

**AN INVESTIGATION INTO THE
EFFECTS OF CLOSED MARKET
BOOK DISTRIBUTION ON LIBRARIES
IN KWAZULU NATAL**

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**PIETERMARITZBURG
1994**

DECLARATION

I hereby declare that this thesis is entirely my own original work, unless it is specified to the contrary in the text.

This thesis has not been submitted for a degree at any other university.

LAILA VAHED

January 1995

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ABSTRACT

The usual route for purchasing a book is for an end user, eg. a library to place an order with a bookshop, eg. Mast. The bookshop places the order for that book directly with the publisher, who may be overseas or local. There are however, some overseas publishers who do not supply their books directly to bookshops in South Africa. Their books are available through one wholesale distributor of books in South Africa who is given an exclusive contract for the supply of that imprint to the local market. The route for an order therefore is from the end user to the bookshop, from the bookshop to the book distributor, and then from the book distributor to the publisher. The book is shipped from the publisher to the book distributor, from the book distributor to the bookshop, and finally from the bookshop to the end user. This is closed market book distribution. The market has effectively been closed to all but one supplier for South Africa. A contract to this effect exists between the book distributor and the publisher.

The closed market book distributor offers advantages and disadvantages for the booktrade in South Africa. The writer theorises that closed market book distribution is basically monopolistic in nature, which affects pricing structures and stockholding, with the result that closed market book distribution has provided, with few exceptions, a poor standard of service to the retail book trade in South Africa, and hence poor service to the libraries.

The investigative study shows that closed market book distribution is a factor prompting libraries to purchase books directly from overseas suppliers. The lack of support for local book retailers may have disastrous repercussions, as libraries are seen as a vital source of income.

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INTRODUCTION

There are numerous players in the field of the South African bookselling industry. Bookshops which represent the retail side of the trade, exist nationwide, many operating independently, while some exist as part of chains with branches spread throughout the country. Sue McNaught and Jennie Bowen (1994) in their paper on *Bookselling in South Africa : comments from a bookseller's perspective* have divided booksellers into 6 categories. These are:

- Educational (primary, secondary and tertiary)

- General retailers

- Academic

- Library supply

- Publishers

- Informal sector.

McNaught and Bowen maintain that "within these groups the dynamics of bookselling are many and varied, but there are certain important components common to all. These are selection, service,

distribution, price and economics". (McNaught and Bowen 1994: 16).

Many existing bookshops fulfil a combination of the roles outlined by McNaught and Bowen while others concentrate on only one market. Small retailers that generally fulfil a bookshop/stationery dealer/gift shop role are popular in a few suburban areas. Some of these small retailers also extend their trade to schools in the area, or slightly further afield. Examples of such bookshops in KwaZulu Natal include **Kloof Village News Agency** (Kloof), **Bookmate Stationers** (Richard's Bay), **The Pencil Shoppe** (Mtunzini), **Ramsgate Stationers** (Margate), **Reflections** (Ballito). Other such retail suppliers of books exist in more urban areas, eg. **School Supply Store, Regal Stationers** and **First Edition** in Durban.

Other retail outlets exist in "high-street" localities. The products offered by these bookshops are of a far wider range and greater quantity per title than those bookshops previously discussed, and cater generally for public sales, library supply, school and/or

academic supply, specialist and hobby interests. Unlike other booksellers, the "high-street" trader carries a significantly wide range of adult fiction with large stockholding of titles. In KwaZulu Natal there are two examples of "high-street" traders, viz. **Adams and Company** in West Street, Durban, and **Shuter and Shooter** in Church Street, Pietermaritzburg.

Falling slightly out of this category of bookshop is the chain of **Exclusive Books**, with a KwaZulu Natal branch located in the Westville Pavilion shopping centre. The range of products carried by the **Exclusive Books** stores is not as wide as other "high-street" traders and does not always reflect mass market needs.

An example of chain bookshops with stores nationwide in South Africa includes **Mast : The Bookshops**. In KwaZulu Natal these stores previously formed part of the **Logan's Bookshop** chain. A Library Supply division is located in Gale Street, Durban and caters in the main to public libraries, schools and academic and/or research institutions. Specialist academic interests are catered for by the **Westdene Branch** (for medical books) and the

Technikon Bookshop for academic books. This branch also operates a sub-branch at the Mangosuthu Technikon. The Pietermaritzburg store although largely a "text-book" supplier for the local university, also services schools and the public.

Another example of chain bookstores is the **CNA Gallo Group**. These are not exclusively booksellers, although they are the largest chain of stores in the country, in fact in Africa, that stock books. In 1991 the **CNA** group had 325 stores nationwide, serving urban and rural areas. (Machet 1993: 171). The merchandising space allocated to books differs from store to store within the **CNA** chain, depending on locale. Although largely street/mall traders catering for public sales, some **CNA** stores also offer a library supply service, chiefly to public libraries.

Important to note here is the monopolistic nature of the booktrade locally. **Premier Milling** and **Allied Publishing** own the **CNA Gallo Group**. The **CNA** division of **CNA Gallo** own the **Literary Group** who in turn own **Exclusive Books**, **Pilgrims** and **Bookworm**. Until September 1992 the **CNA** division owned an

academic division as well, comprising the **Logans** stores nationwide, **Campus Bookshops**, Johannesburg, and **Westdene**, nationally. This entire academic division was sold to **Mast Holdings**, a company in which **CNA** has shares. Machet reports from an interview with J. Allen that "there are at most twenty independent booksellers in South Africa and more than half of these are relatively insignificant in terms of size". (Machet 1993: 171).

An example of a KwaZulu Natal chain is **Adams and Company**. Besides the "high-street" store mentioned earlier, branches exist in Victoria Street and Musgrave Centre, Durban, Old Main Road, Pinetown, the University of Natal, Durban, and the University of Durban-Westville. The Victoria Street store, known as **Adams and Griggs**, caters chiefly for school text and library book sales. The two university based stores are obviously geared for academic text book supply.

The Pinetown store primarily attracts public trade but also services some schools, while the Musgrave Centre branch concentrates only on public trade.

Another example of a KwaZulu Natal chain are **Partytime Stationers**. These stores, however, allocate less merchandising space to books than they do to other product, eg. magazines and stationery.

Within the retail bookselling sector, another type of trader is the independent library and/or public supplier, who do not form part of the "high-street" division. In KwaZulu Natal these are relatively speaking small operations managed and run by owners of the business, with minimal staff. Some specialise in academic and/or school book supply, while others concentrate on public library supply. Others delve in all areas of supply, including public sales. Some of these operations also offer stationery and other goods for sale. Examples in this division in KwaZulu Natal are **Premier University Bookshop, Alix International Booksellers, Book Business, Everybody's Books** and **Lords Booksellers**.

A fair number of specialist bookshops exist in South Africa. These stores stock books on a particular subject only and supply the

public as well as libraries. Examples of these are **Frank R. Thorold** (Africana specialist, Pietermaritzburg), **Africana Book Collectors** (Pietermaritzburg) and the **Methodist Bookshop** (Durban). The **Africana Book Collectors** shop is an example of an enterprise that relies heavily on mail order business largely because of the location of the bookstore, ie. not in the CBD. However, at the time of writing, this store had plans afoot to move into a major shopping centre, which would see a dramatic increase in passing trade. It is not, however, envisaged that the mail order side of the business would diminish as a significant national client base had already been established over the years. Specialist books for retail purchase are also found in curio shops like those run by the **Natal Parks Board**, **Fitzsimmon's Snake Park**, etc., as well as specific interest stores like hardware stores (eg. **Wardkiss**), cake decorating stores (eg. **The Baking Tin**), sport dealers (eg. **King's Sports**), etc. The South African public is also becoming accustomed to purchasing books via mail order companies as well as companies who specialise in door to door sales. Books are now even available via party-plan dealers, who

run operations similar to Tupperware. Examples of these are **Leisure Hour** and **Wholesale Warehousing Industries**.

A category of bookseller outlined by McNaught and Bowen exists in the informal sector, who according to these authors "are individuals and organisations reaching people that would not have access through traditional bookselling outlets, by selling books through their offices eg. trade unions, NGO'S station platform vendors, craft markets, etc." (McNaught and Bowen 1994: 16).

Local publishing houses are a very important part of the local bookselling industry, especially since the increased interest that has been generated for indigenous publishing. McNaught and Bowen include publishers in their categories of booksellers although they agree that "technically publishers should not be included as booksellers". (McNaught and Bowen 1994: 16). The reason for their inclusion is that many publishers have competed with retail suppliers by supplying direct to institutions. The publishing side of the industry may be viewed as a developing industry, supported by the recent establishment of the Book

Development Council of South Africa. Many African authors and speakers in the Library and Information Services sector have made appeals for increased indigenous writing and publishing. These authors and speakers have criticised local writers who publish via publishers based in overseas countries. The call has also been for book buyers, personal and library, to purchase more local material.

However, despite ardent strides to improve local publishing, the need to import books into this country will continue to exist. This applies to fiction as well as non-fiction. Even the most highly developed countries, eg. the United States of America, still import books. Renowned authors of fiction and non-fiction, including academic writers, will always sell their works internationally. The book reading public of South Africa still demand international bestsellers when they choose fiction, although they will read locally produced fiction as well. The point made here is that local publications do not replace the desire and need to read material published outside South Africa. This generalisation is shared by the Managing Director of **Adams and Company**, KwaZulu Natal's largest retail bookstore. Mr Adams has observed in his store that

despite the political changes that have taken place in South Africa, the customer base of the store has largely remained the same as it was years ago. The racial spread of book buyers is still mainly white, with a slight increase in Indian customers. The Black customer base has not increased dramatically, and when a Black customer does come into the store, it is not specifically for indigenous literature. (Adams 1994: interview).

In some instances South African booksellers are able to place orders directly with publishers overseas. The books are shipped or freighted from the publisher to the bookseller who clears them through Customs and Excise. The original currency price is converted into rand using the exchange rate of the day and the book is then available for supply by the local bookshop to the customer. Booksellers are generally not noted for adding onto the published price of books. Profit on sales comes from the trade discount offered by the publisher to the bookseller. This profit margin decreases when the bookseller's customer is a library or school/academic institution because the bookseller offers such customers a discount in return. Discounts vary from bookseller to

bookseller and also depend on the size of order and/or the overall buying pattern of the customer. Some of the larger libraries have historical arrangements with booksellers where the discount available to them is taken off the original currency price, example Pound less 10%. The discounted price is then converted into Rand and invoiced to the library.

However, not all overseas publishers will supply local South African booksellers directly with their product. For this reason there exists the other important player in the local bookselling industry, viz. the book distributor, more commonly known as the CLOSED MARKET BOOK DISTRIBUTOR.

CHAPTER ONE
THE SYSTEM OF CLOSED MARKET

DEFINITION

The term "CLOSED MARKET BOOK DISTRIBUTION" is one that has been coined by the South African bookselling industry and is not necessarily used internationally. This definition has therefore been gathered from stakeholders in the trade rather than dictionaries and encyclopedias.

CLOSED MARKET BOOK DISTRIBUTION occurs when the local South African bookseller is unable to purchase a particular book directly from the publisher. This would apply to any sort of book, be it children's board books, adult fiction, academic texts, or any other variety. The books required by the bookseller for the customer are supplied via a South African distributor who has a contract with the publisher for the sole marketing and distribution rights for the South African market, and possibly other Southern African countries, eg. Botswana, Lesotho or Zimbabwe. In the event of a local bookseller submitting an order directly to the publisher, the publisher is bound

by the contract to re-route the order to the South African distributor, or return it to the bookseller.

DISTRIBUTION OFFICES

The majority of books available from South African closed market book distributors are from publishers based in the United Kingdom. Once a closed market book distributor has secured local supply rights, they become entirely responsible for the promotion of the product in this country. The marketing therefore has to be nation wide, regardless of where the distributor is based. The majority of closed market book distributors in South Africa have their head offices (or only office) and warehouses in the Gauteng Province (previously the PWV region). A few closed market book distributors have branch offices and/or representatives in some major cities, chiefly Johannesburg (if the head office is other than in Gauteng), Cape Town and Durban. A select number of these might even hold limited stock of popular titles. The norm is for the head office to supply the bookseller with the order as placed.

Other closed market book distributors rely on sending representatives from the one central office to various parts of the country. In this case different reps are appointed to service particular regions in the country.

The representative from the central office or branch offices call on booksellers on a periodic basis.¹ It is obvious that the closed market book distributors whose representatives are seen more regularly by the bookseller get better exposure of their product on the shelves and in the libraries. However, it is also fair to say that closed market book distributors who represent a large number of publishers would have to be seen more frequently than those with fewer publishers and smaller lists. The smaller companies often combine two or three months of new publications into one subscription. This in itself is not a major problem with the booksellers, as long as there is a regular pattern of visits.

¹Companies differ on their policy of time lapses between visits, ie. some company representatives are seen once a month, others maybe once every three months, etc.

MARKETING AND PURCHASING METHODS

NEW BOOK SUBSCRIPTIONS

The closed market book distributor's representative calls on the bookseller to primarily subscribe newly published or soon to be published titles. In the trade this is termed "doing a sub"! During the "sub" the representative may show books, proofs, galley proofs, jackets, publisher blurbs, blank dummies or catalogues. The bookseller chooses books in whatever quantity required and this is recorded by the representative on pre-printed forms generated especially for that subscription. A copy of the subscription form is given to the bookseller and no other order form is required from the bookseller.

This method of subscriptions is crucial to the bookseller as it is an efficient way of viewing new and forthcoming product. The order process is also fairly painless and time saving. The delivery of these subscribed orders is also fairly efficient and the books generally arrive in batches.

A subscription can cover a single month's releases or can be combined to cover more than a month. The volume of titles subscribed for differs in each case. The volume and quality of releases also varies depending on the time of year, eg. the volume of books released pre-Christmas will in most cases be far greater than January or February releases. The quality of books released at that time of year is also generally superior to the quality of books released at other times of the year.

STOCK CHECKS

The closed market book distributor's representatives are also required to conduct stock checks for their company's books in the larger retail bookstores. Quantities on the shelves are counted to determine the numbers of copies sold. The representative makes out an order in favour of his/her company to replenish the stock sold. This order would normally have to be authorised by the bookseller.

This merchandising method is not peculiar to the book trade as it is practised in various retail outlets, eg. supermarkets. It is an

efficient method and saves time by the retail outlet staff who are relieved of this task. It becomes inefficient when representatives call on an irregular basis, or do not allocate enough time to conduct a proper stock check.

PROMOTIONS

As is the case with manufacturers and distributors of products other than books, the closed market book distributors have to devise promotional strategies for their range of books. A good promotional method is important to generate interest in the product on offer. Promotions are also important to retain the goodwill of the bookseller. The distributors rely on how much space the booksellers allocate them on their shelves and in their display windows as this would have a direct impact on the sales generated for that particular closed market book distributor. Supermarkets and other large stores are known to sell merchandising space, but this technique is not generally used by booksellers.

One method of promotion is for the closed market book distributor to bring a major author out to South Africa. This would occur in

cases where a particular book is given major media coverage nationally and/or internationally prior to and during publication. The author would be taken around South Africa to promote initial sales of the book. The author might be presented at specially arranged cocktail parties, or could also be used to do in store promotions, eg signing sessions. The author may also give talks at various venues. These sorts of events are also given major media coverage.

A few distributors also offer booksellers the opportunity to do in-store promotions like "buy-one-get-one-free", special discounts, etc. This would serve the purpose of boosting sales for a particular range of books. An example in mind here is **Penguin** wanting to promote sales of **Puffin** paperbacks. A small number of closed market book distributors also offer booksellers prizes for window dressing competitions. This of course is a clever way of getting their product into the display windows in greater quantities, and possibly ahead of other competitors' books.

The closed market book distributor is also responsible for supplying the bookseller with point of sale material to promote the product

being subscribed. Economics determines that point of sale material is only generally produced for potential bestsellers or series. Examples of promotional materials available are posters, dumpbins, spinners, balloons, whirly gigs, shelf talkers, etc.

BACK-UP ORDERS

The bookseller does not only purchase books from the closed market book distributor during subscriptions and stock checks. There is frequently the need to place orders for supply to libraries or various other customers. The bookseller therefore generates orders and directs these to the closed market book distributor whenever there is a need to do so. Back-up orders are not always for new and recently published titles only. The closed market book distributor therefore has to check these orders carefully for titles that are out of stock, or maybe even out of print. For books that are temporarily out of stock, most closed market book distributors record the order and place their own order for the book with the publisher that they represent. This, however, does not always occur promptly, and it is here that problems can occur. Booksellers wait for their orders to be filled by the closed market book distributor,

and if they are not informed of the publication status of the book, they in turn cannot inform their customers timeously.

MARKET RIGHTS

Most closed market contracts in South Africa are with publishers based in the United Kingdom, even where a particular publisher has divisions in another country, eg. the United States of America. The UK based publisher is seen to have the market rights for South Africa because of the historical Commonwealth link. In other words, where the UK and USA divisions of a publishing house both publish the same book, it will be the UK division that distributes the book to South Africa and not the USA division, even if the USA division publishes the book earlier than the UK division. Agreements for this exists between the divisions of publishing houses, and the same holds for other countries, eg. Australia. The world market is therefore divided up between the different divisions of the publishing companies. Historically, and traditionally, the market rights for all existing and past Commonwealth countries are held by UK companies.

CATEGORIES OF CLOSED MARKET

The pattern for closed market book distribution is not standard. Various kinds of closed market scenario exist that differ from distributor to distributor and are based on the requirements of the distributor in tandem with the needs of the overseas based publisher.

Two broad categories of closed market situations exist in South Africa, viz. total closed market and partial closed market.

TOTAL CLOSED MARKET

Total closed market is where the publisher's entire list is handled by the closed market book distributor. This list would incorporate front- and back-list titles. No books published by this publisher would be available via direct indent by local booksellers, and the local distributor has sole distribution rights in South Africa. The market is thus closed on all titles, regardless of whether they are suitable for retail, academic or library supply. The word "indent" as used here is trade usage which implies direct and individual importation. The overseas principal company therefore has only

one account for South Africa, and this is with the closed market book distributor.

PARTIAL CLOSED MARKET

The partial closed market exists when a publisher allows a local distributor only a certain portion of the house's list. The balance of the books could be available "open market" or could be closed market to another distributor. It is reputed that in such cases the closed market book distributor has the "cream of the crop" of the list available from the publishing house. (Von Homeyer 1994). The distributors only close the market on those books that they know will be popular. (Pretorius 1989: 89). The decision on what to close the market on and what to leave available for open market purchasing is also governed by economics. A book on the Kremlin treasury, for example, regardless of the excellent quality of the work, will not sell in vast quantities in South Africa, especially if it was to retail at plus/minus R245,00. A book like this does not warrant closing the market on. (Pretorius 1989: 89). This economic decision whether to close the market or not, should be governed by the need for closed market book distributors to hold some stock

of titles that they close the market on. There is evidence, however, that some closed market book distributors are less scrupulous and close the market on expensive, less popular titles with no intention of holding stock, and treating orders from booksellers on an order to order basis.²

²This information was obtained from someone involved in the booktrade nationally on the retail side as well as in library supply. The individual requested anonymity and therefore cannot be named.

CHAPTER TWO

A BRIEF HISTORY OF CLOSED MARKET

PRE CLOSED MARKET

The system of closed market book distribution as we know it has not always existed in South Africa. Elements of the system have been with us for some time, although overseas published books were mainly available to booksellers via direct indent. Some publisher's representatives were based in South Africa while others visited the country on a regular basis to promote their books, which booksellers had to order directly from the overseas publishers. The system became refined to its present form in about the last 12 to 14 years.

The South African bookseller has almost always had access to books published in other parts of the world but had to access information from the publishers independently. The local bookstores had individual accounts with publishers overseas. Most of the larger overseas publishers, chiefly those in the United Kingdom, sent representatives out to call on local bookstores every two to

three months. This representative only promoted publications of that company, and it was up to the booksellers to indent required stock, mostly on a order to order basis. The South African book market was at the time much smaller than it is now, but showed potential to grow. The booksellers also relied heavily on publisher's catalogues and blurb sheets, from which they placed orders.

EARLY AGENCIES

The growth of the South African bookselling industry meant some UK publishers had to take note of the market potential that existed here, which resulted in some publishing houses starting up agencies locally in South Africa. The first example of this was a combination of **Hodder and Stoughton**, **New English Library** and **Sphere Books**. Combined, these three publishers formed a large company and employed two representatives locally. Very little stock was held in South Africa, with the bulk having to be ordered on an order to order basis. The local representatives called on the booktrade and subscribed new and backlist titles. It is estimated by Paul Steedman that these publishers combined sold about 20% of the total market share of imported books. (Steedman 1994:

interview). The problem that still existed was that these agencies were not sole suppliers of the product in South Africa. They existed merely to promote sales of that product in the market. The booksellers had to still indent individually and had to retain their accounts with the overseas publishers.

WHOLESALEERS

There was now an opening in the South African booktrade for a book wholesaler. A small company started up, viz. **Vaal Book Distributors**, and shortly thereafter, the company **Cape Magazine** launched. The latter company called on tearooms and cafes. Books were available in box lots and cafe owners had no choice but to take what was supplied. The advantage was that all returned books were credited. The method of supply was for a representative to call on the cafe and to remove all old stock from the shelves or spinners. The space would then be filled with all the books from the box. Books were generally available in three sizes of boxes, with the representative deciding on what size box to unpack. The cafe owner had no means of ordering specific titles, nor specific quantities. The size of the box supplied changed

seasonally, ie. a cafe might sell more books during holiday periods. The cafe owner was not unduly concerned about how much stock was supplied as there was no financial risk involved.

The company **Vaal Book Distributors** operated differently. This wholesaler called primarily on chainstores and supermarkets, eg. **OK Bazaars, Checkers**, etc. However, they maintained a low profile as wholesalers to the booktrade itself. For the chainstores and supermarkets this was an ideal way of stocking imported fiction, as it saved the problems of foreign exchange, etc.

Vaal Book Distributors was then bought out by a South African publisher, **Collins**, and became known as **Collins Vaal**. This new company became the first true book wholesaler, stockholding, and supplying the booktrade as well as supermarkets and chainstores. There was clearly an advantage for the smaller bookshops to deal with **Collins Vaal**. Under direct indent they were waiting eight to ten weeks for stock from the UK. They were also faced with having to place orders for books where the overseas publisher stipulated minimum order quantities. Dealing with **Collins Vaal** they could

procure stock faster and single copy orders were possible. The fact that the discount they could secure was lower through **Collins Vaal** was outweighed by the reduction in turnaround time on orders. The larger bookstores still mainly dealt with the publishers agents locally and indented individually.

At this time the **CNA** group clearly had the market monopoly on books. They had no reason to support **Collins Vaal** to any extent for overseas material as they could safely order in vast quantities from overseas publishers. The swing to wholesaling was however noted by them and two **CNA** people, Peter Matthews and Vernon de Haas launched another wholesaling company, **Superbooks**, in 1982. They gained a publishing arm when they amalgamated with **Corgi Bantam** and Alan Grauman became the third partner. **Superbooks** concentrated on the booktrade. Soon they were selling more stock than the publishers agents were themselves selling in the marketplace. The fact that **Superbooks** became bigger customers of the overseas principals than the agents, forced the realisation on publishers that perhaps the South African market had potential and that they should set up locally and run their own

operations to distribute their own books. This then was the first step towards closed market book distribution as we know it today.

Hodder and Stoughton were the first company to break free and start their own book distribution company locally. They started holding larger quantities of stock and employed a full staff compliment to handle sales and finances locally. No one was now allowed to purchase books directly from **Hodder** overseas. To increase the financial viability of the company, they started stocking other overseas publishers books as well, but on the same closed market system.

CHAPTER THREE

THE PROS AND CONS OF CLOSED MARKET

The system of closed market book distribution is seen by the various players in the field as having distinct advantages and disadvantages. However, the impartiality of the viewpoints expressed by the players has to be questioned as these are often diametrically opposed depending on which side of the fence the person sits, ie. is this the view of a closed market book distributor, is it the view of a bookseller or is it the view of the library? Differences of opinion can also be attributed to the size and type of operation.

REASONS FOR CLOSED MARKET

To properly examine the pros and cons of the closed market book distribution system one has to take cognisance of the reasons why the system is being used to distribute overseas publications in South Africa. One reason is that the publisher finds the South African market too small to deal with on a direct supply basis. It has been reported that the number of bookshops in this country is

significantly lower than in other countries, eg. New Zealand had one bookshop per 7500 people, while South Africa had one for every 100 000 people. (Kantey 1991: 100).

Another reason is that the closed market book distributor convinces the publisher that they (the distributor) are in a better position to service the needs of the local market, especially in the areas of marketing, product penetration, local stock holding and accounting. This would mean that debt control and collection would be easier and better managed. The closed market book distributor also knows the local market intimately and should thus be better able to pre-select and promote suitable material in this market.

Logistically, because the distributors are supposed to carry stock, they should be able to supply this market far quicker than the publisher overseas. Another attraction for a publisher to appoint a sole agent is the fact that they (the publisher) have only one account for this country. The orders they supply will therefore be mainly bulk orders as they will not be plagued with single copy orders from sometimes obscure retailers.

ADVANTAGES OF CLOSED MARKET

Some of the reasons for closed market can be translated directly from the reasons the system is being used. There are, however, additional reasons.

1. The system is clearly advantageous for very small bookshops who do not have the staff nor expertise to handle numerous foreign accounts, or are situated considerable distances away from customs and excise offices. These dealers may further not have the credit rating necessary to open accounts with overseas publishers. This would mean paying pro forma for any material ordered, which could create cash flow problems.
2. A closed market book distributor is able to promote and supply books to non traditional outlets, eg. hardware dealers, research organisations, tourist shops, etc. Many of these outlets would not stock overseas books if they had to source and procure them from the overseas publishers, especially not without prior reviewing of the finished book. For the

closed market book distributor these are extra sales and have proved quite lucrative for some. (Halford 1994).

3. The system of closed market book distribution opens up the possibility of co-publishing between South African companies and overseas publishers, depending on the subject matter and content of the book. In the absence of a well established indigenous publishing tradition, co-publishing can be seen as a tremendous advantage.
4. A closed market book distributor is often able to negotiate better prices for the local market based on projected sales of the book in South Africa and the publisher's discount. As reported by Pretorius, "kwantiteit is die sleutelwoord in die geslote mark" (quantity is the key word in closed market). (Pretorius 1989: 89). A recent example of this is the new Mandela book *Long walk to freedom : the autobiography of Nelson Mandela* published by **Little, Brown** in the UK. The UK price for this book is 20 pounds sterling. A book priced at 20 pounds on indent would generally retail in South Africa

from approximately R126,54 upwards. This price is the pound price x rate of exchange (5.55) x 14%, which now becomes a vat inclusive price. Many closed market book distributors use a higher rate of exchange and various complicated formulae to set rand retail prices, which could mean the book retails at approximately R140,00 to R150,00. The formulae could include shipping costs, low publisher's discounts, inland freight charges, etc. The local distributors for the Mandela book, **Macdonald Purnell**, have however, negotiated an extremely good deal with **Little, Brown** and are thus able to release the book in South Africa at a vat inclusive price of R79,95. (Will 1994). This kind of pricing advantage is, however, generally more apparent with fiction than with non fiction. It is reported that "nowadays, the closed market agent is actually reducing the price on many books" (Adams 1994) whereas 20 years ago the book was sold locally at BPP converted. Adams also attests that those closed market book distributors who are owned by their overseas principals are better able to establish fair South

African prices than those who act for separate overseas principals.

The distributors are also able to increase their profit margin by careful analysis of the local market and skilful negotiations with their overseas principals. This is important because the profit margin on books is not tremendously high. (Pretorius 1989: 89). Profit is generated from the discount that is arrived at between the publisher and the distributor, which for the most part depends on the quantity per title taken. Responsible distributors pass some of this advantage on to the retailers thus enabling the consumer to benefit by way of lower South African prices.

5. Many closed market book distributors are able to offer highstreet and larger booksellers a see-safe facility on books. This means that the books are supplied on a sale or return basis. The number of copies available see-safe is negotiated between the closed market book distributor and the bookseller. Most of these booksellers place fiction orders

in two parts, eg. 75 firm sale and 25 see-safe. The bookseller in this case does not lose if the book does not sell as well as predicted. Paperbacks are, however, always sale or return, to all retailer's, unless they abuse the system by ordering quantities that result in continued high returns versus copies sold.

There is obviously a time limit applied to see-safe, and deals for see-safe are not standard as these would be negotiated between the bookseller and the closed market book distributor. For library suppliers this is a privilege offered by the distributors to whomever they choose. This kind of sale or return policy is very difficult and expensive to operate when the bookseller has to deal directly with publishers based overseas, who understandably are reluctant to service this market with sale or return.

6. Booksellers are able to rely on closed market book distributors to stock their outlets with overseas books in addition to carrying South African publications. "Generally

booksellers rely on books offered by publishers with South African offices or agents and proactive selection from the vast quantities of material available in other countries is carried out only in a limited way". (McNaught and Bowen 1994: 17). This is particularly true for highstreet booksellers with emphasis on public trade. "The general bookseller is more than adequately served by depending on the local closed market book distributor". (Adams 1994). Adams estimates that 95% of overseas material stocked by him, is received from closed market book distribution companies.

7. The promotion of new material by the closed market book distributors is a clear advantage that this system of supply has over the direct indent system. Although those publishers not represented locally by a closed market book distributor do organise major promotions for new potential bestsellers, they are very difficult and expensive to organise and therefore tend to be infrequent. The closed market book distributors in South Africa have better access to the local press and other mass media so that publicity is therefore

significantly easier and better. It is also possible for booksellers to negotiate better prices and discounts when their stores are used for special promotion events, besides the obvious off-shoot of general store publicity.

8. Damaged returns are easier to control under the system of closed market book distribution. Negotiating with publishers overseas over damaged or misbound books can be a tedious process, as well as expensive. Books damaged in transit are less likely to be the problem of the bookseller. Replacing damaged stock will also be faster when a closed market book distributor is used, notwithstanding the stock factor.
8. Procuring stock for book exhibitions by booksellers is also a better possibility when using a closed market book distributor. Here again there is also the opening to negotiate better prices and discounts. Although some booksellers do bring in stock from overseas publishers not represented

locally for exhibitions, it can be estimated that 80 to 90% rely on pulling stock from distributors locally.

DISADVANTAGES OF CLOSED MARKET

1. A significant disadvantage centres around service. Although not applicable to all closed market book distribution companies, some are reputed to offer less than acceptable standards of service. Referred to here are general service criteria, eg. making and keeping appointments, returning telephone calls, good record keeping, regular visitations, etc. The complainants tend to be the smaller retailers, the owners of which run chiefly hands-on operations and are therefore more aware of the kind of service they are offered by the closed market book distributors. These are also the companies who because of their size and location generally cannot circumvent the distributors, and who are reliant upon these distributors to stock their shops and fulfil orders.
2. Price was mentioned under the heading of advantages. Price also falls into the category of disadvantages. The closed

market book distributor monopolistically controls the retail price in South Africa. They are able to ignore the UK or other published price and place a rand price on a book that seems to have no direct bearing on the exchange rates. There is no control over what figure or formulae they use to convert prices into rand. "Some pricing practices need to be investigated. [There are] instances where some overseas books are over R50 more expensive than if supplied from overseas". (McNaught and Bowen 1994: 21). A local retailer reports that straight backward calculations on general books often reveal a use of between R6.50 to R7,50+ as an exchange rate for British books, notwithstanding the vat being included in the price. When questioned, the closed market book distributors are reluctant to comment. (Von Homeyer 1994). According to some closed market book distributors such backward calculations are unwarranted and misleading. (Halford 1994.) (Steedman 1994). Despite protestations, it is difficult to envisage how a book priced at 5 or 6 pounds sterling can retail in South Africa for R40,00 or more. A precise example of this is *Clairvoyancy* published

by **Robert Hale**, distributed by **Trinity** - UK price 6,99 pounds sterling - South African price R55,95, indicating a straight conversion factor of R7,02 to the pound before the addition of VAT. Another example is *Look out on the road* published by **Evans**, distributed by **PMC International** - UK price 2,99 pounds sterling - South African price R24,99, indicating a straight conversion factor of R7,33 to the pound before the addition of VAT. An even better example of high conversion rate is *Workshop electrics* published by **Argus**, distributed by **Media House** - UK price 6,95 pounds sterling - South African price R59,95, revealing a straight conversion factor of R7,57 to the pound before the addition of VAT.

A schedule of further examples appears as Appendix 1A. The examples listed in the schedule cover the areas of adult and children's non-fiction, adult and children's fiction, UK academic and an assortment of USA books. The details listed in the schedule are:

Title
Publisher
Distributor
Sterling / Dollar price
Rand price (including VAT)
Rate (excluding VAT)

The rate column shows that there appears to be no consistency when original prices are converted into rand prices. These examples listed in Appendix 1A list books supplied by various closed market book distributors to a bookseller mainly during the months of October and November 1994. The average exchange rates for this period have been calculated as:

Pound sterling = 5,68

U.S. Dollar = 3,54

Tables 1 to 7 are extrapolated from the schedule and reveal interesting facts about the inconsistency that is rife when books are priced into rand. These tables point out whether exchange rates above or below the average rates have been

used to convert sterling or dollar prices into rand. The rates used are VAT exclusive. The tables are included as Appendix 1B.

A large national retailer referred to closed market book distribution pricing as "thumbsuck prices".³ This sort of inconsistent method of pricing becomes very difficult when dealing with librarians who are diligent and cross-question the booksellers about prices. "Price in the library supply business is one of the determining factors when it comes to support from libraries for local booksellers. There are very few local academic libraries that seriously support the local industry". (McNaught and Bowen 1994: 21). McNaught and Bowen estimate the size of the library supply business to equal about 20 million pounds sterling, of which the bulk is being spent with library suppliers in the USA and Britain. The perception sometimes exists that local booksellers exploit the libraries. This results in booksellers having to produce

³The individual quoted requested anonymity and therefore cannot be named.

distributors' invoices to the library to prove that the prices are charged by the distributors and do not include any gross add-on of profit by the bookseller. (Von Homeyer 1994). "While local agents may argue that their prices are higher due to the costs of carrying local stock and making samples available to academics for exhibitions, the price differences are sometimes considerable". (McNaught and Bowen 1994: 20). Some high street booksellers argue that they will get better prices if they dealt directly with the overseas publishers. (Pretorius 1989: 90).

Some argue that this kind of mark up is necessary with academic books more than with other books because of the low sales figures for the local market. It is argued that academic books have a shorter life with a smaller market and not as many reprints occur as with fiction. A revised edition incurs similar publication costs as a new book. This problem is exacerbated by education authorities and academic departments constantly changing prescribed text and recommended reading lists. Popular fiction can sell for

years, for example the *Wordsworth Classics*, which were able to retail in the South African market for R10,99 earlier in 1994. A further reason given for the higher prices on academic books are the lower discounts offered by the overseas publishers. The closed market book distributor is in this case forced to mark up the book to increase his gross profit. (Steedman 1994).

3. Another problem area is the selectivity of representation that is practised by the closed market book distributors. Although they have sole representation rights for certain books or lists of books from publishing houses, they do not promote all the books on their lists. The reason here is mainly economics, but for retailers in the library supply side of bookselling this can be a serious problem. "As dit duidelik word dat 'n boek te duur kan wees, kan die verspreiders, deur middel van die geslote mark, besluit om dit nie in te voer nie want min eksemplare sal verkoop word". (If it is obvious that a book is going to be too expensive, then the distributors, through closed market, decide not to import it because too few

copies will sell). (Pretorius 1989: 90). Booksellers complain that this is a form of economic censorship. It is fair to note here that closed market book distributors complain that booksellers practice a form of censorship and do not buy certain books saying that the libraries will not buy them. The distributors argue that this form of selection keeps their product out of the libraries and therefore no sales can be anticipated. This situation can, however, be countered if the distributors improve their sale or return policies.

4. The closed market book distributors apply selective discounts to the booksellers, a practice that is not generally applied by the overseas publishers who prefer standard discounts. The selective discounts apply mainly to adult fiction and non-fiction. The strength of the buying power of a bookseller is therefore significant. The **CNA Gallo** group clearly has the greatest buying power and commands considerably higher discounts. Kantey (1993: 140) estimates the **CNA Gallo** group commands 60 to 90 per cent of the trade. It has been said that the **CNA** can sometimes demand

a discount of as much as 70%, of which a small portion may occasionally be passed on to the consumer. (Kantey 1993: 141). **Leisure Hour** also has the buying power to command such discounts. The net result of such enormous buying power is two-fold. Firstly, it prevents the smaller publishers and distributors from getting their products into these conglomerates because they cannot economically afford to raise their discounts and thus compete. Secondly, the smaller bookshops who cannot buy in such quantity are disadvantaged because they cannot attract trade away from these large outlets as they cannot compete on price to the consumer.

5. Stockholding by closed market book distributors has been criticised by booksellers. While it is recognised that it would be uneconomical for a distributor to carry vast quantities of stock of every title on their list, it is also true that some distributors carry stock of too few of their titles. Some companies practice better forward planning than others, and therefore have sufficient stock of envisaged popular titles.

Smaller closed market book distributors tend to be more guilty of poor stockholding, although this is not a rule. Stockholding is also more of a problem with those distributors who represent too many publishers. (Steedman 1994).

Poor stockholding would not be as serious a problem if the turnaround time on re-orders from the overseas publisher was shorter than it is currently. Some overseas publishers do tie the distributors to minimum order quantities. The distributor then has to hold onto orders from local booksellers until they have collated sufficient quantity, before placing an order for these books, which according to Halford (1994) could take months. The publishers would not generally tie booksellers into this kind of minimum quantity order. The bookseller however, under the closed market book distribution system has no choice but to order through the distributor and wait for supply, or use overseas wholesalers.

6. Booksellers complain about price fluctuations on some closed market books. This is particularly serious for the library suppliers. A book is submitted to a library at one price, but when the library orders the book and the bookseller places the order with the closed market book distributor, it does happen that the book is supplied at a higher cost. Low stockholding can also be blamed here. The library suppliers are then faced with the possibility that the library may decide not to accept the books. In the result booksellers are forced to produce the invoice from the closed market book distributor to the library as verification of price increases.
7. Booksellers increasingly complain about closed market book distributors who bypass them and supply libraries direct. Steedman (1994) retorts that this can be because they (the closed market book distributors) are not happy with the service they receive from the booksellers, ie. in getting their product into the libraries for selection. This researcher is, however, perturbed that too frequent bypassing of the local

bookshop in the chain of library supply can be detrimental to the survival of the bookshop, as library supply represents a large portion of business to some smaller and medium sized retailers.

8. A problem exists with knowing which closed market book distributor represents which publisher and what portion of that publisher's list is closed market, or what portion is open market. The industry is very fluid. Distributors come and go, a problem more with smaller companies. Agencies also change, ie. distributors may lose agencies. In addition publishers may change their distributors locally. It can be a tiresome task for booksellers to keep up with. The old Overseas Publishers' Representatives Organisation (OPRA) used to publish a list of closed market book distributors and who they represented, but both the organisation and the list have ceased to exist. When closed market book distributors lose agencies they are reluctant to inform the trade and simply do not respond to orders. Those closed market book

distributors who gain new agencies are remiss with informing the trade timeously, thus causing delays in the supply chain.

9. Library suppliers are particularly concerned with the delay between the overseas publication date of a book and the date when the closed market book distributor makes the book available in South Africa. Increasingly these dates do not coincide. Local library suppliers face losing orders for that book to overseas library suppliers who could have submitted to local libraries closer to publication date. This results in local booksellers losing significant amounts of business.

A related problem is that of stock procurement. A bookseller in the library supply business has mentioned the increasing problem of closed market book distributors subscribing books at or after publication date, and then only procuring their stock thereafter, ensuring that they (the distributors) are in a

no lose situation. This practice is clearly unscrupulous.⁴ If the book is subscribed pre-publication, and the distributor then estimates stock requirements and orders accordingly, the booksellers cannot complain, because it is a question of economics. (Adams 1994). Steedman (1994) indicates that the normal practice is for closed market book distributors to gauge market requirements by subscribing pre-publication, and then adding on estimated extras to reach figures for order placement. There is, however, reason to believe that this is not being practised across the board by the closed market book distributors.

⁴This individual requested anonymity and therefore cannot be named.

CHAPTER FOUR

THE RESEARCH INTO CLOSED MARKET

The foregoing chapters reveal that the system of closed market book distribution does not have the same merits for all players in the bookselling trade. It has also been mentioned earlier that the attention currently centred on the promotion of indigenous writing and publishing should not imply a total rejection of overseas published material. Besides ignoring the need in the market for European, American and other literature for educational and recreational interests, a prohibition on imported literature would amount to censorship. It is important therefore that the industry ensures a good representation of imported literature in the marketplace, and is nurtured in tandem with the concentrated efforts to promote local publishing.

What we have realised thus far, however, is that this industry could kill itself if it fails to take cognisance of the needs and demands that exist in the market currently. The list of advantages of the system of closed market book distribution show that the local retail

bookselling trade is reliant on the distributors for various reasons. The converse is nevertheless also true. These closed market book distributors require the support and good faith of the booksellers for survival in the marketplace. The closed market book distributors are tied into contracts with their overseas principals for sole distribution rights for particular product in South Africa. This does not preclude overseas wholesaling companies from supplying local booksellers with a range of product, including that which is only available via closed market in South Africa. The publisher is seldom aware of where or to whom books ordered by wholesalers are being supplied.

REVIEW OF THE LITERATURE

It is apparent that very little literature exists on the system of closed market book distribution in South Africa. Articles referring to book distribution in South Africa speak of distribution in terms of indigenous publishing, ie. how to get the book from the publisher to the bookshop and to the reader.

Full bibliographic searches have been undertaken on URICA at the University of Natal (Pietermaritzburg) and URICA at the University of Durban-Westville as well as SABINET. The Index to South African Periodicals (ISAP) has also been searched as well as Library Literature on CDROM.

The Library Literature on CDROM search produced 28 references, none of which was applicable to this study. The ISAP search traced 3 possibly relevant items. Both URICA searches and the SABINET search produced nil returns.

Of the literature retrieved, Pretorius (1989) and McNaught & Bowen (1994) appear to be the only authors who spend considerable time exploring the system of closed market book distribution. This lack of written information supported the need for research into this area of the bookselling industry.

RESEARCH OBJECTIVES

Although closed market book distribution can be seen to impact on public and library sales, it was decided to restrict the research to

the effects of the system of closed market book distribution on libraries in KwaZulu Natal. The public are seldom, if ever, aware of the dynamics involved in the trade and how book prices are determined. Unfortunately though, the bookseller is blamed for an overseas book being more expensive than the consumer deems it should be. Adams (1994) reports that pricing is seldom queried by customers on the shop floor, although the apparent perception of high prices may exist in their minds. The weak rand/sterling exchange rate is often blamed, although most customers may not calculate the conversions for themselves. McNaught and Bowen (1994) refer to the price scrutiny that the booktrade is open to as unfair when compared to chain clothing stores, for example, where mark-up by the retailer can be as excessive as 150%. This scrutiny comes about because of the pound or dollar prices being printed on the jackets of many books. (McNaught and Bowen 1994: 21)

The buying power of the libraries nationally is considerable. McNaught and Bowen (1994) have estimated it to be in the region of 20 million pounds (about R113 000 000 at the current exchange rate of 5,65). It is important to remember that these libraries are

deemed to be spending public money, and as such have to be accountable and responsible while ensuring that the public receive the best deal for the money spent. It is therefore the responsibility of public money spenders to remain aware of prices of products and how prices are determined. Acquisitions librarians have the responsibility to know why book prices are as they are. For an acquisitions librarian to know how and why book prices are determined, knowledge of how the chain of bookselling operates is essential. The writer therefore presumes that acquisitions librarians and their executive managers are aware of the system of closed market book distribution and its place in the bookselling arena. This presumption is important when considering the research objectives that have been decided upon.

The research objectives were set as follows:

1. To determine whether closed market book distribution has had an effect on public and academic libraries in Natal.
2. To determine the effects that closed market book distribution may have on book prices.

3. To determine the effects that closed market book distribution may have on the availability of the product to the libraries and the retail book trade.
4. To examine whether the present system of closed market book distribution is acceptable within the broader framework of a new and changing South Africa.

THEORETICAL FRAMEWORK

The study was envisaged to search for the effects that closed market book distribution may have on libraries in KwaZulu Natal. The process was an investigative one.

The study was also to investigate whether a relationship exists between closed market book distributors (the wholesale trade), local booksellers (the retail trade) and the libraries (the customer). The writer assumed the study with the theory that closed market book distribution was basically monopolistic in nature, which affected pricing structures and stockholding, with the result that closed market book distribution has provided, with few exceptions,

a poor standard of service to the retail book trade in South Africa, and hence poor service to the libraries.

The writer also believed that it may be probable that closed market book distribution is one of the factors that may prompt libraries to purchase books directly from overseas suppliers. This will result in a lack of support for local book retailers, which could have disastrous repercussions because libraries are seen as their vital source of income. Continued and increased amounts of direct overseas purchasing will be detrimental to the local retail trade.

The premise was that if the study showed that these theories are true, then ways forward for the future of the local book retailer will have to be found. The closing of business by local book retailers is definitely not to be seen as advantageous for a new, changing and developing South Africa.

RESEARCH METHOD

A significant part of the research report has been devoted to how the closed market book distribution system works in South Africa.

This information was obtained from the local book industry as a whole, ie. the distributors, publishers and retail booksellers. The writer anticipated that not much written information existed in this area. An association of overseas publishers' representatives (OPRA) did at one time exist, but no longer does. OPRA had in a sense been replaced by the Publishers' Association of South Africa (PASA) and the Independent Publishers' Association of South Africa (IPASA), but in October 1994 these two associations merged with the IPASA members all joining PASA. (Allen 1994). OPRA was responsible for publishing a list of overseas publishers' representatives which gave a clear indication of which publishers were represented locally and by whom. There is currently a list available from PASA but it is rather complicated to use. The present administrator of PASA, Toni Allen, has admitted this and has stated that moves are afoot to reproduce the list in 1995 in a format similar to the old OPRA list. (Allen 1994).

This first part of the study aimed to provide a degree of historical perspective to the area of closed market book distribution. This part of the study was also to achieve a definition of terms currently in

use, eg. what is closed market, what is a distributor, what is a publishers' representative, etc, etc. Naturally following onto these definitions, the study was to outline the major players in all three sectors of this study, ie. who are the major closed market book distributors, who are the major retail booksellers, and who are the major public and academic libraries.

The second part of the study proposes to apply to achieve the research objectives as listed above. To this end three interlinked questionnaires were designed to gather information from the three sectors of this study, ie, the closed market book distributors, the retail booksellers and the libraries. The relevant questionnaires were sent to a redefined⁵ population in each of the three sectors.

The questionnaires are attached as follows:

Booksellers	-	Appendix 2
Closed Market Book Distributors	-	Appendix 3
Libraries	-	Appendix 4

⁵See later under "Data Gathering".

Interviews with relevant people in the bookselling and closed market book distribution sectors were also used to gather data, especially for the background information for this study. The questionnaires were posted to all 30 companies and/or institutions in the sample but time and expense constraints required the use of facsimile transmission of questionnaires that went astray in the post. Replies were received via facsimile or post. Questionnaires not returned within three weeks of being sent out were followed-up telephonically. Letters querying non returns were then faxed to the company or institution. This exercise was repeated for those companies or institutions that had still not responded.

For the interviews, where persons were available in a relatively close locale, these were conducted in person. Some telephonic interviews were necessary. In all cases care was taken to ensure that data from all the above sources was compatible.

Careful scrutiny was required to deal with all responses, from the questionnaires as well as the interviews, as the information gathered was not purely statistical. Many questionnaires were

returned with extra comments and notes which were taken into cognisance. An important observation was that although names and personal information was optional, all returned questionnaires bore this data.

DATA GATHERING

It was originally planned that data would be gathered from the following groups:

1. The Association of Booksellers of South Africa.
2. The Publishers' Association of South Africa.
3. The Independent Publishers' Association of South Africa.
4. Booksellers.
5. Book Distributors.
6. Major libraries in Natal.

For groups 1, 2 and 3 above, data was to be gathered from the Executive, or their named representative. However, upon commencement of the research it was realised that it was more useful to gather information from long standing members of the trade, rather than these three associations. For groups 4, 5 and 6

a random sample was not deemed to be fully representative. A population was therefore redefined for the purposes of this study.

Due to the diffused nature and difficulty of closely defining the population, the sample had to be drawn selectively so as to ensure that all major players in the fields were included. It is realised that this sample is not truly random, but it does represent the majority of the major players affected by closed market book distribution. The creation of a comprehensive data base including all booksellers, closed market book distributors and libraries would be a thesis in itself. The lack of inclusion of the smaller players will not significantly impact on this study. The population was therefore determined within the constraints of time, expense and human resources. Any exclusions from the chosen population do not in any way indicate insignificance in the trade areas or library field.

POPULATION

The population for the three groups was redefined as follows:

BOOKSELLERS

1. Mast
2. Exclusive Books
3. Books Only
4. CNA
5. Adams & Co
6. Shuter & Shooter
7. Aloe
8. Paperbacks
9. Caxton
10. Alix International

BOOK DISTRIBUTORS

1. Trade Winds Press
2. Media House
3. Alternative Books
4. Collins

5. Faradawn
6. Trinity
7. Pan
8. Heinemann Centaur
9. Real Books
10. Butterworths

LIBRARIES

1. Durban Municipal Library
2. Natal Society Library
3. KwaZulu Natal Provincial Library Service
4. M.L. Sultan Technikon Library
5. Mangosuthu Technikon Library
6. Technikon Natal Library
7. Natal University Library (Durban)
8. Natal University Library (Pietermaritzburg)
9. University of Durban-Westville Library
10. University of Zululand Library

A more comprehensive list of the population appears as Appendix 5.

QUESTIONNAIRE DESIGN

The reason for using three separate questionnaires for this survey was because the trade is viewed differently from the three groups that have been used in this study. The questionnaires had to, however, be interlinked. The questions are therefore essentially the same, but are phrased differently to make sense to each of the sample categories. For example, question 1 to closed market book distributors reads:

How do you rate your supply of orders calling for "blacklist fiction titles" in hardcover?

The same question phrased for booksellers reads:

How do you rate the supply of your orders calling for "blacklist fiction titles" in hardcover from CMBD's?

The question to libraries is:

How do you rate the supply of your order calling for "blacklist fiction titles" in hardcover which are only available from a local bookseller via a CMBD?

It was expected that not all the questions would be applicable to all members of the sample. For example, it was presumed that academic libraries would not answer questions relating to fiction.

The questionnaire consisted of 21 questions, calling for responses in different formats. Questions 1 to 11 called for responses to be rated on a scale from 1 to 10 with 1 being excellent and 10 being very poor. The questions covered the areas of supply and stockholding. Question 13 related to pricing and was presented in the form of a table calling for prices to be rated as underpriced, evenly priced, slightly overpriced or generally overpriced with regard to currency exchange rates. Question 16 required a response in one of three categories and related to the continuance of the system of closed market book supply. All other questions called for yes or no responses.

ACCESS TO DATA

Access to data for the study of the effects of closed market book distribution on libraries in Natal was not anticipated to be a problem. The writer has reasonably good ties with the retail book

trade and as a result has access to information relating to the major players in the field. Being a librarian, the writer believed that it would be possible to ascertain information from the major public and academic libraries in Natal. Information about the closed market book distributors was readily obtained from the local retail booksellers. However, it was envisaged that the response to investigations within the closed market book distribution sector might prove difficult as traders in this sector could feel threatened by the study, and this did in fact occur. The problem of contrived responses from this sector could, however, in most cases be verified with the local retail booksellers.

It should be borne in mind, as mentioned earlier in this chapter, that the data collected for this study was not of a purely statistical nature. The data was based on individual responses and therefore could be of a subjective nature. The writer in writing this thesis remained constantly aware of the reliability of the data.

CHAPTER FIVE

THE SURVEY RESULTS

The results of the survey are presented in tables below. The format for the presentation of the results corresponds with the format of the questionnaire. However, the results to each question from all of the sample groups are presented together to make a comparison of the results more efficient. The order of presentation is consistent throughout - first booksellers, followed by closed market book distributors, and then libraries.

In each case, the sample size is ten, which is the redefined population that has been discussed in Chapter 4. There are exactly ten major libraries or library authorities in KwaZulu Natal, and for consistency ten booksellers and distributors were selected. For questions 1 to 11 the rating scale of 1 to 10 is represented as 1 = excellent and 10 = very poor. Every table carries one column headed "?" and one headed "X". The "?" column is a combination of responses that were marked not applicable or left blank. Questionnaires returned with no responses with letters to indicate a lack of understanding or a declaration that the survey did not

apply to the company/institution returning them have also been marked in this column. The "X" column refers to questionnaires that were not returned. In each of the three samples only two recipients of the questionnaires fall into this column. The questions appearing above each result table give only the essence of the question and are not necessarily repeated as they appear on the questionnaire. The reason for this is the fact that the three questionnaires were different, although interlinked for each of the sample groups.

1. Supply of orders calling for "backlist fiction titles" in hardcover.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
	1		3	1			1	1	1		2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
		1	1	1			1			4	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
			1	1			2			4	2

2. Ditto - softcover.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
	1	3	1	2		1					2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
	1	1	1				1			4	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
			1	2			1	1		3	2

3. Supply of orders calling for "new/recently published fiction titles" in hardcover.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
1	1	2	1	2		1					2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
1	1	2		1						3	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
		1	3	1						3	2

4. Ditto - softcover.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
2	1	2	2	1							2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
1	1	2		1						3	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
		2	2	1						3	2

5. Supply of orders for "prescribed and/or academic books".

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
		2		1		1	2			2	2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
1	1	1								5	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
		1	2	1	1					3	2

6. Stockholding of British Books in South Africa by CMBD's?

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
	1		3	1	2	1					2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
	3	2	1		1					1	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
					2	1	1		1	3	2

7. Ditto - USA Books.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
		1	1		2	1	3				2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
	2		3		1					2	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
					2		1		1	4	2

8. Reporting/recording and supply of orders that are not currently in stock.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
1			3	1				2		1	2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
2	1	3	1							1	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
				1		3		1		3	2

9. Presentation and promotion of "New" or "To be published" British Books by the sales personnel of CMBD's?

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
1	3	3	1								2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
4	3									1	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
			1	2	1	1			1	2	2

10. Ditto - USA Books.

BOOKSELLERS:

1	2	3	4	5	6	7	8	9	10	?	X
1	2	2	1		1	1					2

CLOSED MARKET BOOK DISTRIBUTORS:

1	2	3	4	5	6	7	8	9	10	?	X
2	3	1								2	2

LIBRARIES:

1	2	3	4	5	6	7	8	9	10	?	X
			1	1	2				1	3	2

11. Average percentage of orders that are supplied by a CMBD ex-stock within a 3 week period.

BOOKSELLERS:

10	20	30	40	50	60	70	80	90	100	?	X
1		1	2			1	1			2	2

CLOSED MARKET BOOK DISTRIBUTORS:

10	20	30	40	50	60	70	80	90	100	?	X
			1			1	4	1		1	2

LIBRARIES:

10	20	30	40	50	60	70	80	90	100	?	X
4						1	1			2	2

12. Direct orders with overseas suppliers for books that are closed market in South Africa?

BOOKSELLERS:

YES	3
NO	5
?	
X	2

CMBD's:

YES	6
NO	1
?	1
X	2

LIBRARIES:

YES	3
NO	2
?	3
X	2

13. Pricing in Rand with regard to currency exchange rates?

BOOKSELLERS:

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced	?	X
Children's fiction		3	5			2
Children's non-fiction			7		1	2
Adult fiction	2	4	1		1	2
Adult non-fiction		4	3		1	2
Text/school books		2	2		4	2
General academic		1	2	2	3	2

CLOSED MARKET BOOK DISTRIBUTORS:

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced	?	X
Children's fiction		4	1		3	2
Children's non-fiction		5	2		1	2
Adult fiction	1	1		1	5	2
Adult non-fiction		3	3		2	2
Text/school books		1	1	1	5	2
General academic		1	3		4	2

LIBRARIES:

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced	?	X
Children's fiction		2	1		5	2
Children's non-fiction		1	1		6	2
Adult fiction		4			4	2
Adult non- fiction		2	1	2	3	2
Text/school books		1		3	4	2
General academic		1		4	3	2

14. Has CMBD been beneficial to local bookselling?

BOOKSELLERS:

YES	4
NO	2
?	2
X	2

CMBD's:

YES	6
NO	
?	2
X	2

LIBRARIES:

YES	
NO	5
?	3
X	2

15. Is CMBD monopolistic?

BOOKSELLERS:

YES	6
NO	2
?	
X	2

CMBD's:

YES	1
NO	6
?	1
X	2

LIBRARIES:

YES	6
NO	
?	2
X	2

16. Preference for the CMBD system to:

- A. Remain as is
- B. Change to permit closed market on only a small % of titles
- C. Be abolished completely

BOOKSELLERS:

A	2
B	5
C	1
?	
X	2

CMBD's:

A	6
B	
C	
?	2
X	2

LIBRARIES:

A	
B	1
C	5
?	2
X	2

17. Loss of major library orders because of pricing and supply problems by CMBD'S?

BOOKSELLERS:

YES	6
NO	1
?	1
X	2

CMBD's:

YES	
NO	5
?	3
X	2

LIBRARIES:

YES	4
NO	1
?	3
X	2

18 a. If the major libraries ceased placing orders directly with overseas suppliers will book prices and discounts improve locally.

BOOKSELLERS:

YES	4
NO	4
?	
X	2

CMBD's:

YES	5
NO	
?	3
X	2

LIBRARIES:

YES	1
NO	2
?	5
X	2

18 b. Could service be more competitive?

BOOKSELLERS:

YES	5
NO	1
?	2
X	2

CMBD's:

YES	5
NO	
?	3
X	2

LIBRARIES:

YES	3
NO	
?	5
X	2

19. Awareness of CMBD's supplying libraries direct in South Africa?

BOOKSELLERS:

YES	6
NO	2
?	
X	2

CMBD's:

YES	3
NO	4
?	1
X	2

LIBRARIES:

YES	1
NO	4
?	3
X	2

20. Should there be South African legislation regarding CMBD?

BOOKSELLERS:

YES	2
NO	4
?	2
X	2

CMBD's:

YES	1
NO	5
?	2
X	2

LIBRARIES:

YES	1
NO	5
?	2
X	2

21. Should there be legislation against South African libraries placing orders directly with overseas suppliers?

BOOKSELLERS:

YES	5
NO	1
?	2
X	2

CMBD's:

YES	4
NO	2
?	2
X	2

LIBRARIES:

YES	
NO	6
?	2
X	2

CHAPTER SIX

AN ANALYSIS OF THE SURVEY RESULTS

The overall response rate to the questionnaires was 80%. This was represented by returns of eight questionnaires in each of the three sample categories of ten each. In the booksellers' sample, no response was received from **CNA** and **Paperbacks**. A spoilt copy was received from **CNA** via facsimile, but attempts to get the questionnaire re-submitted failed and has therefore had to be treated as a non return.

From the sample of closed market book distributors, **Butterworths** failed to respond, while **Media House** refused. From the group of libraries, **M.L. Sultan Technikon** did not respond and the **University of Durban-Westville** refused.

The failure to respond to the questionnaires by **CNA**, **Paperbacks**, **Butterworths** and the **M.L. Sultan Technikon** is not of significance to this study. The refusals to respond are, however, worthy of note. The refusal from **Media House** was

given telephonically to the writer by Kate Everingham, Managing Director, on 5 November 1994. The basis for the refusal to respond was given as the fact that the writer has personal links with one member of the bookselling retail trade. Perhaps important to note here is that this relationship is common knowledge to many other participants in this survey. The writer has received full co-operation from many other booksellers, distributors and librarians who were fully aware of this personal relationship.

The reason for the refusal to respond by the acquisition's librarian at the **University of Durban-Westville**, B.N. Reddy, is not readily apparent. The writer is employed by this University and has been since 1981. The writer is of the opinion that a refusal by one's own employer to assist with research is ethically wrong, especially when the institution advocates and encourages research by its staff.

The overall impression gained from looking at the results of the survey is a lack of consistency in the industry. In all three sectors very few majority ratings came through. This is significant in that it

points to a need for all three sectors to take the point of closed market book supply more seriously and to nurture it's place in the bookselling industry in South Africa.

Many of the closed market book distributors who responded to the questionnaire came through as being defensive of their place in the trade. It is doubtful if some of their responses are in fact honest, and this should be noted when evaluating the data utilized in this study. This impression by the writer is not to be viewed as an accusation, but should merely point to the need for the distributors to reassess their place in the bookselling arena and to adopt a more responsible role.

A significant extrapolation from the survey results comes from the difference in the scattering of responses by the different sectors. While there was sometimes a similarity of opinion, for the most part responses were on opposite sides of the scales. This indicates a lack of agreement by the different sectors and is a clear indication that the industry needs to take stock. Also evident was that some booksellers were hesitant to be too critical of the closed market

book distributors. It was noted that these were mainly the very large booksellers who could be afraid of losing special trade arrangements, or those that had more serious links with closed market book distributors. An example here is **Exclusive Books**, who are part of the **Premier Milling** group as pointed out in the Introduction. Significant to note here is that the company **Trans S.A. Book Distributors (TSABD)**, a closed market supplier, is also part of this group. What we see here is that **TSABD** would in fact supply books into their own stores, as well as into the stores of the competition. It would therefore be a natural inference that a response from a bookseller from this background could be contrived.

The responses from the libraries pointed to a completely unanticipated problem. Many of the librarians who received the questionnaires initially telephonically contacted the writer to enquire about what closed market book distribution is. The writer was disturbed to note that many acquisitions librarians who claim to support overseas library suppliers with the excuse that service, supply, pricing, availability, etc. was more efficient, did not know

and understand the dynamics of the local trade. Many questions were left unanswered, while some admitted that they could not in fact answer any questions because they did not know. A look at the scores in the "?" columns for libraries indicates this uncertainty. This is a clear indication that there is a need for local librarians to receive more in-depth training about how the trade operates in South Africa.

The same inference cannot be made for the booksellers and closed market book distributors who are scored in the "?" columns. While some responses here do refer to uncertainty, many can be attributed to not being operational in the area, eg. supply of text/school books, not all distributors and booksellers sell text/school books.

QUESTION BY QUESTION ANALYSIS:

Question 1 called for the supply of "backlist fiction titles" in hardcover to be rated. The opinion of booksellers was split with four (4) rating between 2 and 5, and three (3) rating between 8 and 10. Three (3) closed market book distributors rated between 3 and

5. Four (4) libraries rated between 4 and 8. Questions 2, 3 and 4 referred to supply of softcover backlist fiction and hard and softcover new/recently published fiction. There appeared to be consistency with the ratings here by all 3 sectors.

There was a significant difference in opinion about the supply of orders for prescribed and/or academic books. (Question 5). Six (6) booksellers scored between 3 and 8 on the rating scale, while three (3) closed market book distributors scored between 1 and 3. The libraries appear satisfied with five (5) libraries scoring between 3 and 6.

Question 6 referred to the stockholding of British books in South Africa where another significant difference of opinion can be noted. Seven (7) booksellers scored between 4 and 7 on the rating scale, while six (6) closed market book distributors scored between 2 and 4 and five (5) libraries scored between 6 and 10.

On the question of the stockholding of USA books in South Africa by closed market book distributors (Question 7), six (6) booksellers

scored between 6 and 8, while six (6) closed market book distributors scored between 2 and 6. On the other hand, four (4) libraries scored between 6 and 10.

From the responses to the questions on the presentation and promotion of new books by closed market book distributors, one can deduct that a reasonably good job is being done by the distributors and that the booksellers are reasonably pleased. For question 9 which referred to British books, eight (8) booksellers scored between 1 and 4 while seven (7) closed market book distributors scored under 4. For question 10 on USA books, six (6) booksellers scored between 1 and 4. The same score occurs for closed market book distributors. The libraries have a different opinion. Six (6) libraries score between 4 and 10 for question 9 and five (5) libraries score between 4 and 10 for question 10. The different score by libraries does not impact on the similarity of the scores by booksellers and closed market book distributors. Some distributors make a point of sending representatives directly to the libraries, while some do not find this practice economically viable. A further problem experienced by the distributors, as well as the

booksellers, who call on the libraries is that the order never reaches them. The library uses the information provided to place orders with their overseas supplier, a practice that is clearly unscrupulous. This is more manifest with the academic libraries than with the public libraries.

Question 11 elicited an interesting response. The question required the average percentage of orders supplied via closed market book distributors within a three-week period to be rated. Four (4) booksellers said that between 10% and 40% of their orders are supplied in this space of time. Six (6) closed market book distributors claimed, however, that they supplied between 70% and 90% of their orders with this period. Significant here is that four libraries rated supply within this period at 10%! There is a clear difference in opinion between booksellers and closed market book distributors, which should be noted.

On the question of libraries and/or booksellers placing orders directly with overseas library suppliers or wholesalers, as the case may be, three (3) booksellers said YES while five (5) said NO.

Six (6) closed market book distributors said YES and one (1) said NO. The libraries were more or less divided on this between YES, NO, and uncertain ("?").

Question 11 referred to the pricing of books in Rand for books that are only available in South Africa via a closed market book distributor. The tables in chapter 5 will have to be referred to for the exact scoring. An interesting picture emerges when one looks at the combinational scores for each of the 4 categories of pricing, as shown in the table below.

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced
Booksellers	2	14	20	2
CMBD's	1	15	10	2
Libraries	0	11	3	9

The combinational score is reached by adding the scores in the tables for question 13 in chapter 5 for all the categories, viz. children's fiction, children's non-fiction, adult fiction, adult non-fiction, school/text books and general academic. The differences in the opinions of booksellers, closed market book distributors and libraries can clearly be spotted in the above table. Clearly there is

an indication here that pricing is not consistent and needs to be addressed.

The question of whether or not closed market book distribution has been beneficial to local bookselling (Question 14) elicited a split response from booksellers, with four (4) saying YES and two (2) saying NO. None of the libraries thought it was beneficial. The distributors themselves were naturally of the opinion that there were definite benefits.

For question 15, six (6) booksellers as well as libraries thought of closed market book distribution as being monopolistic, while the same number of book distributors thought not. The same difference of opinion comes through in question 16 where five (5) booksellers vote to have closed market permitted on only a small percentage of titles, while six (6) distributors say the system should remain the same. Five (5) libraries call for the system to be abolished completely. In question 17 six (6) booksellers attest to losing major library orders because of pricing and supply problems by closed market book distributors, while five (5) of the distributors

themselves say this is not so, and three (3) appear to be uncertain. The libraries are split four:four (4:4) between YES on the one hand and NO + unsure on the other.

Question 18 (a) enquired whether or not prices would improve locally if the major libraries ceased placing orders directly with overseas suppliers. The booksellers were evenly split between YES and NO while five (5) closed market book distributors said YES as opposed to three (3) who appear to be unsure. More libraries were unsure here, than those who were prepared to say YES or NO. However, the booksellers and closed market book distributors agree in question 18 b that service could be more competitive locally if the major libraries ceased placing orders directly with overseas suppliers. The opinion of the libraries is again split here with three (3) agreeing and five (5) appearing to be uncertain.

A sore point with booksellers is the fact that some closed market book distributors bypass them as retailers and supply product directly to the libraries. This was posed in question 19 where six (6)

booksellers said they knew this was happening, while closed market book distributors were split three (3) to four (4) between YES and NO. Only one (1) library agreed to this while four (4) claimed not. Three (3) libraries appeared uncertain. The second part of this question asked for companies to be named. Many of the booksellers said they were reluctant to. One closed market book distributor was brave enough to name themselves as direct suppliers.

Questions 20 and 21 concerned legislation. It would appear that booksellers, closed market book distributors and libraries agree that there should be South African legislation regarding closed market supply (Question 20). The question, however, on whether or not there should be legislation against South African libraries placing orders directly with overseas library suppliers (Question 21), elicits a different response. Here, the booksellers and closed market book distributors still agree that there should be, while a clear majority of libraries say an emphatic NO!

CHAPTER SEVEN

CONCLUSION

One of the research objectives that was decided upon in Chapter four was to examine whether the present system of closed market book distribution is acceptable within the broader framework of a new and changing South Africa. This question may be answered with both a YES and a NO.

One of the reasons for answering YES is that the closed market book distributor plays an important role in the South African booktrade securing books published overseas. Knowing that most of the major publishers would revert to sending out representatives to South Africa should there be no distributors locally, we cannot deny that having these distributors situated permanently in the country ensures a good supply of overseas material in the retail bookstores.

The closed market book distributors also represent an employment sector in the booktrade. Should this middle link not exist in the

trade, this employment opportunity would be foreclosed. This is an important point despite the fact that the booktrade does not in economic or employment terms compare to other industries in South Africa. It is nevertheless a very important industry that no developed, or developing, country can do without. The entire education process in any country pivots on the book industry, although many education authorities would not admit as much. A point to note is that the draft white paper on education in South Africa, issued early in 1994, does not make any reference to books, text or otherwise. The various library organisations (eg. SAILIS, LIWO, ALASA, TRANSLIS, etc.) have, and continue, to make representation to the relevant government ministries regarding the importance of libraries for the education of the nation, ie. for both formal and non-formal education. It is axiomatic that the libraries cannot function effectively without books, and therefore the book business in South Africa becomes a stakeholder in the education process. It is also true that we need a healthy book industry in order to be able to support libraries in turn to play a significant role in the education process. (Halford 1994).

Mary Nassimbeni makes the point that "a well developed library system which is a major purchaser of books is an important economic pillar of the book industry". (Nassimbeni 1991: 41). What we observe in South Africa however, is that this pillar is eroding because of the increased support for overseas library suppliers by the major libraries. What we have now established is that it is not necessarily true that closed market book supply is the only factor responsible for the impetus for overseas purchasing, although the pricing and supply delays by some closed market book distributors has contributed significantly.

We have also established the disturbing fact that acquisitions librarians are ignorant of the dynamics of the book supply industry in South Africa. This is particularly disturbing because of the enormous purchasing power that the libraries in South Africa represent. (Nassimbeni 1991). This effectively means that many acquisitions librarians who purchase from overseas library suppliers, cannot fully justify their argument for doing so on price alone. Books ordered directly from overseas by libraries have to be cleared through Customs and Excise by the libraries themselves,

and as a result staff have to be allocated to do this. A proper costing of the book should therefore proportionally include the salary/ies, the customs clearance charges, transport and other incidental charges. The libraries also have to process immediate payments to Customs and Excise for the VAT on the books before they can be cleared. Payment for the books themselves to the overseas library suppliers would be processed later via bank drafts, for which the library has to pay bank charges significantly higher than when making local payments. It is therefore incorrect for the libraries to assume a direct relationship between the price of the book from the overseas library supplier and the price from the local bookseller. The price quoted by the local bookseller is the final price of the book with no hidden costs. Delivery is generally free to the libraries because the costs thereof are borne by the booksellers.

The NO answer is supported by the disadvantages listed in chapter three with price perhaps being the most important. Pretorius (1989) says that the book industry cannot be separated from the politics of the country. All of the people interviewed for this study, Adams,

Steedman and Von Homeyer have referred to the crossing of the rubicon speech⁶ that affected the book industry significantly. Pretorius (1989) also mentions this speech as having had the greatest ill effect on the book industry. To quote Pretorius : "Boekpryse en die land se politiek is regstreeks verbind. Vroeer kon mens ingevoerde boeke bekostig - tot oud-president P W Botha sy Rubicon-toespraak gemaak het" (Book prices and the politics of the country are directly related. Previously people could afford imported books - until ex-president P W Botha made his Rubicon speech). (Pretorius 1989: 89). The economic depression that set in after that speech seriously affected the book industry and caused the closing down of some bookstores.

The results of the survey seems to highlight anomalies with the South African retail prices where various titles published by the same publisher and distributed by a single company does not make sense. In hindsight it must be remembered that the writer is not

⁶The Rubicon speech was made by P W Botha during his term of Presidency in August 1985. The address was made to a National Party meeting that was held in Durban. Botha was seen as "throwing down the gauntlet to both his domestic opponents and his foreign critics". (Schrire 1994).

privity to the exact formula used by any of the closed market book distributors to arrive at inclusive rand prices. The only measure that can be used by the writer is a direct backward calculation using the foreign published price, and the VAT exclusive rand price. The following examples exemplify the problem.

In Appendix 1A four titles published by Simon and Schuster, distributed by Media House are listed under the heading of adult non-fiction. For all four titles a different Rand rate appears to have been used, ie. 7,13; 5,42; 6,34 and 7,02. Under the heading of UK Academic, for the two titles published by OUP UK, distributed by OUP SA, the rates used were 7,65 and 6,31.

The closed market book distributors in South Africa do not appear to be doing enough to convince their overseas principals that South Africa is still a developing country and therefore should receive a higher discount and better price deals than other more developed countries.

The monopolies held by the closed market book distributors today were strengthened by the rubicon speech. The impetus for

academic libraries to purchase via overseas library suppliers increased dramatically after that moment in history. The book industry is still recovering from the effects of that rubicon speech which provoked sanctions by the major publishers in the United States of America. The library suppliers in the USA "cashed in" by offering to supply South African libraries any USA publications in dollars. The forerunner of these companies was Ballen Booksellers of New York.

The question that is posed now is can the new government step in to save the book industry of this country? Continued calls have been made by speakers from economic and finance departments of the Government of National Unity for South African companies to brace themselves for international competition now that the country has opened its doors to foreign trade. But, without the support of the government to improve the South African booktrade, there can be no way that booksellers locally can compete with international suppliers. The lack of control with pricing of overseas books that is evident from Appendix 1A and Appendix 1B has to be addressed and whether or not government legislation is a way of

instituting control has to be debated. It is certain though, that this government cannot for its own sake permit the local book industry to slip into non existence.

The Reconstruction and Development policy (RDP) implemented by the Government of National Unity has to apply to the book industry. While the RDP seeks to address imbalances of the past, it has to consider the growth of local business to promote the economy and employment. Academic institutions in the province of KwaZulu Natal have no directive from central or provincial government to support local industry. There is however an increasing moral obligation to do so. (Asrie, 1994). University buying departments are in fact anticipating directives to be issued for public institutions to channel purchases to local provincial, and then local national companies before considering international purchasing. Asrie estimates that 80 to 90% of the University of Durban-Westville purchasing will be from within KwaZulu Natal and that other local institutions should be about the same. There seems, however, to be no indication that this will be extended to the libraries of these institutions. These libraries appear to have

convinced their stores departments that they purchase so much book material from overseas sources because local booksellers are unable to procure that level of material for them. (Asrie 1994). There needs to be a thorough investigation by finance people on the campuses to ascertain the validity of the reason/s the libraries advance for using overseas library suppliers and if the buying practices of the libraries are in keeping with the general principles of the main purchasing department. Universities, provincial, and municipal authorities need to look at their purchasing principles in tandem with their mission statements, most of which call for community outreach and support.

One of the points that is being neglected is the amount of foreign exchange that leaves the country when the closed market book distributor is left out of the chain. Libraries who use overseas library suppliers, and booksellers who bypass closed market book distributors and use overseas wholesalers are causing larger amounts of money to leave the country than would be the case if money left via the closed market book distributors. This is because when the closed market book distributor is used only the cost price

of the book is being paid in foreign exchange. The profit is generated locally and as such remains in South Africa. This amount in profit does, however, leave the country in foreign exchange when direct overseas sources are used by booksellers and libraries, more so when the libraries purchase directly. Profit on a 20 million pound industry adds up to a generous amount of foreign exchange!

The fault perhaps lies with the South African retail booksellers who do not see their way clear to lobby together against the closed market book distributors in any unified sort of way. There is definite resistance to concerted "mass action" by the booksellers who each bemoan the situation and expect things to change without their own intervention. A severe criticism of the associations that currently exist in the closed market book distribution / publishing sector and the bookselling sector (PASA and ABSA), is that they are headed by persons in the trade. There can be pecuniary interests by these leaders for the organisations to work in their specific interests. It has been suggested that organisations like these should have a

neutral chair who can guide the organisations along to improve the lot of all the members. (Steedman 1994).

In the final analysis the point needs to be made again that many librarians, especially those in academic institutions, are totally unaware that a closed market book distribution system operates in South Africa. While they complain of bad service from local booksellers, (and this certainly has been valid), they fail to realise that the bad service by booksellers in tandem with the bad service by closed market book distributors exacerbates the problem. However, the way out of the problem should not be to ignore the local trade, but to lobby around improving the situation, thereby assisting the people of South Africa in their quest for cheaper books.

APPENDIX 1A
ADULT NON FICTION - BRITISH PUBLISHERS

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
Fairytale dough craft	Porteous	Trinity	10,99	79,95	6,38
Fabric Painting for Embroidery	Batsford	Horizon	17,99	141,30	6,89
Acrylic Masterclass	Harper Collins	Harper Collins	16,99	115,00	5,94
Clairvoyancy	Robert Hale	Trinity	6,99	55,95	7,02
Sporting colours: sport and politics in South Africa	Robson	Trinity	17,95	129,95	6,35
Ultimate Elvis	Simon & Schust.	Media House	15,99	129,95	7,13
Bardot - Two Lives	Simon & Schust.	Media House	16,99	104,95	5,42
Great Catherine	Simon & Schust.	Media House	17,99	129,95	6,34
Einstein - A Life in Science	Simon & Schust.	Media House	9,99	79,95	7,02
Making Gifts with Woodworker	Argus	Media House	12,95	99,95	6,77
Workshop Electrics	Argus	Media House	6,95	59,95	7,57
Vegetarian Pasta	Apple Press	Struik	8,99	74,99	7,32

ADULT NON FICTION - BRITISH PUBLISHERS (Continued)

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
Murderous Innocents	Headline	Harper Collins	5,99	42,99	6,29
Good Habits, Bad Habits	Thorsons	Harper Collins	4,99	32,99	5,80
Arthritis - What really works	Robinson	Verbatim	7,99	54,95	6,03
Secret Ceremonies	Souvenir Press	Media House	14,95	129,95	7,62
Implementing Training	Kogan Page	Alternative	12,95	104,99	7,11
How to be a Better Manager	Kogan Page	Alternative	9,99	80,99	7,11
At Home with Cross Stitch	David & Charles	Trinity	15,99	115,95	6,36
Baby Gifts	Lorenz Books	Trinity	16,95	89,95	4,65
How to Use Yoga	Lorenz Books	Trinity	8,95	59,95	5,87
Cacti & Succulents in Habitat	Cassell	Struik	16,99	99,99	5,16
Encyclopedia of Pasta	Apple Press	Struik	19,99	149,99	6,58
Heart Health	Headway	Struik	6,99	46,99	5,90
Wild food from land and sea	Ebury Press	Random House	19,99	125,00	5,48

CHILDREN'S NON-FICTION - BRITISH PUBLISHERS

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
Paper Fun for Kids	Lorenz	Trinity	9,95	59,95	5,28
Children's Party Cakes	Salamander	Africa Bk Cent	8,99	67,50	6,59
Young Soccer Player	D Kindersley	Struik	4,99	32,99	5,80
What's What - Birds	F Watts	Nasou	5,99	39,99	5,86
Fun to Do - Masks	Merehurst	Struik	2,99	19,99	5,86
I come from Romania	F Watts	Nasou	7,99	53,99	5,93
Look out on the Road	Evans	PMC Internat	2,99	24,99	7,33
Transport by Design	Simon & Schust.	Media House	8,99	59,95	5,85
Birth & Growth	F Watts	Nasou	7,50	49,99	5,85
Improve your Soccer Skills	Osborne	Struik	3,99	26,99	5,93
Oxford Children's Book of Famous People	OUP UK	OUP SA	20,00	154,99	6,80

CHILDREN'S FICTION - BRITISH PUBLISHERS

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
Heights of Danger	Archway	Media House	2,99	22,99	6,74
Here Come the Babies	Walker	Random House	3,99	31,99	7,03
Who's that Banging on the Ceiling	Walker	Random House	4,99	39,98	7,03
A Pussycat's Christmas	F Lincoln	Struik	8,99	59,99	5,85
Myths & Legends from Around the World	Evans	PMC International	11,99	82,99	6,07
Buster Gets Dressed	Campbell Blackie	Verbatim	2,95	19,95	5,93
I Won't Bite	Campbell Blackie	Verbatim	5,99	39,95	5,85
Snow White and the Seven Dwarfs	Picture Lions	Harper Collins	2,99	24,99	7,33
Paddington's Magical Christmas	Picture Lions	Harper Collins	4,50	29,99	5,85
Poppy's Babies	Collins	Harper Collins	4,50	29,99	5,85
Three Star Billy	J MacRae	Random House	8,99	54,99	5,36

CHILDREN'S FICTION - BRITISH PUBLISHERS (Continued)

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
A Number of Animals	Jonathan Cape	Random House	9,99	54,99	4,83
Blackboard Bear	Walker	Random House	5,99	47,99	7,03
Midnight at the Oasis	Bodley Head	Random House	8,99	52,99	5,17

ADULT-FICTION - BRITISH PUBLISHERS

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
Armchair Horror Collection (pbk)	Orion	Harper Collins	4,99	36,99	6,50
Only the Best (pbk)	Headline	Harper Collins	5,99	39,99	5,86
A Different Tune	Headline	Harper Collins	16,99	86,99	4,49
Self Defence	Little, Brown	Macdonald Purn	15,99	79,99	4,39
Dark Rivers of the Heart	Headline	Harper Collins	14,99	79,99	4,68
Silver Fountains	Century	Random House	15,99	82,99	4,55
A Period of Adjustment	Viking	Longman Penguin	15,00	79,99	4,68
Ripper	Hodder	Struik	16,99	84,99	4,39
Blood Relations (pbk)	Coronet	Struik	5,99	39,99	5,86
Nightmares & Dreamscapes	N E L	Struik	5,99	42,99	6,29
Darkest Hour	Simon & Schust.	Media House	9,99	69,95	6,14
A Relative Freedom	Simon & Schust.	Media House	15,99	84,95	4,66
Closing Time	Simon & Schust.	Media House	14,99	89,95	5,26
Miss Smillas feeling for Snow (pbk)	Flamingo	Harper Collins	5,99	39,99	5,86

ADULT-FICTION - BRITISH PUBLISHERS (Continued)

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
Kiss for Killer	Macmillan	Pan SA	14,99	84,99	4,97
Grace	Sidgwick & Jackson	Pan SA	16,99	89,99	4,65
Cold Shoulder	Macmillan	Pan SA	14,99	84,99	4,97
Hollywood Kids	Macmillan	Pan SA	15,99	84,99	4,66
On the Contrary (pbk)	Minerva	Struik	6,99	48,99	6,15
Chaos Mode (pbk)	Harper Collins	Harper Collins	4,99	36,99	6,50
Katherine (pbk)	Coronet	Struik	5,99	39,99	5,86

BRITISH ACADEMIC

TITLE	PUBLISHER	DISTRIBUTOR	STERLING	INCL RAND	EXCL RATE
British Academy Shakespeare Lectures 1980-1989	OUP UK	OUP SA	9,95	86,81	7,65
Oxford Companion to 20 th Century Poetry	OUP UK	OUP SA	25,00	179,99	6,31
Heinemann Advanced Science: Biology	Heinemann UK	Heinemann SA	18,95	160,95	7,45

ASSORTED USA BOOKS

TITLE	PUBLISHER	DISTRIBUTOR	DOLLARS	INCL RAND	EXCL RATE
Designing with Color	North-Light	Real Books	26,95	135,99	4,43
Magic in 4 Acts	Stackpole Books	Media House	12,95	74,95	5,07
How to photograph Insects & Spiders	Stackpole Books	Media House	16,95	94,95	4,91
Fire on the Mountain	Chronicle Books	Real Books	18,95	95,99	4,44
Hot Licks	Chronicle Books	Real Books	14,95	75,99	4,46
Jewel Heart	Philomel	Trinity	15,95	69,95	3,85
100 Inventions that Shaped World History	Bluewood	Trinity	7,95	39,95	4,41
Its never too late to get Rich	Dearborn	Media House	17,95	99,95	4,88
Handguns '95	DBI	Media House	19,95	69,95	3,07
Colourful Knitwear Design	Taunton	Horizon	14,95	92,06	5,40
Creating & Crafting Dolls	Chilton	Horizon	19,95	113,15	4,97

ASSORTED USA BOOKS (Continued)

TITLE	PUBLISHER	DISTRIBUTOR	DOLLARS	INCL RAND	EXCL RATE
Bear next door	Random US	Random House	2,50	12,98	4,55
Complete book of swimming	Random US	Random House	16,00	81,99	4,49
Guide to Information Access	Random US	Random House	19,00	96,99	4,47
To my Lazy Friend	OUP USA	OUP SA	49,95	379,99	6,67

APPENDIX 1B

CHILDRENS' FICTION - 14 TITLES LISTED

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	5,68	0-5	6-10	11-15	16-20	21-25	26-30	31-35
		1	1	1		5	1		1	3	1	
TOTAL BELOW = 3						TOTAL ABOVE = 11						

ADULT FICTION - 21 TITLES LISTED

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	5,68	0-5	6-10	11-15	16-20	21-25	26-30	31-35
3	6	2	1			4	2	3				
TOTAL BELOW = 12						TOTAL ABOVE = 9						

BRITISH ACADEMIC - 3 TITLES LISTED

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	5,68	0-5	6-10	11-15	16-20	21-25	26-30	31-35
								1				2
TOTAL BELOW = 0						TOTAL ABOVE = 3						

CHILDRENS' NON-FICTION - 11 TITLES LISTED

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	5,68	0-5	6-10	11-15	16-20	21-25	26-30	31-35
			1			6		1	2		1	
TOTAL BELOW = 1						TOTAL ABOVE = 10						

ADULT NON-FICTION - 25 TITLES LISTED

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	5,68	0-5	6-10	11-15	16-20	21-25	26-30	31-35
	1		1	2		4	1	5	2	6	1	2
TOTAL BELOW = 4						TOTAL ABOVE = 21						

ALL LISTED BRITISH BOOKS - 76 IN TOTAL

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	5,68	0-5	6-10	11-15	16-20	21-25	26-30	31-35
3	7	3	6	3		19	4	10	5	9	3	4
TOTAL BELOW = 22						TOTAL ABOVE = 54						

ASSORTED USA BOOKS - 15 TITLES LISTED

% BELOW AVERAGE					AVERAGE	% ABOVE AVERAGE						
25-21	20-16	15-11	10-6	5-0	3,54	0-5	6-10	11-15	16-20	21-25	26-30	31-35
		1					1			2	5	
TOTAL BELOW = 1						TOTAL ABOVE = 14						

36-40	41-45	+52	+88
2	2	1	1

QUESTIONNAIRE BOOKSELLERS

Dear Bookseller,

I am engaged in a study of the closed market system of book supply in South Africa for accreditation towards a Masters degree in Information Studies at the University of Natal, Pietermaritzburg. The study is being supervised by Professor W. Horton.

I would appreciate your assistance in completing the attached questionnaire and returning it to me at the following address:

Ms L. Vahed
P.O. Box 6121
DURBAN 4000.

Please feel free to make additional comments on separate sheets. I would be grateful to receive your response as soon as possible. Should you have any queries do not hesitate to contact me at tel. 031-842915 or fax. 031-3048408.

PLEASE RESPOND BY MARKING A CROSS IN THE RELEVANT BOXES.

NB. CMBD = Closed Market Book Distribution / Distributor.

NAME : _____ POSITION : _____

COMPANY : _____

PLEASE NOTE THAT COMPLETION OF THE ABOVE DETAILS IS OPTIONAL

1. How do you rate the supply of your orders calling for "backlist fiction titles" in hardcover from CMBD's?
Excellent = 1 Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

2. Ditto - softcover.

Excellent = 1 Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

3. How do you rate the supply of your orders calling for "new/recently published fiction titles" in hardcover from CMBD's?

Excellent = 1 Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

4. Ditto - softcover.

Excellent = 1 Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

5. How do you rate the supply of your orders for "prescribed and/or academic books" from CMBD's.

Excellent = 1 Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

6. How do you rate the stockholding of British Books in South Africa by CMBD's?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

7. Ditto - USA Books.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

8. How do you rate the reporting/recording and supply of orders that are not currently in stock by CMBD's?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

9. How do you rate the presentation and promotion of "New" or "To be published" British Books by the sales personnel of CMBD's?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

10. Ditto - USA Books.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

11. On average rate the percentage of your orders that are supplied by a CMBD ex-stock within a 3 week period.

10	20	30	40	50	60	70	80	90	100
----	----	----	----	----	----	----	----	----	-----

12. Do you place orders directly with overseas suppliers for books that are closed market in South Africa?

YES

NO

13. How are books published overseas and only available in S.A. via CMBD'S priced in Rand with regard to currency exchange rates?

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced
Children's fiction				
Children's non-fiction				
Adult fiction				
Adult non-fiction				
Text/school books				
General academic				

14. Do you think that CMBD has been beneficial to local bookselling and your customers?

YES

NO

15. Do you think that CMBD is monopolistic

YES
NO

16. Would you prefer the CMBD system to:

Remain as is

A
B
C

Change to permit closed market on only a small % of titles

Be abolished completely

17. Are you losing major library orders because of pricing and supply problems by CMBD'S?

YES
NO

18. a. If the major libraries ceased placing orders directly with overseas suppliers will book prices and discounts improve locally.

YES
NO

b. Could you then offer a more competitive service?

YES
NO

19. a. Are you aware of any CMBD's supplying libraries direct in South Africa?

YES
NO

b. Can you name any.....

20. Should there be South African legislation regarding CMBD?

YES
NO

21. Should there be legislation against South African libraries placing orders directly with overseas suppliers?

YES
NO

Thank you for your time and help.

LAILA VAHED

12 September 1994

QUESTIONNAIRE

CLOSED MARKET BOOK DISTRIBUTORS

Dear Book Distributor,

I am engaged in a study of the closed market system of book supply in South Africa for accreditation towards a Masters degree in Information Studies at the University of Natal, Pietermaritzburg. The study is being supervised by Professor W. Horton.

I would appreciate your assistance in completing the attached questionnaire and returning it to me at the following address:

Ms L. Vahed
P.O. Box 6121
DURBAN 4000.

Please feel free to make additional comments on separate sheets. I would be grateful to receive your response as soon as possible. Should you have any queries do not hesitate to contact me at tel. 031-842915 or fax. 031-3048408.

PLEASE RESPOND BY MARKING A CROSS IN THE RELEVANT BOXES.

NB. CMBD = Closed Market Book Distribution / Distributor.

NAME : _____ POSITION : _____

COMPANY : _____

PLEASE NOTE THAT COMPLETION OF THE ABOVE DETAILS IS OPTIONAL

1. How do you rate your supply of orders calling for "backlist fiction titles" in hardcover?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

2. Ditto - softcover.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

3. How do you rate your supply of orders calling for "new/recently published fiction titles" in hardcover?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

4. Ditto - softcover.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

5. How do you rate your supply of orders for "prescribed and/or academic books"?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

6. How do you rate your stockholding of British Books?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

7. Ditto - USA Books.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

8. How do you rate your reporting/recording and supply of orders for which you do not currently have stock?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

9. How do you rate your presentation and promotion of "New" or "To be published" British Books?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

10. Ditto - USA Books.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

11. On average rate the percentage of orders that are supplied by you ex-stock within a 3 week period.

10	20	30	40	50	60	70	80	90	100
----	----	----	----	----	----	----	----	----	-----

12. Are you aware of any libraries and/or booksellers who place orders directly with overseas suppliers for books that are closed market in South Africa.

YES

NO

13. How are books published overseas and only available in S.A. via CMBD'S priced in Rand with regard to currency exchange rates?

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced
Children's fiction				
Children's non-fiction				
Adult fiction				
Adult non-fiction				
Text/school books				
General academic				

14. Do you think that CMBD has been beneficial to local bookselling and the libraries?

YES

NO

Appendix 3

15. Do you think that CMBD is monopolistic

YES
NO

16. Would you prefer the CMBD system to:

Remain as is

A

Change to permit closed market on only a small % of titles

B

Be abolished completely

C

17. Are local booksellers losing major library orders because of pricing and supply problems by CMBD'S?

YES
NO

18. a. If the major libraries ceased placing orders directly with overseas suppliers will book prices and discounts improve locally.

YES
NO

b. Could you then offer a more competitive service?

YES
NO

19. a. Are you aware of any CMBD's supplying libraries direct in South Africa?

YES
NO

b. Can you name any.....

20. Should there be South African legislation regarding CMBD?

YES
NO

21. Should there be any legislation against South African libraries placing orders directly with overseas suppliers?

YES
NO

Thank you for your time and help.

LAILA VAHED
12 September 1994

QUESTIONNAIRE LIBRARIES

Dear Librarian,

I am engaged in a study of the closed market system of book supply in South Africa for accreditation towards a Masters degree in Information Studies at the University of Natal, Pietermaritzburg. The study is being supervised by Professor W. Horton.

I would appreciate your assistance in completing the attached questionnaire and returning it to me at the following address:

Ms L. Vahed
P.O. Box 6121
DURBAN 4000.

Please feel free to make additional comments on separate sheets. I would be grateful to receive your response as soon as possible. Should you have any queries do not hesitate to contact me at tel. 031-842915 or fax. 031-3048408.

PLEASE RESPOND BY MARKING A CROSS IN THE RELEVANT BOXES.

NB. CMBD = Closed Market Book Distribution / Distributor.

NAME : _____ POSITION : _____

INSTITUTION : _____

PLEASE NOTE THAT COMPLETION OF THE ABOVE DETAILS IS OPTIONAL

1. How do you rate the supply of your order calling for "backlist fiction titles" in hardcover which are only available from a local bookseller via a CMBD?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

2. Ditto - softcover.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

3. How do you rate the supply of your order calling for "new/recently published fiction titles" in hardcover which are only available from a local bookseller via a CMBD?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

4. Ditto - softcover.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

5. How do you rate the supply of your order for "prescribed and/or academic books" which are only available from a local bookseller via a CMBD?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

6. How do you rate the stockholding of British Books in South Africa by CMBD's?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

7. Ditto - USA Books.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

8. How do you rate the reporting/recording and supply of an order that is not currently in stock by CMBD's?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

9. How do you rate the presentation and promotion of "New" or "To be published" British Books by the sales personnel of CMBD's?

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

10. Ditto - USA Books.

Excellent = 1

Very poor = 10

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

11. On average rate the percentage of your orders for closed market books from a local bookseller that are supplied ex-stock within a 3 week period.

10	20	30	40	50	60	70	80	90	100
----	----	----	----	----	----	----	----	----	-----

12. Do you place orders directly with overseas suppliers for books that are closed market in South Africa?

YES

NO

13. How are books published overseas and only available in S.A. via CMBD'S priced in Rand with regard to currency exchange rates?

	Underpriced	Evenly Priced	Slightly Overpriced	Generally Overpriced
Children's fiction				
Children's non-fiction				
Adult fiction				
Adult non-fiction				
Text/school books				
General academic				

14. Do you think that CMBD has been beneficial to your library?

YES

NO

15. Do you think that CMBD is monopolistic

YES

NO

16. Would you prefer the CMBD system to:

Remain as is

A

Change to permit closed market on only a small % of titles

B

Be abolished completely

C

17. Are local booksellers losing major library orders from you because of pricing and supply problems by CMBD'S?

YES

NO

18. a. If the major libraries ceased placing orders directly with overseas suppliers will book prices and discounts improve locally?

YES

NO

b. Could local booksellers then offer a more competitive service?

YES

NO

19. a. Are you aware of any CMBD's supplying libraries direct in South Africa?

YES

NO

b. Can you name any.....

20. Should there be South African legislation regarding CMBD?

YES

NO

21. Should there be legislation against South African libraries placing orders directly with overseas suppliers?

YES

NO

Thank you for your time and help.

LAILA VAHED
12 September 1994

APPENDIX 5
DETAILS OF POPULATION

POSTED TO:

RETURNED BY:

BOOKSELLERS:

Sue McNaught
Director
Mast : The Bookshops
P O Box 297
Rondebosch 7700

Sue McNaught
Director

W R Barnes
Marketing Manager
Exclusive Books
P O Box 7724
Johannesburg 2000

W R Barnes
Marketing Manager

Rose le Roux
Managing Director
Books Only
P O Box 89691
Lyndhurst 2106

Rose le Roux
Managing Director

Jeanette Roux
CNA
Regional Book Buyer
Jaco Place
Durban

No reply

P D Adams
Managing Director
Adams & Co.
West Street
Durban

P D Adams
Managing Director

E O Oellermann
Retail Director
Shuter & Shooter
P O Box 109
Pietermaritzburg 3200

E O Oellermann
Retail Director

Richard Adams
Managing Director
Aloe Book Agency
P O Box 4349
Johannesburg 2000

Mrs Jo Craig
Manager

Susa Samuals
Paperbacks Pty Ltd
P O Box 3799
Cape Town 8000

No reply

A T Dalling
Caxton Bookshop cc
Main Road
Kenilworth
Cape Town 7700

A T Dalling
Member of CC

Alix Von Homeyer
Sole Member
Alix International Booksellers cc
P O Box 6121
Durban 4000

Alix Von Homeyer
Sole Member

BOOK DISTRIBUTORS

Paul Steedman
General Manager
Trade Winds Press
P O Box 20194
Durban North 4016

Paul Steedman
General Manager

Kate Everingham
Managing Director
Media House Publications
P O Box 782395
Sandton 2146

No reply

The Manager
Alternative Books
P O Box 2420
Randburg
2125

V de Haas
[Managing Director]

The Manager
Harper Collins SA
P O Box 33977
Jeppestown 2043

J Ball
C.E.O.

The Manager
Faradawn cc
P O Box 17161
Hillbrow 2038

L Thomas
Managing Member

The Manager
Trinity Books cc
P O Box 242
Randburg
2125

Trinity Books cc

The Manager
Pan Macmillan
P O Box 32484
Braamfontein 2017

J Donaldson
Managing Director

The Manager
Heinemann SA (Pty) Ltd
P O Box 2017
Houghton 2041

Andrew Meyer
Sales & Mkt Director

The Manager
Real Books
P O Box 1040
Auckland Park 2006

Helen Groenevelt

The Manager
Butterworths
P O Box 792
Durban 4000

No Reply

LIBRARIES

The Librarian
Durban Municipal Library
Durban 4000

Acquisitions Officer

The Librarian
Natal Society Library
Pietermaritzburg 3200

S Sayers
Book Selection

The Librarian
KwaZulu Natal Prov Library Service
Pietermaritzburg 3200

M Gray
Acting Chief

The Librarian
M L Sultan Technikon
Durban 4000

No Reply

The Librarian
Technikon Mangosuthu
Umlazi

H L Msimango

The Librarian
Technikon Natal Library
Durban 4000

Technikon Natal Library

The Librarian
E G Malherbe Library
University of Natal
Durban 4000

Laurie Musgrove
Head Book Acquisitions

The Librarian
University of Natal
Pietermaritzburg 3200

Joan Kinghorn
Acquisitions Head

The Librarian
University of Durban-Westville
Durban 4000

No reply

The Librarian
University of Zululand
KwaDlangezwa 3886

Lyn Becker
Acquisitions Department

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