	Expense Fiction	Expense Books	Expense E-Books	Expense Periodicals	Expense Audio/Video	Expense Electronic	Expense Other Materials	Other Operating Expenditures	Expense Total Materials	Expense Total Materials	Expense Total Suppliers	Expense Publishers CDN	Expense Wholesalers CDN
Toronto Public Library	$ 2,967,334	$ 9,049,435	$ 3,090,512	$ 1,798,799	$ 2,846,413	$ 4,749,402		$ 141,805	$ 18,444,049	$ 18,444,049	$ 18,444,050	$ 1,272,539	$ 12,063,032
Montréal, Bibliothèque de		$ 5,575,228	$ 209,185	$ 510,738	$ 683,105	$ 753,243	$ 45,008	$ 84,464,163	$ 7,567,322	$ 7,567,322			
Ottawa Public Library		$ 3,295,623	$ 471,289	$ 423,344	$ 712,615	$ 1,022,673	$ 18,798		$ 5,473,053	$ 5,109,996	$ 5,093,145	$ 106,897	$ 3,968,762
Edmonton Public Library													
Mississauga Library System	$ 788,277	$ 1,466,384	$ 351,000	$ 230,000	$ 510,853	$ 526,129	$ 137,286		$ 2,870,652	$ 2,665,810	$ 2,889,944	$ 350,660	$ 1,905,373
Fraser Valley Regional Library	$ 1,752,034	$ 1,557,155	$ 358,211	$ 189,994	$ 988,235	$ 769,666		$ 440,536	$ 3,505,050	$ 3,520,409	$ 3,533,562	$ 32,238	$ 2,901,389
Winnipeg Public Library													
Vancouver Public Library	$ 841,299	$ 2,355,584	$ 520,000	$ 368,315	$ 618,305	$ 1,314,325	$ 239,612	$ 162,908	$ 4,896,141	$ 4,896,140	$ 4,895,140		
Brampton Library	$ 867,821	$ 694,488	$ 224,802	$ 66,484	$ 311,135	$ 556,506		$ 126,748	$ 1,628,613	$ 1,629,589	$ 1,756,337	$ 48,256	$ 1,302,346
Hamilton Public Library													
Surrey Libraries	$ 1,218,693	$ 1,255,212	$ 341,086	$ 158,327	$ 365,459	$ 372,236			$ 2,151,234	$ 2,502,461	$ 2,191,667	$ 86,932	$ 1,789,357
Vancouver Island Regional Library	$ 620,649	$ 1,018,653	$ 252,695	$ 136,654	$ 409,957	$ 252,695		$ 5,577,995	$ 1,817,959	$ 2,412,568	$ 1,935,998		$ 1,686,042
Halifax Public Libraries	$ 723,874	$ 1,215,590	$ 320,700	$ 131,141	$ 303,052	$ 479,284			$ 2,129,067	$ 1,783,536	$ 1,783,500	$ 35,000	$ 1,700,500
London Public Library	$ 742,074	$ 935,724	$ 124,008	$ 114,756	$ 394,883	$ 444,539		$ 55,880	$ 1,889,902	$ 1,945,774	$ 2,126,949	$ 35,981	$ 1,644,252
Markham Public Library										$ 2,095,600			
Greater Victoria Public Library	$ 902,714	$ 948,218	$ 134,013	$ 118,850	$ 429,520	$ 702,365	$ 9,721		$ 2,208,674	$ 2,208,675	$ 1,700,014	$ 31,966	$ 1,169,585
Bibliothèque municipale de Gatineau	$ 361,707	$ 888,018	$ 30,361	$ 76,546	$ 99,222	$ 140,773		$ 210,273	$ 1,204,559	$ 1,445,193	$ 1,196,306	$ 166,875	
Saskatoon Public Library		$ 934,476		$ 91,951	$ 5,622,978	$ 499,464		$ 212,537	$ 7,148,869		$ 876,554	$ 634,626	
Richmond Hill Public Library													
Richmond Public Library										$ 1,473,815			
Regina Public Library	$ 711,333	$ 947,208	$ 155,085	$ 128,696	$ 285,413	$ 306,564	$ 5,753	$ 166,530	$ 1,673,634	$ 1,673,634			
Burlington Public Library	$ 410,895	$ 623,189	$ 125,444	$ 65,756	$ 235,432	$ 269,393	$ 27,903	$ 1,362,495	$ 1,221,673	$ 1,028,169	$ 1,098,169		$ 829,271
Idea Exchange	$ 182,493	$ 271,828	$ 44,929	$ 44,457	$ 94,511	$ 95,943	$ 66,690		$ 573,429	$ 571,996	$ 571,996	$ 401	$ 415,571
Coquitlam Public Library	$ 189,540	$ 273,259	$ 23,523	$ 31,363	$ 38,081	$ 88,859	$ 61,651		$ 493,213		$ 463,482	$ 28,300	$ 342,550
Waterloo Public Library													
Thunder Bay Public Library													
Median	**$ 765,176**	**$ 1,018,653**	**$ 238,749**	**$ 131,141**	**$ 409,957**	**$ 499,464**	**$ 53,330**	**$ 210,273**	**$ 2,151,234**	**$ 2,152,138**	**$ 1,935,998**	**$ 67,594**	**$ 1,693,271**
Total	**$ 26,561,474**	**$ 66,610,544**	**$ 13,553,686**	**$ 9,372,342**	**$ 29,898,338**	**$ 26,688,118**	**$ 1,224,844**	**$ 92,921,870**	**$ 133,794,186**	**$ 62,974,736**	**$ 101,113,626**	**$ 5,661,342**	**$ 63,436,059**
Average	**$ 1,660,092**	**$ 3,505,818**	**$ 752,983**	**$ 493,281**	**$ 1,573,597**	**$ 1,404,638**	**$ 122,484**	**$ 8,447,443**	**$ 7,041,799**	**$ 3,498,596**	**$ 5,947,860**	**$ 404,382**	**$ 4,531,147**
Maximum	**$ 13,280,737**	**$ 33,305,272**	**$ 6,776,843**	**$ 4,686,171**	**$ 14,949,169**	**$ 13,344,059**	**$ 612,422**	**$ 84,464,163**	**$ 66,897,093**	**$ 18,444,049**	**$ 50,556,813**	**$ 2,830,671**	**$ 31,718,030**
Minimum	**$ 182,493**	**$ 271,828**	**$ 23,523**	**$ 31,363**	**$ 38,081**	**$ 88,859**	**$ 5,753**	**$ 55,880**	**$ 493,213**	**$ 571,996**	**$ 463,482**	**$ 401**	**$ 342,550**

Expense Other Suppliers CDN	Expense Suppliers USA	Expense Suppliers Other	Expense Total Print Materials	Expense Total Other Materials	Children's Materials	Expense PKBK Mass Market	Materials Expenditure
$ 936,721	$ 4,024,264	$ 147,494	$ 10,848,234	$ 7,595,815	$ 3,330,015	$ 731,289	$ 18,444,049
			$ 6,085,966	$ 1,481,356			
$ 214,789	$ 802,697		$ 3,718,967	$ 1,754,086	$ 1,412,600	$ 68,710	$ 5,109,996
$ 348,790	$ 193,121	$ 92,000	$ 1,696,384	$ 1,174,268	$ 624,582	$ 43,616	$ 2,665,810
$ 290,139	$ 309,796		$ 1,747,149	$ 1,757,901	$ 468,375	$ 115,312	$ 3,520,409
$ 3,873,549	$ 975,728	$ 45,863	$ 2,723,899	$ 2,172,242	$ 859,248	$ 161,290	$ 4,896,140
$ 1,457	$ 404,278		$ 760,972	$ 867,641	$ 281,985	$ 54,848	$ 1,629,589
	$ 315,378		$ 1,413,539	$ 737,695	$ 726,177	$ 81,540	$ 2,130,226
	$ 249,956		$ 1,155,307	$ 662,652	$ 236,281	$ 29,138	$ 2,412,568
$ 20,000	$ 28,000		$ 1,346,731	$ 782,336	$ 321,625	$ 14,353	$ 1,783,500
$ 74,125	$ 372,591		$ 1,050,480	$ 839,422	$ 356,964		$ 1,945,774
$ 313,691	$ 184,773		$ 1,067,068	$ 1,141,606	$ 425,642	$ 85,111	$ 2,272,573
$ 1,018,669	$ 1,264	$ 9,498	$ 964,564	$ 239,995	$ 316,957	$ 15,301	$ 1,207,648
	$ 241,928		$ 1,026,427	$ 6,122,442	$ 204,248	$ 56,430	$ 2,195,758
							$ 1,473,815
			$ 1,075,904	$ 597,730	$ 187,088	$ 103,354	$ 1,673,634
$ 70,000	$ 198,898		$ 688,945	$ 532,728	$ 188,735		$ 1,028,169
$ 66,690	$ 89,334		$ 316,285	$ 257,144	$ 119,091	$ 13,939	$ 571,996
$ 20,722	$ 71,910		$ 304,622	$ 188,591	$ 75,414	$ 16,500	$ 432,484
$ 252,464	**$ 249,956**	**$ 92,000**	**$ 1,155,307**	**$ 867,641**	**$ 339,295**	**$ 62,570**	**$ 2,130,226**
$ 14,498,683	**$ 16,927,832**	**$ 589,710**	**$ 75,982,886**	**$ 57,811,300**	**$ 20,270,054**	**$ 3,181,462**	**$ 110,788,276**
$ 1,035,620	**$ 995,755**	**$ 117,942**	**$ 3,999,099**	**$ 3,042,700**	**$ 1,126,114**	**$ 198,841**	**$ 5,830,962**
$ 7,249,342	**$ 8,463,916**	**$ 294,855**	**$ 37,991,443**	**$ 28,905,650**	**$ 10,135,027**	**$ 1,590,731**	**$ 55,394,138**
$ 1,457	**$ 1,264**	**$ 9,498**	**$ 304,622**	**$ 188,591**	**$ 75,414**	**$ 13,939**	**$ 432,484**

E – Electronic Resources

Library Name	Internet Workstations	Electronic Database (in House)	Electronic Database (Remote)	E-visits	Public Wireless Connections	User Sessions on Library Computer	Use of Electronic Databases	Electronic Database Uses in Library	Electronic Database Uses Remote
Toronto Public Library	1,899	73	58	31,248,327	3,227,441	6,692,409	1,519,276		1,519,276
Montréal, Bibliothèque de	517	221		7,864,017					
Ottawa Public Library	612	84	79	15,288,991	515,749	790,367	148,803	22,536	126,267
Edmonton Public Library									
Mississauga Library System	297	30	28	3,336,184	4,386,400	645,636	263,497		
Fraser Valley Regional Library	354	42	37	3,495,994		295,835	109,691	36,198	73,493
Winnipeg Public Library									
Vancouver Public Library	609	78	70	6,424,908	1,813,968	1,273,476	695,368		
Brampton Library	321	79	78	2,960,400	560,300	381,300	444,072	126,600	317,472
Hamilton Public Library		1							
Surrey Libraries	233			2,222,575	9	498,428	189,094		
Vancouver Island Regional Library	210	4	37	1,400,629		341,079	109,605		109,605
Halifax Public Libraries	756	22	19	2,076,577		477,155	868,153	855,639	12,514
London Public Library	424	6	45	4,028,892	213,715	545,417	419,791		
Markham Public Library	154	19	19	2,464,618	1,237,500	180,854	195,064		
Greater Victoria Public Library	222	1	28	4,033,998	493,011	281,944	281,393	1,733	145,365
Bibliothèque municipale de Gatineau	90	13	13	2,384,004		111,667	14,449		
Saskatoon Public Library	114	36	58	1,474,564	9	168,720	462,069	62,703	399,366
Richmond Hill Public Library									
Richmond Public Library	104	4	15	2,813,519	417,899	224,643	383,134		
Regina Public Library	187	55	53	1,419,468	677,559	207,664			
Burlington Public Library	155	46	44	1,655,320	411,019	197,787	378,498		
Idea Exchange	57	1	32	793,506	128,766	77,202	185,620	19,975	165,645
Coquitlam Public Library	55	17	17		54,723		30,221		
Waterloo Public Library									
Thunder Bay Public Library	48	48	47	732,578	31,889	109,335	626,322		
Median	**222**	**30**	**37**	**2,639,069**	**455,455**	**295,835**	**281,393**	**36,198**	**145,365**
Total	**7,418**	**880**	**777**	**98,119,069**	**14,169,957**	**13,500,918**	**7,324,120**	**1,125,384**	**2,869,003**
Average	**353**	**42**	**41**	**4,905,953**	**885,622**	**710,575**	**385,480**	**160,769**	**318,778**
Maximum	**1,899**	**221**	**79**	**31,248,327**	**4,386,400**	**6,692,409**	**1,519,276**	**855,639**	**1,519,276**
Minimum	**48**	**1**	**13**	**732,578**	**9**	**77,202**	**14,449**	**1,733**	**12,514**