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**EVALUATION OF THE BOOK PUBLISHING INDUSTRY  
DEVELOPMENT PROGRAM - STUDY ON THE RATIONALE,  
OBJECTIVE ACHIEVEMENTS AND ALTERNATIVES**

**PUBLISHERS' OPINIONS, ENGLISH-LANGUAGE MARKET**

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# **Background Study**

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**1992**

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**PROGRAM EVALUATION DIVISION**



This is one of four Background Studies that form part of the evaluation of the Book Publishing Industry Development Program (BPIDP).

This study was conducted by Ernst & Young for the Program Evaluation Division of the Department of Communications, Canada.

The views expressed herein are the views of the author and do not necessarily represent the views or policies of the Department of Communications.

Certain passages have been severed under the Access to Information Act to protect third party confidentiality.

This report was prepared under the direction of Nadia Laham.

La présente est une de quatre études préalables portant sur l'évaluation du Programme d'aide au développement de l'industrie de l'édition (PADIÉ).

L'étude a été entreprise par Ernst & Young pour le compte de la Division de l'évaluation des programmes du ministère des Communications.

Les recommandations concernant les politiques et les programmes ou les points de vue exprimés ici sont ceux de l'auteur et ne reflètent pas nécessairement ceux du ministère des Communications ou les politiques du ministère.

Certains passages ont été omis en vertu de la Loi de l'accès à l'information afin de protéger la confidentialité des personnes concernées.

Ce rapport a été préparé sous la direction de Nadia Laham.

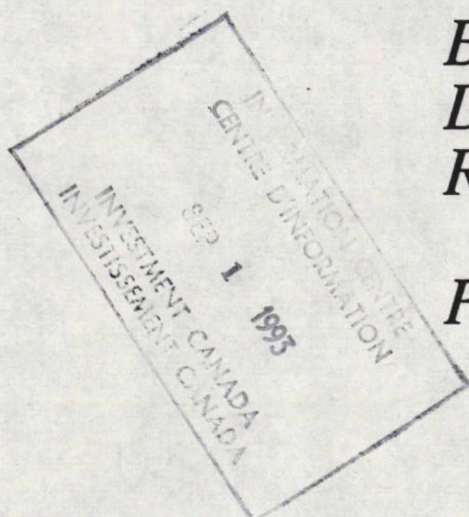


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# Department of Communications

## *Book Publishing Industry Development Program Review*

### *Publishers' Opinions*



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# Department of Communications

## *Book Publishing Industry Development Program Review*

### *Publishers' Opinions*

## Table of Contents

<b>1.0 BACKGROUND</b>	<b>1</b>
<b>2.0 METHODOLOGY</b>	<b>1</b>
2.1 Sample Design	2
2.2 Interview Guide Design	2
2.3 Sample Framework	3
<b>3.0 GENERAL DISCUSSION OF INDUSTRY BACKGROUND</b>	<b>3</b>
<b>4.0 KEY FINDINGS</b>	<b>5</b>
4.1 Program Relevance/Rationale	5
4.2 Assessment of the Criteria	8
4.3 Attitudes Towards the Program Structure (The Five Component Approach)	10
4.4 Program Administration	10
4.5 Role of The Canada Council	12
4.6 Alternative Solutions to the BPIDP	12
<b>5.0 DETAILED FINDINGS</b>	<b>14</b>
5.1 Aid to Individual Firms	15
5.2 Association for the Export of Canadian Books	17
5.3 Aid to Industry and Co-operative Projects	20
5.4 Aid to Professional Associations Component	21
5.5 The Canada Council Block Grant Program	24



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## 1.0 BACKGROUND

The purpose of this study was to complete an evaluation of the Book Publishing Industry Development Program (BPIDP). Specifically, the scope of the study was:

- to evaluate the rationale for the financial contributions awarded under the BPIDP policy;
- to assess the achievement of the proposed objectives, self-sufficiency and stabilization of cultural support; •
- to analyze the impact of the program on publishers and the industry; and
- to recommend ways for improving the program and the program management.

The BPIDP replaced the Canadian Book Publishing Development Program (CBPDP) on April 1, 1986. Part of the criticism of the CBPDP was that some of the grants available under the system were not tied to economic profitability and fostered the dependence of publishers on government support. In contrast, part of the BPIDP contains project funding, an approach designed to encourage the financial self-sufficiency of publishers and the profitability of the entire industry.

The overall direction of the BPIDP policy is based on two specific objectives: making Canadian-controlled publishers economically profitable and stabilizing and rationalizing the production of titles with a significant cultural value. The program policy intended to create new industrial incentives for publishers, stabilize cultural support, and seek federal-provincial solutions for reaffirming the distinct identity of the Canadian market.

The BPIDP program provides support through five funding components. These components include:

- The Educational Publishing Fund - Parts A and B;
- The Aid to Individual Firms;
- The Aid for International Marketing Assistance;
- The Aid to Industry and Co-operative Projects; and
- The Aid to Professional Associations.

This study addressed the publishers' opinions of each component, except for the Education Publishing Fund. In addition, the publishers' opinions of the Canada Council Block Grant Program were also included in the analysis. The Integrated report provides an overview of all the BPIDP evaluation studies, including conclusions and recommendations.

## 2.0 METHODOLOGY

This evaluation involved the analysis of both personal and telephone interviews conducted with book publishers in Canada. In a few cases, publishers preferred to provide written responses to the interview guides prepared for this study. The sample and questionnaire design are shown on the following page. Questionnaires were mailed to all respondents in advance of interviews. This enabled respondents to prepare and to add comments as desired.

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The study focuses on direct beneficiaries of the BPIDP - publishers and professional associations, and consequently, omits authors. This omission is regrettable insofar as the ultimate purpose of the BPIDP is to provide Canadian authors with a chance to make their writings available to the world, and especially to Canadians. A separate study of authors and the BPIDP should be considered. However, while authors' interests were not considered directly, their prosperity is assumed to depend upon the existence of a healthy Canadian publishing industry. If the BPIDP serves the interests of that industry, then it should also begin to address the interests of the authors.

## **2.1 Sample Design**

The Department of Communications (DOC) files on the BPIDP and discussions with departmental officials were used to design the sample frame for the survey of book publishers in Canada. Due to study budgetary constraints and a desire to exercise judgement as to the choice of respondents the sample is not statistically representative of the industry. However, the sample design ensured that:

- the sample covered a range of firm sizes, locations, ownership structures, degree of specialization, language and types of books;
- the program recipients included firms that have taken advantage of the various sources and uses of funds available;
- the sample included both program recipients and non-recipients of BPIDP support; and
- the sample included industry opinion-leaders as well as less-vocal representatives.

The sample also involved interviews with book publisher associations, program administrators and government policy-makers at both the federal and provincial levels.

The overall sample contained both French and English publishers. This report discusses only the results of interviews with English publishers. The French publishers' survey is reported elsewhere.

## **2.2 Interview Guide Design**

Since there were two companion studies investigating the financial and economic impact of the BPIDP, this study was intended to be qualitative in nature. The design of the interview guides reflects this with a number of open-ended questions as opposed to a strict multiple choice approach. The questions surround the publishers' use and opinions regarding the operation of the program.

In order to collect the views from a number of target groups affected by the BPIDP, two interview guides were developed for this study. One guide was specifically designed for book publishers while the other guide contained questions from the publishers' guide that associations and government officials could answer. The interview guides are found as Appendix 1.

The two guides, however, are similar in that they both were designed to discuss four main issues:

- firstly, are the BPIDP program and the Canada Council's Block Grant Program relevant to the respondents' needs?



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- secondly, are the uses the respondents have made of the program funds related to the program objectives?
  - thirdly, have the projects the respondents have undertaken with the project funds achieved their objectives?
  - finally, what alternatives, if any, would the respondents like to see to the present program?

The guides themselves were pre-tested with publishers prior to implementation. The average personal interview required about 3 hours to complete while the telephone interviews required approximately 2 1/2 hours. The interviews were completed from April, 1991 to August, 1991.

Most publishers were more interested in some questions than others and not all questions were answered by all. However, there was sufficient response on most questions to provide a reasonable indication of feelings. There were significant differences between publishers on some issues. While some of these differences are correlated with the size of the firm - others appear more idiosyncratic.

### **2.3 Sample Framework**

The sample totaled 36 publishers, associations and government officials. There were 18 personal interviews, 14 telephone interviews and 4 respondents chose to send in written responses. The list of respondents can be found in Appendix 2.

## **3.0 GENERAL DISCUSSION OF INDUSTRY BACKGROUND**

Publishers interviewed for the BPIDP evaluation were generally depressed about the financial state of the Canadian publishing industry. They blame the recession for an overall reduction in sales and point to the number of bankruptcies in the industry as an indication of the magnitude of the effect of this downturn in the economy. Publishers in Ontario felt that they were being hit harder by the recession than other provinces. Many respondents indicated that if it were not for the BPIDP and the Canada Council, the Canadian publishing industry would be "fighting for survival". Others, especially some larger firms, felt that the scale of assistance available from the BPIDP was so small in relation to their current needs as to be almost irrelevant. These firms feel that a much more critical issue was the adoption of a new government publishing policy including investment credits or other tax incentives, measures to deal with "buying around" and more substantial export assistance.

Publishers also stated that the implementation of the GST on books has had a negative impact on the sale of books. While a number of publishers agreed that the effect has been compounded by the recession, most felt that the GST on books should be removed.

Another major concern of both large and small publishers is the government's possible interest in regionalizing the DOC administration and a movement to provincial control of funding. The respondents' fear that these plans would increase the amount of bureaucracy involved with the program and add to the forces breaking-up Canada. They expressed their continued support for central control of the program and emphasize that regional concerns are well-looked after under the current system.

Largely as a result of their concerns about the future of their businesses, but also because of discontent over the time it has taken to produce a new publishing policy, there seems to be a new



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tougher, more critical attitude towards both the Department and those fellow publishers who are felt not to be running their affairs in the most businesslike way.

An overall impression is that the level of professionalism in the publishing industry has increased considerably, but at the same time more and more publishers recognize the need for continual improvement in order to cope with increasingly competitive conditions.

In many of our discussions, the industry participants stated that three main issues need to be addressed if the new DOC program is to be successful. These include:

**i) Program Predictability**

The program must have a stronger degree of predictability. This should be a core principle of a new program and it applies to all aspects of its implementation. There is a need to apply the program consistently in all funding situations and to ensure that there are relatively small changes in the level of funding to individual firms from year-to-year, provided they continue to meet performance expectations. The program criteria, the method of applying for the program, the distribution of the funds and the objectives must be clear and explained thoroughly in order to ensure that the publishers can rely on the consistent application of the program. Predictability will in turn bring stability to an unstable industry. This instability that characterizes the Canadian publishing industry is the result of many factors including;

- Book publishing has an extended planning cycle. It is typical for a publisher to require one to five years of planning and development before a title reaches the shelves in a bookstore. In fact, book publishing has such a long planning cycle because each new title is similar to developing a new product. As one publisher stated, being a book publisher is analogous to a company relying on the development of new products each year to support the majority of their sales;
- Booksellers are slow paying and in many instances return shipments for credit to avoid payment. The bookseller then will turn around and reorder the same shipment of books from publishers; and
- The market for books in Canada is small and with low margins and high unit costs any slump in the economy has a dramatic impact on sales.

**ii) Program Variety**

There is a need to have a variety of programs available to publishers since one universal program cannot meet the needs of all publishers. For example, publishers of poetry have much different needs than educational publishers.

**iii) Industry Involvement in Program Evolution and Administration**

It is felt that the program should not be designed and administered without the involvement of the publishing industry, at both the individual firm and association level. The respondents suggested that many of the problems encountered with the current BPIDP, could be reduced or even eliminated if there was more dialogue between the industry and the government itself. Further, many industry participants suggested that in order for the program to work effectively, the DOC must stop trying to be both the policy maker and the distributor of funds. This had lead to a number of problems including:

- In some cases, the distribution of funds has become politically motivated and does not appear to follow the published guidelines;



- The power to distribute the funds is in the hands of very few people and respondents indicated that some of the funding decisions appear to be based on considerations other than merit; and
- The industry participants have expressed frustration since they feel that they do not have any influence over the direction of the program. A number of interviewees stated that the last program evaluation indicated that publishers are "poor business people" and feel this label is inhibiting their ability to provide input on the program. Even groups such as the Industry Advisory Committee do not provide a voice for the industry anymore since it is perceived that the DOC has not consulted them in some time.

In addition, a number of those interviewed were concerned about the overall level of funding, although few believed more would be easy to obtain.

The respondents hope that the end result of consultations with industry and government would be the development of an overall industry strategy. The publishing industry has been complaining that the government does not have a publishing policy. In the discussions, industry participants indicated that it is time that the industry became more proactive and stop trying to improve the viability of specific segments of the industry and concentrate on the direction of the entire industry. In the past, the respondents stated that the separate goals of book publishing associations and special interest groups has tended to fragment the industry.

## 4.0 KEY FINDINGS

This section of the report outlines the key findings of the interviews relating to the overall direction of the program. These findings represent a collective view of publishers concerning a number of important issues including: Program Relevance/Rationale; Program Criteria; Program Administration; and Alternative Solutions to the BPIDP.

### 4.1 Program Relevance/Rationale

The respondents were asked their impressions concerning the objectives identified under the BPIDP and the Canada Council Program. The two current objectives are:

- 1) *to encourage the industrial development, increased self-sufficiency and economic viability of Canadian Publishers; and*
- 2) *to ensure that culturally significant publications are made available to Canadians and others through Canadian publishers without impairing the financial viability of those publishers.*

The reaction of the respondents to the first objective included:

- Publishers, industry associations and provincial departments expressed their concern over the wording of the first objective. They explained that the objective is based on a false premise since it assumes that Canadian publishing is viable. The respondents indicated that, except for a few segments such as educational publishing and children's books, much of the book publishing industry in Canada will always need some sort of support. Therefore, funds provided to publishers with a view to increase their self-sufficiency are "doomed to failure". Many of the respondents pointed out that if Canadian publishers were in a situation similar to Holland, the publishing industry could become viable and self-sufficient. Holland, however, has the advantage of distinct language differences between neighbouring countries and it



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doesn't have a country as large and culturally powerful as the United States just south of the border.

- While most industry participants agree that industrial development on its own is a sound objective, they stated that the DOC should define what the term means so it can be applied consistently. According to respondents, the current wording is vague and leads to many interpretations. In the end, respondents complain that the true objective becomes blurred. As an indication of the confusion surrounding the meaning of this objective, the respondents gave a variety of definitions to the term, industrial development. The most prevalent definitions provided by the industry participants include:
  - developing more responsible management and providing support for research and development efforts;
  - providing support for production, marketing and distribution development; and
  - attempting to make the publishers more "business-like" by training them to become more capable at producing sound business and marketing plans.
- In the end, publishers stated that industrial development is a good objective but their interpretations resemble individual business development rather than overall industrial development.

Upon reflection, the respondents' comments regarding the evolution of the first objective include:

- It should not contain references to "self-sufficiency " or "profitability".
- A clear and realistic definition for industrial development should be established by the DOC in consultation with members of the publishing industry. The definition should then be published and made widely available to the industry and applied consistently in all funding decisions.

The reaction of the respondents to the second objective were as follows:

- Almost all the respondents stated that the cultural objective was necessary and useful. In fact, they said that without it there may not be an indigenous publishing industry. They base this statement on the assumption that most books published by Canadians with a culturally significant content would not be able to be made available to the general public at a competitive price without government support. Although, there were a few publishers that stated that this objective encouraged publishers to use the funding as a "crutch", their views were very much in the minority. Many noted that in order for this objective to be realized, there is a need to increase the amount of funding available to publishers.
- A number of respondents stated that the objective is not only worthwhile but realistic, in contrast to the first objective. They believe the funding has a definite positive impact on the development of culturally significant titles.
- Most respondents complained, however, that the government does not appear to support this objective with the appropriate policy. They refer to the inability of the federal government to develop a publishing policy and express their concern that publishing, as a cultural industry, will be "put on the table" of the Free Trade talks with the United States and Mexico.



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The respondents' comments regarding the evolution of the second objective include:

- The objective of providing cultural support has been quite effective. A number of publishers said that there was no difficulty in getting any good manuscript published in Canada. The amount of funding, however, has not kept pace with either the increase in the number of users of the program or inflation itself. As a result, the program funds are being spread too thinly and must be increased in order to be more effective.
- The emphasis on increasing the number of titles published should be shifted to an emphasis on sales. The title inflation has had a definite impact on the program and respondents stated that a sales approach would ensure that the more funding was made available to each title.

The respondents were asked to give their opinions concerning the impact of the switch to project funding on the publishing industry. Their opinions were as follows::

- Most respondents stated that the switch has had a negative impact on the industry. In a number of instances, publishers reported that it is widely known that some of the project applications are "invented" in order to make up for the lack of block funding. A number of respondents indicated that this is a direct result of the unrealistic objective of the DOC to try to make the industry "profitable" and "self-sufficient". The publishers, aware of the objective and "coached" by the DOC staff, drafted a number of projects that were in fact "invented" and did not reflect their actual plans. A few respondents even referred to the application process as a creative writing exercise. Even those who had been very successful at obtaining funds complained that the need to be so "creative" absorbed a great deal of time that would have been better spent running their business.
- A common complaint of the project funding approach is that the projects have to go "beyond the firm's on-going operations". Publishers stated that it is difficult to keep coming up with new ideas and wonder why proven ideas are not funded. Many believe that this approach leads to publishers trying ideas that they would not otherwise attempt with their own money. The DOC appears willing to finance a new idea "with all of the bells and whistles" that are doomed to fail in many cases. One respondent said that the program was beginning to distort the business because projects were started primarily because funding was available, not because they were the most critical projects for the health of the company.
- A number of respondents stated that a project funding approach relies upon the Program Administrators to be able to "pick winners". They complain that the track record of their funding decisions indicate that the decisions are not always correct.
- A number of respondents stated that the project funding approach worked well to encourage computerization in the industry. Once most firms had computerized, however, they have "struggled" to find an acceptable project.
- A few respondents stated that a project funding approach has had some positive effects of the industry. It has forced publishers to commit resources in order to complete business plans and cash flow analyses for new initiatives and this has led to a more professional publishing industry.



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The respondents were also asked to give their preferences regarding the various funding approaches that could be used for the BPIDP (i.e., project funding, block funding or a combination of project and block funding). The respondents' preferences regarding various funding models included:

- Most respondents indicated that a combination of project and block funding would be the most effective way to implement the program. They base their decision on the fact that the diversity of publishers is so great that a pure project approach would be unacceptable. The respondents stated that there is no way that all funding would be distributed fairly under the project option. There are too many segments in the publishing industry that would have inadequate representation on the selection committee thus reducing the chances of receiving their share of the funds. A number of respondents stated that in reality, the industry will always require some sort of support mechanism. According to respondents, the solution may be to provide a block grant to help cover some of the operating costs (i.e., production, research and development), and a project approach that would target specific marketing or other projects.

However, most small publishers if forced to choose between the project and block funding approach would strongly favour block funding. One publisher said that while he favoured formula funding, the key problem with it was that it encouraged over-production. He felt that the Aid to Scholarly Publications program which gave money to cover overhead plus 20% of production costs was a good model to follow.

- A few publishers stated that the size of the firm, in many cases, dictates the type of funding required. The smaller firms tend to need block funding to support their operating activities while the larger firms usually can cover their operating costs and require support for special projects.

#### **4.2 Assessment of the Criteria**

The respondents were asked questions surrounding the existing program and book criteria.

##### **i) Program Criteria**

The respondents were asked to provide their comments on the selection criteria for the BPIDP. The existing criteria include:

- 1) Have completed 24 months of operation by the date of first application and must have demonstrated an adequate capacity for editing, designing, producing and distributing the books they publish;
- 2) Be 51% owned and controlled by Canadians or eligible landed immigrants;
- 3) Have manufactured in Canada a minimum of 75% of all Canadian-authored titles. Exceptions to this manufacturing requirement will be made under special circumstances; and
- 4) Have maintained a minimum level of sales of eligible books in their previous financial year, varying by their location and language of market.



Their responses to the criteria were as follows:

- Although most respondents indicated that the program criteria was clear, and only a few felt very strongly about these issues, the majority indicated that the criteria should be changed. The areas outlined for change have been prioritized below:
  - 1) According to most of the smaller firms, the 51% ownership criteria should be increased to 75%. The respondents stated that the program is designed for Canadian publishers and many of the firms with 51% Canadian ownership appear to be operated under the direction of the foreign owners. The larger firms, however, tend not to have a problem with 51% ownership;
  - 2) The 75% manufactured in Canada should be abolished or substantially lowered because the respondents argue that this is a publishing program, not a printing subsidy. Some publishers have foregone quality in order to take advantage of lower printing costs with foreign suppliers. Many feel the publishers should be able to print anywhere they can get the best possible terms and conditions. In fact, a number of publishers stated that single colour books should be printed in Canada but the four colour books should be manufactured where publishers can receive the most competitive price, which is usually outside of Canada; and
  - 3) A number of publishers stated that in special circumstances, the "24 months in operation" should be waived when the applicant has significant publishing experience in other firms.
- Although many of the respondents indicated that these three areas require modification, they would like to see some discussions occur between the DOC and the industry before the decision is made to change these criteria. Once agreement on the new criteria is established, the new criteria must be implemented consistently and predictably in order for the program to function effectively.
- Some larger publishers questioned whether it was fair to treat divisions which were essentially independent businesses as one for the purpose of determining funding eligibility. They said others who structured their affairs differently were able to get more funding from the Department even though it might be less effective to operate separate companies rather than separate divisions.

## ii) Book Criteria

The book criteria were also discussed with the respondents. The existing criteria for what constitutes a "book" is outlined below.

- Eligible books are non-periodical books bound in cloth or paper which (except in the case of children's books), have a minimum of 48 pages, and which fall into one of the following categories:
  - books written, translated or edited either by a Canadian citizen ordinarily resident in Canada, or by an eligible landed immigrant;
  - foreign-authored books originated by a Canadian-owned publisher and manufacturer in Canada; and



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- books adapted by a Canadian or landed immigrant and published by a Canadian-owned publisher.

A vanity title is not considered an eligible book.

The respondents' opinions regarding the book criteria were as follows:

- Respondents were divided on these matters. Many felt intellectually that the book criteria should be expanded in order to include emerging technologies. They were concerned that if they didn't put some effort into developing new technologies, the United States would begin to dominate this area as well. However, in their hearts they felt that the current printed format is special and therefore the criteria should not change.
- Even those who supported the expansion of the criteria, stated that the current level of funds are not adequate to support the move. Therefore, more funds must be dedicated to the program to make the change operational. The funds could either be dedicated to the BPIDP program itself or a separate technology program could be developed to administer the expansion.
- Examples of emerging technologies that could be included in an expanded book definition include: CD ROM, audio tapes and interactive film strips.

#### **4.3 Attitudes Towards the Program Structure (The five Component Approach)**

As previously outlined, the BPIDP consists of 5 components. The respondents were asked if dividing the program into components was the most effective method of implementing the BPIDP. Their responses included:

- Most of the respondents indicated that the component approach is the most effective method of implementing the program because each segment of the publishing industry has distinct needs. As a result, not only should there be a number of components to meet these diverse needs, the objectives of the components should reflect the differences as well.
- A number of respondents stated that although the component structure is preferred, the information provided to the industry participants on the programs is inadequate. The respondents indicated that seminars should be provided for publishers across Canada in order for them to truly understand what the programs can do for them and how to apply for them.

#### **4.4 Program Administration**

The respondents were asked to discuss a number of questions surrounding the administration of the BPIDP. There were questions pertaining to: Program Documentation; the Application Review Process; and the Timeliness and Quality of Support by Program Managers. Their responses regarding these topics included:

##### **i) Program Documentation**

- The respondents are divided on the relative effort required to complete the program documentation. Half seem to feel that the documentation is difficult or complex and the other respondents stated that the documentation is easy to complete. The difference between the two groups is that the respondents that use the program on a regular basis



indicated that it was difficult to access the program in the beginning. Over time, however, the application process became easier as they became more comfortable with the application forms. Others said they had been too busy to apply for grants suggesting that the effort required was not worth the potential return.

- In regards to the usefulness of the documentation in the planning of the business, most respondents stated that the current form of the business plan and the cash flow required for the BPIDP application process are not extensive enough in order to be useful to the operation of their business. Many publishers stated that they would complete this type of analysis if they didn't apply for the BPIDP. In fact, a number of respondents complained that they spend far too much time pursuing grants. They also indicated that this hurts their businesses because the grant applications are usually completed by senior members of the company that should be running the firm rather than "wasting their time filling out application forms". Publishers generally want a simpler application process or a standardized procedure across the different programs in order to minimize the time required to complete applications.

## **ii) Application Review Process**

- Most respondents indicated that the application review process appears fair. There was some concern, however, that the decision-making power is concentrated in too few hands. Although they have been quick to say they are "pleased" with the administration, they feel that the funding decisions may not always follow the guidelines as outlined by the specific programs. In addition, since the projects must be approved by the minister, some respondents believe that a number of decisions have been politically motivated rather than following a strict interpretation of the guidelines.
- A number of respondents expressed concern specifically towards the Aid to Individual Firms component. They stated that the support is very unpredictable and inconsistent. In a few cases, the respondents explained that in some years they receive funding for a project and then the next year the funding is dropped without explanation. Publishers find it difficult to plan for their business under these conditions.

## **iii) Timeliness and Quality of Support by Program Officers and Managers**

- The Program Officers have received strong support from the publishers. Respondents stated that they are always available, quick to return calls and genuinely interested in helping and serving the industry. The same respondents, however, expressed concern over the concentration of decision-making power in a few hands (as outlined previously).
- No feedback is provided regarding the opinions of the advisory panel - leading to a suspicion that the panel's opinion was not sought.
- One problem identified in the selection process is that selective publishers have the ability to "get the ear" of more senior government officials and bypass the normal channels that the majority of the industry must use. This leads to frustration and a feeling of powerlessness among the smaller publishers.
- The weaknesses in the support provided by the Program Officers identified by the respondents included:
  - the program officials are good at "coaching" applications in order to receive funding but some publishers feel that the form their applications take on are a "distorted" presentation of what they really need to do;



- the Program Officers are poor at giving written explanations outlining why projects are rejected. Although Program Officers are good at giving verbal feedback to their applications in most cases, publishers complain that a phone call stating a project has been rejected should be followed-up by written communications; and
- comments about all DOC officials were guarded. Publishers stated that they did not want to "make waves" when decision-making for the program is in the hands of so few.

#### iv) Other Administrative Issues

- Publishers complained that it is not unusual to wait 5 months from the date they submitted the application to when they receive the grant. Publishers believe that the delays occur at the political level or at least after the program officers arrive at their decision. Some felt more authority should be vested in program officers.
- If there was more predictability in the DOC program, delays would not be such a problem. With the present system, however, the unpredictability plus the slow payment poses a significant problem to a number of publishers. Some said they did not apply for this reason;

### 4.5 Role of The Canada Council

For many publishers, The Canada Council's program has been very helpful. A minority have used the Council's funding to provide the equity they lacked and have subsequently become profitable. Most have used the program to support culturally worthwhile projects.

While comments were generally very favourable, there were some specific concerns, including:

- The level of funding is regarded as too low because the number of eligible titles has increased faster than the funding, resulting in less support per title. Some publishers felt that if more funding were not forthcoming then stricter criteria should be used to limit the increase in titles, but others were not willing to contemplate this.
- The predictability of funding is a concern to some as is the jury system. Some publishers have experienced significant changes in their ratings, both up and down, that they are unable to explain, but others are satisfied. Some form of multi-year commitment would be more satisfactory.

### 4.6 Alternative Solutions to the BPIDP

During the interview program, respondents were asked to give their opinions regarding the future evolution of the BPIDP. The questions surrounded: the Funding Direction; the Structural Changes Required in the Industry; and the Direction of Government Policy.

#### i) Funding Direction

- Most respondents agree that funds must be made available for marketing efforts. However, they also stated that the basic operating needs of the publishers must not be overlooked. The small publishers emphasized that one reason for the problems with the



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Aid to Individual Firms component is that a number of publishers accessed the program with "invented" programs in order to cover operating costs. Therefore, they recommend that a block funding approach should be reinstituted in order to help fund operational costs and bring more credibility to the project funding concept.

## ii) Structural Changes Required in the Industry

- The respondents agree that more funds must be made available to improve the distribution of books across Canada. Publishers in western Canada in particular indicated that the current distribution infrastructure in the West is inadequate and should be upgraded. Some respondents are calling for a western distribution centre while others are encouraging the commission of a major study to look at the options available in order to improve the existing system.
- There is growing support for funding to be administered by industry or an arms length agency. The respondents in favour of this change stated that the DOC should not set government policy and administer the funds as well. Under the current structure, there is too much danger for the funding decisions to become politically orientated and not always in the best interest of the industry. This suggestion emerged towards the end of the interview process, so not all those interviewed discussed it.
- A recommendation that has received widespread support in our discussions is to improve the information provided to the publishers, booksellers and libraries regarding book orders, inventories etc. They refer to the efforts of Telebook, an electronic database that provides order information as a step in the right direction. What the publishers need is an on-line computer system that is linked to both libraries and booksellers so they can keep track of all of their orders, stock levels and sales records. Some larger publishers have been discussing accessing the retail sales data with those larger book sellers who electronically read the bar codes of each book sold. This would help the publishers plan their business much more effectively since they would have up-to-date information on actual sales. It would decrease order times and reduce the amount the occurrence of over shipping to booksellers. The respondents stated that the funding would be to improve the Telebook system to a point where all publishers, booksellers and libraries can exchange information electronically using the same software. Such a system would be not only expensive, but impractical if all booksellers were to be involved, but using a representative sample of booksellers could achieve the same end.

## iii The Direction of Government Policy

- As previously outlined, the respondents want to see the development of a publishing policy. The industry wants to take a more proactive approach and work with the government in order to achieve this goal. The policy is necessary in order to show the Canadian government's support for the publishing industry. While opinion is divided in the industry, most of the major publishers feel strongly that the adoption of proposals regarding tax incentives, "buying around", and other measures which have been with the Department for some time is absolutely critical for the future survival of the industry. In fact, without these changes, it is felt the BPIDP will be irrelevant.
- The government should recognize that it is not realistic that all segments of the Canadian publishing industry will become "self-sufficient" and "profitable".



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#### iv) Funding Options

The strong majority would like to see the following changes:

- The end to most project funding and a movement to a predictable, multi-year funding commitment;
- The return to formula/block funding would be conditional. Recipient firms must exhibit professional and effective management capabilities. Some suggestions for the basis of the formula approach include:
  - sales in relation to established industry standards;
  - sales in relation to the size of the print-run;
  - sales in relation to the rate of book returns and other factors; and
  - other financial ratios could also be acceptable provided there was acceptance of the fact that a publisher could be a good manager and still not realize a profit.

The respondents emphasized that the publishing industry should be involved in establishing the program criteria and formula approach.

- The continued support for quality professional development. However, the professional development should be tailored to regional needs.
- The development of a Research & Development program similar to an investment tax credit program. The program would cover the one-time development costs incurred by a publishers.
- A stronger commitment to export funding with support going only to those who were willing to commit sufficient of their own resources over a long enough period to make for a viable business. Casual visits to book fairs by those who were not prepared for significant investment should be discouraged.

Other funding options include:

- Some publishers would like to see a substantial increase in the amount of funding made available to export development. They encourage an upgrade of the AECEB in order to take it to a "world class" level.
- The explicit separation of funding into commercial and non-commercial elements. The commercial funds would be provided on a project basis and the non-commercial elements on a block funding arrangement.
- A few publishers said they were unable to apply for funding because they had no matching funds, but most were in favour of matching in order to ensure that the applicants had an interest in making the project work.

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## 5.0 DETAILED FINDINGS

This section of the BPIDP evaluation examines the detailed responses concerning four components of the BPIDP and the Canada Council Program. The four funding segments include the Aid to Individual Firms, the Assistance for the Export of Canadian Books (AECB), the Aid to Professional Firms and the Joint Project component. For each of the four components and the Canada Council Program, the respondents' attitudes surrounding the following issues will be identified:

- the rationale for the component;
- the selection process and criteria;
- the program administration;
- the current effectiveness of the component; and
- the summary of the components' strengths and weaknesses.

### 5.1 Aid to Individual Firms

Approximately two-thirds of the respondents indicated that they had utilized the Aid to Individual Firms component within the last 5 years. Of those that used this component, most applications were for the computerization of their facilities while the others were for mainly marketing projects.

#### i) Rationale

This component was designed for individual firms in the field of book publishing. Acceptable projects are those that improve a firm's profitability, overall efficiency, productivity and they must go beyond the firm's on-going operating activities.

The majority of respondents stated that illustrating the impact of a project on the firm's profitability is not always realistic for this component and that the definition of a project is impractical. Their responses included:

- For projects like computerization, it is extremely difficult to quantify the impact that the improvement will have on the "bottom line". They indicated that in most cases, the cash flow projection for the project funding application process is their "best guess" and it is rarely close to actual operating results. One publisher indicated that the project funding approach encourages "creative accounting techniques" in order to show that the project will have a positive impact.
- Many respondents questioned why an acceptable project must go beyond the "on-going operating activities of the firm". As previously outlined, publishers stated that the definition itself encourages publishers to take chances or commit to projects that they otherwise would not undertake if they had to fund the projects with their own money. Some say that the Program Administration itself encourages "grand schemes" rather than sound projects that are not as high profile. This raises concerns among publishers since there are some basic ground rules that publishers must follow in order to be a successful in Canada and the emphasis on new ideas and "grand schemes" is not always the best way to go.



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## **ii) The Selection Process and Criteria**

The respondents did not voice any complaints surrounding the eligibility criteria specific to the Aid to Individual Firms component, but they did have problems with the selection process. These problems included:

- The publishers question whether or not the Program Administration has the ability to recognize what is a "good" project and what is a "bad" project. They complain that they do not really know whether their applications for funding will be accepted because the review process does not appear to be applied consistently over all projects. A number of publishers would like to see the DOC publish an abstract of each project accepted so they would have a better idea of what is an "acceptable project".
- A number of publishers complain that instead of creating a project designed specifically for their firm, they spend their time "skating around the criteria" in order to get the project accepted. Some say that in the end, the project may not even resemble their initial plans.
- One publisher abandoned an application for project funding after realizing that the main reason for pursuing it was simply that grant money was available, not because it would do much good for the business.
- All comments about Program Officers were tempered because they don't want to "bite the hand that feeds".

## **iii) The Program Administration**

Although the publishers indicated that they were relatively pleased with the assistance provided by the Program Officers, a few concerns were raised including:

- The Program Officers spend too much time fine-tuning the wording of the project applications as opposed to improving the actual project itself.
- The officers are good at communicating that a project was rejected but are poor at explaining the reasons why.

## **iv) The Current Effectiveness of the Component**

This component can be divided into those who use the program for computerization projects and those who use the program for marketing initiatives:

- On average, the respondents that used the Aid to Individual Firms component for computerization indicated that the projects improved the overall efficiency and productivity of their firm. In particular, they stated that computerization support was very important to the publishing industry, especially for completing forecasts and business planning. Although it was difficult for publishers to isolate the direct impact of computerization on their profitability, they did say that it did improve their "bottom line".
- Regarding the use of the component for marketing initiatives, there was a split between those who indicated that there indeed was a positive impact on the efficiency, profitability and overall productivity of their firm and those who did not feel that the marketing projects undertaken had a positive impact on their firm. They complain that since acceptable projects must go beyond their firms' on-going operating activities, it encourages them to try marketing schemes that they would otherwise not implement.



- A number of publishers were unaware that the program provided funds for marketing initiatives. They stated that they thought that the program was for computerization projects only.

v) **The Strengths and Weaknesses of the Component:**

**Strengths:**

- There is a small number of publishers that use the component frequently and state that the project funding approach encourages them to try new marketing initiatives.
- Project funding is well suited to the minority of publishers who are profitable and need support to reduce the risk of initiatives that are required to help them grow.

**Weaknesses:**

- The most fundamental weakness of the project funding approach is that it fails to meet the needs of smaller publishers that require funding support to cover their day-to-day operating activities.
- The program is used infrequently by the publishers, except for upgrading computer facilities. A number of respondents indicated that the reason why the program is not used more frequently for marketing initiatives is because the program managers do not encourage it.
- A large number of respondents indicated that they were unaware that there is a component under the BPIDP to support marketing initiatives.
- The respondents complain that the application process for the component is too subjective and relies on the DOC to be able to "pick winners" from the publishers' applications. They find that the DOC accepts projects on "how well applicants fill out the forms versus the actual merits of the project". Others indicated that they felt that projects were accepted or rejected based on the Committee's perception of the firm or on "who you knew".
- Funding projects that go beyond the ongoing business of many basically unprofitable firms is simply inappropriate and leads either to subsidies being disguised as projects or, more seriously, encourages firms to spend funds on things that are not a top priority.
- One "creative" publisher has managed to obtain funding for a large number of projects and spent a great deal of DOC money. The same result, i.e. continued operation of the publisher, could have been achieved if a direct subsidy to fund ongoing operating losses had been available. The DOC would have paid less money and the publisher would have more time to do what he really wanted to do, publish books.

## 5.2 Association for the Export of Canadian Books

Approximately two-thirds of the respondents indicated that they used the Association for the Export of Canadian Books (AECB) component within the last five years. Although most respondents stated that there should be an increase in the amount of funding available for Canadian publishers to pursue foreign markets, there were concerns over the current operating structure of the AECB. Most also stated that the current administration was significantly better than the previous one.



## **i) Rationale for the Program**

This component of the BPIDP provides funding support for initiatives aimed at increasing the exposure and marketability of Canadian books internationally. The Association for the Export of Canadian Books (AECB) administers this component on behalf of the Department of Communications. It is referred to as the International Marketing Assistance funding component.

This component provides two forms of funding assistance to eligible publishers:

1. Foreign Rights Marketing Assistance - provided to publishers marketing foreign rights for Canadian books through participation in international book fairs. The book fairs include not only those fairs arranged through the Department of External Affairs (i.e., the Bologna Children's Book Fair, and the Frankfurt International Book Fair), but also internationally recognized book fairs where Canadian publishers have the potential to acquire and sell rights; and
2. Export Marketing Assistance - provided to publishers for promotional efforts to expand the export market for their Canadian books. Examples of projects could include export advertising and promotion, distribution and foreign market research.

Although the respondents indicated that the AECB program does increase the exposure and marketability of Canadian books internationally, most publishers feel that too many firms qualify for funding that either do not have any real intention to pursue international markets or do not have the expertise to consider such moves. As a result, a small amount of funding is being spread too thinly across the industry.

## **ii) The Selection Process and Eligibility Criteria**

A number of publishers had no substantial problems with these matters. While the existing system was not perfect, they could not envisage anything that was much better. Other publishers expressed the following concerns:

- The Selection Committee itself is not broad-based and represents the concerns of publishers in central Canada rather than having a national perspective.
- Active publishers should not be on the Committee because it raises confidentiality concerns. A number of publishers indicated that they spend much of their time disguising projects so the committee members do not know their entire plans. Other publishers said that they do not submit all of their projects because of the confidentiality concerns. The addition of an outside observer has quietened some fears.
- Not all types of publishing are represented in the selection process. As a result, the committee members are not always knowledgeable about all of the projects they need to assess.
- On balance, the selection process seems reasonably fair.

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A number of the respondents indicated that the current eligibility requirements are not strict enough, complaining that in many instances funding is provided to publishers that have very little chance of successfully completing international projects. Specifically, publishers indicated that:

- Too many firms receive funding to travel to international fairs. Many of the larger publishers indicated that they would like to see the funding targeted at publishers that have the capabilities to pursue international initiatives rather than support the "travel desires" of smaller publishers.
- The amount of funding is being spread too thinly. They stated that due to the "loose" eligibility criteria, the AECB is funding too many small projects rather than concentrating on larger projects with publishers that have a greater probability of success.

### **iii) The Program Administration**

Many respondents felt the administration had made significant improvements recently, others pointed to a number of problems with the program administration, but some of these complaints appear to be attributable to prior management. Complaints included the following:

- The financial organization of the component was poor. In many instances, after the project applications have been approved, publishers complain that the funding by the AECB is unreasonably delayed. This causes significant operational problems for publishers.
- The funding decisions were inconsistent. Publishers stated that they were not sure from year-to-year whether they will receive funding for export marketing assistance. Respondents indicated that one year, the funding guidelines for the AECB component were given to publishers one month before the applications for funding were due back at the AECB.
- The communication between the AECB and the applicants was inadequate. Specifically, the respondents expressed concern over that lack of communication after their funding applications were submitted. In addition, publishers feel that the Committee does not request additional information on projects that they have had little experience, resulting in poor funding decisions. Finally, publishers indicated that the Committee did not provide adequate explanations when their applications for funding are declined.

### **iv) The Current Effectiveness of the Program**

Overall, the respondents feel that the support for export market initiatives is crucial to the success of the Canadian publishing industry. Publishers are well aware that the domestic market, dominated by large foreign multinational firms, is not large enough for Canadian firms to develop scale economies. As a result, publishers realize that further development of export markets is the most effective way to make Canadian publishers more competitive.

Most respondents also agree that any export development program for the book publishing industry should remain separate from any program designed to assist domestic marketing initiatives. Publishers stated that there are key differences in providing support for domestic marketing projects versus international projects.



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Publishers stated, however, that in its current form, the AECB will not be sufficient for Canadian publishers to expand internationally. The main issues relate to the level and direction of funding.

**v) Summary of Strengths and Weaknesses**

***Strengths:***

- The AECB component is designed exclusively to support international book publishing initiatives. Publishers do not want to see domestic and international support provided by one component within the BPIDP.
- Publishers outlined their approval for the appeal process that was recently established for AECB applications and indicated that it may alleviate some of the problems with the fairness of the funding process.

***Weaknesses:***

- The AECB eligibility criteria are too loose, which results in spreading support too thinly. Publishers complain that a number of projects have not been attempted because of the inability to attract adequate sources of funds. The overall level of funding needs to be increased.
- The AECB does not provide enough assistance to publishers in order to adapt titles specifically for export markets. Most publishers indicated that the AECB should provide more assistance in this area but there is concern that the AECB staff does not appear to have the expertise to complete this task. A few publishers did not like this idea. They felt it would lead to creation of books which would have little merit and drew parallels with the unfortunate experience of the film industry. In general, the majority of publishers would like to see the AECB take on more of a professional development role in order to assist firms pursuing international markets.
- The AECB does not provide enough support in order to conduct feasibility studies for foreign markets. Publishers indicated that the AECB should fund the use of experts/book consultants in order to investigate or enter foreign markets.

### **5.3 Aid to Industry and Co-operative Projects**

Not many of the publishers contacted for this study indicated that they had received support under the Aid to Industry and Co-operative Projects. Smaller publishers and publishing associations are the heaviest users of this component and they apply for distribution and computerization projects in most instances.

**i) Rationale**

This component is currently designed to support and encourage book publishers to undertake co-operative initiatives which will assist them in achieving economies of scale or synergy in areas such as production, manufacturing, marketing, warehousing and distribution. It is also aimed at supporting project initiatives which will focus on improving industry-sector or industry-wide viability of book publishing and distribution activities in Canada.

All respondents indicated that this component achieved its objectives quite well. In fact, projects such as the University of Toronto Press distribution project have had a very positive impact on the efficient distribution of titles for smaller publishers.

**ii) The Selection Process and Criteria**

The respondents indicated that they are pleased with the selection process of the Co-operative Projects component. A few respondents indicated that they were not totally clear as to which firms qualified for support under the program.

**iii) The Program Administration**

There were no comments made by the respondents about the administration specific to this component.

**iv) The Current Effectiveness of the Component**

All of the respondents that have utilized this component stated that the projects undertaken have led to improvements in economies of scale in addition to having a positive, incremental impact on book sales. Specific comments included:

- The program allows publishers that are too small to qualify under the Aid to Individual Firms component to computerize together. Without such a program to improve their computer capabilities, publishers stated that they would not be able to conduct effective business planning or even produce titles at a competitive price. They all indicated that increased computerization makes the whole publishing process more streamlined.
- The University of Toronto Press project and other distribution projects funded under the Co-operative projects component received tremendous support. Publishers stated that not only did the distribution projects improve the efficient movement of books for small publishers across Canada, it also allowed regional publishers to learn from each other and it actually encourages national unity since the projects typically involves publishers from across Canada. In addition, the publishers noted that since the program supports mostly smaller firms, the component itself supports the natural evolution of publishers as stronger publishers in the distribution projects get bigger and graduate out of the program making room for new firms to benefit from proven projects. The only concern that the publishers expressed was whether the distribution programs would continue to receive government support.

**v) Summary of the Component's Strengths and Weaknesses**

***Strengths:***

- It is critical to the success of publishers that are too small to receive funding under other BPIDP components.
- The program reduces the amount of administrative support required by each participant.

***Weaknesses:***

- The respondents stated that it is difficult to get other firms or organizations to agree on the direction and management of a joint project. They realize, however, that this is a natural problem.



- A few respondents stated that the reason that they have never used the program is because they are not familiar with its objectives or operation.

#### **5.4 Aid to Professional Associations Component**

Most responded to the questions concerning the Aid to Professional Associations component. Publishers recognize the importance of publisher associations to the continued development of the industry and gave specific recommendations on how the component can be improved. A number of publishers questioned whether the existence of two major industry associations was in the best interest of the industry.

##### **i) Rationale**

This component of the BPIDP provides funding support to recognized Canadian book publisher associations for research and documentation initiatives and for developing and conducting professional development programs for their membership. This component also subsidizes personnel from individual publishing firms and industry associations to participate in external courses or seminars offered outside of the publisher association seminars. The industry associations will assume responsibility for administering publishers' requests for all professional development assistance.

Many stated that the research provided by associations meets the needs of the association members. The Canadian Book Publishers' Council (CBPC) and the Association for Canadian Publishers (ACP) were identified as providing the most useful research. A number of publishers were unable to identify any current research done by the ACP.

Although most of the publishers indicated that the research completed by the associations is disseminated effectively to its members, a vocal minority of the smaller publishers stated that all research undertaken should be disseminated to every publishers, regardless of whether they are a member of the association or not. They argue that the publisher associations receive their operating money from government funding so the associations are obligated to disseminate their findings to all publishers. Most publishers, however, do not agree with this argument because they feel that the members are paying for the research through their membership fees and if a publisher wants the information, they need to join just like anyone else.

Most publishers agree that publisher associations should provide professional development for the publishing industry. The same respondents, however, indicated that they have not been pleased with the professional development provided by the ACP and feel that the program must improve in order to meet the needs of the publishing industry.

##### **ii) The Selection Process and Criteria**

Although the selection process of the component did not receive any negative remarks from the respondents, a few publishers stated that the criteria for acceptable associations should be expanded. They argue that the current criteria only includes "recognized book publishers' associations" and does not include organizations such as the writers' union. However, the funds are available for other associations through organizations such as the Canada Council.

##### **iii) The Program Administration**

There were very few comments surrounding the administration of the Aid to Professional Development component. Although most associations stated that the administration worked



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well, they did complain that the administration was slow in providing funding and inflexible to new ideas.

#### iv) The Current Effectiveness of the Component

Overall, the respondents stated that the research provided by the Aid to Professional Development component was sufficient to meet the needs of the industry. There is increasing concern, however, that the professional development and training provided by the component is becoming too general and does not meet the increasing demand of the industry for more specialized programmes. In particular, publishers complained that the professional development was targeted at new publishers rather than experienced publishers. This is primarily an issue with ACP members, **CBPC programmes are highly regarded.**

In addition, publishers find that while the seminar approach is a good way to obtain introductory information on particular topics, they find seminars do little to help them apply the fundamentals learned to individual operations. Therefore, publishers would like to see professional development programmes developed specifically for individual firms. For example, an approach that is receiving more and more support is a "travelling consultant" program. Under this program, a consultant would travel to specific regions of Canada and meet with small groups of publishers in order to determine their specific problems and concerns. Possible solutions would then be discussed within the group and the consultant would follow up this session with a personal visit to each firm participating in the group discussions. At each publishing operation, the consultant would tailor solutions to each specific firm. This form of professional development is targeted at senior management.

Another problem that publishers identified with the professional development programmes offered by the ACP is the continued use of professional development (PD) days to get their membership together for an association meeting. By referring to a general meeting as a professional development day, 50% of the publishers costs are reimbursed by the Department of Communications.

Under the current system, all the professional associations need to do to legitimize the PD day is to arrange for seminars and the remainder of the time is spent discussing association business. What results is that the professional development becomes secondary to the meeting and the seminars themselves are useless in many instances. Therefore, the publishers do not regard the seminars programmes very highly.

The recently constructed ACP is dealing with these issues, plans a much strengthened PD program and has eliminated the former abuses.

#### v) Summary of the Strengths and Weaknesses of the Component

##### ***Strengths:***

- Most publishers find that the research undertaken by associations (and funded by the program), meets the needs of the association members and is effectively disseminated to all publishers either through association meetings or newsletters.
- The professional development provided by the CBPC was identified as the best source of training among the associations.
- The professional development seminars, in most cases, meet the needs of the small publisher that is new to the publishing industry.



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### **Weaknesses:**

- Only about half of the publishers that have participated in training sessions with associations, stated that the sessions have improved their management techniques. Publishers said that in most cases the professional training is too general and unless you are just starting as a publisher, there is little to be learned at the sessions. Publishers indicated that the professional development must become more specialized in order to meet the needs of more experienced publishers as well as the needs of specific target groups across Canada.
- Most publishers indicated that PD days of the ACP were generally used as excuses to get the association membership together for meetings. Some publishers stated that PD days are effective training sessions only 50% of the time.
- A number of publishers complained that the professional development seminars are not regionally implemented. They indicated that all of the seminar series appear to be in Toronto and they would prefer to have more regionally implemented programmes designed for specific areas of the country.
- Most publishers complained that there is duplication in the courses offered to the publishing industry by associations, universities, community colleges and other educational institutions and organizations. Publishers' suggest that a committee be formed to plan the long-term professional development needs of the industry and identify where specific programmes should be made available. This would reduce the problem of programme duplication and provide long-term direction for the component.

## **5.5 The Canada Council Block Grant Program**

Since the Canada Council Block Grant Program is complementary to the BPIDP and the DOC has provided financial assistance to the Canada Council since 1987-88, the impact of this component was included in this evaluation in order to isolate the BPIDP's effect on the book publishing industry in Canada.

### **i) Rationale**

The Canada Council provides a certain amount of support for the development of culturally significant books through a deficit assistance program.

Most respondents that use the Canada Council program indicated that they experienced an increase in the number of culturally significant titles due to the Council's program. The same publishers, however, have not experienced an additional increase in the production of culturally significant titles since 1987-88, when the Department of Communications increased the budget of the Canada Council through a transfer of DOC funds.

Regarding the Canada Council's impact on the financial stability of the Canadian publishing industry, most publishers stated that although they would not be able to produce culturally significant titles without the program, the funds available through the Canada Council have: (i) not kept pace with the cost of living in Canada; and, (ii) "title inflation", the dramatic increase in the number of titles to receive Canada Council funding. As a result, the positive effect on the publishing industry has been decreasing and publishers indicated that the Canada Council requires additional financing in order to bring stability to the production of culturally significant titles.

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## ii) The Selection Process and Criteria

Although the level of funding to the Canada Council Block funding program has increased, the number of titles that have received support from the program has increased at a faster rate. Some believe that the reason for such an increase in the number of titles receiving support under the program, is that the standards have been relaxed in order to appease publishers who expressed their displeasure when the DOC funds were transferred to the Canada Council. Others feel that the growth is part of the natural maturing of the industry. Some publishers believe that the Canada Council should tighten its criteria and support fewer titles, others were not in agreement. The latter group felt that the correct response was to increase the level of funding and to support all that met current criteria.

Although the publishers recognize that it is difficult to arrive at an acceptable definition of what is a title with culturally significant content, a number of publishers indicated that they are aware of a number of instances where books received Canada Council funding, for books which did not truly have culturally significant content. In spite of these criticisms, the Canada Council's program received strong support overall.

## iii) The Program Administration

Publishers have indicated that there have been some problems with the administration of this program. These problems include:

- The jury system does not always represent the needs of all types of publishers. For example, a number of small educational publishers indicated that the funding decisions for this type of publishing has been erratic at times. Others said that it was difficult to understand why ratings changed so much from year-to-year. There was some support for reducing the weight given to the jury process, but others felt that the net result of doing this would be to act against industry interests.
- Some also believe the jury system has: (i) loosened criteria for cultural titles; and (ii) the industry has experienced "title inflation". Some publishers say that the Canada Council is trying to please everyone and is really not assisting anyone because the funds are being "watered down".

## iv) The Effectiveness of the Program

Although most publishers stated that the program encouraged the development of titles with culturally significant content, the program is losing its ability to cover the deficits that culturally significant titles incur in most instances. According to a number of publishers, due to "title inflation", the deficit coverage capability of the program has dropped from a high of 70 to 75% just three years ago, to a current rate of just 38%. The respondents indicated, that unless the Canada Council funding increased to a point when they once again could cover 70 to 75% of deficits, it will be difficult to continue to publish the same number of Canadian titles. Some went further to say that many Canadian publishers may be forced out-of-business because of the reduction.

## v) Summary of the Program's Strengths and Weaknesses

### *Strengths:*

- Most publishers of culturally significant books indicated that they would not be able to sell their titles at a competitive price without Canada Council support.



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- Publishers stated that the Canada Council program allows them to increase the number of culturally significant titles they produce.
  - Some publishers received their "equity" from the Canada Council.

***Weaknesses:***

- A number of publishers complained that the jury system does not always represent the interest of all types of publishers.
- A number of both large and small publishers stated that the level of funding available from the Canada Council is quite variable from year-to-year and this makes it difficult for publishers to plan for their operations in advance. Publishers stated that the variability in funding can be as much as 15% to 20% year-to-year. There is a growing demand among publishers that the Canada Council program adopt a multi-year funding approach versus a review at the end of each year. Publishers argue that it would eliminate unpredictable funding levels and allow them to commit to more long-term planning.
- The program's funding has not kept pace with the: (i) cost of living in Canada; and, (ii) the demand for the program itself. As a result, with the amount of funding available for each title decreasing, the impact of the program is being reduced.
- "Title inflation" has eroded the ability of the Canada Council to influence publishers to produce Canadian titles. Some publishers would like to see the criteria "tightened" in order to reduce the number of titles requiring Canada Council support. The problem is that it is extremely difficult to determine the definition of a culturally significant title. Some publishers indicated that it would be better to define by exclusion, others stated that each case should be evaluated on its individual merits.

**APPENDIX**

**INTERVIEW GUIDE**



## **BOOK PUBLISHING INDUSTRY DEVELOPMENT PROGRAM INTERVIEW GUIDE FOR PUBLISHERS**

### **Introduction:**

*Ernst & Young / SECOR has been commissioned by the Department of Communications (DOC), to evaluate the Book Publishing Industry Development Program (BPIDP).*

*You or someone else in your firm may have already been contacted by another consulting firm in order to gather your experiences and opinions regarding specific aspects of the BPIDP. This is because 4 studies are being completed concurrently on the BPIDP. The information I will ask of you today pertains to the rationale, objectives and possible alternatives to the BPIDP. D.O.C. want to emphasize that the funds available for the BPIDP and the transfer to the Canada Council are permanent. We just want to see if the money available to the publishing industry can be spent in a better way.*

*Through the course of our interview, I will ask you about your organization's use and opinions regarding the operation of the program. I would like to emphasize that all interviews are CONFIDENTIAL. All replies will be held in the strictest confidence. No information that could identify any specific business or individual will be reported back to our client in written or verbal form; we will report only on general trends and common perceptions. I would like to emphasize that this interview process is extremely critical to the development of the BPIDP and its ability to meet your needs. As a result, it would be appreciated if you could provide detailed responses regarding your impressions of the program.*

*The issues we wish to address are:*

- Firstly, is the BPIDP program and the Canada Council's Block Grant Program relevant to your needs?*
- Secondly, are the uses you have made of the program funds related to the program objectives?*
- Thirdly, have the projects you have undertaken with project funds achieved their objectives?*
- Finally, what changes, if any, would you like to see to the present program.*

*I would like to start with some general questions about your firm.*

### **Information about the publisher:**

Company Name \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
City \_\_\_\_\_  
Postal Code \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_

Person completing questionnaire: \_\_\_\_\_  
His/Her position: \_\_\_\_\_

## A. Company Background:

- A. i) **Ownership of Firm**  
*What percentage of your firm is:*

	Canadian-Owned	%	
	American-Owned	%	
	Other (Please Specify)	%	

- A. ii) **Description of Published Material**

*Could you indicate the percentage of material your firm publishes that can be classified as: Educational (text books); General Literature (trade); and Reference and Research (Scholarly)? In addition, for each category could you indicate the percentage of the publications that are English-Language and French-Language? Ask respondent to provide copies of the firm's book catalogue for the past three years.*

	English-Language %	French-Language %
Educational (textbooks)		
General Literature (trade)		
Reference & Research		

## B. Program Relevance / Rationale:

- B. i) *The BPIDP Program was designed with 2 main underlying objectives in mind.*

- 1) The first objective is to encourage the industrial development, increased self-sufficiency and economic viability of Canadian Publishers.*
- 2) The second objective is to ensure that culturally significant publications continue to be made available to Canadians and others through Canadian publishers without impairing the financial viability of those publishers.*

*I will ask questions concerning each of the objectives.*

- B. ii) *What are your impressions concerning the emphasis put on the industrial development for the BPIDP?*




- B. iii) *Please explain in your own words your understanding of the term "industrial development/support"?*


- B. iv) *Is the first objective relevant/realistic in light of the industry needs and your firm's needs - today and into the future?*


- B. v) *Now, concerning the second objective (read second objective again), please explain your understanding and perceptions concerning the objective of providing cultural support to the publishing industry?*


- B. vi) *Is cultural support relevant/realistic in light of the industry needs and your firm's needs - today and into the future? Are there other objectives that need to be identified and pursued?*


- B. vii) *Support for Canadian Publishers is separated into 2 categories: the BPIDP and the Canada Council's Block Grant Program. While the BPIDP provides industrial support with cultural goals in mind, the Canada Council Program provides a certain stability for the publication of culturally significant books through a deficit assistance program. Please comment on whether you feel that dividing the responsibilities in this manner is the most effective method of meeting publishers' needs? Do the programs complement each other or should they be redesigned? Please outline how and why the program should be changed (if suggested).*


- B. viii) *What has been the effect on the publishing industry of the BPIDP's switch from block grants to a project funding approach? Please have the respondent outline the implications of the effects and state why they have occurred. Give specific examples.*


- B. ix) *Please comment on whether the switch to project based funding actually resulted in new project development or has it just forced publishers to apply for government assistance in a different manner? Discuss and explore reasons for their responses.*


- B. x) *Based on your experience, which of the following methods of funding would be the most effective in delivering the BPIDP program:*
- i) Block Funding,*
  - ii) Project Funding,*
  - iii) a combination of Project and Block Funding, or*
  - iv) another form of funding based on marketing expenditures or another operating characteristic? Please state why this method is most appropriate (and how this would be implemented if respondent states ii) or iii)).*


### **C. Program Criteria:**

- C. i) *We would like your comments on the selection criteria for the BPIDP. I will read the criteria to you and then ask you a few questions. The existing criteria include (Send a copy of the criteria to the telephone respondents):*
- 1) Have completed 24 months of operation by the date of first application and must demonstrate an adequate capacity for editing, designing, producing and distributing the books they publish.*
  - 2) Be 51 percent owned and controlled by Canadians or by eligible landed immigrants.*
  - 3) Have manufactured in Canada a minimum of 75 percent of all Canadian-authored titles. Exceptions to this manufacturing requirement will be made under special circumstances.*
  - 4) Have attained a minimum level of sales of eligible books in their previous financial year, varying by their location and language of markets.*



*What are your impressions of the program criteria? Are they clear or ambiguous?*


- C. ii) *Which if any, criteria should be changed in order to better meet industry needs? Please discuss.*


- C. iii) *The BPIDP specifically outlines the criteria for what constitutes a "book" (e.g., printed material). Should the criteria reflect changing technology available to the publishing industry e.g., audio tapes?*


- C. iv) *The BPIDP consists of a number of components: Aid to Individual Firms; Parts A & B of the Educational Publishing Fund, the AECB/International Marketing Assistance component; the Joint Projects/Aid to Industry Cooperation component and the Aid to Professional Associations. Is this structure easy/difficult to understand and do you agree with this approach of dividing the program into components? If no, please detail how the program should be designed? e.g., other components added or existing components eliminated or combined?*


## **D. Program Administration**

- D. i)(a) *In addition to meeting specific criteria, the BPIDP program requires that a number of documents be completed including: a business plan, audited financial statements and various other general information forms. Please comment on your experiences completing the documentation?*


- D. i)(b) *Did you find that completing the documentation for the BPIDP actually helped you plan your business? If yes, which areas of your business did it help?*


D. ii) *I would like you to comment on the manner in which the applications for the BPIDP are considered and evaluated. In its current form, the process can be summarized as follows:*

- 1. Firstly, the Program Officers examine the projects;*
- 2. Secondly, a committee of external advisors with experience in both the publishing industry and financial management assess the projects based on the publisher's business plan and the their financial situation;*
- 3. Thirdly, the program management makes the final recommendations for approval by the minister based largely on the committee's comments and other considerations to ensure equitable distribution of funds; and*
- 4. The Program Officers communicate the decisions to the publishers.*

D. iii) *In your opinion, is this process fair to all publishers?*


D. iv) *Are the reasons for rejecting or accepting the applications actually communicated to you? How can the feedback improved?*


D. v) *Have you experienced any significant delays when applying for assistance from the BPIDP? If yes, please describe the delays you experienced and give suggestions on how the delays can be eliminated or reduced?*


D. vi) *Do you find that applying to the BPIDP is complex? (write down: yes, no, or don't know)? How can the structure be improved in order to simplify the application process.*


D. vii) *What are your impressions of the BPIDP program managers' ability to meet the needs of publishers? What are their strengths and weaknesses? What specific areas of improvement are required? Please explain and give examples.*




- D. viii) *If applications for the BPIDP programs are rejected, do Program Managers give useful feedback on how to improve your chances of receiving support in the future?*


### **E. Grants Allocation:**

- E. i) *Did your firm receive a grant or contribution under the BPIDP program or Canada Council in the last 5 years?*

Yes	
No	

*If no, why not?* \_\_\_\_\_

*If yes, please complete the entire guide and if no, please go to question L. i).*

*As you know, the BPIDP is divided into 5 funding components. These components include:*

- 1. Aid to Individual Firms;*
- 2. Educational Publishing Fund - Parts A and B;*
- 3. AECEB Component / International Marketing Assistance;*
- 4. Joint Projects / Aid to Industry and Co-operative Projects; and*
- 5. Aid to Professional Associations.*

*In addition, the Canada Council's Block Grant Program offers aid to the Book Publishing Industry.*

*I will now ask you specific questions about each component. I will not, however, ask you questions specifically related to the Educational Publishing Fund. Questions pertaining to this segment of the BPIDP are being completed in another study.*

### **F. Aid to Individual Firms Component:**

*These questions involve BPIDP's Aid to Individual Firms. This component of the BPIDP is directed at individual publishers for project initiatives that go beyond a firm's current operating activities and which are aimed at improving the profitability, overall efficiency and productivity of the firm.*

- F. i) *Did your firm receive a grant or contribution under the Aid to Individual Firms Component of the BPIDP in the last 5 years?*

Yes	
No	

If no, why not? \_\_\_\_\_

If yes go to question F ii) and if no please go to question G. i)

**F. BPIDP involvement**

- ii) *Could you list the last 3 BPIDP projects that your firm has undertaken (within the Aid to Individual Firms component) and state whether or not you have reached the objectives as outlined in your approved program application form(s)? If you have not achieved the stated objectives, please indicate why?*

		Met Objectives (circle Yes or No)	
Program Name:		Yes	No (outline why below)
1.			
If no, why? Were objectives actually set?			
_____			
_____			
_____			
2.		Yes	No (outline why below)
If no, why? Were objectives actually set?			
_____			
_____			
_____			
(Gather the information for each project. Attach another sheet if necessary)			



F. iii) *Did your receipt of the Aid to Individual Firms help you:*

*(i) Increase your profitability?*

☐ *Yes it did,  
because:*

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☐ *No it did not,  
because:*

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☐ *No, it remained the  
same because:*

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☐ *Can't say / don't know*

*(ii) Improve the efficiency of your Business?*

☐ *Yes it did,  
because:*

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☐ *No it did not,  
because:*

---

☐ *No, it remained the  
same because:*

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☐ *Can't say / don't know*

(iii) *Improve your ability to implement the Business Plan?*

☐

*Yes it did,  
because:*

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---

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☐

*No it did not,  
because:*

---

☐

*No, it remained the  
same because:*

---

---

---

☐

*Can't say / don't know*

(iv) *Increase your firm's productivity?*

☐

*Yes it did,  
because:*

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---

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☐

*No it did not,  
because:*

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☐

*No, it remained the  
same because:*

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☐

*Can't say / don't know*

F.(iv) *What other areas of your business were affected by the receipt of the Aid to Individual Firms?*

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- F. v)(a) *Did the receipt of the Aid to Individual Firms' grant have a positive or negative impact on sales?*


- F. v)(b) *Did the receipt of the Aid to Individual Firms' grant have a positive or negative impact on the sales of Canadian titles?*


- F. vi) *Project initiatives to be considered under the Aid to Individual Firms component must go beyond a publisher's on-going operating activities and have a positive effect on future sales and profitability. Please give your opinions about this definition of a "project"?*


- F. vii) *Have you experienced difficulties identifying projects that would be acceptable given this definition of a "project"?*


- F. viii) *Once approved, the projects are financed on a cost sharing basis where funding is related on the firm's size (smaller firms receive more than larger firms). In your opinion, is this method of funds disbursement fair? For example, should funding limits be related to specific needs of individual firms rather than current industry percentages? Please explain in detail.*


- F. ix) *For this component of the BPIDP, do the Program Managers provide adequate feedback when projects are rejected? For example, do they explain how your application can be improved in order to receive the required funding.*


- F. x) *Some publishers have indicated that they have experienced difficulties preparing business plans for the program. If you have you experienced similar difficulties, could you state specifically what they are and indicate how the BPIDP can help eliminate these difficulties? i.e., training, workbooks, videos, etc.*


- F. xi) *In its current form, what are the strengths and weaknesses of the Aid to Individual Firms component of the BPIDP? How can the weaknesses be eliminated?*


- F. xii) *Please comment on whether you feel that the Aid to Individual Firms component of the BPIDP program meets the needs of the publishing industry in general and your firm in particular?*


- F. xiii) *In your experience, does the BPIDP program encourage you to try new marketing methods? How could the BPIDP be improved to better meet the marketing needs of the industry?*


- F. xiv) *In its current form, does the BPIDP adequately support the use of marketing specialists (i.e., consultants and marketing professionals hired on a contract basis), for short-term projects? What suggestions do you have to improve the manner in which the BPIDP addresses this situation?*




- F. xv) *Does the BPIDP adequately support the exploration of new market possibilities through market studies and feasibility studies? What improvements are required within the BPIDP in order to address new market opportunities?*


- F. xvi) *DOC records indicate that publishers used this component of the BPIDP quite frequently in order to improve their firm's computer facilities. Why have so many firms used this program to upgrade their computer facilities? What are the gains in efficiency and quality by upgrading computer capabilities?*


- F. xvii) *Publishers, however, have not used the program to the same extent for market and feasibility studies. In your opinion, why has this occurred?*


- F. xviii) *When providing marketing assistance, which method do you feel is more effective:*
- i) to continue providing support on a project-by-project basis,*
  - ii) to provide marketing assistance on a global basis so a marketing plan can be developed for the entire firm, or*
  - iii) a combination of the two methods should be used? Please state why you feel this is the most effective method giving specific examples (Have the respondent state how the new methodology would be implemented where necessary).*


### **G. AECB Component:**

*This section of the interview concerns the Association for the Exportation of Canadian Books (AECB).*

- G i) *Did your firm receive support form the BPIDP's AECB Component in the last 5 years?*

Yes	
No	

If no, why not? \_\_\_\_\_

If yes go to question G. ii) and if no please go to question H. i)

- G. ii) *The AECB has established a Selection Committee to evaluate the projects publishers submit in order to receive export market assistance. The Committee itself is selected by publishers who are members of the Board of Directors. Do you feel that this method of delivering project evaluation is fair to all publishers?*


- G. iii) *Do you feel that this method raises questions concerning confidentiality since the Selection Committee is comprised of competitors? Do you feel that publishers feel inhibited about submitting projects because of their confidentiality concerns?*


- G. iv) *Do you have any suggestions on how the evaluation process should be changed in order to address the problems we have identified?*


- G. v) *Not all titles are suitable for export markets. Do you feel that the AECB should fund development projects for adapting titles specifically for export markets (especially for educational publications)?*


- G. vi) *Do you feel that the AECB should have a greater role in terms of training and professional development for international markets?*


- G. vii) *Do you feel that the AECB should fund the use of experts/book consultants by publishers in order to investigate or enter foreign markets?*




- G. viii) *Currently, the Aid to Individual Firm provides marketing support for the domestic market and the AECB provides marketing support for international marketplace. Should both international and domestic marketing support be provided by the same component in the BPIDP? Why/Why not?*


## H. Joint Projects BPIDP Component

*We will now move on to the Aid to Industry and Cooperative Projects portion of the BPIDP. This component is designed to support and encourage book publishers in Canada to undertake co-operative initiatives.*

- H. i) *Did your firm receive support from BPIDP's Aid to Industry and Co-operative Projects in the last 5 years?*

Yes	
No	

If no, why not? \_\_\_\_\_

**If yes please outline the projects undertaken:**


**If no, please go to question I. i).**

- H. ii) *Do you feel that the Aid to Industry and Co-operative projects in which your firm has been involved in has led to improvements in your economies of scale? Please indicate whether you:*

<input type="checkbox"/>	Agree, because:	
<input type="checkbox"/>	Disagree, because:	
<input type="checkbox"/>	Feel mixed, Because:	
<input type="checkbox"/>	Can't say / don't know	

H iii) *Do you feel that the Joint Projects component has had an incremental impact on your firm's book sales? Please select one of the following responses and indicate the percentage increase in sales due to the program:*

☐

*Yes,  
because:*

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☐

*No,  
because:*

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☐

*Mixed,  
Because:*

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☐

*Can't say / don't know*

H. iv) *What are the strengths and weaknesses of the Joint Projects Program's ability to meet the needs of the industry? What is required to overcome the weaknesses?*

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## **I. Aid to Professional Associations Component:**

*The BPIDP provides funding to associations to conduct research and offer professional training to its members.*

I. i) *Would you agree that the research undertaken by the associations (and funded by the program), meets the needs of the association members? Please indicate whether you:*

☐

*Agree,  
because:*

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☐

*Disagree,  
because:*

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☐

*Feel mixed,  
because:*

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☐

*Can't say / don't know*



- I. ii) *Are the findings of the research completed by the associations disseminated to its members?*


- I. iii) *If you have participated in any training sessions with any associations, have they improved your firm's management techniques? Please select one of the following responses and indicate the name of the association and the training provided.*

<input type="checkbox"/>	<i>Generally yes, because:</i>	<input type="text"/>
<input type="checkbox"/>	<i>Generally no, because:</i>	<input type="text"/>
<input type="checkbox"/>	<i>Mixed, Because:</i>	<input type="text"/>
<input type="checkbox"/>	<i>Can't say / don't know</i>	<input type="text"/>
<input type="checkbox"/>	<i>Have not participated</i>	<input type="text"/>

- I. iv) *Could you please comment on whether or not the Aid to Professional Associations component of the BPIDP meets the needs of the industry and your particular needs?*


- I. v) *What specific changes would you make to improve the Aid to the Professional Associations Component of the BPIDP? (i.e., eliminate weaknesses)*


- I. vi) *Do you feel that the professional development provided by the program needs to be more specialized? Please state why /why not and give examples where appropriate.*


- I. vii) *As well, do you feel that the professional development provided by associations meets the needs of both experienced and inexperienced publishers? Why/Why not?*


- I. viii) *Is there a need for a program such as the Aid to Professional Associations to provide professional development and research to the Canadian publishing industry? Please state why/why not?*


- I. ix) *Do you feel that it would be more effective to allocate the funding available for this program in another way? Please outline where you feel the money would be best spent. i.e., in general business courses or in courses specifically designed for the publishing industry.*


- I. x) *Is there duplication in the courses offered to the publishing industry by the associations, universities, community colleges and other educational institutions and organizations? Which organization or institution do you feel is best positioned to offer courses that are beneficial to the entire publishing industry in Canada?*


**J. Canada Council Block Funding Component:**

- J. i) *Did your firm receive funding from the Canada Council in the last 5 years?*

Yes	
No	

If no, why not? \_\_\_\_\_

If yes go to question J. ii) and if no please go to question K. i)

- J. ii) *What has been the impact of the Canada Council Block Grant program on the production of titles with a culturally significant content? Please indicate whether your firm has experienced:*

<i>An increase of culturally significant titles: (Please quantify)</i>	
<i>A decrease in culturally significant titles (Please quantify)</i>	•
<i>Remain unchanged</i>	
<i>Don't know</i>	

- J. iii) *Since 1987-88, the D.O.C. has increased the budget to the Canada Council Block Grant program. What has been the impact of this increase on the production of titles with a culturally significant content? Please indicate whether your firm has experienced:*

<i>An increase of culturally significant titles: (Please quantify)</i>	•
<i>A decrease in culturally significant titles (Please quantify)</i>	
<i>Remain unchanged</i>	
<i>Don't know</i>	

- J. iv) *In your opinion, what effect has the Canada Council program had on the financial stability of the Canadian publishing industry? Please discuss.*


- J. v) *What changes do you feel are required in order to better achieve financial stability within the Canadian publishing industry?*


- J. vi) *The Canada Council provides funding to cover deficits incurred by firms that publish titles with culturally significant content. Is this an appropriate way to encourage this type of publishing? Please outline why and how you would implement the changes (if warranted).*




- J. vii) *Although the level of funding has increased, the number of titles that have received support from the Canada Council has increased at a faster rate. This has resulted in fewer dollars available to individual titles. Do you feel that the Canada Council should tighten its criteria and support fewer titles? Do you:*

☐

*Generally agree,  
because:*

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☐

*Generally disagree,  
because:*

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☐

*Feel mixed,  
because:*

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☐

*Can't say / don't know*

- J. viii) *In your opinion, why has there been such an increase in the number of titles receiving support from the Canada Council?*

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## **K. Level of Satisfaction:**

- K. i) To summarize, could you state your level of satisfaction with each of the components of the BPIDP that we have discussed today? Use a scale of 1 to 5 where 1 means extremely dissatisfied and 5 means extremely satisfied (and the reasons for the ranking in the space below the chart) concerning:

	1	2	3	4	5	Don't know
<i>The Eligibility Criteria</i>						
<i>The Consistency in Decisions</i>						
<i>The Reporting Requirements</i>						
<i>The Timeliness of Payments</i>						
<i>The Program Officers</i>						
<i>The Program Managers</i>						
<i>Other factors (please specify)</i>						

## **General Comments:**

- i) *The Eligibility Criteria*


- ii) *The Consistency in Decisions*


- iii) *The Reporting Requirements*


- iv) *The Timeliness of Payment*


v) *The Program Officers*


vi) *The Program Managers*


vii) *Other Factors (please specify)*


<b>L. Alternative Solutions to BPIDP:</b>
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L. i) *Considering all the components of the BPIDP we have discussed, what do you think the government should be doing to meet the needs of publishers in Canada? i.e., marketing, financing and production etc.*


L. ii) *Should the BPIDP program devote more funds to improve the infrastructure of the Canadian publishing industry? e.g. channels of distribution. (try not to let the interviewee talk too much about foreign ownership)*


L. iii) *Do you feel that the program needs would be better met if the BPIDP was administered by the regional D.O.C. offices?*




**Do you have any further comments or suggestions?**


Thank the respondent for their help in this survey.

Z481/.B6  
Ernst & Young (Firm)  
Book Publishing Industry  
Development Program review  
CDXZ c. 1 aa IC

## DATE DUE - DATE DE RETOUR

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