

DEVELOPMENT OF OPTIONS FOR ACTION IN KEY  
SECTORS OF CANADIAN BOOK DISTRIBUTION

August, 1984

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DEVELOPMENT OF OPTIONS FOR ACTION IN KEY  
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DEVELOPMENT OF OPTIONS FOR ACTION IN KEY  
SECTORS OF CANADIAN BOOK DISTRIBUTION

ORDER OF REPORTS:

REPORT INTRODUCTION AND OVERVIEW

THE PUBLIC LIBRARY STUDY

THE RETAIL BOOKSTORE STUDY

THE MASS MARKET RACK DISTRIBUTION STUDY

DEVELOPMENT OF OPTIONS FOR ACTION IN KEY  
SECTORS OF CANADIAN BOOK DISTRIBUTION

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## INTRODUCTION

One of the major conclusions of James Lorimer's 1983 study *Book Reading in Canada* is that an audience undoubtedly exists for Canadian books. Some doubts, however, exist about whether Canadian books are always available, in the right places or at the right times when Canadians are eager to buy or read them.

After studying the Lorimer report, it seemed imperative to examine the existing marketplace for books--especially Canadian authored books--to ascertain if there were real barriers and imperfections in the various distribution channels and how significant these barriers were in impeding the flow of Canadian books to their readers.

If such barriers existed we wanted to discover if they could be removed or, at least, ameliorated. In order to accomplish this task we believed it was crucial to know something of the views of booksellers, librarians, and others in the book industry about their situation in regard to CATs and for them to discuss their patrons and customers.

It was generally surmised that improved access to Canadian books would increase the audience for these books and in turn encourage greater activity among publishers and writers.

Accordingly, this project was undertaken on behalf of the Federal Department of Communications and was divided into three sectors: independent bookstores, public libraries, and mass-market distributors.

In general the overall objective of the entire study was to assist the Federal Department of Communications in developing and evaluating policy measures which would have as their key objectives an increase in both the number of books read by Canadians and the share of total reading represented by Canadian books.

All policy options suggested by the consultants attempt to meet the following criteria: effectiveness, acceptability to the trade, suitability of implementation and efficiency.

For those interested in the methodology, details are available in the relevant sections of the report. However, essentially a combination of questionnaires and personal interviews were used to obtain both the facts and opinions the consultants worked with, each in their own area of responsibility. Methods differed slightly from sector to sector as deemed appropriate by the consultant.

#### PERSONNEL

Library Sector: Basil Stuart-Stubbs, director of the School of Library Studies at the University of British Columbia, was persuaded to give his invaluable aid as the consultant for this section.

Mass-market paperback sector: The mass-market study was sub-contracted to Argyle Communications Inc. of Toronto and conducted by Ray Argyle and Arnold Agnew.

Bookstore sector: Bill Roberts, president of Shirley Leishman Books Ltd. in Ottawa conducted the bookstore section as well as directed the complete study.

The financial and clerical administration of the project was in the capable hands of Nancy Fleming of the Book and Periodical Development Council assisted by Gail Copeland. Canyltec Social Research Corporation (Ottawa) were responsible for key aspects of questionnaire design, conduct of the telephone interview and mailed questionnaire segments of the study, and processing of the data from questionnaires completed in all three segments of the study.

## EXECUTIVE SUMMARY: PUBLIC LIBRARY STUDY

### Chapter I. Background to Study

In this chapter the study is placed in context with other current studies and with previous studies. Limitations of the present study are described. There are caveats about the use and interpretation of statistics. Assistance of others is acknowledged.

### Chapter II. Statistics and Trends

Statistics Canada reports are used to examine trends from 1978 to the present. What is evident from the statistics is that:

- the number of service points is increasing
- use is increasing on a per capita basis
- collections continue to grow steadily
- the books per capita figure is increasing
- expenditures on public libraries and their collections exceed the increase of the C.P.I., but it is pointed out that this may not be relevant.
- on a national basis, the percentage of library expenditures on books is remaining constant; at the provincial level, there are disparities.
- an increasing percentage of expenditures is allocated to non-book materials, but the amounts involved are not significant.

Although there are regional disparities, the overall picture is that public libraries are holding their ground during difficult economic times, and are improving their performance, measured by service statistics. There is an indication of a sharp increase in use in the past year.



### Chapter III. Legislation and Governance

Drawing heavily on Lois Bewley's work, the point of this chapter is to make it clear that the federal government cannot intervene directly in the affairs of public libraries. On the other hand, it is pointed out that the federal government is free to establish programs of support in which public libraries may voluntarily participate.

### Chapter IV. Collection Development and Use

The principles of collection development are outlined, in relation to the public requirement for information, education, and recreation. Philosophies of book selection ("quality" vs. patron-demand) are reviewed. The point is made, that while some librarians may wish to give a priority to Canadian books, in general they must stand on their own merits and be subjected to the same selection criteria as books from other countries.

### Chapter V. Recent Surveys: Synopsis and Findings

The results of four recent surveys (Beta, Green, Lorimer, Project Progress) are summarized and compared. Points where the surveys agree or disagree are highlighted. Problems uncovered by the surveys in the areas of selection, acquisition, and promotion are reviewed.

### Chapter VI. Canadian Books In Public Libraries: A Survey

The survey results are compared to the findings in Chapters II and V. Out of a universe of 991 public libraries (as identified by Statistics Canada) 145 were selected as being major providers of books to the Canadian public. Questionnaires were mailed to these 145; 82 returned questionnaires in time to be included in the survey. These 82 represented roughly 59% of all service points, 52% of all circulation and 49% of all holdings as reported to Statistics

Canada by the 911 libraries. Overall the respondents conformed to the trends established in Chapter 2. However, there is evidence that although the proportion of expenditures on books is being maintained, actual accessions have declined sharply, particular in the last year.

Respondents estimate that Canadian authored books account for about 14% of total catalogued collections; that is a national figure ... estimates at the provincial level differ. Respondents estimate that they spend between 15%-20% of their book budgets on Canadian-authored books.

About 80% of public libraries have a written or unwritten selection policies favouring Canadian books.

The major deterrents to the selection of Canadian books are mainly: an absence of Canadian books relevant to readers' needs; limited funds; lack of reviews; lack of advertising/catalogues.

Most public libraries acquire their Canadian books directly from the publisher or through jobbers. Major impediments to acquiring books: failure of publishers to keep Canadian books in print; inefficiency in the operations of the book suppliers.

Most libraries promote Canadian books through displays, booklists and authors' visits. The authors' visit is regarded as being the most effective means of promoting Canadian books. Deterrents to promotion: insufficient staff time, budget and space.

In general the survey demonstrated that Canadian public librarians are already heavily committed to policies and practices in support of the Canadian-authored book.

EXECUTIVE SUMMARY: RETAIL BOOKSTORE STUDY

- Canada has about 1800 retail bookstores. This figure excludes religious, foreign language, text, used, and 'adult' (pornographic) stores.

- one fifth of all bookstores are operated by bookselling chains.

- the total English language bookbase (Canadian, U.K., U.S., and other) is about 1,000,000 titles.

- inventories of independents are in the 5,000 - 10,000 title range. Chainstore inventories are in the 4,000 - 5,000 title range.

- booksellers feel information about non-CATS is more readily available than for CATS.

- some booksellers have problems balancing a frequent ordering cycle with their ability to achieve publishers minimum quantities.

- booksellers feel that publishers turn-around times need improving.

- many booksellers are dubious about the ability of the industry to conduct credible market research but feel strongly that more consumer advertising is needed for CATS.

- author tours, T.V. and radio interviews, and reviews are seen as very effective promotion tools.

- National Book Festival and Governor General's Awards rate poorly with booksellers as useful in increasing awareness and sales of CATS.

- market changes, new kinds of book retailers, will require publishers to re-evaluate distribution methods.

- computer applications to bookselling will profoundly effect inventories, re-order cycles, stock replenishment systems.
- industry consolidated freight plan very successful and a source of savings in cost and time for booksellers.
- postal service important to booksellers, many small shipments still travel outside industry consolidation plan.
- independent booksellers willing to deal with customers at a distance using mails.
- booksellers doubt possibility or utility of establishing bookstores in communities which cannot support one without government subsidies.
- certain kinds of book orders from publicly funded institutions, particularly public libraries, would be welcome to booksellers. Many booksellers would welcome the establishment of bookselling standards if it would improve the likelihood of their acquiring institutional and library orders.
- strong industry support exists for a national voucher scheme which would aim at producing the same consumer, bookstore and publisher, benefits as Wintario has done in Ontario.
- a Canadian Book Marketing Council needed to develop and coordinate publisher promotional efforts nationally.
- regionally distributed publisher inventories are a key to higher inventory turns for booksellers and more efficient use of inventories for publishers.

EXECUTIVE SUMMARY: MASS MARKET RACK DISTRIBUTION

- there are some 38 Canadian owned wholesale distributors of mass-market paperbacks onto racks operating in Canada.
- there are probably 13,000 to 14,000 non-bookstore outlets in Canada for mass-market books.
- the share of mass-market distribution directed through wholesale distributors is shrinking. Direct publisher accounts are increasing (about 55% of mass-market sales are made in this way at present).
- industry estimates give 1982 figures for mass market distribution through wholesale distributors at about 60 million units with retail about 160 million dollars.
- space occupied in the distribution cycle by Canadian authored books is about what one would expect given the number of suitable books available and the promotion efforts expended on them. (Industry estimates of space for CATS are in the 5%-10% range).
- there is a scarcity of Canadian book product suitable for mass-market rack distribution.
- lack of suitable promotion is a major hinderance to the increased sales of CATS on mass-market racks.
- there is no prejudice in the distribution system against Canadian books. If they are suitable for mass-market distribution through the racks, adequately promoted and offered to distributors in the quantities required by the distribution system, they will be distributed.
- distributors made no special efforts on behalf of CATS in the distribution system. As organized the system does not permit any very sophisticated differentiation of product at any stage.

THE CANADIAN BOOK  
AND  
THE PUBLIC LIBRARY

Report of A Study Conducted By

Basil Stuart-Stubbs

Sylvia Crooks

Hilary Meredith

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for the

Department of Communications  
Government of Canada

April, 1984

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## Chapter II. Statistics and Trends

Statistics Canada reports were used to examine trends from 1978 to the present. There was nothing in this that would surprise any of you. However, this report was prepared for individuals who are unfamiliar with public libraries, and it was intentionally pitched to their level of understanding. What is evident from the statistics is that:

- the number of service points is increasing
- use is increasing on a per capita basis
- collections continue to grow steadily
- the books per capita figure is increasing
- expenditures on public libraries and their collections exceed the increase in the C.P.I., but it is pointed out that this may not be relevant.
- on a national basis, the percentage of library expenditures on books is remaining constant; at the provincial level there are disparities.
- an increasing percentage of expenditures is allocated to non-book materials, but the amounts involved are not significant.

Although there are regional disparities, the overall picture is that public libraries are holding their ground during difficult economic times, and are improving their performance, measured by service statistics. There is an indication of a sharp increase in use in the past year.

## Chapter III. Legislation and Governance

Drawing heavily on Lois Bewley's work, the point of this chapter is to make it very clear that the federal government cannot intervene directly in the affairs of public libraries, and that they would be ill advised to



try. On the other hand, it is pointed out that the federal government is free to establish programs of support in which public libraries may voluntarily participate.

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About 80% of public libraries have a written or unwritten selection policies favouring Canadian books.

The major deterrents to the selection of Canadian books are mainly: an absence of Canadian books relevant to readers' needs; limited funds; lack of reviews; lack of advertising/catalogues.

Most public libraries acquire their Canadian books directly from the publisher or through jobbers. (Surprise!) Major impediments to acquiring books: failure of publishers to keep Canadian books in print; inefficiency in the operations of the book suppliers.

Most libraries promote Canadian books through displays, booklists and authors' visits. (Another surprise!) The authors' visit is regarded as being the most effective means of promoting Canadian books. Deterrents to promotion: insufficient staff time, budget, and space.

In general the survey demonstrated that Canadian public librarians are already heavily committed to policies and practices in support of the Canadian-authored book.

## CHAPTER I

### Background to the Study

This study on Canadian books and public libraries is one of three related studies being carried out for the federal Department of Communications under the direction of Bill Roberts, President of Shirley Leishman Books of Ottawa. The general title for the studies is "Options for Action in Key Sectors of Canadian Book Distribution", and they deal respectively with retail bookstores, mass-market paperback distribution, and public libraries. They will serve as input to the development by the Department of Communications of a comprehensive policy relating to the publishing and distribution of Canadian books, the intent of which will be to increase both the number of Canadian-authored books read by Canadians, and the share of total reading represented by Canadian books. The relationship of these studies to the process of policy development at the Department of Communications is thoroughly described in the December 1983 issue of Quill & Quire.<sup>1</sup>

The specific objective of the Department in relation to this public library study is "An increase in the range of Canadian-authored titles offered by public libraries and an upgrading of libraries' display and promotion of their Canadian collections."

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<sup>1</sup>Walker, Susan. "Ottawa eyes book policy apres Applecort". Quill & Quire, December 1983, p.15.

In the last decade there have been a number of studies, national in scope, of public libraries, Canadian books and their readers, and the relationship among them; others are in progress. This study builds on these other studies, and hopefully extends our understanding of the place of the Canadian book in the public library. It addresses many fundamental questions relating to the extent, nature, and activities of public libraries, but its main emphasis is on the practices of public libraries as they affect the selection, acquisition and promotion of Canadian books.

Chapter II provides an overview of the recent statistical history of Canadian public libraries, and is based on information supplied by the Culture Analysis Section in the Education, Culture and Tourism Division of Statistics Canada.

Chapter III examines the legislative and governance structures under which Canadian public libraries are operated.

Chapter IV explores the issues involved in the development of public library collections.

Chapter V reviews the recent major national surveys, particularly as they deal with the selection, acquisition and promotion of Canadian books by public libraries.

Chapter VI reports on the findings of a survey conducted in January and February 1984, aimed at discovering how Canadian public libraries select, acquire and promote Canadian books, and at obtaining the views of public librarians on whether the situation should be improved, and if so, how.

Chapter VII suggests some future policy options for the consideration of the Department of Communications.

This study has a number of limitations, mostly arising out of circumstances. First, it was conducted in a short period of time by people whose lives contain other distractions. Under ideal circumstances, such a study would be a full-time assignment for no less than six months. However, the Department of Communications was working to an early deadline, and of necessity imposed earlier deadlines on others.

Second, it was carried out at a time of year when those involved, both the surveyors and the surveyed, are preoccupied by events such as Christmas and the end of a fiscal year. It was not the best time to solicit assistance or to communicate efficiently.

Third, the study deals in indefinables and unmeasurables. For example, we all know what we mean by "Canadian book" until we try to be precise. We also tend to believe that if we can assign figures to an activity, we have captured its meaning. Despite the authority with which numbers seem to speak, we are well advised to regard them as an approximation of reality, particularly in anything touching on book trade.

Despite these handicaps, the study has succeeded in assembling the basic information needed by the Department of Communications for the further development of its policies. That, after all, was the sole purpose of this exercise; it was

not the intention to produce a classic in the literature of Canadian public librarianship, or a model for others to follow in conducting their research.

It would be wrong for the principal author to pretend that this study is all his own work. The fact is that nothing could have been achieved without the willing and in many cases voluntary assistance of many others. At the outset an Advisory Committee was struck, consisting of the following members:

Lois M. Bewley, School of Librarianship, The University of British Columbia

Paul Whitney, Burnaby Public Library

Gilles Frappier, Ottawa Public Library

Joseph Forsyth, Alberta Culture, Library Services

Carmen Catelli, Bibliothecaire adjoint, Bibliotheque de la ville de Montreal

The Committee provided invaluable help in developing the structure of the study, in designing and revising the questionnaire, and in maintaining liaison with their constituencies. In addition, over 82 public librarians gave of their time and knowledge in responding to the questionnaire.

Graduates and students of the U.B.C. School of Librarianship carried out most of the basic research and did much of the writing. Graduates Sylvia Crooks, Hilary Meredith and Eve Petersen are co-authors. Manon Guilbert, student, served as translator. Colleagues from U.B.C. Library, Ann

Turner and Don Dennis, contributed their programming skills to the computer analysis of data derived from the questionnaire. Parker O'Brian, student, undertook the laborious task of entering the data. Swarni Sunner, Secretary to the School, devoted early mornings and weekends to typing of documents. At the Canadian Book and Periodical Development Council, Nancy Fleming assisted in keeping our accounts with government straight.

Marcia Almey of Statistics Canada was particularly helpful in supplying information and advice, but is in no way responsible for any misinterpretation of the data herein.

To all of these people I am most grateful. I hope that they derived some satisfaction from meeting the challenge this task represented, and for the intellectual stimulation it provided.

CHAPTER II

Statistics and Trends

Statistics Canada sends an Annual Survey of Public Libraries questionnaire to all public libraries in Canada. The data are published in the Culture Statistics series. The most recently available is for 1981<sup>2</sup>, so data for the years 1978 to 1981 was used to examine such factors as: the number of public libraries in Canada, how many items were circulated, holdings and volumes acquired, and expenditures on books, personnel and other library materials. The purpose of this examination was twofold: first, to define the existing situation, and second, to attempt to identify trends.

At the outset a word of caution is necessary. Statistics generally and library statistics specifically are bound not to satisfy perfectionists, for a number of reasons. First, anyone gathering statistics from a variety of sources can only work with whatever figures are supplied. Second, organizations, including libraries, do not necessarily collect the information one seeks, or in the way one would prefer. Third, an organization may not be consistent from year to year in the way it collects its own statistics. Fourth, a group of like organizations may not be consistent among themselves in the way they compile statistics. Fifth, factors internal to organizations can skew statistics in ways that are hidden from anyone trying to interpret them.

<sup>2</sup>Selected 1982 data will be available in March.



Having made the point that statistics by their nature are imperfect, it must also be said that Statistics Canada has done an excellent job in developing a body of reliable information about public libraries in Canada. Through regular consultation with librarians and their associations a degree of national consistency has been achieved in terminology and in the factors that are measured. Were this not the case, it would not be possible to compare statistics for a period of years for the purpose of studying trends, and this chapter could not have been written.

The chapter has two major sections. The first section has six figures which show the relative situation of the provinces and territories in respect to the following:

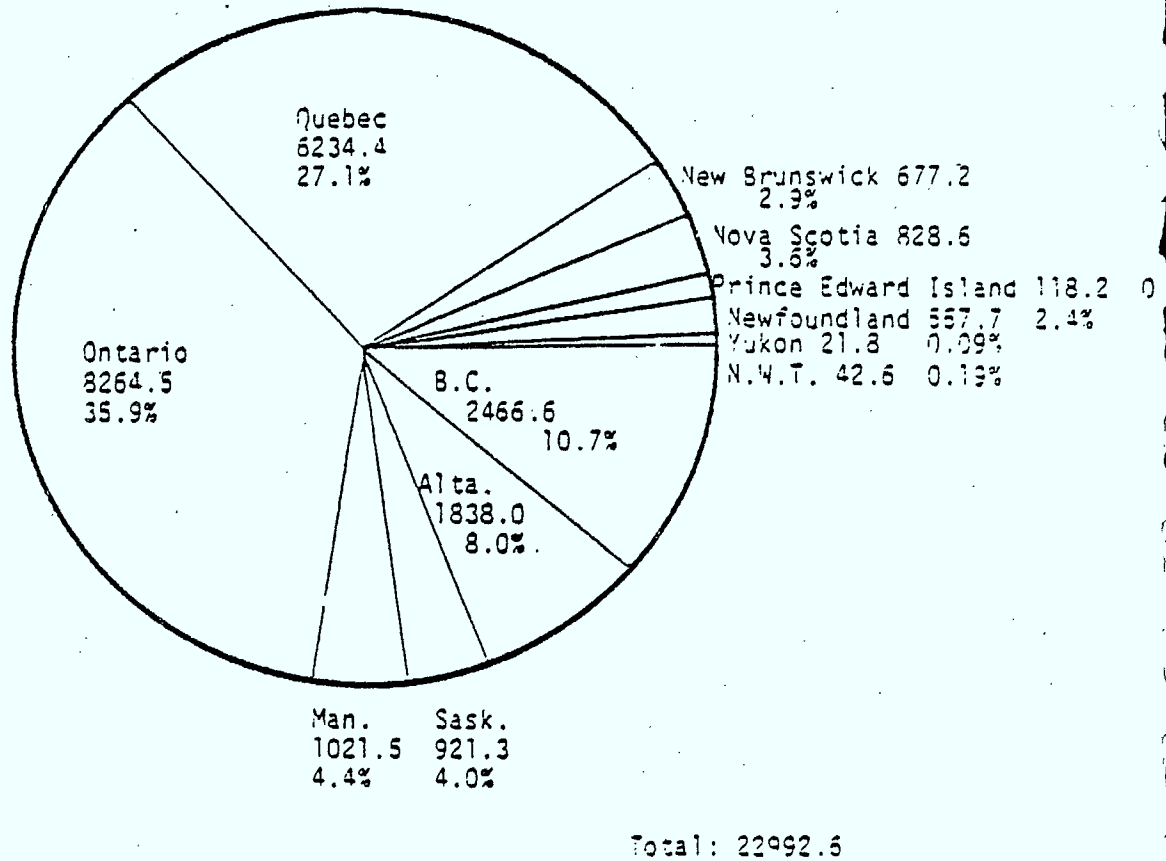
- Figure 1. Population
- Figure 2. Library Service Points
- Figure 3. Circulation of Library Materials
- Figure 4. Book Holdings
- Figure 5. Book Acquisitions
- Figure 6. Expenditures on Books

Statistics for 1981 were used in preparing these figures. They may be used to compare the relative situation of the provinces, and to formulate in one's mind a general picture of the present dimensions of public library service in Canada.

The reader may arrive at some general impressions based on these tables. Using the distributions of the Canadian population as determined by the 1981 census, one can observe

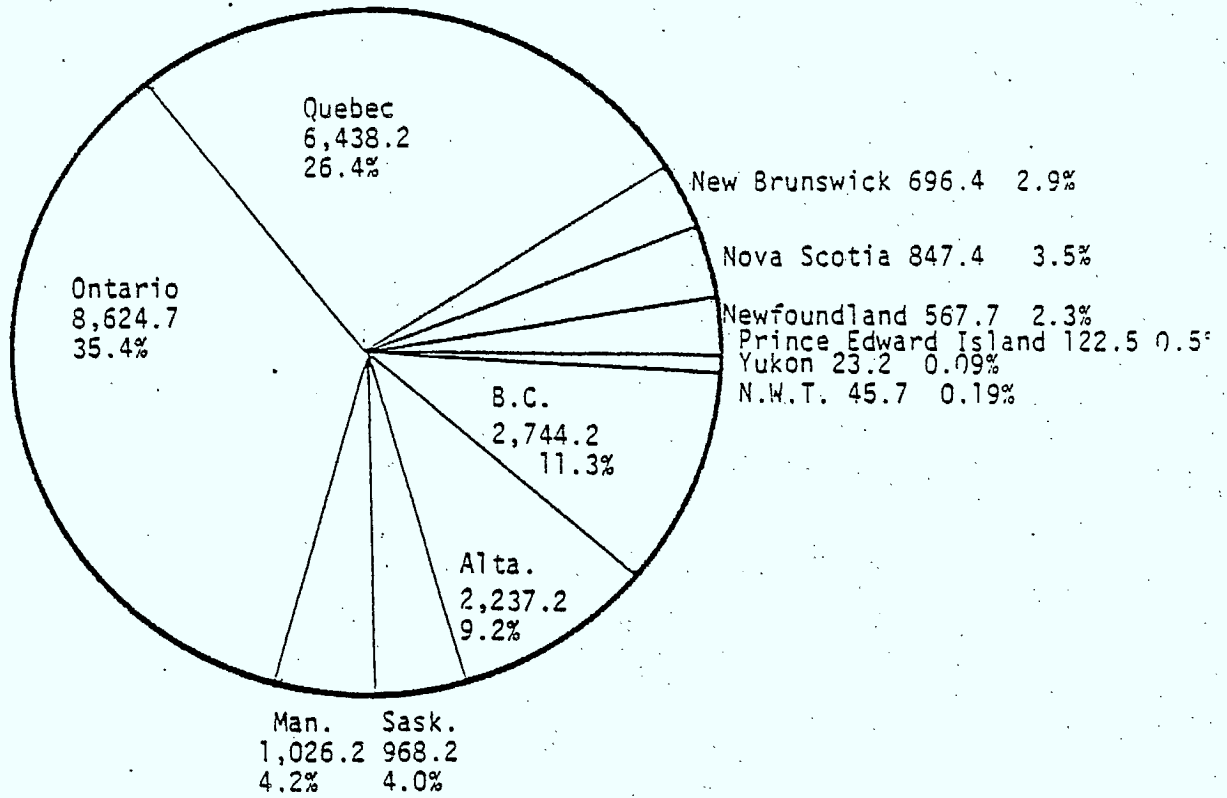
that whereas 35.4% of the population lives in Ontario, it contains 36.9% of the public library service points, accounts for 45% of all circulation, owns 46.9% of all books in Canadian public libraries, acquired 42.8% of the national total of books added to collections, and spent 42.9% of the funds spent on books by Canadian public libraries. It is clear that Ontario dominates the public library scene, as it does virtually all other scenes. It is followed in magnitude by Quebec, yet the relationship between its share of the population and various aspects of library service suggests that present standards lag behind those to be found in Ontario. British Columbia, the third largest province with 11.3% of the population, has only 8.3% of all service points; however, it accounts for 15.9% of recorded circulation, which suggests a more intensive use of libraries and their collections. The reader may draw similar inferences from these figures on behalf of other provinces.

Figure 1. Population Distribution by Province and Territory  
1981



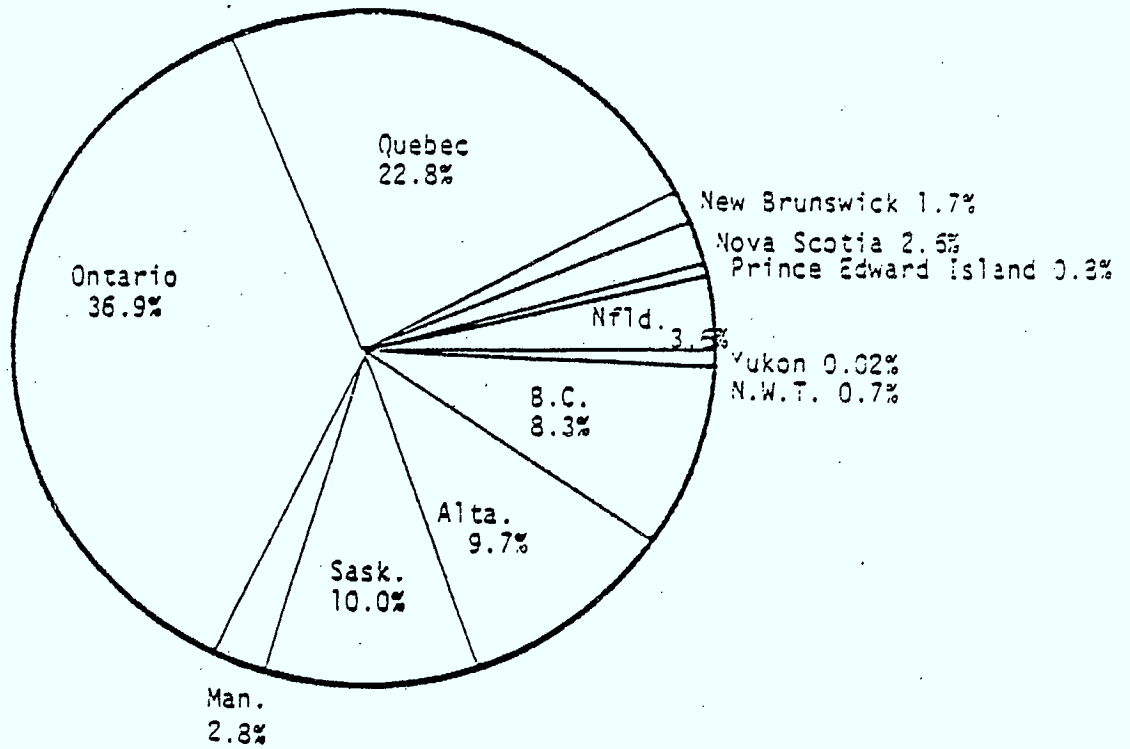
Source: Statistics Canada 87-514

Figure 2. Proportion of Service Points by Province and Territory 1981



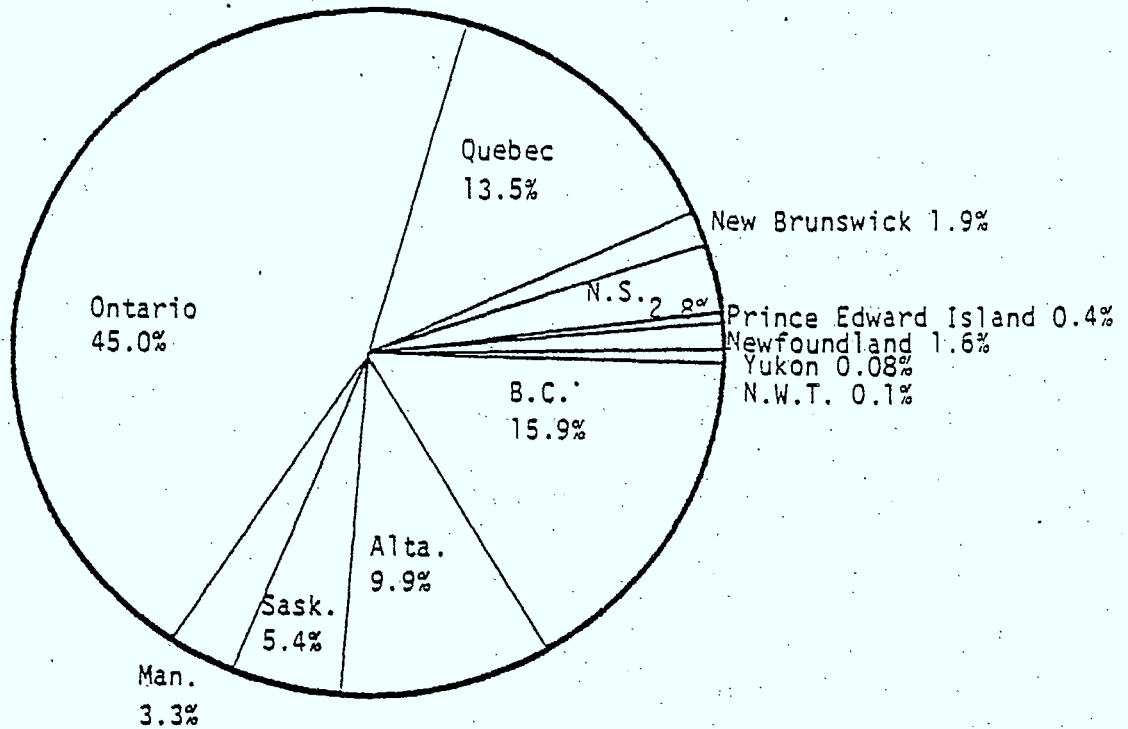
Source: Table 1

Figure 3. Proportion of Circulation by Province and Territory 1981



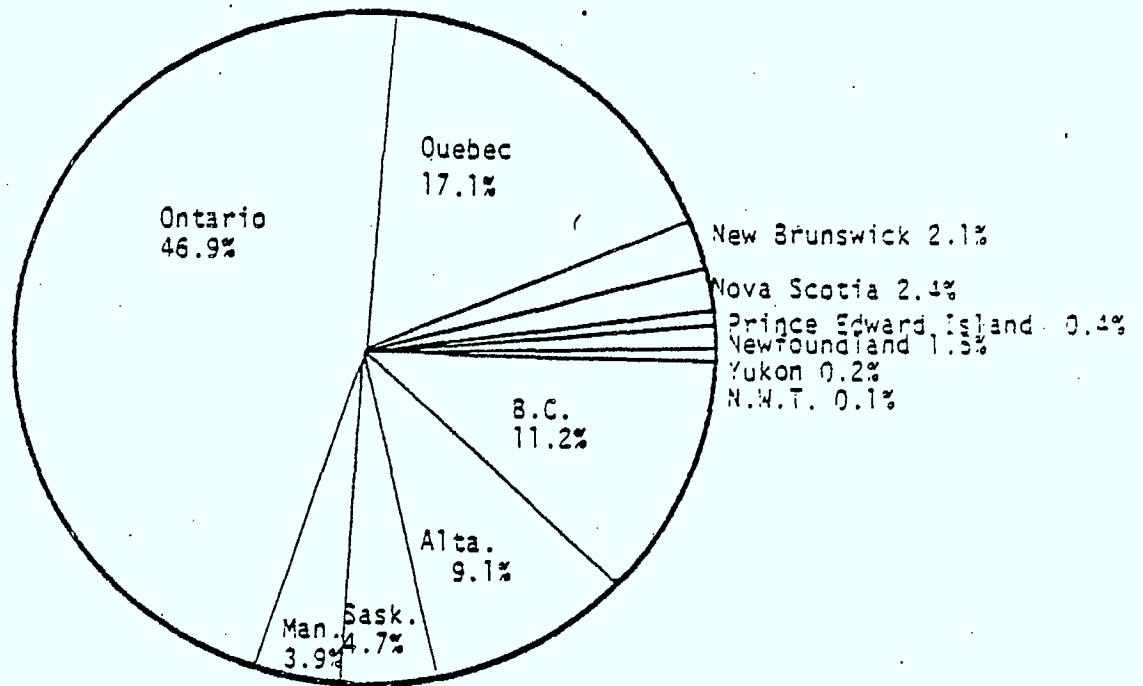
Source: Table 3

Figure 4. Proportion of Book Holdings by Province and Territory 1981



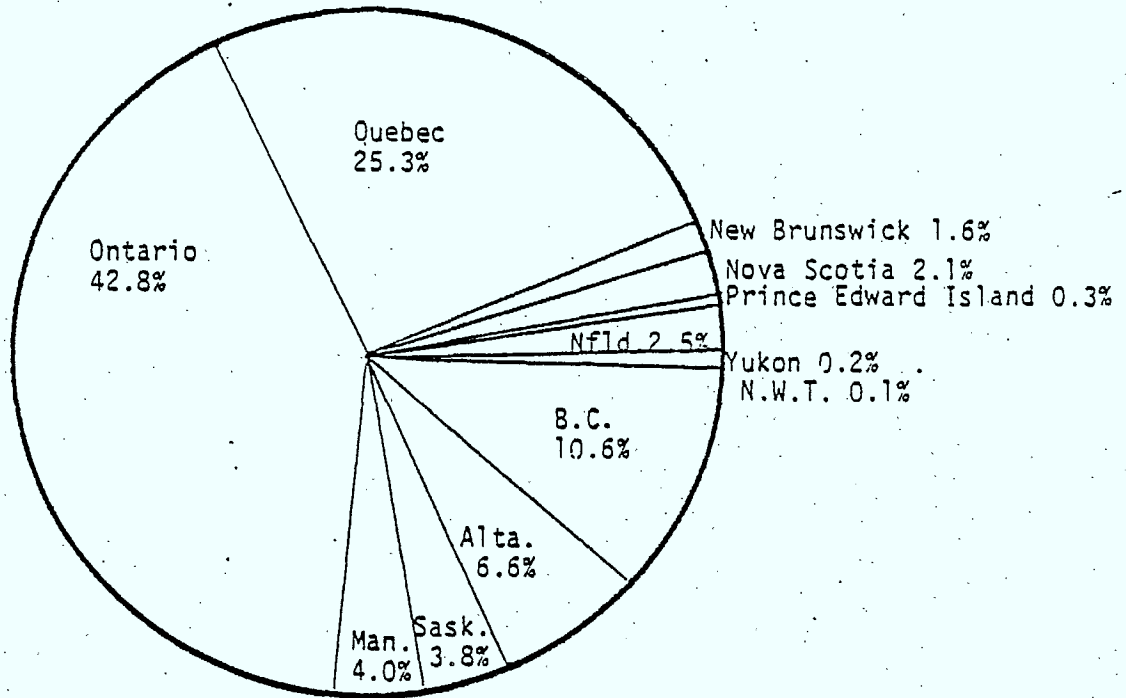
Source: Table 5.

Figure 5. Proportion of Volumes Acquired by Province  
Territory 1981



Source: Table 12.

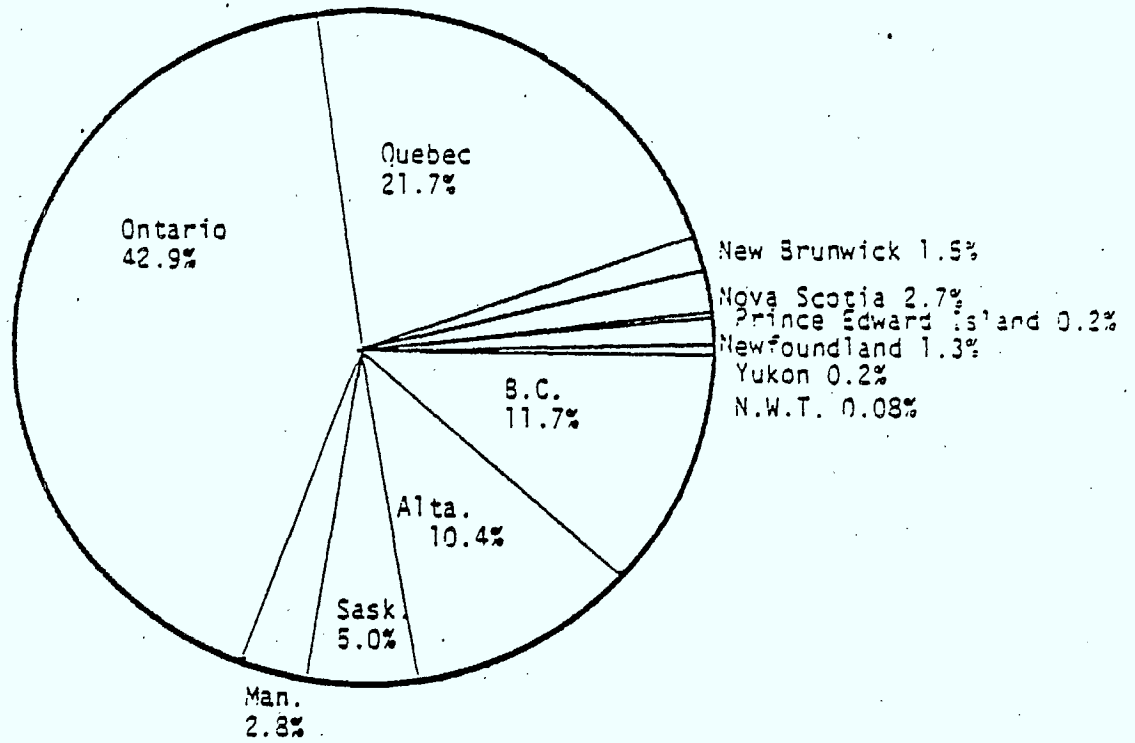
Figure 6. Proportion of Book Expenditures by Province and Territory 1981



Source: Table 9.



Figure 7. Proportion of Book Expenditures by Province and Territory 1981



Source: Table 9.

The second major component of this chapter consists of eighteen tables covering the years 1978 to 1981. These tables can be expanded easily to cover a five-year period when the 1982 statistics are available. The main purpose for compiling these tables was to chart trends.

Together these figures and tables delineate a nation-wide network of public libraries which extends its services into the smallest most remote communities. In general, public libraries appear to be in a steady state, and more than staying abreast of increases in population and operating costs, although there are instances of marked growth or decline. Standards appear to differ among provinces, yet within most provinces support and activity remain constant or improving.

Public libraries, being completely dependent on the state of public finances, will fare as the nation fares. In the past five years for which statistics are available, despite the instability in the economy, public libraries seem to have ridden out the storm. Barring some disastrous decline in the economy, and based on past performance, one is inclined to project a future for public libraries that is much the same as the recent past.

Within this general picture there are some evident trends:

- the number of public library service points is increasing, providing improved opportunity for public access.

- the use of public library collections is increasing as a per capita basis.
- collections are growing steadily, and the figure for books per capita is edging up.
- expenditures on public libraries and their collections are rising at a faster rate than the C.P.I.
- the percentage of total library expenditures allocated to books is remaining constant, viewed nationally.
- libraries are increasing the proportion of their budget allocated to non-book materials.

#### Number of Public Libraries and Service Points

The number of public libraries increased by 8.2% from 1978 to 1981 and the number of service points by 11.7% (Table 1). There was an increase in service points in all provinces, from a low of 3.5% in British Columbia to a high of 32.7% in Quebec.

Table 2 examines the relationship between the number of citizens and the number of service points. In this table a low number indicates greater potential access and thus a higher standard of library service. A decline in numbers between 1978 and 1981 suggests an improvement in access. The population per service point fell nationally by 7.2%. Those provinces showing the greatest improvement were Quebec, Manitoba and Prince Edward Island; in Quebec a program of matching grants instituted by the Ministère des Affaires Culturelles with the municipalities has led to a rapid development of public library service. Alberta and British Columbia did not fare as well measured by this standard; both provinces experienced heavy in-migration between the census

periods, and library services may not have caught up with this phenomenon.

Table 1

Number of Public Libraries and Service Points 1978 to 1981

	1978		1981		
	Public Libraries	Service Points	Public Libraries	Service Points	% Change in Service Points
Canada	916	2,829	991	3,159	+ 11.7
Newfoundland	5	109	7	113	+ 3.7
Prince Edward Island	1	22	1	26	+ 18.2
Nova Scotia	12	79	12	82	+ 3.8
New Brunswick	6	50	6	53	+ 6.0
Quebec	96	544	131	722	+ 32.7
Ontario	520	1,100	552	1,163	+ 5.7
Manitoba	29	69	34	84	+ 21.7
Saskatchewan	10	300	10	316	+ 5.3
Alberta	170	257	171	303	+ 17.9
British Columbia	65	258	65	267	+ 3.5
Yukon	1	18	1	7	- 61.1
Northwest Territories	1	23	1	23	0.0

Source: Statistics Canada 87-514, 87-651.

Table 2  
Population/Public Libraries 1978 and 1981  
Population/Service Points 1978 and 1981  
'000

	1978		1981		± Change in Service Points
	Public Libraries	Service Points	Public Libraries	Service Points	
Canada	25.6	8.3	24.6	7.7	- 7.2
Newfoundland	113.8	5.2	81.1	5.0	- 3.8
Prince Edward Island	122.0	5.5	122.5	4.7	- 14.5
Nova Scotia	70.1	10.6	70.6	10.3	- 2.8
New Brunswick	115.8	13.9	116.1	13.1	- 5.8
Quebec	65.3	11.5	49.1	8.9	- 22.6
Ontario	16.2	7.7	15.6	7.4	- 3.9
Manitoba	35.7	15.0	30.2	12.2	- 18.7
Saskatchewan	94.8	3.2	96.8	3.1	- 3.1
Alberta	11.5	7.6	13.1	7.4	- 2.6
British Columbia	40.0	9.8	42.2	10.2	+ 4.1
Yukon	22.0	1.2	23.2	3.3	+175.0
Northwest Territories	44.0	1.9	45.7	2.0	- 5.3

Source: Statistics Canada 87-514, 87-631.

Circulation of Library Materials and Book Holdings in 1981

The circulation of library materials (Table 3) and circulation per capita<sup>3</sup> (Table 4) show a general increase nationally and by province and territory. In 1981 Canadian public libraries loaned more than 132 million items, an increase of 13.4% since 1978. Some provinces, recorded impressive increases; Quebec, for example, loaned nearly a third more items, presumably because of an increase in service points and larger collections.

<sup>3</sup>The Statistics Canada Annual Survey of Public Libraries questionnaire asks for: "Population served by the library" (Statistics Canada 87-631), but in the published Culture Statistics tables the "population" figures refer to census data and intercensal estimates.

On a per capita basis, there were 5.4 loans per citizen in 1981, an 8% increase since 1978. With four exceptions, loans per capita increased. Although Quebec has the lowest per capita rate, it is also the province showing the greatest degree of improvement. Quite marked differences in the per capita rate exist among the provinces. These differences correlate to some extent with other per capita findings in Tables 2, 6 and 8.

For comparative purposes, a 1981 survey of thirty-six urban and suburban public libraries in the U.S. revealed an average per capita circulation of 5.1 volumes. The median was 4.4, and the range from 1.6 (Detroit Public Library) to 12.8 (Baltimore County Public Library).

It appears that provinces with more service points and more books and which spend more money on libraries per capita are rewarded with a higher success rate, taking loans to be a measure of success.

Table 3  
Circulation of Library Materials  
1978-1981  
'000's

	1978	1979	1980	1981	1982	% Inc./ Decr.
Canada	116,173	121,545	126,903	131,722		13.4
Newfoundland	1,728	1,997	2,169	2,085		20.6
Prince Edward Island	541	561	584	605		11.8
Nova Scotia	3,328	3,528	3,564	3,863		16.1
New Brunswick	2,307	2,558	2,431	2,469		7.0
Quebec	13,367	14,141	16,330	17,737		32.7
Ontario	54,156	56,683	56,923	59,325		9.5
Manitoba	4,507	4,391	4,289	4,379		- 2.8
Saskatchewan	5,970	5,948	6,759	7,055		18.2
Alberta	10,268	10,900	12,117	13,001		26.6
British Columbia	19,748	20,571	21,481	20,953		6.1
Yukon	133	144	134	139		4.5
Northwest Territories	120	121	123	111		- 7.5

Source: Statistics Canada 87-001.

Table 4  
Circulation/Population 1978 to 1981

	1978	1979	1980	1981	1982	% Inc./Decr.
Canada	5.0	5.1	5.3	5.4		8.0
Newfoundland	3.0	3.5	3.7	3.7		23.3
Prince Edward Island	4.4	4.6	4.7	4.9		11.4
Nova Scotia	4.0	4.2	4.2	4.6		15.0
New Brunswick	3.3	3.6	3.4	3.5		6.1
Quebec	2.1	2.3	2.6	2.8		33.3
Ontario	6.4	6.7	6.6	6.9		7.8
Manitoba	4.4	4.3	4.2	4.3		- 2.3
Saskatchewan	6.3	6.2	7.0	7.3		15.9
Alberta	5.3	5.4	5.8	5.8		9.4
British Columbia	7.8	8.0	8.1	7.6		- 2.3
Yukon	6.0	6.5	6.3	6.0		0.0
Northwest Territories	2.7	2.8	2.8	2.4		-11.1

Source: Statistics Canada 87-001.

Book holdings increased nationally from 41 million volumes to almost 48 million volumes, an increase of 16.3% between 1978 and 1981. Some provinces like Quebec, Manitoba and Alberta recorded outstanding increases in their collections. (Table 5)

Table 6 indicates an 11.1% in book holdings per capita on a national basis between 1978 and 1981. Some provinces like Quebec registered a higher gain, while the ratio in other provinces remained nearly constant. For example, little change was recorded in Alberta and British Columbia, although collections in these provinces grew by 22% and 15%; this phenomenon may be accounted for by in-migration to those two provinces between the two census years.

Despite recent impressive efforts, Quebec's ratio is still the lowest in Canada, along with Newfoundland's. Ontario, Saskatchewan, and the two territories all exceed the national average of two books per citizen.



Table 5

Book Holdings 1978 to 1981

'000.

	1978	1979	1980	1981	1982	% Inc./ Decr.
Canada	41,149	43,566	45,602	47,866		16.3
Newfoundland	658	747	757	753		14.4
Prince Edward Island	182	191	195	180		- 1.1
Nova Scotia	986	1,046	1,108	1,145		16.1
New Brunswick	897	931	988	1,032		15.0
Quebec	6,380	6,666	7,389	8,174		28.1
Ontario	20,129	21,245	21,878	22,487		11.7
Manitoba	1,471	1,836	1,784	1,868		27.0
Saskatchewan	1,988	2,119	2,203	2,262		13.8
Alberta	3,563	3,689	3,908	4,352		22.1
British Columbia	4,669	4,857	5,163	5,362		14.8
Yukon	134	141	131	150		11.9
Northwest Territories	92	96	98	108		10.9

Source: Statistics Canada 87-001.

Note: The decline of 15,000 volumes in P.E.I. between 1980 and 1981 is as reported by Statistics Canada. No explanation is given.

Table 6

Book Holdings/Population 1978 to 1981

	1978	1979	1980	1981	1982
Canada	1.8	1.8	1.9	2.0	
Newfoundland	1.2	1.3	1.3	1.3	
Prince Edward Island	1.5	1.6	1.6	1.5	
Nova Scotia	1.2	1.2	1.3	1.4	
New Brunswick	1.3	1.3	1.4	1.5	
Quebec	1.0	1.1	1.2	1.3	
Ontario	2.4	2.5	2.5	2.6	
Manitoba	1.4	1.8	1.7	1.8	
Saskatchewan	2.1	2.2	2.2	2.3	
Alberta	1.8	1.8	1.9	1.9	
British Columbia	1.9	1.9	1.9	1.9	
Yukon	6.1	6.4	6.2	6.5	
Northwest Territories	2.1	2.2	2.3	2.2	

Source: Statistics Canada 87-001.

#### Total Expenditures<sup>4</sup>

Total expenditures rose from \$226 million in 1978 to \$332 million in 1981, an increase of 47% (Table 7). The C.P.I. (1971 = 100) rose from 175.2 in 1978 to 236.9 in 1981, an increase of 35% (Statistics Canada 11-003E). Four provinces exceeded the national average, and seven stayed abreast of or exceeded the C.P.I., if that figure has any meaning when related to library expenditures. In 1981, Ontario accounted for 50% of the total expenditures in public libraries, Quebec 14.4%, and British Columbia 13.6%. Thus these three provinces together account for 78% of all expenditures on public libraries in Canada.

Total expenditures per capita in 1981 averaged \$13.67 nationally and ranged from a low of \$6.07 in New Brunswick to \$19.27 in Ontario and \$31.98 in the Yukon (Table 8).

Ontario, Saskatchewan, B.C. and the Yukon exceeded the national average. In four years the per capita expenditure increased by 41.8%, less than the increase registered in total expenditures, but still ahead of the C.P.I. for the same period. Nova Scotia, Quebec, Manitoba, Alberta and B.C. recorded increases in excess of the national average and thus would seem to be contending well with inflation.

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<sup>4</sup>Total expenditures include both total operating expenditures and total capital expenditures and deficit from the previous year if any.

Table 7  
Total Expenditures 1978 to 1981<sup>1</sup>  
\$000

	1978	1979	1980	1981	1982	% Inc./ Decr.
Canada	226,253	242,922	296,402	332,754		47.1
Newfoundland	2,852	3,077	3,220	3,732		30.8
Prince Edward Island	817	922	975	1,030		26.1
Nova Scotia	4,410	5,625	6,160	7,228		63.9
New Brunswick	3,304	3,833	4,214	4,228		28.0
Quebec	26,041	26,230	37,767	47,864		83.8
Ontario	126,756	132,881	161,358	166,245		31.2
Manitoba	5,354	7,248	8,809	10,412		94.5
Saskatchewan	11,640	12,288	14,225	16,277		39.8
Alberta	17,090	19,467	23,325	29,246		71.1
British Columbia	26,943	30,380	35,286	45,339		68.3
Yukon	663	565	686	742		11.9
Northwest Territories	376	405	378	412		9.6

Source: Statistics Canada 87-001.

Table 8  
Total Expenditures/Population 1978 to 1981  
\$

	1978	1979	1980	1981	1982	% Inc./Decr.
Canada	9.64	10.22	12.32	13.67		41.8
Newfoundland	5.01	5.47	5.70	6.57		31.1
Prince Edward Island	6.70	7.56	7.93	8.41		25.5
Nova Scotia	5.24	6.68	7.29	8.53		62.8
New Brunswick	4.75	5.53	6.05	6.07		27.8
Quebec	4.15	4.13	5.91	7.43		79.0
Ontario	15.01	15.63	18.82	19.27		28.4
Manitoba	5.18	7.04	8.59	10.15		95.9
Saskatchewan	12.28	12.90	14.80	16.81		36.9
Alberta	8.75	9.46	10.89	13.07		49.4
British Columbia	10.65	11.73	13.24	16.52		55.1
Yukon	30.14	25.22	30.63	31.98		6.1
Northwest Territories	8.55	9.02	8.38	9.01		5.4

Source: Statistics Canada 87-001, 87-514.

<sup>1</sup>Includes both total operating expenditures and total capital expenditures and deficit from previous year, if any.

Book Expenditures and Volumes Acquired

Book expenditures increased nationally from \$28 million in 1978 to \$40 million in 1981, an increase of nearly 40% (Table 9).

At the provincial level, experience was notably different, ranging from an actual reduction in the Northwest Territories of - 48.7% to an increase in Quebec of 93.9%. Comparisons of Table 9 with Table 7 suggests that in some provinces expenditures on books may be losing ground to expenditures on personnel or physical plant. A likely explanation is that to an increasing extent library staff members are unionized; employing municipalities must meet the costs of negotiated settlements, and salary payments are coming off the top of any budget increase that libraries receive. Note, for example, that although Manitoba registered a 94.5% increase in operating expenditures, it showed an increase in spending on books of 41.8% between 1978 and 1981. Only in New Brunswick and Quebec does the percentage increase in book expenditures exceed the percentage increase in total operating expenditures.

Table 9

Book Expenditures 1978 to 1981

\$

	1978	1979	1980	1981	1982	% Inc./ Decr.
Canada	28,634,014	31,458,380	37,009,826	40,029,059		39.7
Newfoundland	614,389	583,553	485,789	523,768		-14.7
Prince Edward Island	92,000	105,000	72,700	86,786		- 5.7
Nova Scotia	635,839	630,368	766,111	872,113		37.1
New Brunswick	433,055	452,525	501,179	603,765		39.4
Quebec	4,477,919	5,040,701	7,687,261	8,677,860		93.9
Ontario	13,429,277	15,128,017	15,937,458	17,158,159		27.8
Manitoba	778,574	832,562	1,347,543	1,103,815		41.8
Saskatchewan	1,547,910	1,727,242	1,930,473	2,015,356		30.2
Alberta	2,563,842	2,686,636	3,418,581	4,184,904		63.2
British Columbia	3,895,168	4,104,247	4,792,962	4,686,102		20.3
Yukon	103,200	109,300	46,600	81,172		-21.3
Northwest Territories	62,841	38,229	23,169	35,259		-48.7

Source: Statistics Canada 87-001, 87-514.

Book expenditures as a percentage of total operating expenditures fluctuated provincially and maintained a national average of approximately 14% (Table 10). This table confirms the findings of Table 9, that in some provinces the percentage of total expenditures allocated to the purchase of books is declining.

Table 10

Book Expenditures/Total Operating Expenditures<sup>2</sup>

3

	1978	1979	1980	1981	1982
Canada	14	14	15	14	
Newfoundland	27	19	16	15	
Prince Edward Island	12	12	8	8	
Nova Scotia	15	12	13	13	
New Brunswick	13	12	12	15	
Quebec	19	20	22	20	
Ontario	13	13	13	12	
Manitoba	15	12	16	11	
Saskatchewan	15	15	15	13	
Alberta	16	15	16	16	
British Columbia	15	14	14	12	
Yukon	16	20	7	11	
Northwest Territories	20	10	6	9	

Source: Statistics Canada 87-514, 87-651.

<sup>2</sup>Operating expenditures exclude capital expenditures.

Book expenditures per capita rose from \$1.22 to \$1.64, an increase of 34% (Table 11). Provincially, the figures ranged from \$0.71 in Prince Edward Island to \$2.08 in Saskatchewan and \$3.51 in the Yukon. Some provinces have decreased their per capita expenditures on books, but the majority have increased the per capita rate. Whether this is meaningful depends on the increase in the cost of books. See the discussion regarding Table 14.

Table 11

Book Expenditures/Population 1978 to 1981

\$

	1978	1979	1980	1981	1982	% Inc./Decr.
Canada	1.22	1.32	1.54	1.64		34.4
Newfoundland	1.08	1.04	.86	.92		-14.8
Prince Edward Island	.75	.86	.59	.71		- 5.3
Nova Scotia	.76	.77	.91	1.03		35.5
New Brunswick	.62	.65	.72	.87		40.3
Quebec	.71	.79	1.20	1.35		90.1
Ontario	1.59	1.78	1.86	1.99		25.1
Manitoba	.75	.81	1.31	1.08		44.0
Saskatchewan	1.63	1.81	2.01	2.08		27.6
Alberta	1.31	1.30	1.60	1.87		42.7
British Columbia	1.54	1.58	1.80	1.71		11.0
Yukon	4.69	4.97	2.12	3.51		-25.1
Northwest Territories	1.43	.85	.51	.77		-46.1

Source: Statistics Canada 87-514, 87-651.

The number of volumes acquired rose nationally from 3.6 million in 1978 to 4.1 million in 1981, an increase of 15% (Table 12). However the increase to collections between 1978 and 1981 at the provincial level shows a wide variation, with some provinces registering a striking increase in collection growth, such as Quebec, and others showing a decline in recent years, such as Saskatchewan. The results of this table are difficult to reconcile with those of Table 9. One possible explanation is that there is no immediate relationship between expenditures and acquisitions in the same reporting years; i.e. book purchases may be made, but may remain uncounted as acquisitions until they are processed and added to the

shelves. Another possible explanation lies in the proportion of acquisitions that are paperback as opposed to hardback; the average cost of the former being so much lower, more titles can be acquired with less money. This may account for apparent anomalies like Newfoundland, where book expenditures declined by 18% while accessions increased by 58%.

Table 12  
Volumes Acquired 1978 to 1981

	1978	1979	1980	1981	1982	% Inc./ Decr.
Canada	3,590,965	3,698,910	3,875,452	4,146,921		15.4
Newfoundland	65,398	67,989	58,078	103,257		57.9
Prince Edward Island	15,274	14,450	10,288	13,301		-12.9
Nova Scotia	87,811	87,816	91,143	87,585		-.2
New Brunswick	64,194	72,882	61,737	68,586		6.8
Quebec	578,393	613,010	813,194	1,046,697		81.0
Ontario	1,755,557	1,833,587	1,745,215	1,773,648		1.0
Manitoba	94,719	100,349	175,617	165,677		74.9
Saskatchewan	177,694	217,940	163,255	159,165		-10.4
Alberta	285,277	236,013	255,215	274,896		-3.6
British Columbia	449,301	437,444	488,102	440,144		-2.0
Yukon	12,015	12,970	9,704	9,683		-19.4
Northwest Territories	5,332	4,460	3,904	4,282		-19.7

Source: Statistics Canada 87-001, 87-514.

The volumes acquired per capita rose nationally from 0.15 to 0.17, with a provincial range from 0.10 for Nova Scotia and New Brunswick to 0.21 for Ontario (Table 13).



Table 13

Volumes Acquired/Population 1978 to 1981

	1978	1979	1980	1981	1982
Canada	0.15	0.16	0.16	0.17	
Newfoundland	0.11	0.12	0.10	0.18	
Prince Edward Island	0.12	0.12	0.08	0.11	
Nova Scotia	0.11	0.10	0.11	0.10	
New Brunswick	0.09	0.11	0.09	0.10	
Quebec	0.09	0.10	0.13	0.16	
Ontario	0.21	0.22	0.20	0.21	
Manitoba	0.09	0.10	0.17	0.16	
Saskatchewan	0.19	0.23	0.17	0.16	
Alberta	0.15	0.15	0.12	0.12	
British Columbia	0.18	0.17	0.18	0.16	
Yukon	0.54	0.58	0.43	0.42	
Northwest Territories	0.12	0.10	0.09	0.09	

Source: Statistics Canada 87-001, 87-514.

Table 14 relates expenditures on books to reported annual accessions, to arrive at a unit cost per book. This table, like Table 12, will be affected by the same variables as processing lag time and the hardback/paperback ratio. On a national basis the unit cost rose by \$1.68 between 1978 and 1981 for an increase of 21.1%. However, price increases and decreases fluctuate markedly when calculated for each province. The questions raised by this table are difficult to answer; it raises more questions than it answers. Why should the unit price in Manitoba be less than half that in Alberta? Why should unit prices be rising in Ontario and falling in Newfoundland?

Another difficulty in interpreting this table arises from the absence of a Canadian book price index. Such an index is available for the United States. Between 1978 and 1981 the average price of a U.S. hardcover book rose from \$19.30 to \$26.63, for an increase of 38%; for mass market paperbacks the price rose from \$1.90 to \$2.65, for an increase of 39%. If one assumes that experience in Canada was comparable, one might conclude that it would have required an increase of 38/39% to maintain acquisition levels between 1978 and 1981, roughly 10% per annum.

Table 14

Book Expenditures/Total † Volumes Acquired

1978 to 1981

	1978	1979	1980	1981	1982	% Inc./Decr.
Canada	7.97	8.50	9.55	9.65		21.1
Newfoundland	9.39	8.58	8.36	5.07		-46.0
Prince Edward Island	6.02	7.27	7.07	6.52		8.3
Nova Scotia	7.24	7.41	8.41	9.96		37.6
New Brunswick	6.75	6.21	8.12	8.80		30.4
Quebec	7.74	8.22	9.45	8.29		7.5
Ontario	7.65	8.25	9.13	9.67		26.4
Manitoba	8.22	8.30	7.67	6.66		-19.0
Saskatchewan	8.71	7.93	11.82	12.66		45.3
Alberta	8.99	11.38	13.39	15.22		69.3
British Columbia	8.67	9.38	9.82	10.65		22.8
Yukon	8.59	8.43	4.80	8.38		- 2.4
Northwest Territories	11.79	8.57	5.93	8.23		30.2

Source: Statistics Canada 87-001, 87-514.

Personnel Expenditures

Personnel expenditures rose from \$126 million in 1978 to \$186 million in 1981, an increase of 48% (Table 15). The provincial increases ranged from 30% for Prince Edward Island to 94% for Manitoba.

A comparison of this table with Table 9 reveals that in the majority of provinces, the rate of increase on personnel exceeded the rate of increase on books. One reason for this has already been suggested; wage settlements take priority in budgeting. Another reason would be that some provinces, such as Quebec, have made a particular commitment to the expansion of library services. In Quebec the number of service points rose by 33% in four years; service points represent additional staff, so it is not remarkable that personnel costs should have risen by 77%. It is also not surprising that all provinces registered an increase in personnel costs.

Table 15  
Personnel Expenditures 1978 to 1981

	1978	1979	1980	1981	1982	% Inc./ Decc
Canada	125,885,527	137,381,352	158,495,173	186,059,639		48
Newfoundland	1,294,070	1,408,435	1,582,560	1,753,315		35
Prince Edward Island	586,000	698,621	725,000	760,807		30
Nova Scotia	2,697,817	3,524,557	3,981,224	4,602,268		71
New Brunswick	2,320,969	2,414,118	2,672,586	3,007,425		33
Quebec	13,880,871	14,318,351	19,698,518	24,595,490		77
Ontario	67,996,556	73,923,775	81,348,712	93,991,760		38
Manitoba	3,692,169	4,864,106	5,589,453	7,168,851		94
Saskatchewan	6,829,514	7,402,695	8,549,519	9,484,311		39
Alberta	9,041,055	10,117,745	11,738,767	14,293,955		58
British Columbia	17,009,304	18,198,442	22,052,233	25,666,823		51
Yukon	330,900	295,600	333,000	408,634		23
Northwest Territories	206,302	214,907	223,601	256,000		24

Source: Statistics Canada 87-514, 87-651.

Personnel expenditures as a percentage of total operating expenditures rose from 53% in 1978 to 60% in 1981 (Table 16). The provincial percentages ranged from 49% for Newfoundland to 74% for New Brunswick. To an extent this table is complementary to Table 10. Where the percentage allocated to personnel is increasing, as in British Columbia, the percentage allocated to books is declining, as is the number of books being acquired. (Table 12) Where the relationship between book and personnel expenditures is relatively stable and where the percentage increase to total expenditures is close to the C.P.I., as in Ontario (Table 7), the rate of accessions remain stable.

Table 16

Personnel Expenditures/Total Operating Expenditures

%

	1978	1979	1980	1981	1982
Canada	63	62	62	63	
Newfoundland	56	47	51	49	
Prince Edward Island	73	78	75	74	
Nova Scotia	66	67	68	67	
New Brunswick	71	63	65	75	
Quebec	58	58	57	57	
Ontario	64	64	64	65	
Manitoba	70	69	65	70	
Saskatchewan	67	64	65	62	
Alberta	57	58	54	54	
British Columbia	66	63	65	65	
Yukon	52	54	50	56	
Northwest Territories	65	57	60	65	

Source: Statistics Canada 87-514, 87-651.

Non-Book Library Materials Expenditures

Expenditures on non-book materials rose from \$5.8 million in 1978 to \$9.5 million in 1981, an increase of 63% (Table 17). However, expenditures in several provinces increased by a far greater degree, an indication that public libraries are responding to a public need for more periodicals and audiovisual materials. Since 1978, expenditures on this category in dollar terms have increased by 63.3%, whereas expenditures on books have increased by 39.7%. In some provinces the percentage increase has been dramatic. Nevertheless, as a percentage of total operating expenditures, expenditures on periodicals and audiovisual materials have remained in a range of 2-5% over the past few years in all provinces. An extrapolation of this trend would suggest that periodicals and audiovisual materials might encroach on book purchases, and this may be the case in some provinces. For example, in 1978 Alberta spent \$5.86 on books for every dollar it spent on non-book materials; in 1981 that figure had declined to \$4.09. It can be reasonably argued that this is a highly desirable development, increasing the effectiveness of the public library in meeting the current needs of its users.

Table 17

Non-Book Library Materials<sup>3</sup> Expenditures 1978 to 1981

\$

	1978	1979	1980	1981	1982	% Inc./ Decr
Canada	5,809,787	7,163,958	8,141,703	9,489,155		63.3
Newfoundland	95,255	126,593	131,723	157,468		65.3
Prince Edward Island	49,000	45,000	40,000	46,636		- 4.8
Nova Scotia	72,126	166,063	145,207	170,957		137.0
New Brunswick	81,319	72,817	86,504	95,444		17.4
Quebec	342,781	407,686	784,152	1,088,180		217.4
Ontario	3,881,876	4,360,903	4,496,080	4,824,868		24.2
Manitoba	121,972	212,691	194,098	245,269		101.1
Saskatchewan	359,505	441,882	483,054	549,196		-52.8
Alberta	437,364	562,911	854,940	1,024,112		134.1
British Columbia	358,589	737,054	890,534	1,255,625		280.1
Yukon	10,000	10,000	25,800	15,131		51.3
Northwest Territories	-	20,358	9,611	16,268		-

Source: Statistics Canada 87-541, 87-651.

<sup>3</sup>Other print materials and non-print expenditures.

Table 18  
Non-Book Library Materials<sup>4</sup> Expenditures/  
Total Operating Expenditures 1978 to 1981

3

	1978	1979	1980 *	1981	1982
Canada	3	4	3	3	
Newfoundland	4	5	4	4	
Prince Edward Island	6	5	4	5	
Nova Scotia	2	3	3	2	
New Brunswick	3	2	2	2	
Quebec	1	2	2	3	
Ontario	3	4	3	3	
Manitoba	2	3	2	2	
Saskatchewan	4	4	3	4	
Alberta	3	4	4	4	
British Columbia	1	3	3	3	
Yukon	2	2	4	2	
Northwest Territories	-	6	3	4	

Source: Statistics Canada 87-514, 87-651.

<sup>4</sup>Other print materials and non-print expenditures.

### Chapter III

#### Legislation and Governance

The present character of public library legislation in Canada, and the resulting governance structures, can be traced to the primary document in our constitutional history, the 1867 British North America Act. This act created the Parliament for Canada and legislatures for the provinces, and divided responsibilities for certain functions between the provinces and the federal government. Although no explicit mention was made of public libraries, responsibility for education was delegated to the provinces:

Section 93: In and for each Province the Legislature may exclusively make Laws in relation to Education...<sup>5</sup>

From 1901 to 1917 a rapid increase in the number of public libraries in Canada was stimulated by the benefactions of Andrew Carnegie. So numerous were the grants that new library buildings sprung up from coast to coast, and "Carnegie Library" became synonymous with "public library." (Over \$2.5 million was donated towards the building of 125 libraries in Canada between 1903 and 1919.) But these grants were conditional on local financial support, and as a result of this involvement of communities in public library development, the provinces generally assumed some responsibility for public

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<sup>5</sup>Bewley, Lois M. Public Library Legislation in Canada: a review and evaluation. Halifax: Dalhousie University School of Library Service, 1981. p.6.



libraries under the auspices of the Departments of Education. Since the late 1800's all provinces but one have entered Public Library Acts into their statutes, and have thus legally acquired some authority and responsibility for the administration and funding of municipal and regional libraries. In general provincial public library legislation determines the conditions for the establishment of libraries, the character of their governance structure and the division of financial responsibility for their support. Provincial legislation does not require a community to have a public library, thus the legislation is "permissive" or "enabling".<sup>6</sup> However, if a community does establish a library, the legislation imposes some conditions:

- the library must be supported from public revenue derived locally;
- there must be some form of trusteeship involved in directing the public library;
- the public library service must be free.

Over the years, the Ministries of Education have relinquished their responsibility for public libraries to ministries responsible for culture and recreation, except in the provinces of New Brunswick and Prince Edward Island.

Although there are variations, a general pattern of authority for public libraries can be delineated. The provincial ministry responsible for public libraries will contain a branch or department to administer the legislation and determine financial allocations. Funds provided directly from provincial governments to localities are usually based

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<sup>6</sup>Ibid., p.8.

either on a per capita basis, or on some grant formula which takes into account demographic, topographic, organizational and service factors. (In B.C. and Ontario, the statutes permit the withholding of grant payments from public libraries should the libraries fail to comply with the Act or Regulations.) Provincial grants generally comprise about 25% of the total funds received by public libraries.

Normally a government-appointed provincial library council advises the minister in charge of public libraries. The council makes recommendations with respect to the operation of the public libraries act, particularly as it affects the overall direction and financial needs of libraries.

The major source of financial support for public libraries is the locally-elected government, the locality being a county, city, town, village, district or township. The local government too is responsible for the appropriate implementation of the public libraries act. The locally-elected government establishes a library board and appoints its members. It determines the level of locally-derived financial support for the public library. (Local financial support usually comprises about 67% of total library income.) In these ways government at the community level has the most direct and significant impact on the library and "preserves the tradition of local control".<sup>7</sup>

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<sup>7</sup>Ibid., p.14.

Although the library board is usually appointed by the local government, certain boards are administered by city or municipal officers. The responsibilities of the library board include the maintenance of library service, the appointment or dismissal of the Head Librarian, policy setting for library service, control of library property and the submission of the library's operating estimates to the local government. In Alberta, B.C., Ontario and Saskatchewan at least one member of the locally-elected government must sit on the library board.

The daily administration of the public library is the concern of the Head Librarian. The Head Librarian is expected to make recommendations to the Library Board concerning the financial and physical needs and the service objectives of the public library.

The federal government has the responsibility of financially supporting the Library of Parliament, the National Library, the Canada Institute for Scientific and Technical Information, the libraries of government departments, the Royal Commissions, the crown corporations, and the public library service of the Northwest Territories, the Yukon Regional library system, and 588 Indian bands.<sup>8</sup>

The federal government has no legislative responsibility for public libraries in provinces, as important as these libraries are to access to information and to a democratic society. Only in the National Library Act can one find an

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<sup>8</sup>Encyclopedia of library and information science, v.4, p.73.

avenue by which to establish a direct link between a branch of the federal government and provincial or local governments.

8. The National Librarian may, on terms and conditions approved by the Minister, enter into agreements with libraries and library and educational associations and institutions in and outside Canada in respect of library services, including library services referred to in subsection 7(2) 1968-69, c. 47, s. 8.

7(2) Subject to the direction of the Governor in Council, the National Librarian may coordinate the library services of departments, branches and agencies of the Government of Canada including

- (a) The acquisition and cataloguing of books;
- (b) The supply of professional advice, supervision and personnel; and
- (c) The provision of modern information storage and retrieval services including photocopying and microfilming services, electronic and other automated data processing services and facsimile or other communication of information services.  
1968-69, c. 47, s. 7.<sup>9</sup>

This enabling provision is sufficiently vague to allow the National Library to work with other libraries in any ventures leading to greater interlibrary cooperation and improved services.

This is not to say that public libraries and their associations cannot avail themselves of opportunities presented by the federal government through its departments and granting agencies such as the Canada Council. They can, and they do. But it is the case that the federal government cannot intervene directly in the affairs of public libraries. To attempt to do so would be to infringe on the long-established prerogatives of provincial and local governments.

<sup>9</sup>National Library Act. 1968-69, c.47. s.8, 7(2).

## Chapter IV

### Collection Development and Use

Library collections are assembled on behalf of specific communities of actual or potential users, and as communities differ, so will collections. A collection developed for the officers of a bank will obviously be different from one developed for a medical school. Public library collections although developed for "the public" are not homogeneous and will differ greatly among communities. Significant variations may even be found among branches of a single large urban library system. This is not accidental but the result of countless numbers of choices involving individual books. These choices represent value judgments, and are based on a philosophy of what a public library collection should be, an understanding of or assumptions about the community being served, policies established by local library boards, and/or the attitudes of librarians toward individual authors, publishers and categories of books.

Following the selection process, the acquisition of books also involves a number of value judgments relating to such factors as availability of funds, prices and discounts, urgency of need, and vendor-supplied services. Again, community needs and expectations impinge on the making of these judgments.

Once the books are on the shelves, further judgments come into play. There are few if any public libraries that do

not attempt to draw the attention of their patrons to some distinctive element in the collections. At the very least this might be a shelf in an obvious location devoted to recent acquisitions; to give more prominence to some subjects or authors there may be displays, reading lists, authors' readings and newspaper or television coverage. The singling out of an element in the collection for some special promotion also involves choices, and again these are related to real or perceived community needs and to the attitudes of librarians.

The fate of Canadian books in public libraries is thus bound up with questions of what a public library is, who governs it, who its users are, and how their needs may best be served. Value judgments are intrinsic to the processes of selecting, acquiring and promoting books. This section of the report examines the issues surrounding these questions and judgments.

#### The Role and Functions of the Public Library

The public library, an institution now taken for granted in western societies, is virtually unique as a functioning collective for a type of property which has both a material and an intellectual aspect. That libraries exist in such numbers is a testimony to their necessity, for they have an essential role to play in society's machinery for storing and transmitting information.

Libraries exist for a couple of simple reasons. It is a plain fact that very few people could afford to purchase or to store all of the information or reading material they would need in the course of a lifetime. Even if they could afford it, the possibility of acquiring it would be remote, given the nature of the publishing industry, which is not committed to keeping all titles permanently in print. The public library is society's invention for dealing with these aspects of information demand and supply. At any time it is undoubtedly the case that in the aggregate Canadian public libraries contain more titles than may be found in publishers' warehouses or in retail stores; and that most of these titles will be out of print, or otherwise unavailable through normal book distribution channels accessible to the average Canadian citizen.

All public libraries, regardless of size or location, have three functions to perform for their patrons:

1. Informational - Public libraries provide a wide range of information or reference services from the most simple, such as directory information, to the most practical, such as car manuals and recipe books, to the most complex and advanced, requiring the use of computer-based systems.
2. Educational. Public libraries provide everyone with opportunities for informal self-instruction; they also support the needs of students from kindergarten to graduate school.
3. Recreational. Public libraries are a source of leisure reading materials and literature relating to arts, crafts and hobbies of all kinds.

The weight given to each of these activities by a specific library will vary in relation to community needs. In a large urban system, the main branch, probably located in the city centre, is likely to emphasize the first function, while suburban branches of the same system will emphasize the third. In support of these different functions, collections must be different.

### Value Judgment and Collection Development

The development of any collection is an item-at-a-time process. In the case of one's personal book collection, it is a simple matter of whether or not one wants a title, can locate a copy, and can afford it. In the case of a library collection, developed with a specific community in mind, there are a host of other considerations and responsibilities.

The public library in democratic societies is perceived as one means of providing citizens with freedom of access to information, in contrast to the situation in some other societies where libraries are seen as a vehicle for the dissemination of state-prescribed beliefs. Public librarians in Canada are thus bound to feel an obligation to represent all points of view in areas where there are likely to be differences of opinion, as in the realms of politics, religion, and social and personal values. At the same time they must be sensitive to community standards; in an attempt to achieve impartiality through a balanced collection, librarians can place their libraries and themselves in



jeopardy. Irrational demands for censorship of materials in libraries have been heard in Canada in recent years. The issue of what is appropriate to include in a community-owned collection is one that arises whenever controversial topics are explored by authors.

Matters of opinion are one thing; matters of taste another. The nature of a public library collection, particularly that part of it developed to meet recreational needs, will be greatly affected by the book selection standards adopted by the librarians responsible. Two general approaches may be outlined, although they are not mutually exclusive.

One approach and the more traditional one, could be referred to as "quality" book selection. Books are chosen for inclusion in the collection based on their intrinsic merit and lasting value, as determined by societal general appraisal, as in the case of "classics", by authoritative reviews, or by the evaluation of librarians, in turn based on their previous education, subject expertise, and experience. This approach emphasizes the library's role as a repository of cultural and educational materials. While an attempt is made to acquire books that will be attractive and interesting to library patrons, there will be tendency not to cater to popular taste or passing enthusiasms.

Another approach could be referred to as "patron-demand" book selection. In this instance the collection is developed in accordance with the measured, stated, or implied

preferences of the patrons. The primary emphasis is on user satisfaction, and to that end a library may acquire, for example, an abundance of romances, westerns and detective stories; or it may purchase multiple copies of current best-sellers.

It is obvious that libraries will rarely use one approach to the exclusion of another. However, individual public library collections usually reveal an emphasis in one direction or the other. Librarians continue to debate the virtue of these two approaches, as is made apparent by the following quotations from current library literature.

"Taxpayers provide money in order to find the materials they want at their library"<sup>10</sup>

"A book of outstanding quality is not worth its price if no one will read it."<sup>11</sup>

"Public libraries are politically supported to serve as agencies of informal, self-motivated, self-regulated, self-education; as adjuncts of formal education; as organised repositories of written and other forms of cultural communications."<sup>12</sup>

"Libraries have a responsibility to ideas, to nurturing, sustaining, preserving and making readily available the intellectual capital of our society to anyone who may want or need it, now or in the future. Collections are

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<sup>10</sup>Rowlinson, Nora. "Give 'em what they want!" Library Journal, Nov. 15, 1981, p.2188.

<sup>11</sup>Ibid, p.2188.

<sup>12</sup>Bob, Murray C. "The case for quality book selection." Library Journal, Sept. 15, 1982, p.1709.

built over time. By doing that we show responsibility to the citizens who pay for the service."<sup>13</sup>

A similar set of choices is faced by publishers in developing their lists and by booksellers in acquiring their stocks. Given that literary quality and mass appeal do not always go hand in hand, most bookstores would look very different if their proprietors indulged their tastes without reference to the market. If there is a clear difference between what the consumer finds in an outlet of a bookstore chain and in a privately owned bookstore, it may be attributed to a choice between the two approaches. Libraries and bookstores are not dissimilar in the issues they face in book selection. However, some booksellers and authors have questioned the use of a "patron-demand" approach by libraries, feeling that libraries thereby usurp the function of bookstores.

#### Canadian Books and Selection Practices

Since all libraries are finite in size and budget, in a sense all books are in competition with one another to find a place on library shelves. Canadian books are in competition with books of other national origins. Librarians will measure Canadian books according to the previously mentioned criteria: by their possible contributions to the informational, educational or recreational roles of the public library, by

<sup>13</sup>Ibid, p. 1710.

their quality and/or by their popular appeal. However, these standards may be set aside if public libraries decide to give a priority to the purchase of Canadian-authored books.

It is one of the objectives of this study to discover the extent to which this takes place.

## Chapter V

### Recent Surveys: Synopsis of Findings

The findings of four national surveys involving Canadian public libraries, taken between 1976 and 1981, are either directly or indirectly pertinent to selection, acquisition and book promotion activities of libraries. Two survey reports, Final Report of the Library Information Project (1976) and Public Libraries in Canada (1982), deal directly with library practices in these areas. Information from two other surveys, one reported in Project Progress (1981), and the other analyzed in Book Reading in Canada (1983), are indirectly relevant to the present study in providing statistics and analysis of reading interests, consumer practices and attitudes of the book-reading Canadian adult population which might be used to measure public libraries' effectiveness in satisfying public demand for Canadian books.

The survey reported in Final Report of the Library Information Project (the Green Report) was carried out in 1976 by Deidre E. Green, Library Information Officer for the Book and Periodical Development Council, to determine specific problems in relations between Canadian publishers and public librarians. Questionnaires were followed up by personal interviews in 48 publishing houses and 32 public libraries or library systems across the country. Information supplied by librarians on collection size, materials budget, selection and acquisition of Canadian books, and display and promotion of

Canadian publications provides important background to the present study.

Public Libraries in Canada (the Beta Report) is the report by Beta Associates of a study commissioned by the Canadian Book Publishers' Council and carried out in 1981, "to provide publishers with a market definition and analysis, according to size, that will include information on budgets, acquisition policies, and developing trends"<sup>14</sup> in Canadian public libraries. A total of 176 libraries, covering 1,027 service points, responded to the survey which was conducted by means of a questionnaire and selected interviews. Of special relevance to the present study is the information libraries provided on finances and budgets, selection policies, practices and tools, and acquisition practices and experiences. The study provides more detailed data on selection and acquisition practices than the Green Report, and makes some analysis of librarians' preferences for hardcover and paperback editions. Promotion of Canadian books is not dealt with in this study.

In this chapter findings in these two reports that overlap with the present study will be examined, specifically in the areas of libraries' selection, acquisition and promotion of Canadian books.

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<sup>14</sup>Beta Associates, Public Libraries in Canada (Toronto: Beta Associates, 1982), p. 7.

### Selection

The Beta Report indicates that while 29% of libraries had a stated selection policy giving priority to books by Canadian authors, some 52% had a set allocation for Canadian books, more than half of whom designated 25% or more of their budgets. The Green Report does not discuss selection policies or budget allocations for Canadian publications, and neither report provides information on how selection policies were initiated.

Findings of the two surveys diverge on the question of responsibility for book selection. The Beta Report indicates that selection of adult books was done by one person in about 60% of libraries, and by committee in about 28%. The Green Report states that "in most systems, the selection is done by several librarians who later meet to discuss new books."<sup>15</sup> This would seem to indicate selection by committee in the majority of libraries. However, no figures are given to indicate how large a majority this might be.

In neither the Beta survey nor the Green survey were librarians asked directly to comment on possible deterrents to selecting Canadian books. However, there is much information in both reports about the relative importance of selection tools and their adequacy or inadequacy. In the Green survey 28% of librarians interviewed expressed some dissatisfaction with selection tools, but it is not indicated which were

<sup>15</sup>Deidre E. Green, Final Report of the Library Information Project (Toronto: BOOK & Periodical Development Council, 1976), p. 32.

deemed most unsatisfactory. The Green Report rates publishers' catalogues and book reviews equally as the most influential selection tools for Canadian books, while the Beta survey found publishers' catalogues to be more frequently used than book reviews. It is unclear in the Green Report whether or not Quill & Quire should be included with the reviewing media; in one tabulation it is so included, and in another it is not. If it were included the findings would show reviewing media to be by far the more influential.

The findings on importance in selection of publishers' catalogues and book reviews might be related to the question in the present study on deterrents to selection, which gives as possible options a lack of publishers' catalogues and timely reviews of Canadian books. Twenty-eight percent of the libraries visited in the Green survey reported requiring a favourable review before purchasing a new Canadian book. The importance of Canadian reviewing media in selection is apparent from the Beta survey, where it was found that Quill & Quire and Books in Canada were the two most frequently used of all reviewing journals, including American, British and Canadian publications. Surprisingly, In Review, which was publishing at the time of the Beta survey, was not included in the survey questionnaire's checklist. The Green survey found that among Canadian reviewing media, In Review was the second most frequently used, behind Quill & Quire and ahead of Books in Canada. In both surveys Canadian Materials was found to be relatively much less influential in selection, scoring tenth



among all reviewing journals in the Beta Report, and with only 47% of libraries in the Green Report indicating regular use of the publication.

An analysis of library purchases in hardcover and paperback editions is included in the Beta Report, although no distinction is made between quality and mass market paperbacks, nor between Canadian and non-Canadian books. It was found that on a national average paperbacks accounted for 18% of materials budgets for adult fiction and non-fiction. Pertinent to the present study is the analysis of librarians' expectations regarding purchase of paperbacks, where it was found that 75% of responding librarians expected an increase in adult fiction paperbacks, and 43% in adult non-fiction paperbacks. About 63% of libraries favoured paperback over hardcover editions (when published simultaneously) if there were a saving of 50%. But a significant percentage, 37%, indicated a willingness to select paperback over hardcover editions when the price differential was smaller.

#### Acquisitions

The question of the percentage of Canadian books in present library collections would seem to be one that librarians have been unable to answer accurately. Thirty-four percent of libraries in the Green survey offered an estimate of Canadian content, ranging from 8% to 40%, but, as the Green Report states, "No library had taken a scientific measurement of their collection to determine the real percentage of

Canadian materials.<sup>16</sup> Similarly, none of the libraries surveyed by Green could state how many Canadian publications were purchased annually. This situation is somewhat surprising when, according to the Beta Report, some 52% of libraries reported having a set budget allocation for Canadian books.

Both the Green and Beta Reports give information on libraries' sources of acquisition for Canadian books, but comparison of data is difficult because of the Green Report's lack of tabular information. The reports agree on the percentage of libraries which used Canadian publishers/agents as a source of acquisition, about 72%, but the extent of use reported is somewhat different. While the Green survey reports that 40% of libraries placed 25% of their orders directly with Canadian publishers, the Beta Report figures suggest that 28% of libraries placed less than 20% of their orders with publishers, and only 8% of libraries placed between 20% and 25% of orders directly with publishers. However, the reports agree that 32% of libraries place more than 40% of their orders for Canadian books directly with publishers/agents.

An astounding difference in the two reports is seen in figures for purchases from wholesalers.<sup>17</sup> The Green Report

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<sup>16</sup>Green, p. 39.

<sup>17</sup>No distinction is made in either report between wholesalers and jobbers.

states that 60% of libraries buy between 75% and 100% of Canadian books from Canadian wholesalers; the Beta Report indicates that only 15% of libraries use Canadian wholesalers for 70% to 100% of purchases. Moreover, the Green Report states that 80% of libraries use Canadian wholesalers as a source of Canadian books for 20% or more of their purchases, while the comparable figures in the Beta Report is 48%. Percentage figures for the use of foreign wholesalers as a source of Canadian books are also very different. While the Green Report states that 36% of libraries rely on American wholesalers for Canadian books "on rare occasions,"<sup>18</sup> the Beta survey reports that 30% of libraries use foreign wholesalers or jobbers for 20% or more of their purchases.

The two reports agree that local bookstores are sources of supply for Canadian books to some extent by a large number of libraries, 100% of libraries according to the Green Report, and 77% according to the Beta Report. While the Green Report does not specify percentages of purchases from retail outlets, the Beta Report indicates that more than half of the libraries, some 53%, use the local bookstore for less than 20% of their purchases.

Only the Green Report gives information on standing orders, and states that 56% of libraries maintained standing orders for Canadian books with publishers. Neither survey reports on blanket approval orders with wholesalers or

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<sup>18</sup>Green, p. 44.

jobbers, but Green reports that "budget cutbacks had ended the widespread standing order policy when all new books were received on approval."<sup>19</sup>

Librarians' satisfaction or dissatisfaction with book suppliers as reported in the Green and Beta Reports, might be related to the question in the present study on possible impediments to the acquisition of Canadian books. Regarding services from publishers, the Green Report found that only 27% of librarians indicated satisfaction. The main dissatisfaction would seem to be in the area of publishers' reporting practices, where 78% of libraries registered complaint. The Beta Report states that comments of the respondents indicated that turnaround time and the percentage of orders filled in the first shipment were also sources of complaint. However, the Beta Report does not indicate whether complaints were directed at publishers and/or wholesalers.

The Green Report states that 42% of librarians were satisfied with reporting practices of wholesalers, but that supply from wholesalers is slower than from publishers. In the Beta survey 66% of respondents considered 44 days or less an acceptable turnaround time for book orders. The Green Report indicates that 58% of libraries, on the average, had their orders filled by publishers in this time period, while 69% of libraries received orders from wholesalers within 44 days. Therefore, the conclusion that supply from wholesalers is slower than from publishers might be questioned. However,

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<sup>19</sup>Ibid., p. 41.

it should be noted that 31% of libraries reported waiting seven weeks or longer for order-fulfillment from wholesalers, while only 16% waited seven weeks or longer for orders from publishers.

#### Promotion of Canadian Books

Promotion of Canadian books in the library was one area covered in some detail by the Green survey. While all libraries claimed that they promoted Canadian authors at some time through display programs, 28% did not specifically promote Canadian books more than books from other countries. It was found that 37% of libraries labelled Canadian books with maple leaf stickers, and 21% shelved Canadian books in a special section of the library. Although no measure was taken of how often libraries used various promotion methods or an evaluation of their effectiveness, the report indicates what percentage of libraries used types of promotion at some time, and reports impediments to their use.

<u>Method of promotion</u>	<u>% of libraries</u>	<u>Impediments</u>
Displays	100	
Booklists	91	
Posters	80	Lack of materials from publishers. Budget cuts for graphics
Author visits	75	Board policy restrictions
Bookmarks	62	Budget cuts
Films	62	Lack of facilities Lack of access to films
Book talks	50	Lack of facilities Unwilling and/or incapable staff Lack of patron interest

Readers' Preferences and Use of Libraries

The findings of the two reports which bear indirectly on the present study, Project Progress and Book Reading in Canada focus on the selection and acquisition practices of the book-reading population, rather than on those of libraries. The results of the surveys might provide some means of measuring whether library collections and promotion activities are meeting the public's interest in Canadian books.

Project Progress was an in-depth study of Canadian public libraries carried out in 1979-1980 by Urban Dimensions Group for the Canadian Library Association. The purpose of the study was to supply a base of practical information about public libraries, their staffs, their present and potential users, and the social, economic and technological changes in

Canadian society that may affect their future course. The survey was not concerned with the Canadian content in public libraries, nor specifically with selection, acquisition or book promotion practices. germane to the present study is the report's analysis of library use and reader preferences, based on a telephone survey of 200 adult<sup>20</sup> Canadians chosen at random.

Although not necessarily less representative, this survey sample is dramatically smaller than the 1978 Statistics Canada survey of leisure time activities and reading habits, which forms the basis of Book Reading in Canada (the Lorimer Report). This report, prepared in 1983 by James Lorimer and Susan Shaw for the Association of Canadian Publishers, is the most comprehensive analysis of the 1978 readership data, drawn from a survey of 17,600 Canadians 15 years or older. It analyzes the audience for trade books in Canada, the operation of the trade book marketplace and the book distribution system, and of interest to the present study, draws conclusions about public library use, book awareness engendered by public libraries, reading preferences of the population, and the content of books circulated by public libraries.

Much of the analysis in both reports is based on information collected on "the last book read" by respondents to the interview or questionnaire. Lorimer uses this

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<sup>20</sup>No age definition of adult is given in the report.

information to draw a distinction between what he refers to as "library reach" and "library use," the inference being that the last book read gives more accurate information on the actual use people make of public libraries than information on how often they visit the library or the number of books they borrow over a given period of time.

It was found that bookstores are the single greatest source of the last books read, accounting for 30%, followed by borrowing from friends or relatives (21%) and gifts (12%). The public library was cited as the source for 10% of the last books read. Lorimer comments on the difficulty of reconciling public library circulation statistics with the results of the readership data:

Even with heroic assumptions, it proves difficult to establish how so many books [115 million items in the last reported year] could be borrowed and read by public library users given that public library books account for only about 10% of all books read by English-language adults for leisure purposes.<sup>21</sup>

The 10% figure is based on the last book read data, and is therefore measuring, not the number of books read over a six-week period, but rather the number of individuals who obtained the last book they read from a public library. The data does not tell us whether the 10% of library borrowers had obtained more or fewer books in the six-week period from the library than the 30% of bookstore users had obtained from the

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<sup>21</sup>James Lorimer and Susan Shaw, Book Reading in Canada (Toronto: The Association of Canadian Publishers, 1983), p. 18.



bookstore. The data indicates that while 57% of readers usually use bookstores to obtain books, 37% of readers usually use the public library. The report points out that about 58% of heavy readers<sup>22</sup> visit both bookstores and public libraries frequently.<sup>23</sup> Analysis also shows that 60% of all library visitors are heavy library users, and that, on the average, 29% of library visitors also visit bookstores, while some 41% of heavy bookstore visitors also visit libraries. While these figures indicate what percentage of the adult population makes use of bookstores and libraries, they make no comments on the extent of use, in terms of the number of books actually bought or borrowed over a period of time.

If Lorimer was baffled by the disparity between reported library circulation and statistics relating to the source of the last book read, the source of his confusion might lie in the assumption that all books borrowed from public libraries are "read" in the conventional sense, that is, from cover to cover. His study emphasizes the recreational reading function of the public library, and overlooks the informational and educational aspects of much library borrowing. Many books are borrowed not to be read, but to be scanned or consulted. For example, a student may borrow a dozen books in the course of preparing an essay; but if asked if he had read any of them,

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<sup>22</sup>Defined as those who read 11 hours or more per week.

<sup>23</sup>Defined as those who had made four or more visits in the previous six-week period.

he would probably assume that a complete reading was implied, and reply in the negative. The use of "last book read" as a measure of the usefulness of public library collections is probably inappropriate.

The Project Progress survey includes similar data on the last book read, but over a one-year period. Here it was found that 16% of the last books read were obtained from public libraries, 30% from bookstores, and 25% from friends or relatives (which presumably includes gifts). This last figure contrasts with the Lorimer study data which indicates that 33% of the last books read were obtained either from friends or relatives or as gifts. One feature of the 1978 data, noted by Lorimer, is the fact that the survey was taken in early February and therefore not surprisingly shows a large percentage of the last books read having been obtained as gifts.

Data on public library visitors who actually obtain books they read from the library may be significant in indicating the degree to which library users find reading material they want in the library. Both studies include such an analysis, but it should be pointed out that the Lorimer study is based on data about leisure reading only, while the Project Progress survey does not make this distinction.

Based on the last book read in a six-week period, the Lorimer study concludes that, on the average, 24% of people who visit the library actually use it to borrow books, while bookstores are the source of 29% of their reading. Project

Progress concurs that 30% of the last books read in a one-year period by library visitors were obtained from a bookstore, and 25% from public libraries. It would appear, then, that public library visitors more often find their reading materials in bookstores than in libraries. However, Project Progress also reports that 82% of library visitors (as opposed to 50% of all readers) had borrowed at least one book from the library in the previous year, not necessarily the last book read. Also, 53% of library visitors stated that they almost always got what they wanted at the library, and another 38% reported that they usually got what they wanted.

Lorimer's study found that the subject matter of the books borrowed from public libraries was quite similar to the subject matter of all books read, but with more emphasis on history and social science, and less emphasis on fiction than is the case with book-reading by Canadians generally. While public library visitors showed a slightly less favourable attitude towards Canadian books than the over-all reading population, the information on Canadian books obtained from libraries also showed a parallel with reader interests in general. Among the last books read, the percentage of Canadian fiction obtained at the library (32%) ran slightly behind the percentage obtained from all sources (36%). However, public libraries accounted for a considerably higher percentage of books obtained in the categories of Canadian biography (15% from libraries, compared to 10% from all sources), and Canadian history/social sciences (36% from

libraries, compared to 26% from all sources).

According to the Lorimer Report, Canadian books accounted for 18% of all the last books read. Bookstores were the source of 30% of the last Canadian books read and public libraries of 9%. It is of interest to note the high percentage of gifts as the source of the last Canadian books read, 18%. But apart from gifts, no distribution channel was supplying a substantially larger share of Canadian books compared to all books supplied. The data on the percentage of Canadian content of formal distribution channels showed 17% for public libraries and 19% for bookstores, both of which are close to the figure of 18% of all books read. This would suggest that public libraries are not under-representing Canadian books in what they make available to readers. Other data strongly suggests that what limits the amount of book-reading is not access to books from any one source but competing time demands. It is somewhat surprising, therefore, to find Lorimer concluding that there are "substantial differences between the reading preferences of leisure readers as revealed in the analysis of the last books read data and the collections of branch libraries," and pointing to a need for libraries to match their collections with the tastes and interests of visitors.<sup>24</sup> Again, this ignores the need for libraries to provide more than recreational reading.

The Project Progress survey includes information on readers' preferences for hardcover versus paperback editions.

<sup>24</sup>Lorimer, p. 415.

Here it is found that for 65% of readers the last book read was in paperback, and for 32% in hardcover. These figures point to the popularity of paperback editions as recognized by librarians surveyed in the Beta study.

### Book Awareness

The Lorimer study analyzes in some depth the various book distribution channels as sources of awareness for books, and these findings have implications for the present study on libraries' readers' services and book promotion. Bookstores were found to be not only the major source of the last books read (54% if one considers gifts and books borrowed from friends and relatives as also emanating from bookstores), but also the major source of book awareness for the last book read. Only 14% of respondents to the survey indicated that they became aware of the last book they read through library displays or browsing, ranking libraries third in importance behind bookstores (31%) and awareness through conversation (20%).

In his conclusions Lorimer suggests ways in which libraries could upgrade their role as a source of book awareness, including more attention to book displays in branches, greater matching of displays with reader interests, and coordinated display and browsing measures on a systems-wide basis. There is nothing in the survey itself to suggest that these programs are not now being carried out. Only the Green study surveyed libraries to see what was

actually being done in book promotion, and as already noted, all libraries reported promotion activities of some kind. However, the Green data gives no indication of how often various promotion methods were being used within each library, or how successful they were in matching or arousing reader interest.

There may be explanations other than inadequate book displays and browsing measures for the library's low percentage in book awareness figures. Whether book suppliers routinely fill bookstore orders faster than library orders is a question that has not been addressed. If such is the case it would not be surprising that readers become aware of books through bookstores much more often than through libraries. It would be of interest to discover if the opinion expressed by one librarian in the Green Report is justified and widespread: "It angers and embarrasses us to see new books in bookstores months before we receive them, even through we have placed pre-publication orders."<sup>25</sup>

The Green Report states that only 31% of libraries attempted to attract non-users to the library through radio, television or newspapers. Sixty-nine percent of libraries were not doing so because of lack of time, lack of finances or uncertainty about how to interest non-users. While Project Progress reports that 51% of respondents made at least one trip to the public library in the previous year, the Lorimer study indicates that an average of only 31% of book readers

<sup>25</sup>Green, p. 46.

had visited a public library in the previous six weeks. There would seem to be some justification for Lorimer's conclusion that there is substantial room for public libraries to expand their appeal to book readers who are non-library users.

CHAPTER VI

Canadian Books in Public Libraries: A Survey

Purpose of the Survey

Although a substantial body of information concerning Canadian public libraries already exists in reports issued by Statistics Canada and in documents resulting from other recent surveys, a number of questions remained unanswered, specifically those dealing with policies and practices of public libraries as they affect Canadian books. Therefore a survey of eighty-two public libraries was completed in January and February 1984. The survey was conducted by means of a questionnaire which had five main purposes:

1. To collect basic statistics concerning the respondents, in order to better define the survey group for the purpose of interpreting their replies to questions, and in order to compare trends with those that emerged from a study of Statistics Canada reports.
2. To discover public library policies and practices as they affect the selection, acquisition and promotion of Canadian books.
3. To learn about any programs affecting public libraries in their support of Canadian books, and the effectiveness of these programs.
4. To discover what attitudes public librarians have towards the promotion of Canadian books.
5. To obtain proposals relating to possible federal government programs in support of Canadian books in public libraries.



### Methodology

Statistics Canada reported the existence of 991 public libraries in 1981. An attempt was made to select from this group those libraries in each province or territory which reached the largest number of readers, held the greatest number of books and accounted for the largest number of loans. It is obvious that these libraries collectively would have the greatest potential for providing access to Canadian books.

Since Statistics Canada is not at liberty to disclose statistics concerning individual institutions, assumptions had to be made about the identity of these major libraries. Clearly, libraries located in urban areas where population is concentrated comprised one group. Regional library systems with their large number of service points in smaller centres of population would be another group. In many provinces, a provincial library service exists to deliver books to citizens who do not have access to a local library. Together, these libraries, one hundred and forty-five in number, formed a target group for the questionnaire.

For the design of the questionnaire the surveyors drew heavily on the questionnaires used by Statistics Canada and by other earlier surveyors, including that of Frances Halpenny whose work was then in process. The aim was twofold: not to ask questions which had already been asked and for which replies were available or identifiable; and in asking questions to use language and definitions which would be meaningful to the respondents.

This survey violated one of the fundamental rules of questionnaire methodology. Given the deadline for the completion of the report, it was impossible to submit the questionnaire to testing. However, a draft was submitted to the Advisory Committee, and helpful changes were proposed by its members and incorporated into a later draft. In the end, the questionnaire proved to be satisfactory, with only a couple of instances where a better phrasing of questions could have eliminated some ambiguities.

The questionnaire, in both English and French versions, was mailed by special delivery at 5:00 p.m. on Friday, January 20th; it included a self-addressed envelope, also stamped for special delivery. It will come as a surprise to critics of Canada Post to learn that the first three completed questionnaires arrived at U.B.C. on Wednesday January 25th at 10:00 a.m., from the Yukon, Ontario and Cape Breton. The last two questionnaires included in these results arrived on February 24th; their delay probably had nothing to do with Canada Post.

Results from the questionnaires were recorded in machine readable form and analyzed by MIDAS, a software package from the Statistical Research Laboratory of the University of Michigan.

Such packages are often called, and justifiably so, "powerful tools." There is a temptation to analyze information in every imagineable way, for the sheer fascination of seeing the figures. This temptation has been

resisted, not first because of the unavailability of time, but because neither the objectives of this survey nor the readers of it will be served by a Niagara of numbers. Statistics are thus reported partially but accurately, and only where they have a point.

All the caveats mentioned in Chapter II apply with equal or greater force here. One can only work with what one is given. Unfortunately, time did not permit investigation of apparent anomalies. Thus there are instances where figures supplied by respondents do not square with those reported to Statistics Canada, and where information was not available in the form requested. Where these occur, an attempt to explain them is made in the text accompanying the tables.

#### The Survey Sample

Eighty-two completed questionnaires were received out of the 145 that were mailed, for a response rate of 56.2%. The respondents comprised only 8.3% of the total of 991 libraries reporting to Statistics Canada in 1981. Viewed on this basis, the sample seems slight. However, it is important to understand where the 82 libraries are and what they represent in terms of users, holdings and circulation, relative to the Canadian universe as described by Statistics Canada. Table 1 shows, in the first column, the number of completed questionnaires received from each province and territory.

The second column provides a "profile" of the group, showing the percentage of the total represented by responses

from each province and territory. Thus of those libraries responding, 7.3% were from Newfoundland, and so on.

The third column shows the complete "Canadian" profile, as reported to Statistics Canada and recorded in Table 1 of Chapter II. Thus of all libraries in Canada, those in Newfoundland represent .7%, and so on.

The sample profile and the Canadian profile differ. This is a matter of no great consequence, being in large part a result of the way in which libraries are organized in various provinces. Some provinces have large centralized regional systems, which would yield only one questionnaire. The more important questions about the respondents are answered in Table 2.

The fourth column in Table 1 shows the response rate to the questionnaire. The highest response rate was recorded by Prince Edward Island, the Yukon and the Northwest Territories, to which only one questionnaire was sent. Ontario and Quebec, to which larger numbers of questionnaires were mailed, had lower response rate.

Table 1  
 Respondents in Relation to Number of  
 Canadian Libraries, With Response Rate

	Respondents	% of Sample Total	% of Canadian Total	Response Rate
Canada	82	100.0	100.0	56.5
Newfoundland	6	7.3	.7	75.0
Prince Edward Island	1	1.2	.1	100.0
Nova Scotia	9	11.0	1.2	75.0
New Brunswick	5	6.1	.6	83.3
Quebec	6	7.3	13.2	33.3
Ontario	21	25.6	55.7	50.0
Manitoba	10	12.2	3.4	41.6
Saskatchewan	6	7.3	1.0	50.0
Alberta	7	8.5	17.2	77.8
British Columbia	9	11.0	6.6	90.0
Yukon	1	1.2	.1	100.0
Northwest Territories	1	1.2	.1	100.0

Table 2 compares the respondents on the basis of reported service points and circulation as of 1981, with the Canadian totals as reported to Statistics Canada and recorded in Table 1 and 3 in Chapter II.

The first column shows the number of service points reported in the sample as a percentage of the total reported to Statistics Canada in 1981. Example: 58.9% of service points existing in Canada in 1981 are represented in this sample.

The same interpretation applies to the third column, relating to circulation. Example: libraries reporting in this sample accounted for 52.3% of the total circulation for Canada reported to Statistics Canada in 1981.

The second and fourth columns contain two columns of percentages, to be read vertically. These show the national distribution of service points and circulation, both for the sample which is the first column of figures, and for all libraries in the second column. The object of these two columns is to allow a comparison of the sample with the Canadian universe. Example: Libraries in Nova Scotia reporting to the survey represented 4.5% of the service points and 5.2% of the circulation; all public libraries in Nova Scotia reporting to Statistics Canada in 1981 represented 2.5% of the service points and 2.9% of all circulation. Thus libraries in Nova Scotia are "over-represented" in the survey.

Table 2  
Comparison of Sample with Canadian Universe:  
Permanent Service Points and Circulation, 1981

	Service Points			Circulation		
	Sample as % of Total	Distribution		Sample as % of Total	Distribution	
Canada	58.9	100.0		52.3	100.0	
Newfoundland	-	9.9	3.6	-	5.4	1.4
Prince Edward Island	92.3	8.2	.8	93.3	.9	.5
Nova Scotia	61.0	4.5	2.5	90.9	5.2	2.9
New Brunswick	94.3	2.9	1.7	97.3	3.7	2.0
Quebec	40.3	14.8	22.8	21.6	5.8	11.5
Ontario	23.5	18.0	36.8	38.1	34.3	46.6
Manitoba	-	6.2	2.6	93.3	6.2	3.9
Saskatchewan	35.4	8.3	10.0	42.6	4.4	5.1
Alberta	57.7	16.8	9.6	62.4	14.0	8.8
British Columbia	34.8	8.7	8.4	64.5	19.9	17.0
Yukon	-	.4	.2	87.8	.2	.1
Northwest Territories	34.7	1.3	.7	-	.2	.1

Note: Figures compiled for Newfoundland, Manitoba the Yukon and the Northwest Territories did not correlate with figures available from Statistics Canada; i.e., the former exceeded the latter.

Respondents were asked to provide the total size of their book collections. In retrospect, it would have been better to have asked for those figures for a specific year. It must be assumed that libraries reported their latest available figures, probably for 1983 or 1982. In any case, the respondents reported collections totalling 23,512,000 volumes, a little less than half the national total reported to Statistics Canada in 1981. Table 3 shows the national total and the sample total, by province and territory. A percentage distribution is also given. Example: In 1981

Ontario public libraries accounted for 47% of the total number of volumes in Canadian public libraries, whereas the Ontario libraries reporting to this survey account for 37% of the sample.

Table 3  
Comparisons of Holdings Reported by Sample Group  
With All Canadian Holdings, 1981

'000's

	1981	%	Sample	%
Canada	47,866	100	23,512	100
Newfoundland	753	1.6	1,385	5.9
Prince Edward Island	180	.4	200	.8
Nova Scotia	1,145	2.4	1,120	4.8
New Brunswick	1,032	2.2	802	3.4
Quebec	8,174	17.1	2,293	9.7
Ontario	22,487	47.0	8,714	37.1
Manitoba	1,868	3.9	1,553	6.6
Saskatchewan	2,262	4.7	982	4.2
Alberta	4,352	9.1	2,927	12.4
British Columbia	5,362	11.1	3,253	13.8
Yukon	150	.3	176	.7
Northwest Territories	102	.2	107	.4

On the basis of Tables 2 and 3 it is possible to characterize the sample as being generally representative of Canadian public libraries, accounting for 58.9% of all service points, 52.3% of all circulation reported in 1981, and almost half of the volumes. When it comes to the distribution of these factors among the provinces and territories, the universe and the sample diverge somewhat. Libraries in the provinces of Quebec, Ontario and Saskatchewan are under-represented, due to the fact that libraries in those



provinces had a low response rate. As a result, the others are proportionately over-represented.

Types of Libraries

Respondents were asked to indicate whether theirs was a provincial/territorial, municipal, regional or county library. The results are shown in Table 4. It should be noted that regional libraries can serve residents of municipalities; regional libraries should not be thought of as purely rural libraries.

Table 4  
Respondents By Type of Library

	Provincial	Regional	Municipal	Other
Canada	7	40	30	5
Newfoundland	1	3	-	2
Prince Edward Island	1	-	-	-
Nova Scotia	-	9	-	-
New Brunswick	-	5	-	-
Quebec	-	4	2	-
Ontario	-	3	18	-
Manitoba	-	8	1	1
Saskatchewan	1	3	2	-
Alberta	1	3	2	1
British Columbia	1	2	5	1
Yukon	1	-	-	-
Northwest Territories	1	-	-	-

Population Served by Respondents, and Their Registered  
Borrowers

Table 5 presents the reported totals of the population served by the respondents. The question asked for the "official size of the population served by the library/system." Because there is some overlapping of service areas, some citizens were counted twice, with the result that these totals sometimes exceed the total population as recorded in the 1981 census. The table, imperfect though it is, does serve to show that the sample group of 82 libraries is responsible for serving a high percentage of the total population of Canada. In this respect, the province least well represented in the sample is Quebec.

The reported figures for registered borrowers would appear to indicate varying degrees of success among provinces in obtaining the participation of citizens in the use of the public library system. This statistic too is not reliable. Some users may be registered as a borrower with more than one library system. One registration may represent a family or a group of users. Sampling techniques would be a more reliable indicator of actual participation in public library use.

Table 5

Population Served and Registered Borrowers Compared With 1981  
Census

	1981 Census '000	Population Served '000	Registered Borrowers '000's
Newfoundland	567.7	778.6	233.8
Prince Edward Island	122.5	125.5	--
Nova Scotia	847.4	746.9	132.0
New Brunswick	696.4	538.5	182.5
Quebec	6,438.2	1,470.5	197.5
Ontario	8,624.7	6,172.1	878.5
Manitoba	1,026.2	1,226.8	129.0
Saskatchewan	968.2	1,307.5	396.2
Alberta	2,237.2	1,334.0	459.2
British Columbia	2,744.2	2,308.2	401.4
Yukon	23.2	23.2	--
Northwest Territories	45.7	34.4	11.4
Total	24,314.6		

Circulation of Library Materials, Printed and Non-Printed

An attempt was made to collect statistics separately for printed materials and non-printed materials in order to compare their relative use. However, some libraries do not maintain separate statistics for these two groups, and in completing the questionnaire they recorded a gross figure under "printed materials." To complicate matters, not all libraries provided information for all years between 1978 and 1982. Therefore table 6 represents a somewhat distorted picture of reality, but it does serve to confirm the conclusions arising out of an examination of Table 3 in Chapter II, that circulation of library materials is

increasing in general, and at a faster rate in some provinces than in others. In Saskatchewan and the Northwest Territories a decline is indicated in the past year, but otherwise it appears that the experience of the respondents is that more books are being borrowed with each passing year.

Table 6

Circulation of Printed Materials by Province,

% Increase 1978/82

'000's

	1978	1979	1980	1981	1982	% Incr.
Newfoundland	3,006	3,364	3,459	3,711	3,768	25.3
Prince Edward Island	512	530	551	565	598	16.7
Nova Scotia	3,052	3,246	3,310	3,510	3,670	20.2
New Brunswick	2,305	2,310	2,366	2,403	2,628	14.0
Quebec	2,679	2,839	3,496	3,837	4,385	63.7
Ontario	21,789	22,469	22,488	22,607	23,782	9.1
Manitoba	965*	3,955	3,927	4,089	4,307	n.a.
Saskatchewan	2,268	2,590	2,780	3,009	2,785	22.8
Alberta	4,336*	4,805*	5,091*	8,125	9,478	n.a.
British Columbia	12,800	12,990	13,597	13,512	15,208	21.6
Yukon	123	132	114	123	123	0
Northwest Territories	116	120	121	123	111	-4.3

\*Incomplete reporting in these years.

Table 7 examines circulation statistics from the perspective of types of libraries. Again, taking into account the omissions in the calculations, the table suggests that regional and municipal libraries are experiencing a higher rate of use. In Table III of Chapter 2, an overall increase of 13.4% is indicated for all Canadian public libraries

between 1978 and 1981. In Table 7, an increase of 16.4% is recorded for the same time period, but if the period between 1978 and 1982 is examined, the increase is 32%. This is due to a sharp increase in loans reported by the respondents between 1981 and 1982, from a total of 62,434,000 to 70,842,000.

Table 7  
Circulation of Printed Materials By Type of Library,  
% Increase 1978/82  
'000's

Type	1978	1979	1980	1981	1982	% Inc.
Provincial	3,008	3,036	3,097	3,181	3,296	9.6
Municipal	36,270	40,597	41,416	44,477	48,249	33.0
Regional	13,509	14,816	15,917	17,009	18,345	35.8
Other	860	901	873	948	952	10.7
Totals	53,647	59,350	61,303	62,434	70,842	32.0

Table 8 was drawn up as a counterpart to table 4 in Chapter II. Both tables indicate an increase in loans per capita. However, the experience of the respondents is somewhat different from the experience of all libraries. These differences are greatest in the case of Ontario, where Ontario reported to Statistics Canada 6.9 loans per capita in 1981, whereas the respondents reported 3.8 loans per capita, and in Saskatchewan where the comparable figures were 7.3 and 2.3. It is difficult to explain these major discrepancies, although public librarians in these two provinces could probably point to an obvious answer. Otherwise, the

respondents appear to loan slightly more books per capita than do libraries as a whole.

Table 8  
Circulation/Population 1978-82: Printed Materials

	1978	1979	1980	1981	1982
Newfoundland	3.9	4.3	4.4	4.7	4.8
Prince Edward Island	4.1	4.2	4.4	4.5	4.8
Nova Scotia	4.1	4.3	4.4	4.7	4.9
New Brunswick	4.3	4.3	4.4	4.5	4.9
Quebec	1.8	1.9	2.4	2.6	3.0
Ontario	3.5	3.6	3.6	3.7	3.8
Manitoba	n.a.	3.2	3.2	3.3	3.5
Saskatchewan	1.7	2.0	2.1	2.3	2.1
Alberta	n.a.	n.a.	n.a.	6.1	7.1
British Columbia	5.4	5.6	5.9	5.9	6.6
Yukon	5.3	5.7	4.9	5.3	5.3
Northwest Territories	3.2	3.5	3.5	3.6	3.2

Table 9 attempts to relate reported total loans to reported registered borrowers. Keeping in mind that these reported figures have their imperfections, this table indicates a general increase in loans per registered borrower, with Quebec showing the greatest improvement.

Table 9

Circulation/Borrowers, 1978-82: Printed Materials

	1978	1979	1980	1981	1982
Newfoundland	12.8	14.4	14.8	15.9	16.1
Prince Edward Island	-	-	-	-	-
Nova Scotia	23.1	24.6	25.1	26.6	27.8
New Brunswick	12.6	12.6	12.9	13.2	14.4
Quebec	13.5	14.4	17.7	19.4	22.2
Ontario	24.8	25.6	25.6	25.7	27.0
Manitoba	n.a.	30.7	30.4	31.7	33.4
Saskatchewan	5.7	6.5	7.0	7.6	7.0
Alberta	n.a.	n.a.	n.a.	17.7	20.6
British Columbia	31.1	32.3	33.9	33.7	37.9
Yukon	-	-	-	-	-
Northwest Territories	9.8	10.6	10.7	10.8	9.8

Table 10 presents data on the circulation of non-print materials. Not all libraries entered a figure for this activity; presumably statistics on non-print materials are not kept separately. All that can be concluded from this table is that the circulation of non-print materials, while also on the rise, is a small fraction of total circulation. Libraries continue to be predominantly the providers of printed materials.

Table 10  
Circulation of Non-Print Materials, by Province  
'000's

	1978	1979	1980	1981	1982
Newfoundland	-	17.8	19.3	24.6	29.8
Prince Edward Island	28.6	31.0	37.0	40.0	30.0
Nova Scotia	32.3	35.5	35.7	45.4	46.2
New Brunswick	45.5	92.5	103.6	118.8	137.3
Quebec	96.2	122.1	154.4	181.8	241.0
Ontario	1,009.7	970.9	992.5	1,042.6	1,094.4
Manitoba	n.a.	152.0	160.7	155.2	173.3
Saskatchewan	-	-	-	-	-
Alberta	n.a.	n.a.	n.a.	1,502.7	1,948.7
British Columbia	141.3	154.3	165.6	178.6	244.5
Yukon	9.1	10.1	8.3	9.5	6.9
Northwest Territories	-	-	-	-	-

Changing in Circulation Systems

Respondents were asked if there had been any changes to loan regulations or systems that might have affected the meaning of their circulation statistics. Seventy-nine libraries answered this question, of which 25 or 31.6% answered that there had been such changes. Little can be done concretely with this fact, but it is recorded here as a reminder to those who attempt to understand library statistics that recorded loans are to be interpreted with caution. The number of loans a library makes can be greatly affected by the length of loan periods and the severity of fines; if one wishes to increase loan statistics, shorten the loan period to a week and impose overdue fines of a dollar a day. The number can be affected by the introduction of automated systems, which can make borrowing easier. Coincidentally, it is the



unreliability of such statistics which makes them questionable as the basis for any scheme for Payment for Public Use.

Governance Structure

Arising out of the discussion in Chapter III, it was thought useful to determine how the responding libraries were governed. Table 11 tabulates the 31 responses received.

Table 11  
Governance Structures

Reports To:	Provincial	Regional	Municipal	Other
Elected Library Board	0	6	1	2
Appointed Library Board	1	30	26	2
Municipal, Regional Council	0	3	1	
Municipal Gov't. Dept.	0	0	1	
Other	6	0	1	1

Holdings and Accessions, 1978-82

As reported in Table 3 above, the responding libraries hold over 23,512,000 physical volumes, about half the national total.

Table 12 shows the holdings per capita as derived for all public libraries from Statistics Canada's 1981 report, and the holdings per capita and per borrower for the respondents. The 1981 national average was 2 books per citizen. Most respondents fell below that average. Greater variations appear when the figure for volumes per borrower is calculated. This figure is a factor of the extent to which libraries have been able to sign up borrowers, as well as of the size of collections.

Table 13 examines the number of recorded loans per volume, and displays an amazing consistency in the case of all provinces. This is a measure of intensity of collection use, and almost all provinces record an increase during the five-year period.

Table 12  
Holdings of Physical Volumes Per Capita  
and Per Borrower

	1981 National	Per Capita	Per Borrower
Canada	2.0	-	-
Newfoundland	1.3	1.8	5.9
Prince Edward Island	1.5	1.6	-
Nova Scotia	1.4	1.5	8.9
New Brunswick	1.5	1.5	4.4
Quebec	1.3	1.6	5.5
Ontario	2.6	1.4	9.9
Manitoba	1.8	1.3	12.0
Saskatchewan	2.3	.6	2.5
Alberta	1.9	2.2	6.9
British Columbia	1.9	1.4	8.1
Yukon	6.5	7.6	-
Northwest Territories	2.2	3.1	9.4

Table 13  
Loans Per Volume, 1978-82

	1978	1979	1980	1981	1982
Newfoundland	2.2	2.4	2.5	2.7	2.7
Prince Edward Island	2.6	2.6	2.7	2.8	3.0
Nova Scotia	2.7	2.9	2.9	3.1	3.3
New Brunswick	2.9	2.9	2.9	3.0	3.2
Quebec	1.2	1.2	1.5	1.7	1.9
Ontario	2.5	2.6	2.6	2.6	2.7
Manitoba	n.a.	2.5	2.5	2.6	2.8
Saskatchewan	2.3	2.6	2.8	3.1	2.8
Alberta	n.a.	n.a.	n.a.	2.8	3.2
British Columbia	3.8	4.0	4.2	4.1	4.7
Yukon	.7	.7	.6	.7	.7
Northwest Territories	1.0	1.1	1.1	1.1	1.0

### Acquisitions

Table 14 shows the number of volumes acquired by the respondents from 1978 to 1982. In 1981, this group of libraries acquired 2,530,254 volumes. The total number of volumes acquired by all public libraries in that year was 4,146,921 (Table 12, Chapter II). The 82 libraries responding to the questionnaire thus account for 61% of all volumes acquired in that year. Had there been more responses from libraries in Ontario and Quebec the percentage would have reached 90.

This table, and Table 12 in Chapter II, reveal some fluctuations in the rate of accessions among and within the provinces. The latter table indicates that five provinces and both territories acquired fewer volumes in 1981 than they did in 1978. Table 14, while it does not imitate this result, shows that the accession rate has risen and fallen for the 82 respondents, presumably due to provincial and local financial problems, and to inflation. Complicating the interpretation of these figures is that the unit of measurement, the "volume", can mean anything from a \$3.95 paperback to a \$395 reference book. If any generalization is possible, it is that book accessions are not increasing, or declining, in an orderly and predictable way, and that nationally there was only a slight increase between 1981 and 1982.

Table 14

Acquisitions, By Province, 1978-82

	1978	1979	1980	1981	1982
Newfoundland	98,159	113,400	91,924	107,120	79,233
Prince Edward Island	15,274	14,450	10,288	13,301	9,219
Nova Scotia	72,414	78,099	86,967	82,284	92,746
New Brunswick	66,714	65,838	68,085	66,103	70,424
Quebec	93,347*	81,055*	214,420	292,256	243,850
Ontario	857,940	928,050	915,380	904,890	947,020
Manitoba	167,470*	226,970	256,640	277,770	289,070
Saskatchewan	110,680	103,470	107,350	127,890	109,380
Alberta	292,560*	272,470	363,800	337,210	384,880
British Columbia	293,090	265,810	347,200	294,160	346,060
Yukon	12,000	13,000	18,000	25,000	17,000
Northwest Territories	5,826	3,571	4,133	2,270	3,310

1981 Total: 2,530,254

1982 Total: 2,592,192

\*reporting incomplete

Canadian Content

Respondents were asked to estimate the percentage of the catalogued book collection that consisted of Canadian books, given the broad definition of "Canadian-authored books in any language" to conjure with. This required guesswork, because it is doubtful that any library keeps collection statistics on the basis of the national origin of books. The results of that guesswork are given in Table 15. It will be interesting to see if these figures correlate at all with those that will result from Frances Halpenny's more scientific study, in progress at the time of this writing.

If these estimates are valid, they suggest that about 14% of public library collections consist of Canadian-authored books, excluding those in Quebec, where the average estimate is 22.5%. Francophone libraries acquire fewer U.S. and U.K. books in the English language, and proportionately more Canadian-authored books in French. The minimum estimate from Quebec of 15% is higher than the mean for most other provinces. Yet the highest estimate of 40% was reported by libraries in Manitoba and Alberta.

Supposing that public libraries in predominantly anglophone provinces have a 14% Canadian content, whether this is good or bad or simply a number depends on one's outlook and experience.

Given that Canada is a small country with not that many authors; given that the U.S. and U.K. are much larger countries with substantially greater numbers of authors; given that the publishing industries in those two countries dominate the book market in all anglophone countries; given the preponderance of their books in the Canadian market: a content of 14% impresses this writer as high, and indicative of an attempt on the part of public libraries to prefer Canadian books to those from other countries.

Table 15

Estimated Canadian % of Catalogued Book Collections

	Minimum %	Maximum %	Mean %
Newfoundland	5	18	10.6
Prince Edward Island	40	10	10.0
Nova Scotia	10	20	15.25
New Brunswick	4	25	11.3
Quebec	15	35	22.6
Ontario	5	30	16.1
Manitoba	5	40	14.4
Saskatchewan	2	35	18.7
Alberta	10	40	17.8
British Columbia	5	25	14.7
Yukon	10	10	10.0
Northwest Territories	-	-	-

Table 16 presents comparable statistics for uncatalogued book collections, which in the case of public libraries refers almost exclusively to paperbacks. Because there are fewer Canadian-authored books in paperback than in hardback, one would have expected lower average percentages to be estimated. This proved to be the case in all provinces except New Brunswick, Saskatchewan and Alberta.

Table 16

Estimated Canadian % of Uncatalogued Book Collection

	Maximum %	Maximum %	Mean %
Newfoundland	1	5	3.2
Prince Edward Island	2	2	2.0
Nova Scotia	2	19	9.25
New Brunswick	2	67	38.0
Quebec	3	35	19.0
Ontario	5	30	11.0
Manitoba	2	7	4.4
Saskatchewan	5	48	19.0
Alberta	5	40	19.0
British Columbia	3	22	7.0
Yukon	10	10	10.0
Northwest Territories	-	-	-

Respondents were asked whether they would purchase more Canadian books if more were available in quality or mass market paperbacks.

The replies to this question were:

	Yes	No
Quality Paperbacks	50	25
Mass Market Paperbacks	44	22

In each case, two-thirds of the respondents would purchase more Canadian books in paperback format if they were available. Since an increasing number of Canadian-authored books are in fact appearing in paperback, it would seem to follow that this should lead naturally to the acquisition of more Canadian books by public libraries.

Operating Expenditures

Table 7 in Chapter II indicated that for all Canadian public libraries, total operating expenditures, including capital expenditures increased by 47% from 1978 to 1981. Table 17 shows that in the case of the survey respondents, operating expenditures excluding capital expenditures increased by 55% in the same time period, and by 79% between 1978 and 1982. Experience at the provincial level varied. Quebec, Alberta, British Columbia and Newfoundland recorded the greatest gains. New Brunswick and the Yukon experienced reductions between 1981 and 1982.

Table 17  
Operating Expenditures 1978-82

\$000

	1978	1979	1980	1981	1982	% Incr.
Total	109,506	120,251	143,281	169,797	195,661	78.6
Newfoundland	2,569	3,775	4,514	4,723	5,019	95.4
Prince Edward Island	797	922	975	1,030	1,093	37.1
Nova Scotia	3,693	4,005	4,413	5,288	6,215	68.3
New Brunswick	2,497	2,627	3,638	3,345	2,707	8.4
Quebec	7,878	4,621*	10,651	14,462	17,029	116.1
Ontario	54,274	59,379	65,242	76,068	86,952	60.2
Manitoba	1,075*	4,683*	4,560*	6,428	7,443	n.a.
Saskatchewan	6,831	7,061	8,310	9,173	9,708	42.1
Alberta	12,580	13,757	16,617	20,397	25,796	105.0
British Columbia	16,392	18,533	23,315	27,693	32,602	98.9
Yukon	539	573	672	815	704	30.6
Northwest Territories	381	315	374	375	393	3.1

\*Incomplete report.



Book Expenditures

Table 18 indicates that book expenditures by the respondents increased by more than 65% between 1978 and 1982. Comparison between Table 17 and Table 16 leads to the same conclusion that arises from a comparison of Tables 7 and 9 in Chapter II. While public library expenditures have risen generally, and in a few provinces at an impressive rate, expenditures on books have not always risen at the same rate as expenditures on other items, mainly personnel.

Table 18

Book Expenditures, 1978-82

	1978	1979	1980	1981	1982	% Incr.
Total	15,083,607	17,417,751	19,661,697	23,040,246	25,943,081	65.4
Newfoundland	619,630	912,590	917,060	828,900	969,880	56.5
Prince Edward Island	92,000	105,000	72,700	86,786	96,234	4.6
Nova Scotia	577,060	616,960	663,280	784,500	995,240	72.5
New Brunswick	447,280	445,730	522,970	548,280	485,780	8.6
Quebec	1,319,000	1,126,200	1,920,800	2,760,500	2,598,400	97.0
Ontario	6,229,100	7,460,300	7,405,800	8,667,700	9,088,800	45.9
Manitoba	*237,800	803,640	1,023,900	1,154,300	1,363,000	n.a.
Saskatchewan	899,600	948,390	1,029,500	1,101,300	951,120	5.7
Alberta	1,983,200	2,176,500	2,635,400	3,309,400	4,694,900	136.7
British Columbia	2,496,700	2,664,600	3,295,500	3,613,900	4,484,000	79.6
Yukon	110,000	95,000	116,200	151,900	164,200	4.9
Northwest Territories	72,237	62,841	58,587	32,780	51,527	-28.7

\*Incomplete report.

The relationship between book expenditures and operating expenditures is examined in Table 19. This may be compared with Table 10 in Chapter II, but it should be noted that the latter table deals with total expenditures including capital, with the result that percentages shown there are lower. In six provinces and the two territories, the percentage spent on books increased between 1981 and 1982. This may be due to lower wage settlements or staff reductions as well as to increased book budgets. Some have observed that public libraries spend a smaller percentage of their budgets on collections than do academic libraries, and have wondered if

Table 19  
Book Expenditures/Operating Expenditures

\$

	1978	1979	1980	1981	1982
Newfoundland	24.1	24.1	20.3	17.5	18.1
Prince Edward Island	11.5	11.4	7.4	8.4	8.8
Nova Scotia	15.6	15.4	15.0	14.8	16.0
New Brunswick	17.9	17.0	17.2	16.4	17.9
Quebec	16.7	24.4*	18.0	19.1	15.2
Ontario	11.5	12.5	11.3	11.4	10.4
Manitoba	22.1*	17.2*	22.4*	17.9	18.3
Saskatchewan	13.2	13.4	12.4	12.0	9.8
Alberta	15.8	15.8	15.9	16.2	18.2
British Columbia	15.2	14.4	14.1	13.0	13.7
Yukon	20.3	16.5	17.3	18.6	23.3
Northwest Territories	18.9	19.9	15.6	8.7	13.1

\*Incomplete data

this was due to inefficiency and overstaffing. This observation stems from a fundamental misunderstanding about the nature of public library operations. Public libraries are labour intensive. Unlike most academic libraries, they maintain more service points over larger schedules, deal with more customers for their information and other services, and lend more books. Academic libraries, on the other hand, have a smaller, defined clientele, and a much greater commitment to the acquisition of more books and journals in more subjects and languages than public libraries. The 28 member libraries of the Canadian Association of Research Libraries spent a total of \$49,199,000 on collections in 1981, compared with the total of \$40,029,059 spent by 916 public libraries in the same year. Comparisons between these two very different types of libraries can only lead to false conclusions.

#### The Book Budget and Canadian Books

Respondents were asked if any part of the book budget was allocated specifically for Canadian books. Of the 79 libraries responding to this question, 11 libraries in five provinces or 14% said that such an allocation was made. The average allocation was 16.6% of the budget, with the minimum being 5% and the maximum, from Quebec, being 35%. Leaving Quebec out of the calculation, the average would be 12%. These figures are lower than those reported in the Beta Report.

The majority of libraries do not provide an allocation, and they were asked to estimate what percentage of their budgets was spent on Canadian books in the last fiscal year. The results are shown in Tables 20 and 21.

Table 20

Estimated % of Book Budget Spent on Canadian Books,  
By Province

	Minimum	Maximum	Mean	Median
Newfoundland	4	18	11.2	12.5
Prince Edward Island	10	10	10.0	10.0
Nova Scotia	10	26	17.8	19.5
New Brunswick	5	35	15.3	6.0
Quebec	10	30	17.3	12.0
Ontario	5	50	19.9	19.0
Manitoba	9	30	17.7	16.0
Saskatchewan	1	30	17.2	20.0
Alberta	10	51	23.5	20.0
British Columbia	5	25	14.5	15.0
Yukon	25	25	25.0	25.0
Northwest Territories	-		-	-

Table 21

Estimated % of Book Budget Spent on Canadian Books,  
By Type of Library

Type	Minimum	Maximum	Mean	Median
Provincial	10	25	16.0	15.0
Regional	1	50	16.3	15.0
Municipal	5	51	19.9	20.0
Other	5	30	17.5	17.5

Taken as a whole, the respondents believe they spend between 15% and 20% of their book budgets on Canadian books, somewhat more than is allocated by those libraries which make a specific provision. These figures are not inconsistent with the estimate that Canadian books comprise 14% of public library collections.

If the 15%-20% estimate as applied to the total 1982 expenditures on books as reported by the respondents, \$25,943,081 (Table 18), expenditures on Canadian books in the range of \$3.9 million to \$5.2 million is indicated. If the same estimate is applied to the total 1981 book expenditures of Canadian public libraries \$40,029,059 (Chapter II, Table 9), expenditures on Canadian books in that year were in the range of \$6 million to \$8 million.

Many public libraries maintain local history collections, so it was important to determine what percentage of all Canadian books acquired were destined for such collections. The results are shown in Tables 22 and 23. It can be concluded generally from these tables that well over 90% of Canadian books acquired by public libraries are for general circulation and not for a special collection.

Table 22

Percentage of All Canadian Books Acquired And Designated for a Special Collection, By Province

	Minimum	Maximum	Mean	Median
Newfoundland	2	90	40.4	25.0
Prince Edward Island	5	5	5.0	5.0
Nova Scotia	1	8	3.7	3.0
New Brunswick	1	20	10.5	10.5
Quebec	1	5	2.2	1.5
Ontario	.5	100	13.2	2.0
Manitoba	1	12	7.3	9.0
Saskatchewan	1	50	13.4	5.0
Alberta	1	12	4.4	1.0
British Columbia	1	5	2.5	2.0
Yukon	-	-	-	-
Northwest Territories	-	-	-	-

Table 23

Percentage of All Canadian Books Acquired and Designated for a Special Collection, By Type of Library

Type	Minimum	Maximum	Mean	Median
Provincial	5	50	20.0	5.0
Regional	1	100	14.4	5.0
Municipal	.5	75	6.2	2.0
Other	2	80	41.0	41.0

Asked to identify the types of special collections involved, the respondents cited 43 collections of local materials, 26 collections of provincial materials, 13 subject collections (for example, genealogy) and 7 other kinds of special collections.

### Book Selection

Fifty-four out of 81 respondents have written selection policies for print publications. Of these, 32 stated that the policy included the selection of Canadian books. Thus 39% of all respondents have a written selection policy that deals specifically with Canadian books. This is 10% higher than the Beta Report estimate.

Of 49 respondents who either had no written policy or one that did not include Canadian books, 33 said that their libraries had unwritten selection policies which favoured the acquisition of Canadian books. Thus 65 out of 81 respondents have either a written or unwritten policy favouring the selection of Canadian books; this represents 80% of the total, a clear indication that Canadian public librarians are predisposed to favour Canadian books.

In regard to responsibility for policy, the usual model is for staff to initiate policy and for the board to modify and/or approve it. In only three cases did respondents indicate that the board initiated collection policy.

Table 24 shows who is responsible for the actual selection of books. Those most active in this process are public service and administrative librarians; the term "administrative" could mean anything from the director of a library to the head of a small branch or division. If those who are occasionally involved in both selection are taken into account, technical services librarians, support staff and library patrons are seen to play a role. Responsibility for

selection thus rests mainly within the library, and with librarians, who presumably review selections proposed by patrons.

Table 24

Responsibility For Book Selection

Selector	Never	Occasionally	Frequently	Total of O & F
Board Member	45	8	2	10
Administrative Librarian	2	24	46	70
Public Service Librarian	1	8	53	61
Technical Service Librarian	12	24	19	43
Selection Committee	25	8	13	21
Support Staff	14	39	7	46
Library Patrons	14	44	6	50
Other	5	4	6	10

Deterrents to the Selection of Canadian Books

Twelve respondents stated that there were no deterrents to the selection of Canadian books. Presented with a list of seven possible deterrents the other 70 respondents checked all that they deemed relevant. Ranked in order of frequency with which they were checked, the deterrents are:

Absence of Canadian books on subjects relevant to patrons' interests: 55

Limited book funds: 41

Low patron demand for Canadian books: 29

Few timely reviews of Canadian books: 22

Lack of advertising of Canadian books: 15

Lack of publishers' catalogues specializing in Canadian books: 7



In addition, respondents contributed their own list of deterrents. Listed below are those which were mentioned more than once.

Poor quality of Canadian books (design, binding, editing, content)	7
Lack of information re: local/regional publishing	3
Short print runs	2

#### Acquisitions Procedures

An attempt was made to discover from which sources public libraries obtain their in-print Canadian books. This is information that few if any libraries would collect, so Table 25 is constructed from estimates. Estimates were requested for the two most recent years in order to see whether there has been any shift in where orders are placed. A distinction was made between wholesalers, who sell directly from their stock to retail stores and libraries, and jobbers, whose business is with libraries exclusively, and who may provide other services.

Table 25

Estimated % of Canadian In-Print Books Obtained  
From Various Sources, 1982-1983

Source	Minimum		Maximum		Mean		Median		Libraries Responding	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
Publishers/Agents	1	1	100	100	37.3	39.6	25.0	28.0	49	48
Wholesalers - U.S.	10	5	10	10	10.0	7.5	10.0	7.5	1	2
Wholesalers - Canada	1	1	85	85	35.0	32.0	21.0	10.0	18	16
Jobbers - U.S.	2	2	75	90	22.1	25.2	10.0	10.0	9	12
Jobbers - Canada	1	1	100	100	54.0	50.2	60.0	55.0	39	37
Jobbers - U.K.	1	1	5	20	2.7	6.2	2.0	5.0	3	6
Paperback Distributors	1	1	50	100	9.5	13.9	5.0	10.0	35	37
Retail Bookstores	1	1	100	100	24.3	21.0	10.0	10.0	49	47
Other	2	1	100	100	49.7	30.1	48.0	5.5	6	10

It appears that most orders for Canadian in-print books go to library jobbers. Librarians estimated that in 1983 they directed an average of 50% of their orders to this source. However, the number of libraries using jobbers, 37, was less than the number sending orders directly to publishers, 48.

In 1983 48 respondents estimated that an average of 40% of orders were sent directly to publishers, making them the second most frequently used source.

Third in line were retail bookstores: 47 respondents sent an average of 21% of orders to this source.

Paperback distributors ranked fourth in this analysis, but they are a source for a specific kind of item.

The table suggests a slight increase in the number of orders being directed to U.S. jobbers, a somewhat curious source to choose for the acquisition of Canadian books.

Forty-five, or somewhat more than half of the respondents reported that they maintain standing orders with Canadian publishers for their books; only 7 said that they maintained blanket approval orders for Canadian books with wholesalers or jobbers.

#### Impediments To The Acquisition of Canadian Books

The respondents were provided with a list of ten possible impediments to the acquisition of Canadian books. Twenty-three libraries, or 28% of the group, said there were no impediments. The remaining 59 libraries by their responses placed the ten impediments in the following rank order:

- Short duration Canadian books actually in print: 28
- Slow publisher response to orders: 21
- Library jobber inefficient: 12
- No publisher response to orders: 11
- Few Canadian books stocked at local retail bookstore: 10
- High transportation costs: 8
- Wholesaler inefficient: 7
- Absence of cataloguing services: 4
- Library jobber unavailable: 2
- Wholesaler unavailable: 1

The respondents also cited a number of other impediments, not provided for in the above list; however, many

of these were actually impediments to selection, not acquisition. The relevant additions were:

Lack of order information, especially for books from smaller publishers	3
Difficulty in locating addresses of smaller publishers	2
Associations and institutional publications not available through normal trade channels	1

Most frequently mentioned was the complaint that Canadian books go out of print quickly. It would take further investigation to arrive at an interpretation of this result. Is it true? Or does this arise from the possibility that libraries are attempting to build retrospective collections, or replace lost or worn out titles?

The next three most frequently mentioned deterrents all seem to point to a single area of difficulty: delivery.

Responses were also examined on a province-by-province basis, but no clear pattern was apparent. The impediments that exist seem to be felt everywhere.

#### Readers' Services and Canadian Books

Respondents were asked if they made a conscious effort to promote Canadian Books. Sixty-five libraries, 79% of the sample, said that they did. Only one library reported that a decision had been made not to promote Canadian books.

Given a choice of eight traditional ways of drawing books to the attention of readers, the libraries were asked to indicate whether they employed these methods never, occasionally or frequently. Table 26 shows the result.

Table 26  
Methods of Promoting Canadian Books

Method	Never	Occasionally	Frequently	Total O & F	Rank	% Using
Displays	-	41	28	69	1	84.1
Posters	2	44	13	57	3	69.5
Book Lists	3	39	22	61	2	74.3
Book Talks	10	33	7	40	6	48.8
Book Marks	8	35	9	44	5	53.6
Films	9	29	8	37	7	45.1
Author Visits	4	50	19	69	1	84.1
Physical Differentiation	8	8	47	55	4	67.1

Displays and visits by Canadian authors were mentioned as methods used to promote Canadian books by 84.1% of the respondents. Book lists are used by 74.3% of the libraries, followed by posters at 69.5%.

About two-thirds of all libraries differentiate Canadian books in some way, by placing a maple leaf on the dust jacket or by shelving them separately. Given that many Canadians have an aversion to things Canadian, this could have a counter-productive effect. The evaluation of these methods is the subject of Table 27.

In addition to the options presented, the respondents cited some other methods:

- Use of local print media for press releases, newspaper columns, book reviews 9
- TV/radio reviews/interviews 4
- Participation in book festivals 4
- Canadian books featured in story hours 2

- Highlight Canadian books in library newsletter 2
- Display Canadian bestseller lists 2
- Include Canadian titles in Summer Reading Club lists 1
- Post reviews of Canadian books on bulletin board 1
- Publish works of local poets 1
- Reception for local writers during National Book Festival Week 1
- Participate in Canadian Writer-In-Residence program 1
- Distribute Books In Canada and The Readers 1

Table 27 analyzes the relative success of the standard promotional methods. Two percentages are calculated. First, the percentage of those who rated as extremely successful a method they employed either occasionally or frequently. Second, the percentage of those who rated as moderately or extremely successful a method they employed either occasionally or frequently. In other words, the first line of Table 27 states that of 69 libraries that used displays occasionally or frequently, 21.7% found them to be extremely successful and 95.6% found them to be either moderately or extremely successful.

It must be concluded from Tables 26 and 27 that the most successful method of promoting Canadian books in the public library is the authors' visit. Physical differentiation ranks second as an extremely successful method by those who use it, and displays rank third. All methods were deemed to have an over 80% success rate.

Table 27  
Relative Success of Methods of Promoting  
Canadian Books

Method	Libraries Using	Not Successful	Moderately Successful	Extremely Successful	% A	% B
Displays	69	2	51	15	21.7	95.6
Posters	57	4	41	9	15.8	37.7
Book Lists	61	5	38	13	21.3	83.6
Book Talks	40	4	27	5	12.5	80.0
Book Marks	44	9	30	6	13.6	81.8
Films	37	3	27	7	18.9	91.9
Author Visits	69	1	30	33	47.8	91.3
Physical Differentiation	55	5	32	18	32.7	90.9

% A = Extremely Successful/Libraries Using

% B = Moderately Plus Extremely Successful/Libraries Using

Impediments to the Promotion of Canadian Books

Respondents were given a list of six possible impediments to the promotion of Canadian books in public libraries. The frequency of responses produced this rank order:

Staff time restrictions: 49

Public disinterest: 33

Lack of physical space: 27

Printing costs: 18

Lack of Canadian books: 17

Lack of equipment: 14

Fifteen respondents stated that there were no impediments.

Promoting books is time-consuming, and it appears that it is the shortage of staff time that constitutes the greatest impediment, being cited by over half the respondents. About 40% of the respondents also feel that they are confronting public disinterest in Canadian books. For about a third, the lack of space posed a problem. For about a fifth of the respondents, a lack of Canadian books, of equipment and of money to pay for printing represented barriers to promotion. The respondents also added to the list, mentioning the following:

- Insufficient publicity budget 4
- Difficulty in obtaining promotional materials 2
- Lack of support for authors visits outside Toronto area 1
- Lack of media exposure for Canadian authors 1

#### Programs for Supporting/Promoting Canadian Books

Seventy-two respondents replied to the question "Has the library received any funds or other forms of support supplemental to the operating book budget for the purchase of Canadian books?" Thirty-nine, or 54%, said that they had. Table 28 shows the source of that support. It is clear that Ontario libraries have benefitted from such programs more than libraries in other provinces; given that Ontario is the centre of the English-language book industry, its government has a special reason for creating such programs, which benefit not only libraries and their patrons but also booksellers, publishers and authors.



Table 28

SOURCE OF FUNDS/SUPPORT	NP	PEI	NS	NB	ON	PQ	MB	SK	AB	BC	NWT	YK	TOTAL	
National													14	
-Canada Council Book Distribution. Program (Book grants/awards/book kits/book deposits)	1	1	2	1			4		3			1	1	14
Provincial													46	
-Wintario special grants					16								16	
-Wintario Half Back Program					15								15	
-Ontario government BILD grants					6								6	
-Ontario government Canadiana Per Capita Grant					1								1	
-Canadian Development Pilot Project (prov.)					1								1	
-Alberta Heritage Grants									2				2	
-B.C. Provincial government Book Grants										2			2	
-B.C. Legal Services Society Grants										2			2	
-B.C. Library Association Grant										1			1	
Local													7	
-Friends of the Library										2			2	
-Bicentennial grant from the town				1									1	
-Trust Fund (?)							1						1	
-Bequest							1						1	
-Service Club donation							1						1	
-Local Canada Week Committee								1					1	
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>39</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>57</b>	<b>7</b>	<b>1</b>	<b>1</b>		

Respondents were asked to comment on experience with the numerous programs. Twenty-two said that experience had been favourable, one unfavourable, and fifteen gave a mixed review.

Seven respondents said of the Canada Council's Book Distribution Program that many books were inappropriate for the library's clientele, especially regional books, poetry and experimental fiction. Problems with the Wintario Halfback scheme seemed not to be with the scheme itself, but with book distribution generally; delivery, supply, out-of-print titles, etc. Some commented that the scheme was labour intensive in its implementation.

#### The Role of the Public Library

Respondents were asked: "Is there a role for the public library in the promotion of Canadian books?" This question elicited a variety of responses. Some said flatly "yes" and left it at that. Others, while not saying "yes", indicated a positive response in their comments, or said that their answer would be "yes" under some circumstances. No one replied explicitly "no", although some implied a negative answer. Seventy-five libraries answered this question, and 70 responded positively, as indicated in Table 29. This response supports the finding reported earlier in this study, that Canadian public libraries are indeed promoting Canadian books.

Table 29  
Is there a role for libraries in promotion of Canadian books?

	NF	PEI	NS	NB	CN	PQ	MB	SK	AB	BC	NWT	YK	TOTAL
Explicit yes	4	1	3	3	10	4	4	2	1	3		1	36
Implicit yes	1		3		5		1	1	2	1			14
Conditional yes	1		3	2	3	2	1	2	1	5			20
Total yes	6	1	9	5	18	6	6	5	4	9		1	70
Implicit no					2		1		1			1	5

In their comments on this question, respondents were free to express themselves in their own way. Their comments were analyzed and grouped under the following headings:

- Definition of the library's role
- Reasons for promoting
- Promotion measures libraries should adopt
- Special emphases in promotion
- Difficulties in promotion
- Reasons for not promoting

These comments are listed on the following pages.

<u>Definition of the library's role</u>	<u>Total</u>
- The library's role is to purchase/promote Canadian books which have some merit, not simply because they are Canadian.	10
- Acquiring a good collection of Canadian books (one which meets informational and recreational needs of readers) is the library's role in promotion.	7
- The library's first role is to respond to community needs. Sometimes Canadian books will best answer these needs. The library's role is not to create new markets.	7
- The library should promote reading and books in general, and Canadian books in particular.	2
- Libraries should be promoting books and reading in general; promoting Canadian books is part of this.	1
- The library's role in promotion is in making current titles available as soon as possible after publication.	1
- The library's role is to provide the liaison between authors and the public.	1

Reasons for promoting

TOTAL

- It is the responsibility of libraries to raise public consciousness of Canadian writing, to point out that Canadian books are more relevant to Canadians.	6
- It is critical for libraries to play a supportive role in the development of Canadian culture.	3
- Because Canadian books do not get as much publicity in the media as American books, the library has a role in raising the profile of Canadiana.	3
- The library has a responsibility for cooperating in creating a healthy climate for Canadian publishing; libraries rely on a healthy publishing industry.	2
- The library is the most important promoter in society of quality reading materials.	1
- Only by actively supporting what is currently available can we hope that Canadian writing will improve in quality and quantity.	1
- In communities with no bookstores the library plays a unique role in promotion.	6
- Until the Canadian book industry creates an adequate national distribution system, libraries must fill the role of promoting Canadian books.	1

Promotion measures libraries should adopt

TOTAL

- Participating in promotion programs, local and national, at least annually.	5
- Ensure that reading clubs, book talks, programming in general, includes Canadian titles.	5
- Use readers' advisory services to keep patrons aware of Canadian titles.	5
- Display new Canadian books.	5
- Program regular readings by Canadian authors/cooperate with local bookstores to promote author visits.	4
- Subscribe to and promote Canadian reviewing journals.	2
- Make a special effort to locate hard-to-find Canadian materials requested by patrons.	2
- Make use of local media to promote/inform about local materials.	2
- Include in the library's collection the major works of all major Canadian writers.	1
- Where there are no adequate retail outlets, perhaps libraries should sell Canadian books.	1
- Participate in Writers Union/Canada Council programs.	1
- Prepare reviews of Canadian titles for the local media.	1
- Tie-in with Canadian studies in school curricula.	1
- In selection, give preference to Canadian titles when subject matter is relevant.	1
- Use maple leaf markers on book spines.	1
- Produce Canadian book lists, flyers, etc., as an on-going program.	1
- Cooperate with federal agencies in advertising Canadian books.	1
- Provide extensive vertical files on Canadian authors	1
- Make suggestions for book purchases; library patrons are also book buyers.	1
- Act as a local distribution point for book promotion programs.	1

Special emphases in promotion

TOTAL

- Children's books	4
- Regional publishing (i.e. local materials)	2
- The more expensive/specialized books which patrons may not be willing/able to purchase.	1

Difficulties in promotion

TOTAL

- Shortage of finances/staff time	6
- Payment for Public Use would provide a great handicap to libraries in purchase and promotion of Canadian books.	3
- For successful promotion librarians need to become more familiar with Canadian writing/Canadian Literature courses should be compulsory in library schools	2
- Insufficient/inadequate Canadian materials in some subject areas.	2
- Lack of concerted effort by librarians.	1
- Canadian fiction is hard to promote - has a negative stigma.	1
- Libraries are overlooked by publishers as an avenue for promotional events.	1
- Amount of Canadian material purchased/promoted is restricted by the need for other books in demand.	1

Reasons for not promoting

TOTAL

- The really exciting Canadian books rarely need promotion/good books sell themselves.	2
- Promotion of materials that have no relevance to the community will be unsuccessful/promotion will not change reading habits.	2
- When libraries can afford to buy books by only a few, well-known authors in demand, there is no need for promotion.	1
- The library should not have a fixed percentage of the book budget allotted to purchase of Canadian books (leads to unwise selection).	1
- Promotion implies advocacy rather than response to the reading needs of the community.	1
- Taxpayers would not appreciate "guidance" in their freedom to read.	1
- Any promotion would be subject eventually to pressures from authors, publishers and booksellers.	1
- The quality of Canadian books is uneven; libraries should not promote "undesirable" titles.	1
- Libraries should not deprive readers of books they want in order to buy other books out of nationalistic sentiments.	1
- The business of promotion is not the library's, but the author's, publisher's and dealer's/it is not the role of libraries to create new markets.	2
- An extraordinary effort to promote and increase Canadian titles in libraries is a form of reverse discrimination.	1



Possible Programs of Assistance

Respondents were asked: "What programs might be implemented by the Federal Government which would assist your library in increasing and promoting the collection of Canadian books?" Answers to this question also fell into a number of categories, as follows:

- Book promotion programs	56
- Direct funding on book supply to libraries	28
- Assistance to publishers	25
- Assistance to writers	14
- Improvement of selection tools	12
- Conservation/improved access	7
- Miscellaneous	8

Several of the suggestions were reported. Those most frequently mentioned were:

- More funding for author's visits
- Increased media coverage of Canadian writers and books
- Financial support for library collections
- Increased financial assistance to authors

	<u>Total</u>
<u>Book promotion programs</u>	56
- More funding for library visits by authors (non-fiction & fiction)	18
- Generate/fund publicity programs in the media about Canadian writers and writing.	13
- Continued support for/more support for/better publicity of National Book Week.	5
- Financial assistance for more writers-in-residence programs at public libraries.	5
- Financial support of library promotion programs (e.g. printing of flyers, bookmarks, posters, etc.)	5
- Stage a media publicity program on behalf of public libraries to inform the public where Canadian information can be found/supporting reading and libraries on same scale as "Participation"	4
- Financial assistance to publishers in their promotion activities.	2
- Production of more films based on Canadian writing (e.g. "Never Cry Wolf)	1
- Enlist public libraries to provide information to local publishers on the legal deposit system at the National Library.	1
- Encourage National Library to share its displays with other libraries.	1

	<u>TOTAL</u>
<u>--Direct funding/book supply to libraries</u>	28
<u>- Grant programs to libraries for purchase of Canadian books (directly to Boards/channel unspecified/through Canada Council/through National Library).</u>	<u>9</u>
<u>- Institute nationwide programs like Wintario and Halfback to fund libraries for purchase of Canadian books.</u>	<u>5</u>
<u>- Grant programs to libraries in specific subject areas (non-fiction and reference).</u>	<u>3</u>
<u>- Financial assistance to libraries to purchase extra copies.</u>	<u>2</u>
<u>- Opening the Canada Council Book Distribution Program to all categories of libraries.</u>	<u>2</u>
<u>- Offering a wider selection of titles in the Canada Council Book Distribution Program (fewer esoteric and scholarly titles/works of more general interest to public library users)</u>	<u>2</u>
<u>- Supplying free to each library one copy of each book published in Canada.</u>	<u>1</u>
<u>- Grants to libraries for their own special Canadiana projects (e.g. purchase of special collections, purchase of Canadian audio-visual materials, conferences to which authors are invited)</u>	<u>1</u>
<u>- [Distribution of] free Canadian books.</u>	<u>1</u>
<u>- Assist in making higher priced Canadian books of less general interest more affordable to libraries.</u>	<u>1</u>
<u>- Grant programs with no strings (rules, applications or matching grants)</u>	<u>1</u>

TOTAL

Assistance to publishers

25

- Incentive programs to improve quality of Canadian books (sales potential/design of books/efficiency of publishers)	6
- Measures to reduce/make more competitive the prices of Canadian books.	5
- Assist publishers to develop a centralized distribution service.	3
- Measures to enable publishers to produce longer runs (so books do not go out of print so quickly).	2
- Assistance to publishers through tax incentives for investments, and through loans.	2
- Grants to publishers specifically for non-fiction and reference books.	2
- Fund a program to identify subject gaps in Canadian non-fiction, and encourage publishers to publish books in these areas.	1
- Assist publishers to issue important works of fiction in attractive, hardcover editions	1
- Increased financial support for publishing of children's books.	1
- Greater support for regional publishers (e.g. federal and other sales tax relief).	1
- Increase financial support to publishers in general.	1

TOTAL

Assistance to writers

14

- Increased financial assistance to authors - non-fiction and fiction (directly/through tax incentives/through payment for public use)	12
- More support (e.g. by tax credit) for authors whose works are recorded for talking books.	1
- Better publicizing of, and financial support for, award-winning authors.	1

	<u>TOTAL</u>
<u>Programs to improve selection tools</u>	12
- Program to produce (or encourage production) of improved books reviewing and selection tools (e.g. comprehensive, monthly index or digest of reviews, replacements for Bookings and In Review).	5
- Institute a nationally syndicated book review column and/or articles on authors, films, etc.	2
- Financial assistance to established bibliographic services (e.g. CBP, CPI)	2
- Finance publication of a Canadian equivalent to the Public Library	1
- Production and dissemination of consolidated, weekly best-seller	1
- Production of a Canadian equivalent to Forthcoming Books	1
- Compilation by the National Library of book lists (bibliographies) on more popular topics, with less emphasis on esoteric, unavailable material.	1

	<u>TOTAL</u>
<u>Book conservation programs/programs to increase accessibility</u>	7
- Continue support for the Canadian Institute for Historical Reproduction.	2
- Programs/asures to ensure that out-of-print Canadian books and Canadian manuscripts are preserved and kept in Canada.	2
- Increased support for translations of Canadian authors into either French or English.	1
- Support inter-library access to out-of-print Canadian materials in about 15 large public libraries, selected on basis of population.	1
- Encouragement to periodical publishers to put back runs on microfiche.	1

	<u>TOTAL</u>
<u>Miscellaneous programs/measures</u>	8
- Support the creation of small local bookstores that carry Canadian books.	1
- Support the establishment of public libraries in all Canadian communities.	1
- Establish a central agency at the National Library to deal with Canadian writers and writing.	1
- Financial support for Canadian indexing.	1
- Stop subsidizing inefficient publishers (i.e. publishers who need to hustle) and let market forces work freely.	2
- Assist research on Canadian collection development.	1
- Support professional development of librarians engaged in selection and promotion.	1

## CHAPTER VII

### Discussion and Recommendations

#### The Environment for Initiatives

The objective of this study is to arrive at recommendations that would lead to "an increase in the range of Canadian-authored titles offered by public libraries and an upgrading of libraries' display and promotion of their Canadian collections." The findings of the study have revealed an existing general predisposition on the part of public librarians to give a priority to the acquisition of Canadian-authored books and to actively promote them, given the sensible provisos that such books are relevant to community interests and possess intrinsic merit. Per capita circulation figures are increasing, as are the number of libraries and their service points. The opportunity for improved public access through libraries to Canadian-authored books clearly exists.

At the same time, there are impediments to the exploitation of this opportunity. There is an indication in the survey results, which can be confirmed later when more complete figures are available from Statistics Canada, that there has been a sharp decline in the accession rate of public libraries since 1981. This has occurred despite the fact that public libraries seem to be maintaining the ratio of book expenditures to personnel expenditures, and despite the fact that expenditures on books are rising. This would seem to

point to a higher average cost per book, although in the absence of a reliable Canadian book price index, this can't be confirmed. However, if this a correct interpretation of the general situation, it explains why public librarians state that a lack of funds is one serious impediment to the selection and acquisition of Canadian books. Room for improvement is also indicated in the areas of book distribution and in author and book promotion. These and other matters are the subject of recommendations in the following pages.

#### Information About Canadian Books

Serendipity is wonderful, and accounts for much of the borrowing from libraries; users browse, find items that appeal, and borrow them, sometimes only to sample them. Librarians can't buy books on the same principle. They need to know what they are buying, and therefore rely on publishers' catalogues and book reviews in arriving at selection decisions.

Lack of advertising and publisher's catalogues were noted twenty-two times by survey respondents as being impediments to the selection of Canadian books. This is not an overwhelming number, but it is sufficient to raise the question: how effective is the catalogue distribution system? This writer has the impression that it is quite effective, but his views may be coloured by experience at a major university library, which regularly receives catalogues from all Canadian



publishers. In the last decade, principally as a result of support from the Canada Council and other arts councils and cultural agencies, individual publishers' catalogues have been joined by regional and provincial catalogues, and these have been well distributed. Furthermore, the majority of Canadian publishers display their wares at meetings of librarians' and teachers' associations. Nevertheless, it would be useful to discover how publishers distribute their catalogues, what mailing lists they use for public libraries, how these are maintained, and whether publishers feel that the money and time invested in distributing catalogues to public libraries is well invested.

On the other side of this equation, it is easy to see how problems could arise in the distribution of catalogues within libraries and library systems. If a single catalogue arrives at even a moderately large public library, who gets it? Is it sent to the acquisitions division, to be used for pre-order bibliographic verification? The survey results indicate that public service librarians play a major role in book selection; which of several librarians in which of several branches or divisions receives the catalogues?

There is much we don't know and probably can't find out about the actual distribution and use of publishers' catalogues. Nevertheless, the Beta and Green reports both identify catalogues as an important selection tool for public libraries.

Recommendation 1: That the Department of Communications or a suitable agency ask the Association of Canadian Publishers and the Canadian Book Publishers Council to seek from their members information about catalogue distribution practices and any perceived problems as they affect public libraries.

If the information so obtained points to any problems of a general nature; the Department might then take measures to assist publishers in addressing them. One can anticipate that the problems might lie in the costs of catalogue production, costs of postage, and adequacy of mailing lists.

Of equal and probably greater importance in the book selection process are book reviews. There is no question that a good review in a widely-read publication precipitates orders from bookstores and libraries, and demand from the public in the same outlets. Even a bad review generates sales and interest. An absence of reviews can condemn a book to obscurity.

We know that in the case of English-language books public librarians rely heavily on reviews in Quill & Quire and Books in Canada. There has been no French equivalent to the Green or Beta reports to determine the facts, but it is probable that Livres d'ici performs the same function for public librarians in Quebec. What we definitely do not know is how adequate these journals are in their coverage by review of the totality of Canadian trade, regional and scholarly publishing. What percentage of new titles fall by the wayside? This is a question that deserves further research. It would be possible, for example, to check the 1982 spring

lists of all publishers against reviews published in those journals to see what was omitted. It would be a piece of drudgery, but it could be done. Upon completion of such an investigation, one would know how efficient or deficient our main reviewing journals were. Or the question could be approached more directly if less scientifically by consulting with the book review editors of those journals and asking them about their selection and rejection policies in light of the space available to them in their publications.

However the question is approached, there is no question that reviews are of major importance to the promotion of Canadian books, and any increase in the number of reviews would be desirable. The Canada Council has already supported a number of projects directed to this end. There are a host of related problems, such as the availability of competent reviewers, and especially ones that will meet deadlines, and the circulation of reviews once they are published. To deal with all such matters, consultation seems the advisable route.

Recommendation 2: That the Department of Communications and appropriate officers of the Canada Council consult with the book review editors of the major book reviewing periodicals to obtain their views on the effectiveness, shortcomings and problems of their publications, with a view to taking measures to strengthen and improve the reviewing of Canadian-authored books.

It should be noted that public librarians use many other tools for the selection of Canadian books, including the national bibliography Canadiana, and one of its byproducts, Forthcoming Books, which is issued as a supplementary sheet in

Quill & Quire. However, the Beta and Green reports suggest that these other means of selecting books are less frequently used: reviews and publishers' catalogues are of primary importance, providing the earliest information about new books. It is also worth noting that public librarians generally select books not by an examination of the books themselves, but from an examination of other publications. The reasons for this lie partly in traditional procedures and partly in the realm of opportunity. There will be further discussion of this point.

#### The Missing (?) Canadian Books

One of the surprises in the survey was that two-thirds of the respondents cited an absence of Canadian books relevant to patron's interests as a deterrent to the selection process. In other words, the books librarians want for their patrons aren't there. Do booksellers have the same experience? If there are "missing" Canadian books, this should be of major interest to publishers, and efforts should be made to find out what they are.

Although the "packaging" of books to meet an anticipated market is becoming more commonplace, the publication of a list of desiderata might act as a stimulus to the production of manuscripts, and as a guide to publishers in determining their editorial policy. In order to get down to specifics, a further survey of public librarians would be necessary, perhaps starting with the fifty-five respondents who noted this as a deterrent on the survey questionnaire.

Recommendation 3: That the Department of Communications commission a survey of public librarians in order to draw up a list of topics, based on public requests, that could serve as subjects for future Canadian books.

### The Acquisition of Canadian Books

The findings of this survey agree with those of the Beta and Green reports: public librarians encounter problems in physically acquiring Canadian books. The main sources for Canadian books are library jobbers and the publishers themselves. There is evidence that both sources are slow to respond, or at least slower than librarians would like. It may be the case that publishers, in filling orders for a new publication, deal with bulk shipments to the wholesale and retail trade, giving later attention to individual orders from libraries and jobbers. Practices may vary among publishers. Only they could tell us. It may transpire that booksellers have their own complaints about delivery times. Supply has been a persistent problem in the Canadian book trade, and many attempts have been made and are being made to improve matters, such as automated order fulfilment procedures, consolidated freight shipments, etc.

Some librarians note, with dismay, that bookstores display copies of new titles long before the libraries receive the same books from their sources. The question arises: why don't librarians buy their books from the retail stores?

There are many answers to this question and some or all of them will apply to the case of an individual library.

First, because of traditional practices and procedures, libraries are in the habit of ordering books by mail. They are confined to an extent by the purchasing policies of municipal governments, which do not encourage their employees to buy anything off the shelf. Established order systems avoid duplication of orders for the same title and provide essential controls over the commitment and expenditure of funds. To an extent many of these clerical problems can be overcome, and many librarians have done so, in order to acquire books from the retail trade.

Second, because for many libraries no satisfactory retail stores are at hand to meet their needs. This was a point made by several survey respondents, particularly from smaller communities.

Third, bookstores are principally set up as cash-and-carry operations. Would the neighbourhood branch of a national chain be willing to accept the local library as a customer, if the library wanted an invoice which city hall might not pay for six weeks?

Fourth, and this is probably the most important reason: the discount. The discount practices in the Canadian book trade are an object of wonder if not admiration; their origin is buried in history. At some time it was decided that libraries would be given a discount. The discount they receive varies from publisher to publisher, jobber to jobber, bookstore to bookstore, and from book to book. In general, however, the library receives a better discount from the publisher than from any other source. Thus libraries will place

orders with publishers, at the expense of efficient delivery, in order to stretch their acquisition budgets. The retail bookstore can only afford a small discount, and will not be a favoured source.

Yet, where a well-stocked retail bookstore exists, it can be for a library the best available source for current books. The books can be inspected prior to purchase, and delivery is immediate. Arrangements can be struck between the bookseller and the librarian for standing orders and approval orders. These things do occur, but as an exception not a general rule.

If the physical delivery of books is an impediment to acquisition, limited book funds is another. It was cited by exactly half of the survey respondents as a problem, and the statistics they reported indicate a sharp decline in the number of books acquired between 1981 and 1982. This lies behind the proposals from 28 respondents for some form of support for collection development.

Are there measures available to the Department of Communications which would address these two problems? The delivery problem is as old as the Canadian book trade, and the government has already assisted the industry in dealing with it. The financial problems of libraries are rooted in the problems of the economy as they have affected the experience of provincial and municipal governments. There is no light on the horizon for public library collections when provincial governments are testing economic theory in the name of restraint. There have been programs to assist libraries with

their collections, most notably in Ontario; 15 of the 21 libraries responding from that province took advantage of the Wintario scheme.

Whatever measures the Department of Communications chooses, they must meet a number of conditions to be acceptable:

- they should not interfere with the prerogatives of local and provincial government;
- they should not interfere with a specific library's selection policies and standards;
- they should be easy to administer;
- participation should require initiative on the part of libraries.

A number of policy options are available:

- establish a collection development fund, and turn the question of program design and implementations over to the Canada Council as an arms-length agency. (The Social Sciences and Humanities Research Council administers such a program on behalf of university libraries)
- expand and refine the existing Canada Council Book Distribution Program. (Libraries found fault with the pre-selected materials; some communities may not be ready for experimental fiction.)
- work toward the implementation of a national Wintario-style scheme, benefitting all consumers. (Efforts to extend the scheme at the provincial level will probably not succeed, given the intrinsic inability of provinces to agree on priorities.)
- find means to reduce the cost of Canadian books to public libraries, i.e., by refunding a percentage of paid invoices.

If it is inclined to experiment, the Department of Communications may wish to consider a scheme that would borrow elements from Wintario, and from the conventional store coupon system. A number of variations to such a scheme are



possible. Here is one, as an example.

- The Department of Communications, working through an appropriate agency or association such as the Canadian Bookseller's Association, would issue coupons of a standard denomination, say \$1.00, to all participating retail bookstores and library jobbers.
- In filling orders or making sales to libraries, the jobbers or booksellers would provide coupons to the value of, say, 10% of the amount of the sale.
- The library could use these coupons as tender for future purposes.
- The bookstore or jobber would redeem them for cash.

Such a scheme would obviously depend on a number of controls to ensure that transactions were honest. If all parties were required to enter their name or a code number on each form, the returned coupons could serve as a source of new information on the pattern of book distribution to public libraries; a coupon acquired from a jobber in one province might be spent with a bookseller in another province, and vice-versa.

In this particular variation, the effect would be to divert library purchases away from publishers and toward booksellers and jobbers. Depending on the value of the coupon and the relationship of that value to a sale, the coupon would minimize or eliminate the discount differential between publishers and booksellers. Libraries might thereby have quicker access to new books at no additional cost. Publishers, however, might object, because the discount they give to libraries is not the discount they give to the trade.

There are many possible variations to this scheme, and many other options. What is clear from the findings of this survey is that public libraries could use and would welcome assistance in the development of their collections of Canadian materials.

Recommendation 4: That the Department of Communications, through an appropriate agency, and in consultation with appropriate public library organizations, devise a program for the support of the development of collections of Canadian-authored books in public libraries.

It should be noted that this program, while discussion here has been focussed on in-print trade books, should not exclude the acquisition of regional, ethnic, association, scholarly or government publications, in-print or out-of-print, on the assumption that the objective of this survey is truly to improve access to Canadian materials generally, not simply to improve sales and distribution of books from one sector.

In this connection, it should also be noted that about a third of the respondents to the survey gave as an impediment to the acquisition of Canadian books the fact that books go out of print quickly. This suggests that librarians are being frustrated in their attempts to develop comprehensive collections, or to purchase extra or replacement copies of important works. Presumably the appearance of more paperback reprints will help with this situation.

### Promoting Canadian Books

Results of the survey testify to the efforts Canadian public librarians are making to attract their patrons to Canadian books. At the same time, librarians feel that they are encountering public disinterest, and they had many suggestions for counteracting this. Some of their suggestions, if implemented, would do as much for the book trade as they would for public libraries.

One general suggestion that manifested itself in several forms was that Canadian authors and books need more promotion. In fact, efforts at such promotion have intensified in the past decade, with perceptible results. Librarians gave high marks to the programs for visits by authors and authors-in-residence. It now seems incumbent on authors that they should be charismatic and on public view, and there is no doubt that the author/performer generates interest, sales and library use. If the authors can stand more, the librarians would like more.

Recommendation 5: That the Department of Communications provide additional support to the Canada Council for its program of author tours and library visits.

Librarians reported that displays, posters and booklists were successful means of promoting Canadian books. At the same time, they cited a shortage of staff time and money for printing as obstacles to promotion. The situation seems to call for some consolidated effort on the production of promotional materials. Properly executed, such materials could have uses beyond libraries. For proper execution, qualified professional help needs to be enlisted.

Recommendation 6: That the Department of Communications assist the Canadian Book Information Centre and an analogous organization in Quebec, working in collaboration with representatives of appropriate public library organizations, in the development and production of promotional materials featuring Canadian authors and books, for free and wide distribution to public libraries.

Librarians also mentioned that many Canadian books could do more to promote themselves through improved design. Again, standards of Canadian book production have improved, but not all publishers can afford or yet have access to experienced book designers. More attention to this aspect of book production could increase sales potential as well as library use.

Recommendation 7: That the Department of Communications consult with publishers' organizations to determine if any projects or programs of support could be devised to raise the standard of Canadian book design and production.

The preceding recommendations are made in the belief that if they were implemented, access to Canadian books in public libraries would improve, and the readership for them would increase. This would occur not in a dramatic but in a gradual way. At the same time, some of the recommendations would have an impact on general interest in Canadian books, and probably on sales through bookstores.

The previous chapter includes many other suggestions made by respondents to the survey. The Department of Communications is urged to give these additional considerations.

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DEVELOPMENT OF OPTIONS FOR ACTION IN KEY  
SECTORS OF CANADIAN BOOK DISTRIBUTION

THE RETAIL BOOKSTORE STUDY

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## RETAIL BOOKSTORE STUDY

### INTRODUCTION

This study is one of three carried out by the Federal Department of Communications under the direction of Bill Roberts, president of Shirley Leishman Books Ltd., Ottawa.

The three studies examine retail bookstores, mass-market paperback distribution and public libraries. The general title for the three sections under study is 'Options for Action in Key Sectors of Canadian Book Distribution'. The intention of the study is to serve as a reference for the development by the DOC of a comprehensive policy for the publishing and distribution of Canadian books.<sup>2</sup>

The specific objective of the bookstore sector study was to develop a set of policy options which could increase both the range and depth of CATS (Canadian-authored titles) stocked by bookstores across Canada, and to lessen the gap between bookstore inventories and customer taste.

<sup>2</sup> The relationship of these studies to the process of policy development is thoroughly described in the December 1983 issue of Quill and Quire in an article by Susan Walker entitled, "Ottawa eyes book policy après Applebert".

## OVERVIEW OF THE TRADE

In Canada today approximately 1860 retail bookstores are operating. This figure excludes those stores selling only religious books, foreign books, textbooks, used books, adult "pornographic" books and comic books. Although this figure in itself may seem high for a population the size of Canada's, it is important to note that these stores are unevenly distributed across the country and vary greatly in size. For instance, even though the Maritimes account for 9% of the total population, only 5.3% of bookstores are located there.

Essentially, bookselling is divided between those stores owned and operated by independent owner-managers who play an active, day-to-day role in the running of their store(s) and the ordering of their stock, and those stores owned by the chains. According to A Study of Retail Bookstores, prepared for the Department of Communications in May 1984, one fifth of all bookstores are operated by chains. However, in some areas of the country, such as Alberta, chain stores outnumber independently owned stores. Also it is estimated that the chains collectively account for at least 40% of all retail book sales and that figure is growing as the chains continue to expand, many assume, to the detriment of independent booksellers.

The method by which books are purchased by the independents and the chains is quite different. For all three chains, the majority of book ordering is completed by employees, located at the company's head office in Toronto, and hired specifically for this centralized task. Even decisions as to what books should be prominently displayed in a chain store are often made by these people. In comparison, independent booksellers "run their own show" and hence the stock of individual independent stores is more eclectic and often more various than that of the chains.

Overall, bookselling in this country is, therefore, tremendously variegated and competitive. As mentioned, bookstores owned by couples, often holding down additional jobs, and apparently existing on sales volumes of less than \$40,000 per annum, are located within

easy walking distance of giant bookselling chains whose annual gross income exceeds \$40-million.

Along with the traditional retail bookstores exists the speciality stores, the most prominent of which are religious bookstores. In English-Canada, at least 300 religious bookstores are operating. Another important outlet for books is the college or university bookstores of which there are approximately 127 in English-Canada.

It is estimated by the latest Statistics Canada figures on the book industry (1981-82) that the entire volume of the industry totals \$1-billion; however, only a proportion of that figure is channelled through retail bookstores. For one thing, the huge educational market for books is handled almost exclusively by university or college stores. Public and high school texts, the bread and butter of some of the country's largest and most prosperous publishers are sold directly by publishers to eight Provincial Book Bureaus and to school boards directly. Very few bookstores have any library business. Most libraries buy their books through a wholesaler - either Canadian or foreign owned - or directly from the publisher.

But the audience of individual Canadians for books is large. According to James Lorimer's pioneering study *Book Reading in Canada: the audience, the marketplace and the distribution system for trade books in English Canada* (1983) we live in a country of avid book readers. From the Lorimer study we learn that 6,839,000 people in the country read books regularly. The majority of these books originate in foreign countries - the U.S. taking the lion's share of the import market with British books trailing at a far second. As for Canadian authored titles, Lorimer estimates that they account for 18% of all books read by English speaking adult book readers.

Moreover, according to his study, retail bookstores present the most effective way for a trade book to reach its potential audience. Bookstores, ultimately, are the source of almost 54% of all books read in Canada.

Perhaps what is most significant about the effectiveness of retail bookselling in Canada is that both the chain stores and the independents cope with a truly gigantic base of books - estimated at close

to 1-million titles - if new titles and backlist titles from Canadian, U.S. and U.K. sources are included. To complicate matters, booksellers deal with a fairly large number of publishers, many of whom carry agency books (those books imported from the U.S. or U.K. by the Canadian-based publisher and sold to bookstores at a mark-up). The flow chart on the next page illustrates the general distribution of books in Canada.

Independent bookstores manage to carry a range of 5,000 to 10,000 titles; in comparison, chain stores are estimated to carry an average of about 4,000 per store. The general perception of independent retailers is that the range of titles in their stores not only makes them more competitive with the highly standardized chains, but also attracts a more "bookish" and loyal clientele. As well, according to A Study of Retail Bookstores, on average, the independent bookseller claims that just under a quarter (23%) of all their stock is Canadian.

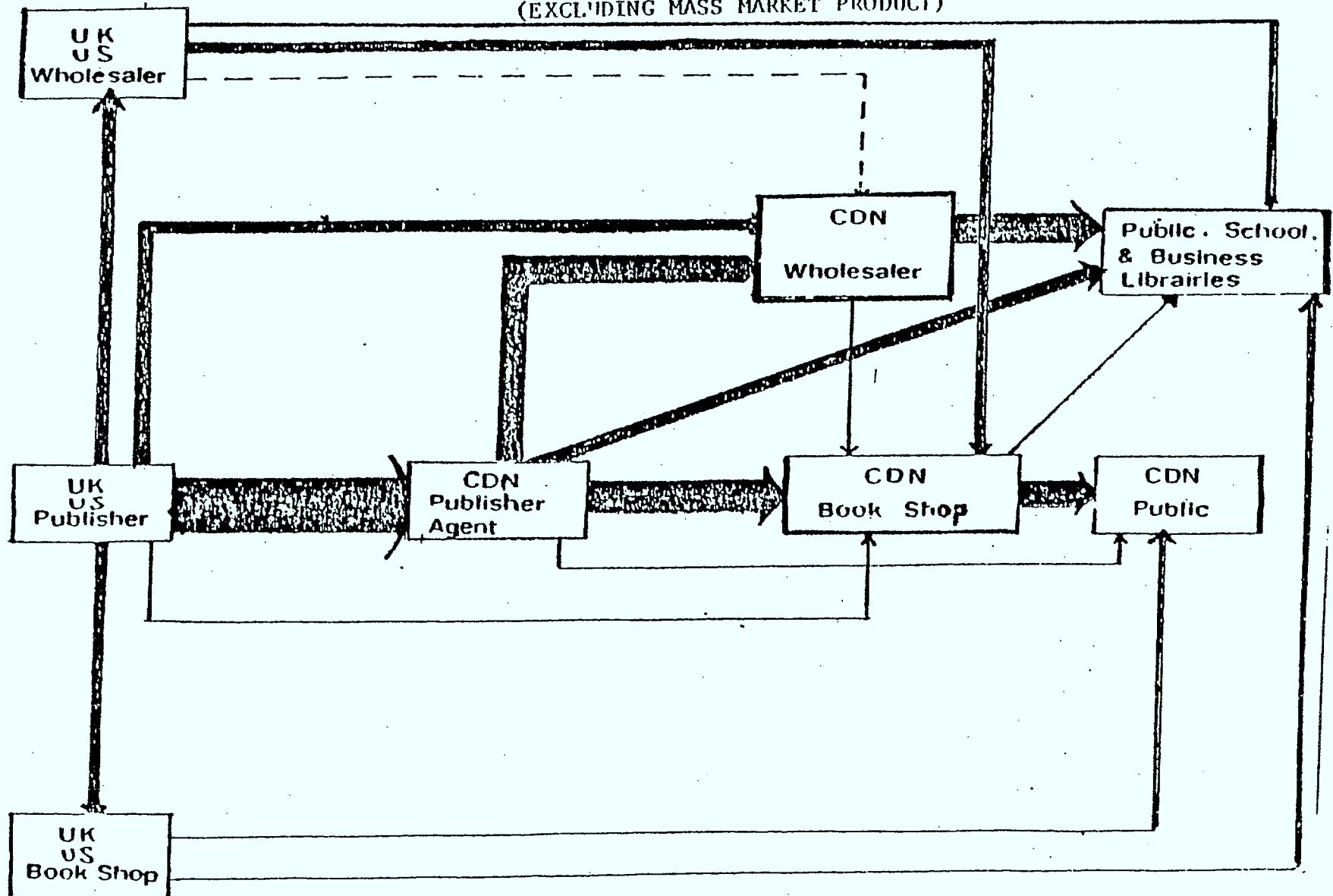
#### Situation Paper Using Survey Data

This situation paper discusses the attitudes and reactions of the retail booksellers who responded to a questionnaire entitled "Development of Options for Action in Key Sectors of Canadian Book Distribution."

The details regarding the size and complexion of the sample are found in the Data Information section of this report.

In this report, percentages of booksellers' responding with a particular answer to a question are reported as percentages of the total number of respondents responding to that question. For example, if 86 out of 88 people gave answers to a question, we would be reporting numbers (e.g. 62% of the respondents to that question thought Yes, 22% thought Not, and 11% Didn't Know) as percentages of the total number of respondents giving answers to the question (ie. 55 booksellers expressed as a percentage of 86 equals 62%). The

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(EXCLUDING MASS MARKET PRODUCT)



two persons not responding to the question at all are treated as missing values and are not a part of the percentage calculations. They affect the overall response rate to a question but not the breakdown of responses within a question.

The key point is that the percentages recorded are always related to the number of actual respondents to any given question and that the number of respondents vary from question to question.

Importantly, however, the response rate to the questionnaire was extremely high, typically over 95%, and rarely below 80%. Notable exceptions to the response rate are indicated. As well, responses are often quoted in more than one context throughout the report since the questionnaire was designed with a view to cross-checking data.

The face-to-face interviews conducted by the Consultant with individual booksellers took place during the same period in which the questionnaire was distributed and then followed up by telephone interviewers. The interviews are used to support or query the questionnaire data where it seemed appropriate.

For those interested in more precise evaluation the relevant data is contained in the data information section of the report.

#### Organization of the Situation Paper

Effective bookselling relies, like most retailing, on three working components:

1. product information
2. product availability
3. market understanding.

The interpretation of much of the data is, therefore, presented around these components.

## 1. Product Information

### General

When booksellers were asked if the sources of information about books were adequate for them to judge a books' appropriateness for their market, 90% responded. Of the respondents 68% said YES, the sources of information were adequate for Canadian authored titles and 70% said YES for non-Canadian authored titles. No significant difference.

However, when sources of information were rated for Canadian authored titles some interesting results appeared. All respondents are members of the Canadian Booksellers Association and when asked if attendance at their association's annual trade fair and convention assisted them in becoming more aware of CATS 82% responded YES for newly published titles and 54% YES for backlist. 75% claimed that attendance definitely helped them make superior judgments about which CATS to stock.

More than half the respondents, 56%, usually attend the CBA trade fair. About 55% of the total of booksellers who do not usually attend the trade fair offered the reasons, as one might expect, of cost or distance.

Booksellers rated two sources of information on where to locate books highly. More than 90% of all respondents use publishers catalogues regularly. Also various Books in Print including the Canadian Books in Print drew positive response rate of 93%. The Canadian Telebook Agency fared well with 69%.

### Ordering Information

Asked about the adequacy of current sources of information for the purposes of book ordering 65% said YES for CATS, and 80% said yes for non-CATS. Since the "Don't know's" were in each case about the same, 3% and 5% respectively, the difference is a significant one

with booksellers believing that buying-oriented information is less available for CATS than non-CATS.

Questions were asked to ascertain what sources of information were most valuable to booksellers in forming their decisions about the CATS to order for stock. Publishers' catalogues led the field once more with an even higher proportion of booksellers, 93%, finding them most useful. Customer demand followed at 85%. Booksellers evidently listen to their customers.

Visits from industry sales representatives rated very highly. 83% of respondents rely on these personal visits to make their buying decisions.

Reviews in major national magazines and newspapers scored approximately as well at 80%, although it is important to note the qualification "major". 70% of the booksellers rated Quill and Quire as important to extremely important as a source of ordering information. About the same percentage of booksellers, 70%, said that seeing the book itself helped with their buying decisions.

Product information, then, that assists in customer service and buying decisions seems to flow to booksellers mainly via publishers' catalogues, publishers' representatives, major reviews, the annual CBA trade fair and Quill and Quire.

Differences in satisfaction about the availability of ordering-oriented information about CATS as opposed to non-CATS might reflect a lower level of presence by smaller Canadian publishers in the review media, at the CBA trade fair, or in Quill and Quire. Also it might reflect a lack of information in their catalogues about their terms and conditions of sale.

The last observation is supported, in part, by booksellers comments during their interviews with the Consultant. Some booksellers bemoaned the irregularity with which they receive the catalogues of smaller presses and the unsatisfactoriness of having to rely on a publisher's catalogue which is two or three publishing seasons old.



When asked directly in the questionnaire what factors would enable booksellers to stock and sell more CATS, out of a more than 90% response rate, 67% identified "Better information about books prior to ordering" as the answer.

## 2. Product Availability

### Obstacles to Ordering

Once having established the existence and probable price and source of a book the bookseller is faced with the task of ordering it. He or she will wish to do this on profitable terms and as expeditiously as possible. The volume of business a bookseller conducts with a publisher bears greatly on his or her ability to obtain a particular book. Clearly, it determines the frequency of his ordering practices with the publisher and how quickly he can dispatch the order to the publisher.

For instance when booksellers were asked if they ever experienced difficulties in ordering books because they could not make up an order large enough to achieve the number of copies needed to receive the trade discount, 35% of the respondents said "Yes Often" and 58% said "Yes Occasionally". Only 6% replied that they "Never" experienced this difficulty. Interestingly enough, 30% claimed that in the face of these difficulties, they often or almost always ordered the book anyway at a reduced discount. 67% responded by saying that they often or almost always retained the order until they did have enough books to achieve a trade discount.

### Special Orders

Probably, most of the books that prove troublesome to booksellers are customer requests. Undoubtedly, some are individual titles from a publisher with whom the bookseller rarely deals. Yet special orders are not to be ignored as a source of revenue. When asked "what percentage of your annual sales (calculated in terms of dollar

volume) are from customer requested special orders?" booksellers responded with a high degree of confidence. 47% estimated that between 10 and 29% of their annual volume was obtained in this way. And since 80% of respondents feel obliged to accept orders from their customers for books released by any publishers, not merely those with whom they habitually deal, booksellers are constantly faced with the decision as to whether they should hold these special orders or accept a reduced discount.

#### Ordering Specifics: Frequency of Orders

74% of respondents have order placement periods ranging between a day to a week. A further 13% order "every few days" which probably means less than a week. It appears that 87% of the booksellers queried dispatch orders, weekly or more often. Given the apparent pressure felt by booksellers to get their books quickly, it is understandable that 30% of the respondents would often choose a reduced discount in the interest of customer service.

#### Consolidation of Orders

However, many booksellers long for some form of consolidation that could handle these small, troublesome, time-consuming and expensive orders. 77% indicated that a single source for their special orders - presumably many of which are published by smaller houses - would make them more "willing and able" to sell more CATS.

Responding to the direct question "Would the existence of a number of wholesalers for Canadian authored titles encourage you to (a) stock more CATS, 57% said yes, 24% said no and 19% said they didn't know; (b) buy books from more publishers, 51% of booksellers said yes, 24% said no and 24% said they didn't know; (c) place orders for CATS more often, 58% of booksellers said yes, 21% said no and 22% said they didn't know.

This suggests that more than half of the respondents feel constrained from ordering the titles of some publishers because volumes do not warrant it and would like to combine these small orders for better discounts and convenience.

### Ordering Difficulties

In terms of ordering books for stock (as distinct from special orders for customers) 61% of respondents indicated that whether or not they were already planning to place an order was important to extremely important in deciding whether to order a title or not.

In light of the difficulties and complexities of ordering titles, it begins to become clear how difficult it is for small publishers to get their books into bookstores. When individual small publishers handle their own fulfilment, and require what for small booksellers are unrealistic minimum orders for a regular trade discount, it is hard to avoid the conclusion that neither the interests of the bookseller or the publisher are served.

### Delivery Times

Other questions pertaining to their acquisition of books were asked in the questionnaire. 87% of respondents felt quite strongly that the delivery of CATS needed to be faster and more reliable.

Interestingly, 78% of respondents rated the industry freight consolidation plan as effective to very effective when the question was asked in relation to programmes which had received government assistance. This seems to indicate that although matters have improved on the physical distribution front, the system is not yet perfect.

In the interviews with the Consultant, the industry consolidation plan received glowing commendations from booksellers - especially those located some distance from Toronto. Approving the book consolidation plan, booksellers expressed satisfaction, not only in terms of the speed of delivery, but also in terms of financial benefit. The plan, according to booksellers, has produced substantial savings in most regions and for some booksellers the savings amount to hundreds of dollars a year in inward shipping costs.

It was felt, however, that improvements could and must be made in publishers turn-around times -that time which elapses between a publisher receiving a bookseller's order and the dispatch of the books.

### 3. Market Understanding

#### Customer Knowledge

A bookseller's understanding of the market tends to be intuitive. Market research is virtually unknown in the Canadian book trade. For independent booksellers, the idea of spending the considerable fee for a "scientific" profile of their market seems to find little favor.

This is not to say that booksellers do not have opinions, based on experience, about their customers' tastes, habits and backgrounds; they do. In responding to the question "How knowledgeable are the people in your area about the different kinds of books available?", 85% of booksellers replied that their customers were quite knowledgeable to very knowledgeable. When the same question was asked specifically in relation to CATS, 62% of booksellers responded by saying their customers were quite or very knowledgeable.

According to the respondents, such a high degree of knowledgeability among their customers is created, to a very great extent, by radio programmes which deal with book and authors. Booksellers see the CBC, particularly, to exert a pronounced effect on customer knowledge of books. CBC's Morningside is acclaimed universally as an effective source of book information.

As well, booksellers also claim that television is important in promoting awareness and desire for books. 69% of booksellers responded to a question about factors influencing their decisions to stock CATS by saying that the tie-in of books with movies or T.V. was important to extremely important. A very high proportion of respondents, 91% said that author visits to their stores and local

radio interviews rated very highly as an influence on their customers.

When booksellers rated the effectiveness of the media in increasing the sale of CATS, they did so in this way: 89% rated CBC radio interviews with writers and book reviews as effective; 81% rated CBC television programmes on Canadian writers as effective; and 74% rated advertising in national magazines as effective.

Although 91% of booksellers are concerned with the promotion and advertising of Canadian authored books, and rate it as important or very important they are less sure about the direct benefits of readership or marketing surveys. Two sets of answers seem to make it clear that many booksellers regard their own market as having peculiarities not necessarily shared by other locations or regions. First booksellers were asked: "Do you think books that sell well with Canadians generally are likely to sell well with the customers in your store?". 66% responded yes, 23% responded no, and 11% didn't know. Secondly they were asked: "Do you think that some books are likely to sell well with the customers in your store although they may not sell well in Canada generally?" 89% said yes, 5% said no, and another 6% didn't know.

Although clearly convinced that they are not all doing the same things for the same kind of people, booksellers seem to display a reluctance to probe a little more deeply into their markets, both locally and nationally. When asked "Would readership surveys or marketing studies for your region be helpful to you?" only 62% thought yes, 22% thought no, and 11% didn't know. Enthusiasm for national studies of the same kind was even less evident. Only 40% said yes while 32% said no and 28% said they didn't know. When asked whether they had ever undertaken or been involved in a market study of books for their region 82% said no.

Is this an example of what Dr. Johnson called "ignorance operating upon indifference", or merely a healthy scepticism about the book industry's ability to organize and carry through a productive study of this kind? Probably the latter. Booksellers have past experience with attempts to reach potential book readers through the use of statistics and studies, most of which were American. All of

these efforts have either died quietly or resulted in embarrassment. Few booksellers believe that past attempts at increased market penetration by surveys and studies helped them sell books. The residual disillusionment remains and surely influences the trade's attitudes to these suggestions. This was certainly true in the Consultant's interviews with booksellers.

Basically booksellers feel they have some sense of who their customers are and what they want and how they prefer to shop. Overall booksellers' opinions of their customers are quite positive (although they do believe that their customers, as we have mentioned, are better informed about non-CATS than CATS).

Questions about location reveal some quite definite opinions which in turn reveal something about customer types. 83% of respondents cited proximity to a college or university as desirable. Students then are perceived as potential customers.

Location was important in other ways. 90% of respondents see shopping area locations as important to extremely important. Booksellers want to be close to most other retail operations. This can be translated into the desire for a large walk-in trade and points in the direction of impulse sales. 82% of respondents also believe it is important to extremely important to be located in a business district.

Not all retail business in the same area as a bookstore is appreciated however; when booksellers were asked whether they regarded proximity to other independent bookstores as desirable or undesirable, opinion was split quite evenly with 49% in favor and 46% not in favor. As far as proximity to a chain store is concerned, the negative reaction was even more marked with only 36% of booksellers regarding it as a locational plus. 55% did not regard it positively.

Overall, however, the findings show that booksellers are not naive. They expect their customers to shop around, to be consumer conscious and they know that customers demand a convenient location.

In conjunction with booksellers' willingness to deal with the commercial realities of retailing, they also believe that they are engaged in a valuable activity, one that is desired by a large segment of their community. When asked whether they thought the people in their community or region were generally interested in reading books, 84% said yes while only 1% said no. 15% said that some people were interested in reading books and some were not, but by any standard, this is a very positive reaction.

A very high proportion of respondents to the questionnaire were willing to describe their clientele. Booksellers' perceptions of their customers varied widely and included a large spectrum of the population including "professionals", "middle class", "students", "tourists", "transients", "children", and "blue collar workers". What is important is that the respondents had thought about their customers and felt they knew their clientele and their attitudes. To what extent what they feel they know conforms to reality, there is no way, at present, of confirming.

It appears that given the lack of serious research into the book buying (and non-book buying) population, booksellers are content to practice a measure of pragmatism, basically trying to capitalize on what they have observed works in their stores - movie tie-ins, CBC radio shows promoting authors, authors tours - and not experimenting very much on their own account. No doubt many booksellers do engage in innovative promotions aimed at their local market. Such promotions as special displays, hosting radio talk shows or author breakfasts are in existence, but none of these tactics have proven universally successful or increased sales dramatically.

But booksellers are not immune to new ideas. When responding to a series of questions aimed at discovering what measures were needed to enable them to stock and sell more CATS, 64% replied that they wished they had more money available for in store promotions. 80% would like to see more money for local advertising, and 85% identify the need for more promotion and publicity of CATS nationally.

In the more traditional areas, booksellers answered questions on the effectiveness of different ways to sell CATS. 73% responded very positively to author tours and see them as effective to very effec-

tive. 67% said that more celebrity authors are needed if they were to stock and sell more CATS. Indeed author popularity rated a 96% positive response as being important to extremely important in booksellers' decisions to buy CATS for stock.

More unpredictably, excerpts from books in magazines and newspapers, were considered by booksellers, 73% of the respondents, as an effective way for achieving sales. Only 14% thought not and 13% said they didn't know.

Booksellers also consider that their customers rely heavily on bestseller lists despite the criticism which is regularly attached to them. 70% said that bestseller lists in newspapers were an effective way of promoting store sales.

Good reviews make a difference in prompting customers to buy books, responded 85% of booksellers, and a good review encourages booksellers to focus their own attention on a book by displaying it prominently or in other forms of promotion.

Catalogues were also considered important in this area. 83% of respondents offer their customers free copies of Books for Everybody, the co-operative catalogue published each fall for the booksellers by Quill and Quire. 16% don't offer the catalogue and 1% could not respond. The fall Books for Everybody, according to 76% of the respondents, assists their sales efforts, while 18% said it didn't and 5% said they didn't know.

It appears that Books for Everybody also affects the ordering of CATS. 79% of respondents claimed that their buying of fall Canadian titles was influenced by the inclusion of a title in the Fall Books for Everybody. This can be interpreted as meaning that the quantity of their order would be influenced by the inclusion of a title in Books for Everybody.

About the same number of respondents, 80%, indicated that inclusion in the Fall Books for Everybody was a major factor in determining the use of in-store display and promotion resources.



It is also interesting to note the factors that booksellers did not rate highly when they were asked what contributed to either the creation, distribution or reading of CATS. The following are responses to specific questions:

Book gifts to schools and libraries (by government agencies) were rated important to very important by 49% of the respondents, not important to not at all important by 39% of respondents and 12% said they were not aware of these gifts. Availability of workshops for writers and writers' conferences was rated important to very important by 40% of respondents, not important to not at all important by 48% of respondents, while 11% replied they were not aware of these activities and 1% provided no response.

When booksellers were asked "How effective would you say the following policies and programmes have been in increasing the sales of CATS, they responded in this way:

The National Book Festival was rated as being very effective by 33% of booksellers, not effective to very ineffective by 66% of booksellers. The balance were not aware of the programme. The Canadian Book Information Centre was rated as effective to very effective by 27% of respondents, not effective to very ineffective by 66% of respondents, while the rest were not aware of the programme. The Children's Book Centre was rated as effective to very effective by 34% of booksellers, not effective to very ineffective by 62% of respondents, while the balance were not aware of the programme. The Governor General's Awards and other awards were rated by 42% of booksellers as being effective to very effective, not effective to very ineffective by 57% while the balance were not aware of the programme.

Although booksellers, overall, did not see any of the above institutions or events as having a noticeable effect on the sale of CATS in their stores, they readily acknowledge that they may have more impact in areas other than their own or that they were culturally important. For instance, The National Book Festival seems to lack impact in any of the larger communities, and therefore does not impinge greatly on the consciousness of the major bookstores; however, booksellers in smaller communities appreciate it. Similarly,

the Canadian Book Information Centre has had a very low profile with the retail trade in general - an area where potentially much of its work could be done. It is not viewed by booksellers as being essential, in any way. Likewise, the Childrens Book Centre is almost invisible to most booksellers. The Governor General's Awards were acknowledged, by virtually everyone, to be a top contender for the great Canadian non-event. Industry humour on this subject abounds and only a very charitable view could regard the Governor General's Awards as having any significant impact on the public's awareness of CATS.

Such impressions are, of course, based on past performance. Some of the events and organizations discussed are in the process of change and they will be mentioned again in the recommendations of this report.

### Conclusions

In the end, of all the options posed to booksellers relating to their decisions about allocating display space for books and promotion strategies, ultimately a whopping 96% of respondents replied that developing a reputation as a store with a wide range of books was their main preoccupation. Although this conventional, tried and true wisdom of running a book store is not to be slighted, it does seem inadequate when trying to analyze book buying habits and motivations. James Lorimer's study, *Book Reading in Canada* (1983), reports that there are close to 7-million people in this country who read books regularly. At present we know next to nothing about the buying behavior of these readers. To continue to plow the well furrowed fields of author tours, publisher print media advertising, and talk shows, seems unimaginative. This type of promotion is useful, according to booksellers, as are point of sale merchandising and the production and distribution of customer catalogues. Yet surely, something more innovative is needed. Despite booksellers' apparent reservations regarding consumer market research, it is hard to avoid the conclusion, that a first step in increasing the effective promotion of CATS among the public is the development of a more profound understanding of why people buy books and why they don't.

## IMMEDIATE FUTURE DEVELOPMENTS

Having explored the three working components of retail bookselling in the light of booksellers' comments and of their relation to the distribution of CATS, it seems appropriate to stand back, for a moment, and look a little way into the future of book distribution.

Two factors are now developing which seem to be forcing change in the status quo of bookselling. The first is the expansion of the book into non-traditional markets, into non-bookstores, and into variety stores, or speciality retailers whose merchandise relates well to books. Stores selling computers, photography equipment, cookware, crafts and do-it-yourself material easily fall into this category. The second development is the impact of the new electronic technology on bookselling and publishing.

### The Cost of Inefficiency

It is difficult to avoid a sense of considerable waste, and its cost in unrealised business, when studying the distribution and information methods employed by the book industry.

In the mass-market paperback sector there exists a huge range of opinion regarding the way that sector maximizes distribution of its product. Basically it creates a more than 40% return rate of unsold copies (more accurately stripped covers, in most cases). At least, in mitigation in this area it can be argued that the distribution system for mass-market paperbacks was grafted onto a system designed for magazines.

But in the trade as a whole a lack of timely information, a lack of timely stock replacement and excessive returns is all too apparent. What is the real cost, in lost sales and disgruntled customers, which this inefficiency produces?

The book industry has struggled for years with an essentially unchanged system of order fulfilment. Although many publisher/agents now communicate with their principals by telex and telephone, and

many habitually use air freight services to get books to Canada, any real change between the Canadian supplier of books and his Canadian bookseller has been agonizingly slow. It may be that this log jam is about to burst.

### The Changing Marketplace

Specialist bookstores are springing into the marketplace with increasing frequency. This phenomenon, which has existed in the antiquarian market for decades, is new to trade bookselling.

Bookstores devoted to science fiction, children's books, cookbooks, inspirational and self-knowledge books, occult, photographic books, architectural books, mysteries, craft and hobby books are appearing everywhere and with regularity. These bookstores have chosen to specialize and excel in a specific area; and hence, they often offer to their customers an encyclopedic knowledge of their subject. The launching of these speciality stores makes sense in that new people attempting to get into the trade may be convinced that little room exists for a new general bookstore which would be in competition with an established independent or with chain stores.

In addition to interest-oriented speciality stores, new stores are appearing that are motivated by a special concern or ideology. Most cities now have stores devoted to women's studies, and gay bookstores for both genders are not uncommon.

But in the absence of any statistical data, there is no sure way of knowing how widespread the tendency is among new booksellers to specialize. Nevertheless, there is some evidence that the attraction of such bookselling will grow throughout the 80's and beyond producing a marketplace in which bookselling is much more diverse and fragmented.

In 1981, figures were produced in the United States which indicated that in that marketplace, speciality stores (in the sense of the store being limited to one or a few subjects and offering great depth of stock and product knowledge) in 1980 - already - accounted for 16.9% of book outlets. This figure did not include religious,

all paperbacks, or college stores. General bookstores according to the same source accounted for 31.4% of all stores (from "Business as Usual" by Paul Doebler in Book Industry, 1981, Book Industry Trends Inc.).

From a consumer point of view such diversification may indeed produce benefits, but it will not leave the already strained distribution system for books in this country unaltered. In a marketplace of many more outlets for books, each outlet interested in only a small segment of a publisher's list, distribution will need rethinking.

Also consider the likelihood that more and more retailers outside the prescribed limits of the book trade proper may wish to carry books relating to their area of retail activity. As mentioned, cookingware stores may wish to carry a selection of cookbooks, computer stores a selection of computer books. As the market fragments and alters the implications for a publisher's sales, his sales force, accounting department and distribution facilities are profound. Once again it is worth noting that in the U.S. books are noticeably in evidence in "non-traditional" outlets and much more so than in Canada.

When attempting to devise useful strategies to cope with this more dispersed and specialized marketplace, publishers would do well to consider whether their current indifference to the idea of distributed inventories, regional warehousing and a greater support of wholesalers is in their own interests.

Based on the answers to the "Development of Options in Key Sectors of Canadian Book Distribution - Bookseller Questionnaires" and the Consultant's interviews with booksellers across the country, it certainly appears that booksellers would support the establishment of regionally held inventories of publishers' titles. It should be said immediately that acceptance of this idea does not oblige a publishing house to carry a complete selection of all its titles in every region as we shall see.

Application of Computers to the Retail Trade

A unique opportunity exists for booksellers in the 80's: the opportunity to apply computers to two of the most time-consuming and troublesome of their activities. Computers can be of inestimable value when dealing with in-store inventory control and bookseller-publisher communications.

Broadly speaking, in-store inventory control is the capacity to ascertain what a bookseller has on order from what source, what is in stock, what is selling, and all this on a day by day basis.

Bookseller-publisher communications comprise the timely transmission of orders to the appropriate vendor (not necessarily the publisher) and a proper acknowledgment of order status. Is a title in stock, or out of stock? when is it due? This crucial information is all a part of publisher communications.

This bare bones description covers the activities, along with physical fulfilment, which make up the essential work of book retailing. All these functions must improve if the Canadian book trade is to meet customer expectations in the coming years.

Theoretically, the means exist now to supply retailers with accurate up-to-the-minute information about editions, price, availability, location, etc. of any book available to Canadians. But to translate this theoretical capability into practice will be the challenge of the next few years for the industry.

Much has already been done. The Canadian Telebook Agency, an industry-run agency, funded by the industry and the Federal Department of Communications, has for some time been offering booksellers a microfiche service which lists more than 280,000 English-language titles available in Canada. Complete information from ISBN to source of supply is available from the Telebook Agency microfiche.

Although this service is valuable to booksellers who use it, it is just a beginning. Next, the Canadian Telebook Agency intends to offer booksellers the means to use the data base as an on-line search facility. It also plans to offer to booksellers a way to

transmit orders to participating publishers by means of either a "dumb/semi-intelligent" terminal or microcomputer.

The intention of CTA is to offer its subscribers standardized micro-computer packages to assist them in managing their operations. Such areas as inventory control, sales analysis, accounting, word processing and other management information and control applications will be available. As always, cost will be the main consideration as the industry prepares for the future. Cost will determine how widely and how quickly the Canadian book trade will be able to make use of the available technology.

However, for bookstores the new technology can lead to: better control over inventory, less returns, greater turn-over of stock each year, a broader base of titles in-store, improved management of information for decision-making. For publishers the new technology can lead to: better control of inventory, reduced order processing and distribution costs, improved money management, more sales.

The importance of CTA and the new technology in relation to matters of physical distribution will be further dealt with in our recommendations.

#### A Note about the Policy Options as Originally Developed for Testing

The policy options which follow were adopted as a starting point for the bookstore study after discussion with the Federal Department of Communications and many individuals from all sides of the industry. Not all canvassed were equally enthusiastic about all of the options. Discussion did not, however, produce a feeling that any of the following ideas were so bizarre as to be not worth exploration.

They were of course from the outset regarded as tentative, having enjoyed no detailed examination by the bookselling community at large to that point.

In the following recommendations, it was found more useful to combine for purposes of discussion and recommendation the two options relating to institutional sales and bookseller accreditation.

## POLICY OPTIONS

## BOOKSTORE RELATED BOOK CLUB

## Policy Option As Originally Presented

In one way every bookstore is a potential book club. Many bookstores will mail a book to anyone, anywhere in the country. A book reader anywhere in Canada, however remote from an urban centre, can ask a bookstore for a book seen or mentioned in a magazine or paper and receive it. Booksellers will generally send a catalogue - Booksellers Choice, Books for Everybody - upon request.

The use of credit cards, the customer numbers of which can be taken over the telephone or by mail, has simplified ordering of this kind immensely. The bookseller gets instant cash and the need for cheques or billing is eliminated. If not many isolated readers think of bookstores in this way, but resort to U.S.-based book clubs, it is perhaps because book clubs seem to offer better prices.

In the past book clubs have been accepted by all as a subsidiary right, in much the same way as paperbacks are; that is, the right to reproduce a manuscript in a different format than the format which is available in the bookstore. This right might cost the club some money which the publisher then used to offset the printing costs of the trade edition. The book club contracted a printer to do a usually physically inferior edition which it sold to its members at a price lower than the bookstore edition price.

In recent years, however, book clubs have found it better business practice to combine their resources with those of the publisher and use the same edition. This reduces the unit production costs for both. However, the habit of considering book sales as a subsidiary right continues. Economies are realized, of course, for the publisher who has little or no sales or fulfilment costs. Such sales are also seen to be over and above the bookstore sale of a title.



It is also indicated by publishers that book clubs pay more promptly than many bookstores. The consequence is that the book club pays 30% or 40% of the publisher established retail price for what other retailers pay 60%. It is then able to offer cheap prices due to less overhead than a bookstore.

It is a fact that many booksellers are anti-book club. While many will acknowledge that book clubs do expand the potential audience for a book, they also point out that they are in competition and that the competition is unfair.

It is now acknowledged that the majority of book club subscribers reside not in rural areas but in urban centres, centres usually well provided with bookstores. Bookstores regard book clubs as retailers of books who sell to an end user. They sell goods of like quality as their competitors - booksellers - and do not operate within the same discount structure. The feeling is that since they are essentially direct mail retailers and since they are buying finished books from the publisher, they have not bought the right to do anything but sell the books as any other retailer would by mail or any other means.

Given the feelings of Canadian booksellers in this matter they might react favorably to the concept of a bookclub with bookstore affiliations.

#### Booksellers Response to Options

When asked in the questionnaire: "What do you think about the possible development of a bookstore-affiliated book club where members get price savings (possible because of discounts received by booksellers) in return for ordering a certain number of books over an established period of time - does this sound like a good idea?" 37% of respondents said yes, 32% said no, and 31% said they didn't know.

Pressed in interviews to consider the details of such a club, booksellers could really only see an advantage to them in terms of more in-store traffic generated by the club and thus potential increased sales. Responses solicited through the questionnaire, rather than

direct interviews were similar. Out of a low response - 61% of booksellers responded - about 75% saw a book club as a potential way of producing more business and 50% saw it as a traffic builder.

In July 1984, at a meeting with CBA executive director Serge Lavoie and members of the CBA board, the idea was once more examined and again opinion was divided as to the merit of such a plan. There is apprehension about its accounting complexities.

Additionally, the decided view of almost everyone consulted was that a book club offering only Canadian books could not succeed. In short the Consultant did not discover any support for the idea strong enough to warrant further development.

#### RECOMMENDATION

It is recommended that the Department of Communications not pursue the idea of a bookstore related book club until a concrete proposal arising from within the industry is offered for evaluation. If such a proposal does come forward for discussion, the CBA should be involved in discussions at an early stage.

#### INVENTORY WRITEDOWNS

##### Policy Option As Originally Presented

While it is currently possible for a retailer to devalue his unsaleable inventory against taxable income, the real reduction in net profit is often unappealing to retailers who often have little enough of it to write against anyway. As a result, returns to the publisher wherever possible are undertaken and this is, of course, a bad business for both parties. Some system which might provide the retailer various markdown levels on a progressive basis, might serve as a useful stimulus to making the retailer keep the books on the shelves longer. In the bitter end, for example, the entire price of

the book may have to be written off. It might then be used promotionally and sold at bargain prices.

The periods involved could not be too long or there might be a danger of clogging the bookstores with unsaleable inventory. However, some discussion of a scheme which progressively credited booksellers for books which would normally be returned to the publisher but are instead kept in stock beyond a certain period would seem to be worth discussing.

#### Booksellers' Response to Options

Booksellers were asked this question in the questionnaire: "Consider a situation in which participating book publishers offer increasing discounts on books kept in stock by booksellers. As the "value" of the books decreases, the selling price of the books could be decreased with compensation to the bookseller to cover a portion of the reduction of the selling price. How often would you take advantage of the opportunity to retain Canadian-authored books and writedown their value if such an opportunity existed?" 56% of the respondents said they would take advantage of this option often or very often, 31% said not very often or never, and 13% didn't know how often.

The normal period in which a book is returnable to the publisher is between three months and twelve months. Answers to the questionnaire revealed no essential difference between CATS and non-CATS when booksellers estimated their returns. 64% estimated that they return between 0 to 20% of the books they were holding for more than three months, but less than twelve months. This figure conforms to industry information which conventionally estimates returns as running between 15 to 20%.

Returns are a serious problem for the entire industry, and booksellers do not seem averse to working out alternatives to the current system: for instance, offering books at reduced prices to the public - books that would otherwise be returned. It would be oversimplification to underestimate the very considerable difficulties which would have to be solved before such a scheme could be

implemented by publishers of CATS. However, there is an opportunity for publishers to short-circuit - at least selectively - the costly business of accepting returns and then of selling remainders, by acting decisively to lower the price of a book once it is clear its sales potential has diminished significantly.

#### RECOMMENDATION

It is recommended that the Department of Communications, in consultation with Association of Canadian Publishers and the Canadian Book Publishers Council, and the Canadian Booksellers Association, determine if a plan could be designed which would permit the "Instant Remaindering" of appropriate Canadian-authored books in bookstores.

#### LOCATION SUBSIDY

##### Policy Option As Originally Presented

Just as manufacturers are given incentives to locate in certain economically depressed areas, or as the Department of Regional Economic Expansion gave capital building grants to factories and warehouses who locate their firms in designated areas, so might booksellers be given subsidies to set up in certain areas.

The subsidy might take the form of a rent compensation payment or of a subsidy to the wage component of the operating statement. For example, if the sales in a given town are below the agreed upon minimum deemed necessary to support a bookstore - for example, \$75,000 a year - and wages and salaries are expected to comprise 15% of that, or a total of \$11,250, recognizing that it would be impossible for an employer to hire help with that amount of money and have any kind of incentive to stay in business, a geographically determined subsidy might be used to upgrade salaries to a reasonable level.

In the case of two people, for example, in such a situation, instead of both of them netting \$11,250 jointly it might be upgraded to the equivalent of \$4.00 an hour each, or some such figure, depending on a number of factors to be determined. In this case the combined salary allowance would be \$16,640, \$11,250 of it coming from the store. The \$5,390 grant would probably be well below what it now costs to remove a person from insurance and into alternative career training.

The rental subsidy argument would operate in the same way. If a store were only grossing \$50,000 and could thus only generate \$4,000 for rent or \$330 a month - insufficient to rent the necessary 1,000 square feet in almost any small town shopping centre or main street location - a similar arrangement could be worked out until the gross volume of the store achieved an adequate level, at which time the subsidy could be discontinued.

Any aid of this kind might, of course, be connected to some kind of guarantee by the bookseller to maintain certain kinds of Canadian book inventory.

How booksellers would react to this kind of direct aid with conditions is extremely difficult to say, but the difficulties of introducing bookstores into small communities and thus introducing Canadian books into those communities are so formidable that every avenue which offers any hope of acceptance seems worth exploring.

#### Booksellers Response to Option

Booksellers' response to the idea that subsidies be made available to people wishing to launch bookstores in areas where the book buying public is probably not large enough to support a bookstore without government assistance were mixed. 39% said they thought the idea was good, 39% said they opposed the idea, and 22% declined to answer.

In the personal interviews conducted by the Consultant a definite bias against such direct government involvement in the establishment of retail stores emerged. Established booksellers, especially those of large and medium size, argued that a good deal of their business springs from the surrounding smaller communities which do not have their own bookstores. Such communities frequently do have access to mass-market paperbacks or even local books (perhaps of tourist interest) on the racks and spinners of general stores, food outlets, variety and gift shops, but the more serious book buyer, established booksellers contend, happily pursue their interests either by trips to larger metropolitan centres or by ordering through the mail or by telephone. Naturally, booksellers in large nearby centres welcome these customers and say that the customers are no more disadvantaged in their book purchases than in any other of their purchasing activities.

According to the established booksellers, this pattern of consumer activity is well accepted by non-urban dwellers and they argue that an attempt to establish book outlets - which in themselves are not commercially viable - in order to marginally facilitate book buying would constitute an unwarranted interference.

Furthermore, established booksellers, when questioned, do not seem at all anxious to expand their own operations in this direction. Instead they prefer to service their outlying customers from their urban-centred stores. Even among those booksellers, who in principle, endorse the establishment of book outlets in smaller communities, their expectation is that someone else should do it. Basically, it appears that booksellers believe that people obtain the books they want even when they are not living down the street from a bookseller.

Referring back to book postal rates, it too, supports the idea that booksellers do business at a distance and welcome orders from outside their immediate vicinity. 93% of booksellers said that special orders constituted a worthwhile activity and 92% have developed special company policies for attracting and completing these orders. 61% will accept credit card numbers over the telephone from the purchaser. And since 75% accept VISA and 53% both VISA and MasterCard, credit card ordering is presumably growing.

Clearly ordering books from a distance by credit card is an incentive to the customer not in close proximity to a bookstore. Also the size of an order does not seem to be an obstacle for someone trying to order books from a distance. 87% of respondents indicated that they would handle any size special order and 80% even indicated that they would accept orders for any publisher's books, not feeling limited to taking orders only for books which could be sent to their regular suppliers.

Since 86% of respondents use the mail to supply books to customers, there is every appearance of a brisk intercourse between book buyers who cannot, or chose not to shop in person, and the booksellers sampled.

This data leads to the observation that bookselling and dissemination of books across the country is by no means limited to larger urban areas. As one publisher remarked, "It is virtually impossible to shop in any reasonable sized retail area and not find a bookstore." This is certainly the case in urban centres and to a surprising extent in country malls and small town plazas, although a good deal of bookselling operates in conjunction with other merchandising in such locations. Often books are the merchants' first love and the sidelines or other goods make his or her retail situation viable.

In the Study of Retail Bookstores (1984) by Just Marketing Research Ltd., the point is made that many bookstores carry a very high proportion of other merchandise. It may be that "bookstores" heavily dependent on sidelines, penetrate far deeper into the book market than is commonly supposed. Clearly, this type of book retailing, which exists largely outside the CBA and its services, deserves more exploration.

According to the above report and a scrutiny of the yellow pages of regional phone books, the number of book outlets in Canada is much larger than has been supposed. It would be useful to know who stocks these outlets and what kinds of books are ordered by the proprietors.

But as far as the idea of subsidized bookstores goes, the opposition basically resides with existing retailers. Objections to subsidization often revolve around the issue of subsidized and non-subsidized outlets existing in the same market area and competing for trade. And opposition was not allayed in the personal interviews when the Consultant suggested it as a means of possible expansion. Some communities were perceived by booksellers to be untenable for a reasonable trade. Booksellers generally were not enthusiastic about setting up retail outlets in communities that they perceived as untenable trade centres, with or without the inducement of a subsidy.

Significantly, many booksellers are reluctant to encourage the creation of any government assisted programmes, even temporary ones, for fear of them becoming a permanent part of their scene. Booksellers seemed to believe that even if a programme was designed to provide initial assistance for salary or rent until viable levels of business were reached, they might find themselves permanently dependent on this assistance. As well, booksellers were concerned that such a programme of subsidization for new book outlets in outlying regions, could lead to unwise business decisions. Eager individuals anxious to open (or expand) a bookstore might not use good judgement. Besides, decisions about who, where, and when to open these subsidized stores would be extremely difficult to make, according to booksellers surveyed.

Generally, as mentioned, most established booksellers believe that book buyers in outlying areas, are being served in some adequate way. And so the prospects for policy intervention in this form does not seem advisable.

#### RECOMMENDATIONS

Bookseller interest in location or staff subsidies, in the form prepared originally for this report, does not seem to be worth pursuing. Instead it is recommended that the Department of Communications retain an alert interest in examining any detailed and concrete proposal advanced by any of the book trade organizations: that would facilitate the expansion of independent book retailing or



outlets for Canadian books supported by some form of subsidy. Any proposals, however, should be open to the scrutiny of the CBA since difficulties may exist not immediately apparent to other sectors of the book trade.

### BOOKSELLER CLEARING HOUSE

#### Policy Option As Originally Presented

A central clearing house for a bookseller's accounts with all his suppliers operates successfully in a number of countries. In countries with a central clearing house, booksellers opinion is that it saves time and reduces the labour involved in dealing with suppliers to a minimum.

An organization of this kind could be of significant benefit to Canadian booksellers; its advantages are self-evident, and it would be quickly and widely accepted. While not difficult to operate, the clearing house would require start-up capital for software and hardware, at which point, it could probably operate on a break-even basis, on a fraction of a percentage point and on the interest generated by an industry float, managed properly in short term notes and investments. Access to such a facility for booksellers might be tied in some way to accreditation and the stocking of Canadian-authored books.

#### Discussion of Response To Option

Concern about an already lengthy and demanding questionnaire precluded the inclusion of questions relating to the desirability of a Bookseller Clearing House for the Canadian book trade. But in personal interviews with the Consultant, it was confirmed to his satisfaction that a high degree of support for such an agency exists.

## RECOMMENDATION

It is recommended that the Department of Communications be prepared to regard with favour any sufficiently detailed and responsibly presented request for assistance to create a Bookseller Clearing House which might operate along lines similar to those originally described in the policy option. Ideally, the initiative for this projects should be generated from within the industry, particularly the retail sector.

## SUBSIDIZED POSTAL RATES

## Policy Option As Originally Presented

Booksellers are poorly informed about the issues surrounding the federal government's subsidized postal rate. But there is an increasing body of opinion that believes that the subsidization might be better used to the benefit of the book industry.

An amount of \$55,650,000 has been established as the Concessionary Postal Rate Subsidy for fiscal year 1984-85. This is intended to compensate the Canada Post Corporation not only for book rate, but also for concessionary rates available to second class newspapers and periodicals, library books mailed to and from patrons, inter-library loans and educational films. Research conducted in 1982 has enabled the Department of Communications to estimate total volume mailed at the Book Rate at approximately 18.5 million pieces per year. The largest users are publishers themselves at 13 million pieces, of which 12.6 million are direct shipments to consumers, and the balance to intermediaries such as bookstores. The only other large users were direct mailers at roughly 4 million pieces, again, direct to the consumer. Booksellers initiated 400,000 shipments, 300,000 of which were direct to consumers and 100,000 to intermediaries (i.e. returns) (these estimates pre-date the Freight Consolidation Plan, but should not be significantly affected by it since the overwhelming number of shipments using the Book Rate are direct to the final customer). At 1983 concessionary rate levels, total postage would amount to \$14.2 million. At full commercial rates, these same mailings would have cost an additional \$12 to \$14

million.

Although booksellers might initially protest the idea of changes in the book rate, the hard truth is that it helps their competition far more than it helps them.

With the advent of improved industry distribution systems for the retail trade, booksellers may rely less on the postal service than in the past. However, it is difficult to envision any reasonable alternative developing for the distribution of small book parcels - whose under 5 lbs. - and the most appropriate solution would probably be a system of registration so that access would be open only to legitimate users. Such a system is now in place for periodical second class mail.

It might also be pointed out that the abolition of the postal subsidy could produce a major competitive advantage for retail booksellers. For example, the price to consumers who order their books from a foreign book club would increase significantly, and the incentive to buy from a local store would increase. The same incentives would apply to professionals who buy books directly from foreign publishers. Likewise abolition of the postal subsidy would be an impediment to direct mail importers and to bulk mailers from Britain and the U.S. who use the Canadian postal system to ship books to their accounts in this country and abroad.

#### Booksellers Response to Option

Of the booksellers who responded to the questions regarding the existence and use of the current subsidized postal rate, 76% were aware the subsidy existed and 24% were not aware of its existence. 94% of the respondents thought the subsidized book rate was a good idea.

When booksellers responded to questions concerning their reliance on the post for order fulfilment, it became clear that the postal service is still important to booksellers. 86% of the of the respondents use the mail to send books to customers and 87% do this regardless of how small the order. The post, then, is clearly a significant method of getting books delivered to readers.

Only 6% of respondents, when asked how satisfactory they found the mail as a means of sending books to customers, answered unsatisfactory or very unsatisfactory. An overwhelming 77% found the mail to be satisfactory to very satisfactory and a further 17% declared that the mail was neither satisfactory or unsatisfactory.

Significantly, booksellers did not cite any other widespread method of shipping books to customers. Booksellers make sparing use of courier services.

Overall, booksellers rely on the mail. During the personal interviews conducted with booksellers, they were anxious to confirm their reliance on the post and to identify the great improvements in both delivery times and the reliability of the post office in recent times.

The postal rate seems to be particularly valuable when shipping one or two books and no other method is economically viable.

Also publishers appear to send books to retailers by the mail if the shipments are too small to economically travel as part of the industry freight consolidation plan. Publishers, booksellers and the Canadian Book and Periodical Development Council argue that book rate continues to be important to booksellers.

Although it is difficult to quantify more precisely the amount of books traveling by mail, it is safe to say that the removal of the book rate would constitute a hardship for large numbers of booksellers and publishers - and probably the smaller ones would be hardest hit.

It is unfortunate, however, that a service so valuable to Canadian-controlled publishers and booksellers should also create inadvertent benefits of such magnitude for foreign book clubs and publishers in foreign countries who ship in bulk to Canada and then break up these shipments for delivery to Canadian customers and others through the post. The shipments, of course, take advantage of the same subsidy as do those of Canadian booksellers and Canadian controlled publishers.

## RECOMMENDATION

In the event that the Department of Communications considers discontinuing the postal book rate subsidy, it should do so only after discussion with the book industry.

The Department of Communications should develop a method, in consultation with the book industry and Canada Post, of licensing access to a special book rate for Canadian bookstores, publishers and appropriate sectors of the trade.

## BOOKSELLER ACCREDITATION AND INSTITUTIONAL SALES

### Policy Options As Originally Presented

#### BOOKSELLER ACCREDITATION

This issue is an extremely sensitive one. Direct government involvement in what has previously been a completely laissez-faire system is a delicate matter. In Canada it is still possible for anyone with a few thousand dollars capital and access to either publisher or bank credit to open a small bookstore.

However, if one accepts the premise that some bookstores are an integral part of the cultural scene, a view well accepted in Europe, but perhaps much less so in North America, then it is logical to expect them to meet certain criteria.

It might be argued that if booksellers expect to reap some of the benefits of this philosophy and enjoy a share of government support for their activities they should be prepared to meet certain criteria for standards of professional education and service. At the same time, booksellers would wish to participate in the decision making process establishing these criteria.

When examining the idea of accreditation, the issue most contentious to booksellers would probably be the nature of the control over inventory. If a retailer is responsible for buying the inventory with his or her own money, then it seems that control must lie ultimately with the bookseller. If, however, this situation were altered by the introduction of subsidies, credits or other incentives, then a voluntary system which allowed booksellers to opt into accreditation could possibly work. If one wished to become an accredited bookseller and reap the benefits of government subsidy and perhaps institutional sales, then one would accept certain obligations. Of course, booksellers could continue to remain totally independent.

Access to government support need not, of course, take the form of direct payment of funds to participating booksellers. Such options as free or subsidized use of the Canadian Telebook Agency's system, especially as it becomes an electronic system using bookstore terminals, might be attractive. A program which provided Canadian publishers with the means of supplying participating bookstores with free sample copies of Canadian-authored books for display, in order to test consumer reaction would be useful. This might be linked to the bookstore having access to public library purchases of Canadian titles.

#### INSTITUTIONAL SALES

Probably the major problem which retailers in Canada face is the lack of a capital base upon which to plan expansion. So very few people come into the retail trade with adequate working capital, hoping instead to contribute to that capital from operations as the years go by. Too often, of course, this volume never materializes. In almost all European countries retailers sell to institutional accounts of many kinds, mostly public libraries.

While these books may often be sold on shorter margins than to the general public, they provide a good capital base upon which a successful retail business can be built.

Access to institutional sales will also usually have an effect in

improving the range and quality of a retail bookstore's own inventory, since as time passes and the bookseller becomes accustomed to anticipating library demand he will buy in advance of library orders, more speculatively, and the books acquired for this purpose will spend some time on the retailer's shelves.

Canadian publishers, agency or otherwise, have been laggardly in encouraging bookstore sales to public libraries, schools, government, etc.

Though individual publishers have from time to time attempted to develop policies which would assist booksellers in developing this market, historically they have preferred to attempt to retain this business for themselves in the form of direct sales. One consequence of this has been a gradual loss of the large public library market to foreign wholesalers, since libraries as a general rule prefer not to deal with a multiplicity of publishers. Books are more easily obtained from one source.

Ironically, agency publishers who often use the argument of cross-over capital on their own behalf seldom, if ever, are willing to accept the same argument when it is posed by booksellers. Agency publishers do use the profits from the sale of their imported books in more speculative activities such as publishing their own titles, and it appears highly likely that booksellers also would use the increase in sales to institutions to expand and vary their inventory.

If publishers and public libraries could be encouraged to regard bookstores, perhaps accredited bookstores, as the source of their books - at rational discounts - not only would inventories of CATS expand, but the channelling of institutional sales through retail booksellers could produce a startling growth in retail bookselling. It is the conviction of many in the industry that bookstores would appear in locations where they are not now viable. Small towns, for example, would have bookstores to service the needs of its citizens, libraries and schools. And the ability of bookstores to enhance the quality of its fixtures, inventory, the ability to hire employees, advertise and display new books would improve.

Such a development would probably have a beneficial effect on one of the trade's most worrisome problems, that of returns.

Even if libraries were obliged to buy only their CATS from Canadian bookstores it might be reasonably expected that the major objection to this scheme would arise from librarians. A good deal of discussion would have to centre around the ability of local booksellers to service their community libraries. But the proponents of this scheme remain convinced that most of the objections could be met. For example, a central system could produce cataloguing packets from CCIP data on computers and make them available at a nominal charge. Booksellers, certainly those in urban centres, would have no difficulty in organizing a system which permitted local librarians to see new Canadian books as they appeared.

The time delays in getting new Canadian titles into library collections and into circulation are very considerable, and the experience of those booksellers and local wholesalers who do in fact supply Canadian books to public libraries is that they can make marked reductions in the length of time needed to put Canadian books into circulation.

Whether selling CATS or non CATS a bookseller can sell to institutions, efficiently if he has the tools with which to work. There are, of course, booksellers who may not be able to do so and some kinds of safeguard against such an eventuality would have to be built into the system. In such cases a library clearly would have the opportunity to use another, more suitable, bookseller.

It is worth noting that such safeguards are not in effect now for libraries who attempt to buy directly from publisher-agents; one likely choice of a dissatisfied library would be to begin dealing with a U.S. wholesaler.

#### Booksellers Response to Option

Booksellers responded to questions about accreditation and institutional sales in the following manner. When asked: "What do you think about the possible development of a set of industry-



established and regulated standards and the use of these standards as a basis for the accreditation of bookstores for library and other institutional sales - is it a good idea?" 60% of the respondents said yes, 12% said no, while a significant 22% said they didn't know. It seems likely that the ambivalence of the 22% of respondents who replied that they didn't know may be accounted for, at least in part, by the meagre discussion of this issue by the trade in Canada.

However, two other related questions shed more light on this issue. When asked: "Would it be desirable to have orders from school libraries channelled through your store, 91% said yes. And when asked: "Would it be desirable to have orders from local public libraries channelled through your store", 88% replied yes. Retail booksellers do believe in their ability to service these institutional accounts.

#### Bookselling Standards

Bookselling, as the eminent English bookseller Thomas Joy remarked "is truly a difficult and complex business" and it remains true that in Canada aspiring booksellers learn by doing. Although the Canadian Booksellers Association intermittently operates a series of bookseller schools, and although some booksellers have had the benefit of the National Association of American College Stores or the American Booksellers Association's courses, the vast majority of Canada's working booksellers have learned on the job. There are no generally accepted standards of education, professionalism or levels of customer service by which excellence, or indeed, adequacy in bookselling may be judged. Lack of such standards is a serious problem and one to which the retail trade through its association must address itself, if it wishes to make any claims to the institutional market, a market booksellers seem to covet.

Viewed historically, it appears that book distribution in English Canada - who sells books to whom - has chosen to follow the American model rather than the British one. Canadian booksellers and their publisher/suppliers seem to have found the more relaxed and entrepreneurial methods of bookselling, typified by the U.S., more congenial than the highly structured British model. Although some

Canadian booksellers wistfully refer to Britain, where bookstores, to a large extent, still do enjoy the advantages of supplying public libraries, they are frequently unacquainted or have misapprehended the complex and various methods by which the British book trade is controlled.

Firstly, the "Net Book Agreement" by which every British bookseller must abide or be penalized, regulates, in detail, the exact terms on which books are sold to the public or to institutions. This with the "Library Licence System" determines which bookseller can sell to which library. Precisely, a bookseller may sell to a library at a necessary discount only if he or she holds a specific licence for that particular library.

This arrangement - one that would likely have Canadian booksellers frothing at the mouth - is only one of a number of structures present within the highly organized British book industry. Other structures include the "Charter Scheme" a plan under which booksellers who subscribe pursue basic standards of "good" bookselling and dedicate themselves to the maintenance and improvement of these standards. There also exists the "Booksellers Clearing House" where booksellers pay the majority of publishers' accounts by means of a single cheque. There is the "National Book Sale", a sale in which licenced booksellers throughout the country, at the same time, conduct a sale of books purchased from publishers on special terms. And there is the "Book Agency Scheme" which permits certain organizations, churches, clubs, schools, to acquire a book agent licence from the Publishers Association and thus to purchase books at a discount, for re-sale, from specified booksellers.

All these examples of British bookselling and its regulations and standards are provided not as a model, but to point to the dangers of a too ready-acceptance of the idea that successful bookselling by Canadian booksellers could be accomplished in the English way. Neither in the U.S. or in Canada do the equivalent organizations just described exist. These methods have been developed by the British during the last half century.

## Québec

Fortunately, there is a model closer at hand - the Québec model. Here it is possible to examine how a government has successfully channelled library sales through bookstores and to see the benefits accrued by indigenous publishers and the consumer.

The outline presented here is based on the translation (published in 1972 by the Ontario Queens Printer) of the background paper furnished to the Ontario Royal Commission on Book Publishing in 1970 by George Laberges and Andre Vachon. The paper deals with the events in Québec leading to the government's accreditation of bookstores as library and institutional booksellers. Since the publication of the Laberge-Vachon paper, changes have occurred in the Québec book distribution situation, but the essentials remain.

Basically, books bought by subsidized institutions must be purchased from accredited bookstores in Québec. Beginning in 1971, the Québec government implemented orders-in-council which led to control of, among many other factors, the setting of prices at which books could be sold to institutions by booksellers. Matters addressed included ownership, the publishing sector, various categories of book products, and how each should be treated, and, of course, how the existing library suppliers - book wholesalers etc. - could remain eligible to continue to sell their products.

Writing for the Ontario Royal Commission on Book Publishing, Laberge and Vachon said: "it seems that if the objectives sought by the recent ruling are achieved there will be an unprecedented rise of activity in bookselling and publishing in the province. One will find, or at least may hope to find, several bookstores in every area of the province where books are written in French and in particular, books written by Québec authors will be available to a new degree, owing to the new profitability of the regional bookstore".

Québec, as every English Canadian bookseller knows is not English Canada. The discount structure, distribution network, public expectations, and profitability, all differ markedly in Québec from the situation in English Canada. Nevertheless, the Québec model serves as an example of an attempt to grapple with the difficulties of

reorganizing an established, but threatened book distribution system along lines which would better serve accepted cultural objectives.

However, when the Québec government acted to open a new, assured market to booksellers, it did feel entitled to impose some requirements on booksellers. Requirements that do not appear onerous, but did involve the obligatory stocking of Canadian authored books, French language Canadian authored books and certain kinds of educational books. According to the relative size and financial position of the bookstore, the government established standards of inventory, availability and bibliographical reference tools which were necessary for accreditation.

#### Booksellers Response to Policy Option

Both bookseller response to the questionnaire and interviews with the Consultant portrayed similar reasons for liking or disliking the concept of accreditation. About 80% of the questionnaire respondents offered opinions about access to library purchases. Two ideas predominated. 78% saw such sales as a source of increased income and 65% as increased security for their business. Of the respondents who voiced reservations, 35% felt that it would simply be too much trouble, 15% objected and saw the plan as too direct a form of government involvement in the book industry, 11% felt that accreditation would be vulnerable to political manipulation by those administering the scheme.

It is assumed that these policy options would benefit bookstores most by: 1) expanding the range of a retailers inventory on the basis of library demand 2) the appearance of bookstores in locations not now viable 3) an improvement in the elapsed time between publication of a title and its availability for library circulation.

There is no question that increased purchases by publicly funded institutions would go far to alleviate the problems of making up minimum order quantities. And increased volumes mean more rapid and frequent order placement: a benefit all around.

It is worth considering that 68% of respondents replied yes when

asked whether financial considerations were a serious problem affecting the amount of stock they carried. 52% said yes, financial considerations seriously affected the variety of their stock, and 58% felt that yes, it affected their ability to improve their internal systems by the implementation of computers.

As for the encouragement of new bookstores, library sales might well produce a shift in the perceptions about what was a viable location for a bookstore. Possibly certain locations that now exist without a bookstore, would benefit from an infusion of library funds, ultimately making a retail store viable.

The major question is how accreditation would benefit public libraries or if having a regular source of supply close at hand and ready to deliver titles for examination - especially CATS - would benefit libraries and the trade in general.

At this point, it should be noted, that it is not being suggested that all the purchases of all public funded institutions be directed to bookstores. Obviously, many libraries have very special needs which are best catered to by specialists. Books required for the reference departments of university libraries, foreign language editions, antiquarian books or books published uncommercially might all be exceptions. Yet somewhere between the most readily available bestsellers and the most esoteric of restricted editions must surely be a meeting place where retail suppliers willing to take the trouble to qualify for library sales can, in fact, meet many of the needs of a public library or institution.

Although the federal government's jurisdiction does not extend to the direction of public library budgets (see Chapter III, "Canadian Books and The Public Library" by Basil Stuart-Stubbs), the federal government, nevertheless, can make available to public libraries funds for the purchase of Canadian books through Canadian bookstores exclusively.

In proposing this scheme, it cannot be ignored that libraries purchasing CATS through bookstores would pay more for these titles and the publisher would receive less than would be the case if the transaction were direct. So this suggestion would only be tenable

if it produced considerable benefits in the greater cultural scheme of things.

The crux of the matter is that a plan that produced benefits only for retail stores, but reduced the number of actual Canadian books purchased by libraries because of lack of funds, would not be desirable. Books bought through a retailer would be more expensive than those purchased directly from the publisher. Therefore, additional funds are needed to allow and encourage libraries to maintain or increase their acquisition of CATS.

"The Canadian Book and the Public Library" portion of this study indicates that about 80% of public libraries in Canada have either written or unwritten selection policies favouring CATS. The study further concludes that CATS account for about 14% of total catalogued collections and consume about 15% to 20% of available book budgets.

At the same time, the major deterrents to the selection of more Canadian books by libraries seem to be an absence of relevant books, limited funds and lack of information. Perhaps co-operation between libraries and retail booksellers could eradicate some of these difficulties.

We have seen that for the federal government the option to direct public library budgets does not exist, that prerogative is entirely provincial.

Similar difficulties exist in the area of university and college libraires. In this matter it is the provinces which must be convinced of the utility of such actions.

However, in areas where the federal government has authority to direct the expenditure of funds for book purchases (for example federal government departments agencies and libraries across Canada) it would seem to require only the conviction on the part of the government that such a measure is useful for the necessary discussion to begin.

Should such a conviction be arrived at the federal government may think it appropriate to direct that books sold to its agencies by Canadian booksellers should be acquired from Canadian agents where they exist and not imported directly by the bookseller.

It may also wish to stipulate in some way the currency conversion rates under which the prices of imported foreign books are converted to Canadian dollar prices.

Regulations governing the manner of distribution of orders by government libraries and institutions to booksellers (matters of bookstore accreditation, performance, region, Canadian ownership, etc.) would probably be necessary.

In all the above matters reliable information regarding the Québec experience would undoubtedly form a valuable basis for discussion.

#### RECOMMENDATIONS

It is recommended that the Department of Communications, working through an appropriate agency and in consultation with public library, retail bookselling and publisher's organizations, devise a programme for the support of the development of collections of Canadian-authored titles in public libraries. The essential elements of such a programme would necessarily include: the availability of new funds for public libraries to purchase CATS through the retail book trade; and the availability of modest funding to assist the appropriate agencies in establishing a set of minimum standards for retail booksellers wishing to supply public libraries with CATS. The standards would naturally encompass matters such as bibliographic reference tools, a basic minimum Canadian inventory (established by dollar value or number of volumes, not by title). Other services might involve the delivery of sample CATS at regular intervals for inspection by ordering librarians.

An important requirement for bookstores engaged in this programme might reasonably be subscription to the Canadian Telebook Agency Microfiche service and membership in the Canadian Booksellers Association.

It is further recommended that, subject to a suitable set of standards being arrived at in consultation with the Canadian Booksellers Association, the Department of Communications be prepared to advocate to the appropriate federal government authority that libraries and organizations over which the federal government exercises the necessary control be directed to use Canadian-owned booksellers as suppliers of books.

Further it is recommended that the Department of Communications initiate a study of the Québec experiment with accreditation of bookstores as designated suppliers to publicly funded institutions. The study should be made available to any book industry agency in English Canada which might wish to use it in evaluating the appropriateness of urging the other provinces to inaugurate a programme similar to the one in Québec in regard to library purchases.

Further it is recommended that the Department of Communications initiate a full and detailed study documenting the buying practices of public libraries in Canada. The study would analyse particularly the expenditure of public library funds with foreign wholesalers and/or jobbers. An essential part of the study would be an attempt to calculate the relative value achieved on landed imported books and an estimate of equivalent cost of acquisition via a Canadian agent where such exists.



## VOUCHER SCHEMES

## Policy Option As Originally Presented

We wish to suggest a serious examination of the likelihood of developing a national scheme which would operate in a way similar to the Wintario Half-Back program. In this program non-winning Wintario lottery tickets become 50 cent coupons for the purpose of purchasing selected cultural products - for our purposes, Canadian books.

This idea has widespread support throughout the book industry, and in addition was recommendation number 11<sup>3</sup> in the chapter entitled "Marshalling Resource: the Political Economy of Culture", of the Applebaum-Hebert Federal Cultural Policy Review Committee Report which regards such schemes as offering "significant potential benefits as instruments of cultural policy, which should not be neglected by the federal government." Such a voucher scheme could have uses beyond the simple and highly desirable one of allowing consumer/readers to subsidize their purchase of Canadian-authored books.

Such a scheme could be contrived so as to have the effect of directing public library, school library and other institutional purchases into bookstores. It might thus be used in conjunction with other possible options outlined in this report.

## Booksellers Response to Policy Option

Booksellers were asked the following question: "How do you feel about the possible introduction of a new programme (like the Wintario Half-Back Programme) where purchases of certain products could produce coupons or vouchers applicable to the purchase of Canadian-authored books. Would you support such a programme if non-

<sup>3</sup> Report of the Federal Cultural Policy Review Committee, Department of Communication, 1982, p.81.

winning lottery tickets were used as vouchers applicable to purchases of Canadian-authored books." Of the booksellers who responded, 86% said yes, 6% said no, and 8% said they didn't know.

In Ontario, during interviews, booksellers reiterated the benefits of the Wintario Half-Back programme and how successfully it had increased their sales of CATS. As well, booksellers located outside Ontario were knowledgeable about the Half-Back experience. No doubt, this was due to conversations at the CBA trade fair and the activities of Dianne Woodman. (During her travels on behalf of the Book and Periodical Development Council, throughout the west, in pursuance of a Western Half-Back programme, she spoke to virtually everyone who might be concerned with this idea. Her report, "Western Half-Back Project, November 22, 1983. BPDC, Toronto," clearly documents the tremendous support for the plan throughout the west).

As a reminder of the extraordinary success of the Ontario Half-Back programme, the following is an excerpt from the Woodman report to the Book and Periodical Development Council outlining the effects of this plan:

In 1978, the Department of Culture and Recreation in Ontario initiated a programme whereby Canadian cultural products could be purchased at a discount with non-winning Wintario lottery tickets which become 50 cent coupons.

The program is funded through Wintario lottery profits and four programs have operated over the past five years.

The first Half-Back program ran for three months in 1978 and provided a maximum 2 dollar rebate towards the purchase of Canadian periodicals and books. During that time, 225,000 Canadian authored books were sold through retail bookstores and 100,000 subscriptions to 100 Canadian magazines. Nearly 1,200,000 tickets were redeemed for close to \$600,000.

In 1979, a five-month program was initiated for Canadian records and films and again provided a maximum of \$2 rebate. Approximately 200,000 records and tapes were purchased and 200,000 admissions to movies. Around 1,500,000 tickets were redeemed for a total of \$600,000.

Canadian-authored mass market paperbacks and performing arts companies were the beneficiaries of the 1981 Half-Back campaign. 996,166 tickets were redeemed during a six-month program for purchases of 180,000 paperbacks through book and newstand outlets and 220,000 admissions to live theatre performances. Maximum rebate was \$1 per book, \$2 for admissions to dance, theatre and music programs.

Ontario recently operated its most ambitious Half-Back program to date. It encompassed books, magazines, performing arts and cultural institutions.

The book section of the program ran from November 1982 to the end of May 1983. Tickets could be applied up to \$15 or 50% of the price, whichever was less. Over 7-million tickets were redeemed through bookstores and wholesalers by libraries and the general public, for a total of \$3.7 million. Libraries accounted for 16% of the total, or approximately 1,200,000 tickets.

There has been overwhelming support for the Half-Back program in Ontario, not only from cultural groups but from the general public.

In the latest survey done for the book program that concluded the end of May, 1983 78% of book publishers stated that sales of Canadian-authored books were higher in Ontario than they would have been without the program, 92% of bookstores felt that the program had been effective in increasing customer selection of Canadian books over foreign books, and 43% of customers surveyed stated they could not have purchased at least one of the books they bought if it has not been for Half-Back.

The Half-Back concept has earned an international reputation for its innovative approach to audience development of cultural products. The president of the Australian Booksellers' Association is currently studying the Ontario experience with a view to its establishment in his country.

Of all the methods tried, so far, to increase the direct sale of Canadian books in bookstores and the acquisition of Canadian books by libraries, the Ontario Half-Back programme, is without question, the most effective.

We are in complete agreement with the Applebaum-Hebert report when it states that such programmes as the Ontario Half-Back programme, provide a means of injecting resources into cultural activities and of expanding the markets for cultural products. At the same time, voucher style schemes allow the consumer to make the decisions about where and how to channel these resources, while the government simply provides the tag - or the definition - of what products are eligible for vouchers.

Public libraries also find this scheme attractive. In the library section of this report, "The Canadian Book and the Public Library" by Basil Stuart Stubbs (p.134-6), he outlines the benefits to libraries and offers suggestions as to how it might be used to encourage library purchases through bookstores as did the Ontario Half-Back programme.

#### RECOMMENDATION

It is recommended that the federal government, in consultation with the appropriate industry organizations, design a national voucher-style programme along the lines of the Ontario Half-Back scheme. However, it is not essential that this plan be organized around non-winning lottery tickets. Other means of placing value vouchers in the hands of consumers may exist that are more convenient and practical for the federal government to undertake.

One of the primary objectives of this plan would be to encourage book buyers, whether private or public, to direct their purchases to retail bookstores.

## OTHER POLICY RECOMMENDATIONS

The following policy recommendations do not arise directly from the original policy options, but they do relate directly to the concerns expressed by booksellers in the questionnaire "Development of Options for Action in Key Sectors of Canadian Book Distribution" and from the personal interviews with the Consultant. They also relate to the options in the two other sectors of this report, the library and mass-market paperback sectors.

These options are in our view key to any action the Department of Communications may take on behalf of Canadian authored titles in the future.

## Book Marketing Council Recommendations

Booksellers, librarians and mass-market distributors are certainly in agreement about one thing and that is that promotion aimed at the consumer of CATS will lead to greater awareness and eventually greater demand for Canadian authored titles. The hope is that greater demand will lead to improved distribution of CATS: including wider distribution, greater presence in inventory and library collections, more readership, and greater sales and circulation. All these benefits, cultural and commercial ones, rest on the premise that successful consumer-oriented marketing and promotion will create a more robust atmosphere for CATS.

Reviewing current consumer-oriented marketing and promotion, it has been shown that such events as the National Book Festival and the Governor General Awards leave much to be desired. And that such organizations as the Canadian Book Information Centre, and the Children's Book Centre seem to exert relatively little effect in the real world of book sales.

But the situation, even with its deficiencies, is open to new solutions. In fact, all these problems could be addressed by the formation of an organization which, for the purposes of this study, will be called the Book Marketing Council.

The fourteenth recommendation in the Report of the Federal Cultural Policy Review Committee (the Applebaum-Hebert report) is that the federal government assist in the formation of a non-governmental organization devoted to the marketing and promotion of the arts in Canada. This idea applied to a book marketing and promotion organization is valuable when taken in the context of the existing industry organizations.

Throughout the "Development of Options for Action in Key Sectors of Canadian Book Distribution" study, the Department of Communications is being urged, by all sides, to deliver new funds to boost the marketing and promotion of CATS. During this study, the idea that more money might be offered to individual Canadian publishers and that this money be specifically earmarked for promotion, has arisen. Such action would undoubtedly produce some benefits. But ensuring a truly efficient use of these dollars would prove troublesome. As well, the past performance of funds directed into the industry has not always been as beneficial as expected and the idea of increased funding to individual publishers earmarked for promotion has been rejected in this study.

Instead the idea of a central agency, formed to concentrate on the promotion and marketing of CATS by genre or subject and which would provide a framework for publishers individual efforts is seen to be much more suitable.

In developing the recommendation, discussion with the Canadian Book Information Centre was undertaken. Its lack of presence in the retail sector was not omitted from the discussion. But more is being done at the CBIC than is immediately apparent. CBIC director, Gordon Montador exhibited his understanding of the necessity for high quality and timely promotion. Subsequent research into the marketing and promotion efforts in other countries and other trades,

suggested that in an adequately funded and somewhat reorganized CBIC, the Canadian book industry might have the vehicle it needs to engage in effective marketing and promotion.

At present, the CBIC handles a Governor General's Awards short list promotion poster - with a media event planned for 1985. It also handles the young fiction writers promotion. It organizes and distributes about a dozen co-operative publishers' mailings to the trade, schools, and Canadian studies markets each year. Its contacts extend into all sectors of the industry: independent bookstores, chain bookstores, public libraries, provincial departments of education and other government centres. It has offices in Halifax and Vancouver, as well as Toronto.

The CBIC was founded in 1975 by the Association of Canadian Publishers. It was to serve as an organization that could promote the value of Canadian books in general. If the CBIC is not currently the force it would like to be in the marketplace, the reason might be its chronic lack of funds. With grants from the Canada Council and the Ontario Arts Council totaling about \$250,000, the CBIC is not in any position to tackle the really big issues of marketing and promoting Canadian authored titles.

It is, however, the base upon which the much needed Marketing Council could be constructed.

Administered as it is by the ACP (and well administered by all accounts) the CBIC, at present, encompasses too narrow a mandate to be effective in the most difficult and perplexing areas - those consumer areas where the increased sales of CATS must be achieved. But its main activity - the promotion of Canadian authored books, published by Canadian-controlled publishers - is the essential one which must remain paramount in any restructuring even if that mandate needs to be made more sophisticated and effective.

It seems unlikely that the ACP would favour the establishment of any alternative body apt to consume "marketing dollars". On the other hand, other segments of the book trade (and probably consumers too, if they were asked) would be unwilling to support a scheme which penalized Canadian authors who published with foreign-controlled

houses. Publishers such as Penguin, Methuen, Prentice-Hall, Oxford, Doubleday, and Collins introduce many Canadian authors to the market and their exclusion from a new marketing council does seem unreasonable. Hence, some means must be found of bringing such publishers into the fold of a Book Marketing Council.

Already, the CBIC, in its advertising and poster promotion includes the CATS of non-Canadian-controlled publishers, although these titles are excluded from its display programmes and the many catalogues it produces. However, it seems that if the industry comes to accept the idea of a Book Marketing Council, discussion would reveal ways in which the CBIC could overcome its shortcomings, and problems of the sort concerning ownership of the publishing houses releasing CATS could be dealt with.

One method of overcoming the problem of ownership might be to charge a membership fee based on available services or participation in programmes, and then to give Canadian controlled publishers a substantial discount. Another solution might be to have associate members whose fees are higher than those of Canadian owned publishers. In this way while foreign controlled publishers would derive real benefits from the marketing council's activities on behalf of their CATS, they would not be subsidized.

Another essential point about this new council is that the governance of it would need careful consideration. Complex, time-consuming and activity-delaying boards must at all costs be avoided. The key to good promotion is appropriateness and timeliness and the staff in charge of the day-to-day operations of the Council must necessarily possess a good deal of decision-making authority.

To be effective, it would be necessary for the board of directors to extend beyond members of the ACP. Both publishing associations, the ACP and CBPC, booksellers, librarians and educators should be represented in order to ensure a wide range of experience and interests.

The twin components of a lean administration and wide industry representation are not incompatible.



Any discussion of a Canadian Book Marketing Council ought to include consideration of its seeking charitable organization status. Corporate dollars could contribute substantially to the budget of this organization. It seems reasonable that a sustained and well-planned fund-raising campaign directed toward the private sector would be successful. The amount of government funding needed to launch and effectively support the promotion of CATS through the new council could be arrived at by discussion and study with all interested parties.

However, it appears that without at least a threefold increase in the funding now directed toward the CBIC no dramatic improvement would be achieved in the marketing and promotion of CATS. And dramatic improvement is what is needed. If the Book Marketing Council is to succeed a substantial increase in the operating and administration budget that is now allowed the CBIC must occur.

#### RECOMMENDATIONS

It is recommended that the Department of Communications initiate immediate discussions with the appropriate book industry organizations and the CBIC to consider the formation of a new body: The Canadian Book Marketing and Promotion Council. These discussions should include creative as well as business people and organizations, and should take note of the contents of this study and the "Retail Bookstore Study" by Just Marketing. Prepared for Department of Communications, 1984.

#### Recommendation Regarding Canadian Telebook Agency

Studying the results of this and other available studies there can surely be no doubt left that timely information about what books are available, where, at what cost, is of crucial importance to the distribution of CATS, as indeed it is of all books.

The industry acceptance of this proposition has resulted in the establishment with Federal Government assistance of the Canadian Telebook Agency.

C.T.A. has gone about its business as speedily as possible and is close to achieving its middle-term objective which can be summarized as follows:

C.T.A. As Information Provider

- Building and maintaining an all-encompassing data base representing all English language books necessary to meet the needs of the Canadian consumers, with special emphasis on Canadian editions and Canadian sources.

- Making this data base available to all booksellers, libraries, and wholesale operations in a timely, effective, and efficient manners such as various sequences of microfiche or via on-line computer search and then, in the near future, on a video-disc storage facility for attaching to microcomputers and searching locally or regionally rather than at a central computer site.

- Provide an electronic facility for exchanging messages (transactions) between the booksellers, librarians, and wholesalers and the publishers, agencies, and wholesalers (in both directions) as well as between the various Associations and their Members, as well as amongst any of the users of C.T.A.'s services. At a minimum, these messages/transactions can encompass any or all of the following examples: purchase orders, status enquiries, returns approvals and notifications, invoices, credit applications, promotional data and advertising materials, meetings notifications, surveys and questionnaires, statistics gathering, etc.

But beyond the immediate and middle-term (not long in a field where the technology advances so speedily) C.T.A. has the potential to play a much greater and more productive role in industry affairs.

The following pages define a series of industry and consumer needs by suggesting C.T.A. based solutions. Taken in total they suggest a potential means of facilitating the Canadian book trades entry into a world of confusing technological alternatives, and of introducing necessary change in an orderly way.

C.T.A. could help achieve this in the following ways:

Industry Standards Agency

- by establishing a Canadian equivalent to the U.S.'s BISAC group (but taking it one step further by setting it up under a formal organization for the book industry to address its Research and Development (R & D) needs and take advantage of the various governmental tax credits programs), C.T.A. can direct and control the development and implementation of technical standards related to computer technology and the subsequent auditing of their usage.

The benefits of a Canadian publishers' R. & D. facility are obvious, especially in this age of rapid changing technologies. As the international publishing community begin to move into electronic publishing, office automation, consumer browsing of information from their home (television facilities coupled with home computers), automated warehousing and distribution facilities, etc., the Canadian industry will most certainly want to compete and will have to be involved from the very early stages to ensure its own unique needs are met (geographic, bilingual culture, population demographics, etc.)

- such major areas as bar coding, automated warehouse distribution facilities, electronic publishing, plus several other applications that will impact the Canadian book industry over the next 2-5 years, readily come to mind, plus areas that relate to consumers and teleshopping and the trend towards home browsing of retail catalogues and self service purchasing/ordering of retail items including books.

Industry Directory Services

- by establishing a Canadian SAN Agency (Standard Address Numbers) to administer the development and implementation and maintenance of an industry-wide unique address/location service (French and English) to facilitate computerized applications, the beginning of a full service, dynamic directory data base will be operational.

- this will be expanded at C.T.A.'s service bureau to encompass other customer/vendor data (customer information file) and can easily, and for incremental costs, be expanded to include any other data needed by the various directory service organizations (Quill & Quire, Ampersand, Governmental and Trade Associations). Consequently, C.T.A. could provide, at a minimal cost, computerized directory data base facilities to any and all of the various interest groups as well as for the large computerized booksellers, libraries, wholesalers, publishers, and agencies.

Development/Consulting Services

- under the umbrella of the R. & D. facility defined above, C.T.A. could provide specialized consulting resources for booksellers and for publishers to assist them in setting their longterm direction relative to computerization, automation, and distribution services.

- a clearing house for an exchange and sharing of ideas (and costs) and the ability to coordinate industry directions would be benefits, as well as an ability to customize general applications to particular environments at minimal costs.

- areas such as points of purchase services, videodisc facilities, inventory control systems, and bar coding/wanding of incoming and outgoing items are all going to be addressed in the next couple of years by the book industry in order to take full advantage of the new technologies, and C.T.A. can become a valuable source of expertise for the industry to draw from.

- industry-wide studies/analyses could be conducted under the C.T.A. R.&D. facility to benefit the various levels of government and the various book industry associations.

#### Education/Seminar Facilities

- C.T.A. can provide resources for regional education programs to address the changing technologies and their impacts on all segments of the book industry.

- identification of new and future technologies, and through newsletters/trade papers in concert with the above regional programs, C.T.A. will be able to keep the industry informed.

- also (an obvious benefit to the Canadian publishers) C.T.A. can keep a current and dynamic data base of all vendor names and addresses and company specifics for all buyers to reference (national as well as international) and can, by working with the Canadian ISBN Agency, keep industry informed on all new publishers.

To members of an industry barely at the beginnings of a period of long overdue change, such proposals as the above may seem foolishly optimistic or worse, to such doubters we can only say that change will come whatever our attitude to it. Our choice is to attempt to identify and utilize its beneficial aspect for our industry or not.

#### RECOMMENDATIONS

a) that given the importance of C.T.A. in its role in assisting the retail bookstore network in Canada to become more efficient and effective Department of Communications continue its support of this very important industry agency.

b) that the Department of Communications invite C.T.A. (and if necessary make enabling funds available) to explore in detail and to report upon the practicality and the possible advantages to itself and the book industry of setting up a research and development

facility along the lines described in the preamble to this recommendation.

c) that the R.& D. facility be of such a nature as to be able to enjoy the benefits of appropriate government tax credit programs.

d) that if c) above prove not to be possible, to outline the other various methods by which the objective of an industry R.& D. facility might be achieved.

#### Recommendation Regarding Regional Warehousing of Distributed Inventories

We have seen that most booksellers experience difficulties in making up quantities to smaller publishers. It is also true that often what determines whether a book is ordered or not, or ordered in a timely way, is whether it can be combined with an order for other books.

We have seen that most booksellers feel the need for speedier delivery of books and shorter replenishment times for their missing inventory.

In interviews with the Consultant, booksellers particularly in Vancouver and the west, were insistent upon the need for publishers stocks to be held locally to maximize sales especially in the Fall and Christmas selling season.

Publishers in discussion with the Consultant have generally been lukewarm to the idea that regionally distributed inventories might be a practical proposition. There has, however, been no serious study of the details of such an idea and given its obvious benefits for the timely availability of CATS and other books it surely deserves discussion.

It may be that industry ideas of what is possible economically, lag behind the reality. What follows is an outline of how such regional warehousing might be achieved taking advantage of recent technological developments and the existence of Canadian Telebook Agency expertise.

A natural progression for C.T.A. to follow (and one urged upon it by its Industry Advisory Committee) to assisting the book industry in addressing its current distribution problems is in our opinion to move into the physical distribution aspect. Based on our observations and discussions with many book industry resources across Canada over the last months it is obvious that once C.T.A. is fully operational with its Telebook system and the booksellers have implemented and are benefiting from the capabilities of the "fully automated retail operation" brought about by the microcomputer environment, the next major visible issue to attack to meet the ongoing competitive factors (primarily U.S. based wholesalers, but with the expanding technologies this competition will come from other English language countries just as easily) will be the fulfillment and delivery service levels. Estimates are varied and statistics are unavailable, but significant business is lost in the book industry throughout Canada because of low fulfillment levels and slow delivery levels.

#### Fulfillment

With the industry becoming more computerized in the next 1-2 years (booksellers and publishers) there will be a much better business approach to the inventory levels maintained in total by vendors and buyers because of the more accurate forecasts, statistics, demographics, and analyses available from the various systems in operation: e.g. better estimates on print runs; more timely statistics on sales progress and forecasts; less returns; more efficient target marketing capabilities; better levels of key inventory items maintained; more accurate management decisions relative to import orders and/or reprinting runs; better cost efficiencies in order entry and order processing services; better funds management capabilities and credit management to allow more expenditures on inventory levels; etc.

With the ordering from multiple vendors made easier with an automated system, the competitive pressures exerted by U.S. wholesalers and the A.B.A.'s BOS system and Bowkers BAS system will force the Canadian agencies to address the fulfillment issues in order to maintain/gain back their appropriate market share. Fortunately, they have to date proven willing to do this.

We believe that Canada needs to approach the issue of physical distribution on a regional basis. If it could be established that 20%, 25% or 30% of titles sold by booksellers account for 75%-80% of their profit then regional warehouses (Maritime, Prairies, Western Canada) should be established to stock these particular titles on consignment so that much improved customer service levels can be achieved on order fulfillment and delivery times and, therefore, significant sales volumes increase as a result. The remaining 75%-80% of the titles could be warehoused centrally in a low cost area of Ontario near to the sources (and this warehouse would also keep a stock of the fast moving items in the regional warehouses to service Ontario, but on a priority basis) and could again be stored on a consignment basis.

Technically speaking, it would not be difficult for a computerized inventory control system and automated distribution service to be defined, developed, and implemented that would electronically tie-in the regional operations to the central operation and the relevant data bases could be kept up-to-date based on sales, returns, adjustments, and receipt into inventory. This could be on a 24-hour basis or on a real-time basis with appropriate daily, weekly, monthly statistics and reports made available to all participants in this service. With these services, if a regional warehouse was out of stock of a particular title the orders could be automatically forwarded to the next priority warehouse until stock was found or directed back to the Canadian source to ensure more stock was put on consignment.

Basically, the key to this type of system will be the data base information and the ability of the industry to identify the specific titles to be kept in each regional warehouse. This approach could be established to encompass the Canadian authored titles to start



with and once successfully operating could expand to include all titles.

The central warehouse would have a large computer facility and each regional warehouse would have its own computer facility as well, but not necessarily the same configuration. It might be appropriate to have the hardware and software and data bases identical in order to provide backup services for each centre as well as to save development and maintenance costs for the system and its many applications.

In the opinion of Bob Baird, General Manager of C.T.A., a detailed study of this type of environment could be completed in approximately six calendar months and would define in detail the data base structure and the day-to-day operation of the system as well as defining a detailed business plan for implementation and on-going operations for the industry to review. It is not a difficult problem in a technical sense. The problem issues could be the politics of control, structure, and location, as well as the financial justification, and the management decisions as to what books are stocked in what warehouses.

C.T.A. could use computer modelling systems to determine best location to ship from and tie-in to the various freight consolidation programs, as well as keep track of the appropriate credit/debit management/administration issues through its computer systems and message switching capabilities.

C.T.A. could establish and manage the regional warehousing and central warehousing facilities on behalf of the book industry and then administer the computer services necessary for inventory systems and distribution as outlined above.

With the foregoing scenario in place, the long-term benefits to the Canadian publishers and for Canadian books, would be at least the following:

#### For Publishers

- better and more timely fulfillment service levels

- reduced costs of distribution with regionalized warehousing for fast moving titles and centralized warehousing for slower moving titles

- reduced cost of warehousing with fully automated facilities and with real estate in low cost areas and with shared overhead and economies of scale for the Canadian publishers

#### For Booksellers

- speedier delivery times for books

- increased inventory turns

- confirmation from regionalized data bases that the order is being processed and is in stock at the Vendor location and, therefore, an accurate time frame can be defined for pick-up at the bookstore

#### For Government

- with C.T.A. as a focal point for a high percentage of the orders from booksellers, libraries, and wholesalers in Canada some very accurate and timely statistics can be collected on behalf of the various government agencies involved in the book industry with particular emphasis on Canadian books. Statistics by region, by volumes, by subject matter, distribution service levels, credit operation, etc., can all be easily gathered by analyzing the purchase orders processed through Telebook.

#### For Readers

For Canadian book readers and buyers a great reduction in the off-putting delays they now experience when ordering books.

RECOMMENDATION

That the Department of Communications fund the undertaking of a study which would aim to establish the business case for regional warehousing of selected titles as outlined in the preamble to this recommendation.

The Federal Business Development Programmes

When asked whether booksellers had ever used the Federal Business Development Bank or the Federal Business Development Programme for either

- a) help in managing their business
- b) as a source of money
- c) as a way to subsidize employment of staff trainees

81%, 88% and 88% respectively said no. Even so, almost all were aware of the programmes. (This data supports the conclusions of the Study of Retail Bookstores) Clearly, whatever success these programmes achieve, it is not among booksellers. But booksellers do need assistance and would probably welcome it if it were offered in an appropriate form.

RECOMMENDATION

It is recommended that the Department of Communications invite the Canadian Booksellers Association to submit an information paper on the specific types and levels of support that the FBDB and FBDP might offer them in order for booksellers to become more efficient and financially sound.

The Department of Communications should then assist the C.B.A. in urging the FBDB and FBDP in developing programmes more specifically designed to meet the needs of booksellers.

The Canada Council National Book Festival  
and the Annual Governor General's Awards

Booksellers responded in a lukewarm manner (and they claim their customers do as well) to the National Book Festival and the Governor General's Awards. Both programmes, though potentially influential, seem to be languishing.

A possible solution for the National Book Festival might be to encourage the Canada Council to surrender its role in this programme and transfer it to the proposed Canadian Book Marketing and Promotion Council (Recommendation #1). At present the Festival lacks any sense of urgency and flair and revitalization might better come from an industry body than a government one.

#### RECOMMENDATION

It is recommended that the Canada Council invite comments from the writing, retailing, publishing and library sectors of the book industry about the Festival; and the Festival's virtues and shortcomings be analyzed by the Council with industry assistance.

The present budget of the National Book Festival should be seriously considered. It may be underfunded, and an increase in the amount available for programs along with a more pronounced emphasis on the promotion of events in smaller urban and non-urban centres might be desirable.

The Governor General's Awards present a more difficult problem due to the august nature of their patron. While it is understandable the the Canada Council is reluctant to involve the Governor General's office in anything approaching "hoopla", the Council does seem to be edging gradually toward more media promotion and coverage of what is at present an extremely low profile event. This activity should be encouraged, and it would be even more satisfactory if it were accelerated.

## RECOMMENDATION

It is recommended that the Canada Council invite an industry wide group to evaluate the current effectiveness of the Governor General's Awards as a vehicle for improving public awareness of Canadian authored books. Such discussions might well lead to a greater awareness on the part of the book industry regarding the awards and to their greater effectiveness.

The Canada Council's Promotion Tour Programme  
for Canadian Authors

In 1976 the Canada Council established a programme which supplements publishers' expenditures when sending their authors on promotion tours. The publisher organizes an author's tour and the funding is delivered to the publisher on a cost sharing basis. The Council's contribution is about one-quarter of the cost of the tour. In 1982-1983 the Council spent about \$125,000 in this area and publishers' spent about \$400,000.

Currently, 34 English-language publishers participate in the touring programme and all are publishers who receive public assistance from the Canada Council to support the publication of "culturally significant books". Foreign-controlled publishers are not eligible for this assistance.

Most significantly only Canadian-authored books that meet the Council's criteria are eligible for both publication assistance and the author touring programme. The council does not support cook books, gardening books, how-to books, travel guide books, etc.

For an author whose book does meet the criteria, the scheme pays either his or her travel expenses or living expenses - up to a maximum of \$60 per day. The vast majority of publishers opt for travel expenses and the ceiling the Council has established is \$1500.

According to the Canada Council, small publishers simply could not handle the costs of tours by themselves, and the travel supplement has allowed Canadian-controlled publishers to send more authors on national tours. Between April 1982 and March 1983 the Council funded 191 tours of which 85 were national or cross-country.

This programme is clearly a long-established and successful one that meets the needs of the publisher and serves to promote Canadian authored books. But, more is needed. Booksellers rate media appearances by authors very highly as a means of promoting sales. And they also feel that 'non-literary' Canadian authors, or those Canadian authors writing books specifically excluded from the Council's touring programme deserve assistance in this form.

Assistance of the kind suggested would undoubtedly be beneficial to the overall sales of CATS by increasing public awareness of the variety and scope of Canadian publishing in non-literary areas. Increased exposure of non-literary Canadian authors in this way would facilitate and greatly increase the frequency and effectiveness of autographing and in-store appearances. Public curiosity is equally great regarding the authors of non-literary works as of novelists or biographers.

#### RECOMMENDATION

It is recommended that the Canada Council's promotion tours program be expanded to include Canadian authors of non-literary works when appropriately published by a Canadian-owned publisher. Additional funds commensurate with the added program activity should be made available by Department of Communication for the Council's use.

Should the Canada Council be unable or unwilling to expand its promotion tour program in the way suggested it is recommended that Department of Communications explore the creation of a new program designed specifically to make up the shortcomings of the Canada Council's promotion tour programme. Such an additional program might be administered by an industry body such as the suggested Canadian Book Marketing and Promotion Council, or the present Canadian Book Information Centre until the new organization exists.

APPENDIX:

CANYLTEC NOTES ON QUESTIONNAIRE DESIGN,  
DATA COLLECTION, AND DATA PROCESSING

INTRODUCTION

Bill Roberts' study is directed toward assessment of a number of key policy options on book distribution for consideration by the Government of Canada and the book trade. A major criterion for assessing these policies--as defined for the purposes of the study--was their potential contribution to or ensuring that a greater number and variety of Canadian-authored titles be available to Canadians through the distribution outlet of the retail bookstore.

Resources used for the study included existing statistics and research reports and information obtained by Roberts in consultation with a number of key informants in both government and the book trade. Key informants included representatives from all major trade organizations, representatives from the Department of Communications, and a number of individual publishers, booksellers, and wholesalers selected by Roberts as persons particularly knowledgeable about the Canadian book trade. In addition to these sources, information was obtained through the administration of an original questionnaire designed specifically for the retail bookstore study.

Canyltec's role involved design and administration of the questionnaire and data processing to provide Bill Roberts with tables requested for reference in writing his report.

### Questionnaire Design

The data collection stage of the project was targetted toward obtaining information for the evaluation of a number of different policy options outlined by Bill Roberts in his Industry Profile.

Early in the project, it became clear that very little reliable data existed about the activities and experiences of booksellers in Canada. In order to be able to evaluate possible policy options well, it was felt that high quality information was needed in a large number of areas. Questionnaire design involved generation of a large number of substantive questions and an overall questionnaire design strategy by Canyltec. The questionnaire design and questions were then discussed at length in meetings between Canyltec, Bill Roberts, and Brian Kinsley of the Department of Communications. Following revisions, a draft questionnaire was reviewed by an industry advisory committee and further edits made. The final questionnaire was then produced by Canyltec and mailed to targetted respondents across Canada.

The questionnaire was directed toward obtaining detailed information about the experiences, resources and problems of booksellers across Canada. Questions were asked to obtain information about the range of bookstore customers, patterns in bookstore layout and operation, and general attitudes of booksellers toward bookselling and government and others' contributions to enhancing book sales. Attitudes and experiences with regard to ordering, stocking, and selling Canadian-authored titles were explored. Finally, questions were directed specifically toward obtaining information on a number of key policy options: location subsidies, bookstore accreditation, inventory writedowns, subsidized postal rates, institutional sales, bookstore-affiliated book clubs. These policy options were the policy options targetted by Bill Roberts in his Industry Profile.

Questioning was to be directed toward gathering background information about bookstore resources, needs, and capabilities affecting possible successful implementation of different policy options and toward stimulating bookseller discussion and response to the different policy options.



The questionnaire in its final form was endorsed by the Canadian Booksellers Association, which made available to the research team a letter encouraging CBA members to give their time and support to the study.

A number of the questions produced for this study were also incorporated into a study undertaken by Kliman at the same time that this study was being conducted. Reference to this second study may provide interested persons with further information on certain questions asked by the questionnaire for Bill Roberts' study. Because questions to identify bookstore attributes are identical (questions about size, ownership, etc.), responses by certain types of bookstores to questions in our study can be linked to responses by these same types of bookstores to questions asked in the other study, allowing possible development of an even more detailed composite of the bookseller in each of a number of defined categories (for example, non-metropolitan sole owner booksellers of medium size)--as long as such an analysis is undertaken with some caution. Further, Kliman's study was to involve collection of data from all general retail bookstores in Canada except those selected for interrogation for the Retail Bookstore Study. Assuming that the vast majority of bookstores have been contacted successfully, combination of information on bookstore attributes from both studies should enable the construction of an overall profile of Canadian bookstores, a profile which (to our knowledge) until now could not be compiled because of an absence of reliable statistical data on bookstore attributes.

#### Questionnaire Administration

The questionnaire was distributed by mail to a selected number of booksellers and followed up using three different methods. Slightly over 100 questionnaires were mailed to booksellers. Approximately one-half of these were followed up with in-depth telephone interviews by Canyltec researchers knowledgeable about the book trade. Approximately 25% of the questionnaires were administered to booksellers who were also visited by Bill Roberts for extensive in-person discussion of the policy options. The final one-fourth of the questionnaires relied solely upon mailback of the questionnaires by the booksellers to whom they were sent.

People contacted to participate in the survey were extremely cooperative and helpful. The questionnaire in its final form was quite lengthy, involving as it did extensive questioning about bookstore attributes and resources, patterns of ordering, stocking, selling, and promotion, bookselling problems, and customers as well as questions about Canadian-authored titles and about each of the specific policies targeted. In spite of this--and in spite of the fact that many bookstores did not have much of the information requested immediately on hand--response to the questionnaire was overwhelmingly positive. Many booksellers made special efforts to collect information specifically to be able to respond to the survey questions and a number of booksellers arranged blocs of times when they would not be interrupted by store business in order to be able to give their full attention to the sometimes lengthy telephone interview discussions.

There were very few refusals to complete questionnaires. Reasons for non-completion of questionnaires followed up with telephone and in-person interviews included owner illness (1), owner death (1), prolonged absence of owner throughout the period of the study (1), ideological stance of owners (1 - these people were against government involvement in the private sector and would not respond to questions on this topic), and no known reason (unable to contact respondent in 2 cases).

In the process of implementing the study some bookstores originally selected for interviews were dropped from the sample because initial investigations indicated changes in ownership (for example, an independent bought by a chain) or that the bookstore was no longer in operation. Reasons for non-receipt of questionnaires targeted for mailback cannot be established in any definite way but it can be assumed that overall, reasons for non-receipt of mailed questionnaires are traceable to the same kinds of factors--stores going out of business, owner illness or absence, ideology, etc. We also expect that some non-response may be associated with stores mislaying questionnaires (due to financial year end rush which coincided with the survey) or forgetting to mail them.

Response rates to specific questions were also very high overall, usually ranging between 90 and 100% of the total number of respondents. Open ended questions tended to have the lowest response rates. This is to be expected as open-ended questions tend to require more effort and thus typically have lower response rates than do questions where a number of response options are provided. Questions were designed as open-ended questions when the full range of responses were not easily anticipated (as in the case of questions to establish customer profiles) or when closed options were rejected for some policy-related questions to ensure that responses would clearly be traceable to respondents and not to the suggestion of responses by the construction of the question (and the suggestion of certain answers through their listing as possible response categories).

The questions of the study were generated with reference to the analytic purposes of the study outlined and developed in early project meetings. The wording and ordering of the questions in the questionnaire was intended to reflect the conceptual world and concerns of booksellers. This organization was undertaken in order to increase focus on issues, decrease possible misinterpretation of questions, and therefore increase confidence in the validity of responses received to study questions.

Overall, questions appear to have been clearly understood by respondents (as indicated by probes conducted during follow-up interviews) and, in general, we have a high degree of confidence that responses obtained to questions are unambiguous in their meaning (at least in the case of the closed option questions).

#### Sample Attributes

The list of booksellers to receive the questionnaire was produced by Bill Roberts in consultation with other industry authorities. Decisions about which booksellers were to be interviewed in-person, interviewed by telephone, or surveyed only by mail were also made by Bill Roberts. Factors affecting decisions included: knowledge of the booksellers' understandings of bookselling problems and patterns nationally and internationally, the extent to which booksellers

could be seen as representative of--and therefore legitimate spokespersons for--different segments of the retail book trade, and time and cost considerations affecting travel to consult in-person with booksellers or conduct lengthy telephone interviews.

An attempt was made to select booksellers who would represent the full range of general independent bookstores and university bookstores operating in Canada. As no figures are available on the relative proportions of bookstores of different kinds within Canada, we cannot say how well numbers within each subcategory sampled reflect proportionate numbers of such bookstores within the general population of bookstores across Canada.

We can however report that the bookstores surveyed did represent a wide range of bookseller experiences. Bookstores questioned about policies included bookstores started in the 1980's and bookstores which had been in business for more than 35 years. Of the bookstores questioned, more than three out of four were general independent bookstores, 7% were specialized independent bookstores, and 9% were college bookstores. More than half (60%) of the bookstores were incorporated profit organizations, 5% were incorporated non-profit, 27% were either sole proprietorships or partnerships, and 7% were university-based and run.

Bookstores ranged in size from 22% of bookstores with gross annual sales of less than \$100,000 to 24% of bookstores with gross annual sales of \$500,000 or more. Annual book sales of bookstores ranged from 28% with less than \$100,000 to 22% with sales of \$500,000 or more.

The bookstores questioned varied widely in the number of store employees. Full-time staff ranged from 0 to 68 with 80% of the stores having less than 5 full-time employees. Part-time staff ranged from 0 to 20 with 91% of the stores having 5 or fewer part-time employees.

Slightly more than one-third of the bookstores were located in major metropolitan centre. Regional distribution of the respondents was as follows: 25% British Columbia, 24% Prairies, 37% Ontario, 13% Atlantic region, and 2% North West Territories.

Data Processing

Questionnaires were coded and data entered and cleaned by experienced social research staff--using in-house computers--in order to minimize possible introduction of errors in data capture and recording. Data results for all questions were provided for Bill Roberts' use in writing the report on policy options affecting distribution of Canadian-authored titles through retail bookstores.

DEVELOPMENT OF OPTIONS FOR ACTION IN KEY  
SECTORS OF CANADIAN BOOK DISTRIBUTION

THE MASS MARKET RACK DISTRIBUTION STUDY

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## MASS-MARKET RACK DISTRIBUTION STUDY

The report which follows is based on information assembled by Argyle Communications Inc. of Toronto. Argyle Communications' report on the mass market rack sales sector was submitted to William Roberts, the prime contractor for this study and director of the Development of Options For Action in Key Sectors of Canadian Book Distribution, in June 1984. Further research and evaluation was undertaken by Roberts and this report was prepared.

The conclusions in this document are, therefore, the responsibility of William Roberts.

This report deals only with distribution practices in the mass market sector of the Canadian book industry - those books distributed by means of retail rack sales - and specifically with Canadian authored and published books. The objective of the study is to develop a set of policy measures which would effect an increase in the share of rack space available to Canadian authored books.

It should be noted that mass market paperback racks fall under the jurisdiction of provincial governments. However, they form an important component of the book distribution system and as such must be included in any credible analysis of distribution.

### Methodology

Due to the relatively small scale of this study and the tightly knit structure of the mass market segment of the industry, this analysis is considerably more informal than the ones adopted in other sectors of the distribution study.



Less emphasis has been placed on formal consultation methods, and more on informal contacts. Furthermore, the degree of interest and co-operation emanating from the various organizations, companies, and individuals approached during the study, varied.

No information was obtained from the seven major retail chains despite the mailing of a questionnaire intended to gather information about buying practices and their views on Canadian authored mass market books. Telephone follow-up produced no results either.

Canadian mass market publishers were more generous, although it was impossible within the time and financial limits of the project to quickly develop a questionnaire for publishers. Yet much valuable information and opinion - some volunteered - was collected from these publishers. Furthermore, both the Association of Canadian Publishers and the Canadian Book Publishers Council were extremely helpful and four major mass market publishers contributed collectively through the intermediary of the Book Publishers Council.

Twelve wholesale distributors responded directly to a questionnaire sent to a total of 37 distributors. Many individuals within the mass market distribution industry were interviewed, and many of these, due to their long experience and seniority, made valuable contributions to the study.

As might have been expected, confidentiality was of intense concern at every stage. A delicate relationship exists between mass market publishers and the wholesale distributors - who offer the only practical route into the non-bookstore retail racks. Anonymity in verbal and written communication was guaranteed. People did express their opinions freely and honestly. In conclusion, a fair sample of the opinion of the industry, is offered.

It should be mentioned that statistical data from within the industry - comprehensive enough to provide meaningful industry figures - was just not available. Neither were Statistics Canada figures helpful since they, like all readily available statistics, are not accepted as reliable by much of the industry. Since acceptability by the industry was one of the major criteria by which recommendations

are to be judged, it did not seem useful to base any suggestions on figures open to serious dispute.

#### Why Study Mass Market Distribution?

What is culturally important about mass market books and why is it important to understand their distribution? Part of the answer to this question is that mass market paperbacks penetrate locations and shopping areas that regular retail bookstores do not. Despite the growth of retail bookselling, in recent years, an expansion that has established bookstores in suburban and country shopping malls, there are still locations which cannot support a bookstore. In these locations, grocery stores, gas stations, and drugstores carry mass market books. In a very real sense, mass market books penetrate further into the population than any other form of book.

As well, even in large urban centres, many people do not frequent bookstores. The reasons for this may be that some people are intimidated by bookstores. An abbreviated education, or the simple fact that the habit of visiting a bookstore was never developed or has lapsed, may be reasons why some people stay away. But many will on impulse purchase mass market titles, which somehow either through appearance or implied content, catch their attention.

It might be surmised that many such impulse book buyers belong to the lower income levels of society, given the close correlation between education and income. Mass market paperbacks are simply more affordable than other books, therefore are more attractive to large sectors of the population.

Working without proper documented research in this area, many members of the book trade, are willing to rely on observation and common sense: many non-bookstore visitors buy books when they are available, on display, in places other than bookstores. If this is true it makes sense to make books available where such potential buyers do shop. Mass-market rack distribution, to an extent, fulfills this function.

To the extent that Canadian books, suitable for sale through the mass market distribution system, exist, they ought to suffer no unique handicap in reaching such a large and other-wise unattainable audience.

#### How It All Got Started

In 1939 Robert Fair de Graff, an American publisher, launched Pocket Books. He was the first mass market publisher. The books sold at 25 cents - in 1939 a quality hardcover novel sold for about \$2 to \$2.50 - and were initially published in editions of 10,000 copies each. Proven best sellers from the hardcover market were chosen to introduce this new venture to the public: Lost Horizons by James Hilton, The Murder of Roger Ackroyd by Agatha Christie and Wuthering Heights by Emily Bronte among the early titles.

De Graff's stroke of genius was to arrange distribution of his new cheap books, not exclusively through the existing bookstore network (of which there were about 4,000 in the U.S. in 1939 with less than a 1,000 warranting personal calls from publishers' representatives). Instead he looked to the 70,000 newstands, cigar stores and other outlets which had previously only sold magazines. This new system of distributing a new type of book was accomplished by persuading the magazine distributors (wholesalers) to take on his books and distribute them along with their magazine deliveries.

The results, were, as everyone now knows, immediate and dramatic. Publishers Weekly of the day reported that twice as many re-orders were derived from newstands as from bookshops, and that was in de Graff's initial three week trial selling period. Pockets Books' own advertisement claimed that 107,000 books had been sold in New York City alone in the first three weeks. This was in a world where only half of all the titles produced by American publishers sold more than 2,500 copies.

Thus the system of distributing mass market paperbacks with the established magazine and periodical network came to be seen as the key to their success. The new market of 25 cent book buyers created was seen to be a new category of book buyers. In Canada, eventually, the same system was adopted.

### The Sale of Mass Market Paperbacks

Mass market books are, for the most part, 4 1/2' by 7' or 7 1/2' in size and fit into the wire racks or spinner pockets seen in most newstand, drug stores or gift and stationary stores. The typical mass market paperback displays a high-impact, attention grabbing cover. Great ingenuity is often apparent in the pictorial content and physical design of these covers.

Mass market paperbacks are big business. The distribution of these books in Canada, in 1982, according to the Periodical Distributors of Canada, amounted to about 60-million copies with a retail value of about \$160-million.

There are some 38 Canadian owned wholesalers who operate exclusively in their own territory and who distribute about half of these books. The other half is distributed by national distributors, some of whom are U.S. based.

While precise figures are not available as to the exact number of non-bookstore, mass market outlets in Canada, a figure of 13,000 to 14,000 is widely accepted by wholesalers and publishers. These outlets range widely in size and effectiveness: mass market paperbacks are available in corner variety stores as well as giant retailing chains.

## Bookstores with Direct Accounts with Mass Market Publishers

Sales distribution patterns have changed during the past decade. Publishers of mass market books have tended to direct accounts with bookstores and large volume buyers away from wholesalers and to retain the business themselves without the complication of a middleman. Industry sources estimate that about 55% to 60% of sales today are made on a direct basis as compared to 35% or 40% a decade ago.

Wholesalers explain this drift to direct sales as the result of publishers offering more advantageous terms to retailers dealing directly with the publisher. For example, most mass market publishers offer bookstores a 40% discount off the retail price with freight (possibly accounting for 3% to 4% of the invoice value prepaid). In contrast, wholesalers maximum discounts to the same customers fall a good deal short of that, usually by 5% to 10%.

Furthermore, the nature of the bookstore market is considerably different from retail rack distribution. Bookstores with direct publisher accounts are called on by representatives who know their product lines and understand the market. Booksellers select titles in consultation with the reps. This is a very different scenario than rack distribution retailers. Usually these customers have no interest or knowledge of the books being displayed in their stores. And significantly the shelf life of a directly sold mass market paperback in a bookstore can stretch to many weeks or months. On the racks, the same books often lasts only two or three weeks.

Bookstores often carry a substantial selection of backlist titles and many carry inventories of several hundred or even thousands of titles, depending upon the size of the store. For these reasons booksellers generally prefer to deal with mass market publishers directly and the publishers feel it is to their advantage to do so.

### How Publishers Sell to Wholesalers

Canadian wholesale book buyers are called on by publishers' representatives. The wholesaler considers the following factors when deciding how far to commit to a certain title:

- a) How much promotion is being developed by the publishers. Such things as media and author tours.
- b) The success of the title in its hardcover edition.
- c) The sales of previous titles by the same author.
- d) A movie or television tie-in that might be expected to capture or expand a market.
- e) The look of the book; covers are most important.
- f) The price of the book.

Wholesalers attach enormous importance to the above factors.

Time is a crucial element in distribution. As mentioned the wholesaler's rep, who calls on a retailer, is responsible for making sure that non selling books are removed - to be replaced by new titles. As can be seen, promotion in this business, must be immediate. A title must find its market promptly.

The practice of "flooding" the market with copies of a paperback - making it available to everyone, everywhere is effective, but it is also very risky. And from the perspective of a Canadian mass market publisher who feels inhibited from printing the large quantities that flooding entails, and who cannot shoulder the financial burden of the almost certain high return rate, this option is hardly viable.

Although the business is risky, the system of publishers selling to wholesalers is straightforward. Books are supplied by the publisher to the wholesaler on consignment: they are paid for when and if they are sold. The wholesaler, in turn, supplies his retail accounts in the same consignment manner. Returns are credited to the retailer by the wholesaler and by the publisher to the wholesaler. The wholesaler does not know what has been sold by title or author. Records show only sales in total for individual publishers. The publisher recovers from the wholesaler 51% of the cover price, the retailer earns 33% of the cover price and thus the wholesaler is left with 16%.

The average price of a mass market paperback was estimated by wholesalers to be \$3.39 in the spring of 1984. One distributor estimated that in Canada a "bestseller" is one that sells 7,000 to 8,000 copies; a "super seller" sells between 9,000 to 12,000 copies; and a "block buster" sells over 12,000 copies. However, no one familiar with publishing and bookselling can ignore the fact that the term "bestseller" is sorely abused. In Canada, many paperbacks that are touted as bestsellers enjoy their rating on the basis of sales in the U.S.

Bestsellers, when they are genuinely bestsellers, may be of many types: genre types are mysteries, westerns, thrillers, adventure or romance books. As well there are pop-psychology and self-improvement books, celebrity biographies, and autobiographies.

Given the vast array of titles, the quantities involved and the system of distribution, it is also important to point out that between 85 and 100 titles enter the market each week in North America. Harlequin estimates that 100 romance titles appear each month.

Overall, then, it appears that wholesalers believe their retail outlets are largely indifferent to the contents of their racks. Books are regarded strictly as an item of merchandise along with tobacco and magazines. All judgements concerning the contents and turnover of the racks reside with the wholesaler. And although there must exist the habitual reader who acquires all his or her books off the racks - and it would be valuable to know much more

about such readers - the racks are perceived by the industry as being there to attract impulse buyers.

Wholesalers are also quick to point out that many of their accounts are tiny. Many, they claim, generate so little in sales that no distributor can afford to spend much time with them. The amount of time a wholesaler spends on an account depends on the volume of sales. However, sales are achieved in different ways. A department store with sales of \$250 to \$300 per week is regarded as an important account and is well serviced. The selection of books may be accomplished with some care; the racks will be dressed carefully in the attempt to maximize sales. The number of pockets available is not the only way an account is rated. At least as important as the size of the racks is the volume of customer traffic. An outlet with only 50 pockets may be more productive than one with 500 pockets if the traffic patterns are superior.

Basically, the wholesaler is a distributor of merchandise. The shelf life of a paperback is estimated by wholesalers to be often as little as two weeks. For instance, when there are 85 to 100 new titles entering the market each week, a convenience store with 150 display pockets turns over each non-selling pocket to a new title every week and a half or so.

Despite the drawbacks of this system, wholesalers believe it works for the products that are suitable for this system. During the past four decades a market that simply did not exist for books has been created in outlets that are non-traditional, and hence, it is fair to assume that masses of new readers have also been enticed to read books.

It is estimated, by the industry, that 70% of sales for mass market paperback "bestsellers" are achieved through the wholesalers distribution system. Without exposure on the racks, controlled by these distributors, it is more difficult to achieve the sales status any mass market paperback must earn to survive in this tremendously competitive market.



### Some Observations About the Difficulties of Access to the Mass Market for Smaller Publishers

Theoretically, all publishers have access to the mass market distribution system. Yet it is obviously more difficult for some than others.

A publisher with a regular release programme develops an on-going relationship with regional wholesalers, while a smaller publisher, that only releases few titles suitable for rack distribution, is in trouble. If the publisher requests whole copy returns in saleable condition rather than stripped covers, wholesalers may agree - but reluctantly. Also the small publisher must offer the same discounts to wholesalers as the large houses do. And any publisher seeking access to the distribution system must be prepared to accept the possibility of 50% returns.

Bypassing the wholesaler and trying to sell direct is just not practical for a publisher given the diversity and huge number of accounts, large and small, the publisher must deal with.

It is also a fact, that wholesalers are essentially in the "bestseller" business and the small publishers' inability to acquire and retain major authors and titles hampers them in their attempts to penetrate this market. Clearly, this limited appeal of their titles is very often not attractive to wholesalers.

On the other hand no one in the distribution sector of the mass market industry feels that consumers of mass market books in rack outlets, of the kind discussed, discriminate against Canadian authors. Indeed it was emphasized by several wholesalers that a Canadian title on a subject of interest will have a good audience. Both mass market publishers and wholesalers agree that if a Canadian title is given the right presentation, adequate promotion and its content is suitable - it can hold its own with foreign titles.

Among Canadian publishers, experienced in the mass market sector, it was also agreed that each title must be carefully scrutinized before the decision can be made to propel it into the wholesale distrib-

ution system. In their terms "to key" the market is essential. Only when the product is right and the Package is right can distribution pay off.

But such product, all agree, is not easy to find. Mass market publishers repeated that they scour the hardcover lists of publishers to find suitable titles. On more than one occasion reference was made to the 1974 Parikh Report prepared for the federal government. The report described an experiment to judge the availability and suitability of hardcover Canadian books for reprint in mass market format. At that time, the report concluded that the number of hardcover titles was insufficient. Only 39 titles were judged as sure winners and these were identified from a total of 14,295 titles that represented the entire Canadian hardcover output as well as backlist, at that time.

Publishers claim that the situation has not changed essentially in the intervening 10 years.

Ten years later, it also seems that mass market publishers and wholesalers remain in agreement on another aspect of the Parikh report. That report rejected the option of creating a new distribution structure supported by the government. That remains the position of the mass market publishers today. They argue that existing Canadian marketing organizations are capable of meeting the demand and would be seriously weakened by the new organization without any guarantee of substantially increasing Canadian share of the paperback market.

#### An Overall Summary of Wholesalers and Mass Market Publishers Views Raised by This Report

Publishers and wholesalers estimate the space devoted to CATS on the retail outlet racks (non bookstore) are in the 5% to 10% range.

There is a lack of Canadian-authored titles suitable for sale in the mass market, agree wholesalers and publishers.

Wholesalers remark that if the Canadian product is suitable; in terms of packaging and promotion, they see no existing obstacles for it to reach the racks.

In the judgement of many wholesalers, Canadian produced mass market paperbacks are often not as suitably packaged as American books for the mass market racks. Wholesalers mentioned inferior cover designs, although they did say Canadian covers were superior to British ones. (Since no specific examples were cited and terms like good or bad design are dubious in themselves, these comments are of a limited value.)

As well wholesalers contend that the unwillingness of Canadian mass market publishers to make books available in sufficient quantities - because they often cannot afford the possible high rate of returns - and the typically high prices of Canadian books, limit their distribution potential.

Both mass market publishers and wholesalers agree that a lack of promotion seriously hinders the increased sale of Canadian paperbacks.

Wholesalers claim that there is no prejudice against Canadian books ingrained in their distribution system. If books are saleable, they claim they will be sold in the mass market. At the same time, wholesalers make no special efforts to encourage Canadian products.

The finding of this study show that small publishers should not ignore the options of selling paperback rights for a successful hardcover title to a major mass market publisher and thereby attain access to the retail rack system.

It seems clear that entry into the mass market system for small publishers is hardly an option. The system is too competitive and standardized for a small publisher who wishes to release the odd mass market title.

Ten years after the release of the report "Analysis of the English-language mass paperback market in Canada" (the Parikh report), its conclusions and recommendations are still valid. We have not uncovered any new ways in which the mass distribution system has changed to accommodate Canadian books. Basically, it is a system that is crude, haphazard and wasteful. It caters mainly to low common denominators of readership and the largely uncritical impulse buyer. It creates an environment where appearance is everything and the relationship between format and content is often extremely tenuous.

Four factors stand out as particular problems. They are:

- a) lack of reliable or even available industry figures
- b) the passivity of the distribution system: Canadian books are invisible, in the distribution stream as indeed is any particular type of book.
- c) due to the small dollar volume generated by so many mass market racks, any selective, or sophisticated judgement on the type of books to stock on the part of the wholesalers is unlikely. It is necessary to remember that locations are doing \$100 to \$300 in weekly gross turnovers and the wholesalers only retains 16% of this amount.
- d) the range of distribution depends on the number of copies supplied to the wholesalers and although large print runs can mean large sales, they more often increase the burden of returns.

#### RECOMMENDATIONS

These recommendations are made with the previous points in mind and in consciousness that the options for the federal government in this area are limited.

1. A reliable statistical data base for the mass market should be established. Without it, analysis must depend on estimates provided by the various players in this market. At present, there is a reluctance, on the part of the industry, to provide statistical and financial data. Statistics Canada, since it is a non-industry operation, may be the agency best suited to collect the needed data.
2. Government assisted and funded research into consumer behaviour and buying patterns in the mass market needs to be undertaken. What is required, first, is research which will enable more objective thinking about the type of books that are suitable for the mass market and how and where they ought to be presented to the public in this connection the relevant recommendations of the 1974 Parikh Report are still valid.
3. The Department of Communications should include, in any national advertising campaign for CATS, an element which is directed specifically at Canadian authored mass market paperbacks.
4. The Department of Communications should initiate discussions with the appropriate industry organizations with a view to promoting and assisting the application of computer technology to wholesale mass market rack distribution. The goal of this is to upgrade the industry's ability to assemble and interpret data useful to Canadian publishers and wholesalers of mass market books when they are making decisions about what to publish and what to stock.
5. Finally, it should be said, that in discussion with the industry, there was no support for a mandatory quota system for CATS on the mass market racks. It would not serve the industry, and its potential for negative consumer reaction is considerable.



