



Print-on-demand: an overview of current experiences in Europe

A report prepared by Alison Rivers for the Council of Europe project activity on print-on-demand.

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An overview of current print-on-demand experiences in Europe

Part two draws together eight country studies (seven European and the United States of America) that illustrate current print-on-demand experiences. These case studies are not intended to provide an exhaustive account of print-on-demand activities taking place in each country. This is both unrealistic and difficult due to the very nature of the subject matter. Print-on-demand is intrinsically linked to the development of new technologies and in particular the Internet, which are both in permanent evolution. It is therefore possible that new initiatives and activities have commenced during the research of this study without having come to light. Similarly, those experiences illustrated are also developing swiftly and consequently the information available on web sites can change on a daily, weekly or monthly basis. Attempting to evaluate and make sense of this rapidly changing environment was one of the greatest difficulties of this overview. Therefore, the examples that follow should be seen as a review of the current most visible experiences, examined at a particular moment in time.

The majority of research was carried out on the Internet, however, this information was complemented by secondary literature outlining the major issues and current debates facing the book sector today.

It is important to state that the major concern of these case studies is not the state and development of print-on-demand technology in these countries, but rather the practical application of this technology for publishing initiatives. Therefore, there is little information about digital printers, for while they may print books on demand, book publishing is just one of their many printing preoccupations. Moreover, an examination of digital printing production has already been undertaken in part one and consequently, there is no comparison of European digital printing costs.

Each country study however contains general information about the state of the book industry, statistical book data when available, followed by an analysis of print-on-demand experiences carried out by projects, publishing houses and distribution professionals. Every print-on-demand activity includes a general description of the company or initiative, the services it provides, how it approaches the copyright issue and a close examination of the catalogue of print-on-demand titles, such as the genre of the works, the price, how they are distributed. Finally, when available, the attitude of public powers to print-on-demand is considered, otherwise a summary of existing government support for the book sector is made. A list of addresses for further information about the individual projects or publishing initiatives is also provided.

An important part of these country studies is an evaluation of the price of print-on-demand books. In order to facilitate comparisons, all costs are given in the local currency and also in Euro. For those countries that have joined the single European currency the amount in Euro is exact, however for those countries where the exchange rate is still variable the figure is more approximate. In general, figures provided in the original source in dollars have been kept in this currency.

The countries examined in this study differ enormously in their development of digital printing technology and print-on-demand initiatives. They possess not only different equipment, but also different visions of how it can be used. However, the richness and variety of European experiences provide a testimony to how just one printing technique can be used in many different ways and for numerous ends.

France

- Population: 58.6 million
- Official language: French
- GDP per capita 1997: \$US 23,786

Current state of the book industry

The cornerstone of the French book trade is the fixed book price. In order to increase the plurality of the cultural offer, the State actively protects various sectors of the market through a fixed book price regime, established in 1981, the so-called *Loi Lang*, and a reduced VAT rate of 5.5% which applies to books.

The industry in 1997 showed a steady rise in production, however this was mirrored by a gradual decline in sales due to a decrease in visits to book sales outlets. This has led to a general tightening of activity amongst publishers who are destabilized by the uncertainty of the market and the evolution in public buying behaviour, as well as by the multiplication of acquisitions, mergers and restructurizations currently taking place in the sector. Therefore, to maintain their activity and to guarantee their margins, editors are confronted with the dilemma of either increasing their production or taking the commercial risk of being more selective in their editorial choices. The two largest publishing groups in France are Hachette and Havas Publication Edition who together control more than 50% of book production. The next five most important publishers are Albin Michel, Flammarion, Gallimard, Presse universitaire de France and Le Seuil who combined with hundreds of small and medium sized publishers account for 40% of French publishing.

These uncertainties have had repercussions within the distribution sector of the chain. The general inflation of the number of titles produced is causing spatial and financial problems for bookshops, as they have to juggle keeping a large enough selection in stock with what is actually available. Coupled with this is the fact that the offer in many cases does not meet the actual demand and therefore fewer sales are being made. Currently, the average length of time that stocks remain at the point of sale is 85 days and around 20% of books are returned to the publishers. However, this average rate of return hides the fact that the real rate for certain books is between 40 and 50%: new titles appear to be continually chased from the shelves by even newer titles. The issue of reducing the general rate of book return is therefore seen as one of the future challenges of the industry.

French book trade statistics

- In 1997 the total annual book title production was **47, 168**.
- There are currently **311** publishing houses/companies. On average, the top 50 publishers publish over 150 titles per year, while smaller publishers (approximately 145) publish 20 titles.
- The average print run in 1997 is **8,800** copies, growing to **12,600** for novels alone.
- There are currently **2,200** bookshops in France out of a total of 18,000 – 20,000 book sales outlets.

Repartition of the book market value share (1996)



Publication and sales by literature categories (1997)

Literature category		Number of titles		Sales of publications in thousands FF
		New publications	Reprints	
School books		2279	4219	2,155,912
Scientific, technical, human sciences		7006	2839	2,367,893
Religion		698	623	276,684
Esotericism / occultism		256	139	52,919
Literature	Novels	4527	5109	2,201,281
	Theatre poetry	117	213	32,233
	Critiques, analyses, essays	391	480	172,538
Current affairs		637	314	338,317
Encyclopedias / dictionaries		166	250	1,745,264
Art books		1000	493	592,345
Children's books		2984	3809	1,113,980
Cartoons		554	778	389,265
Documentation		921	88	123,665
Practical guides		2936	3268	1,855,062
Not broken down		42	32	23847
Total		24514	22654	13,441,205
		47168		

The French print-on-demand experience

It is apparent, through using Internet search engines, such as Yahoo, and through exploring the French Ministry of Culture's web site, that there is a great deal of information on the Internet related to France concerning books. This can be anything from publishers, bookshops, libraries, institutions and book related projects. In the Yahoo category of bookshops alone, there exists over sixty entries ranging from large chains such as FNAC to smaller

bookshops specializing in maritime, scientific or old and rare books. The majority of these on-line bookshops are an extension of existing services, a window to what is offered in the actual store and so the Internet is used as a new form of marketing. However, over twenty of these sites offer the possibility to order books over the Internet or by correspondence and several sites are entirely based on the web, offering a similar service to amazon.com.

In parallel to on-line bookshops there are several sites dedicated to print-on-demand and on-line publishing. The quality of services offered through these sites is extremely varied, showing the still experimental nature of both print-on-demand and on-line publishing. Many of the sites are for amateurs of literature, often focusing their marketing on unknown and young authors. Other sites are printing services, which offer a complete service for those businesses and individuals interested in self-publishing, taking care of all formalities such as legal deposit and ISBN. There are also on-line publishing houses specializing in certain areas, such as scientific and academic publishing especially suited to digital technology because of their limited audience and constant revision.

This study will concentrate on the three print-on-demand experiences that are both the most developed and the most visible currently taking place in France: Editions 00h00, Editions CyLibris and Librissimo.

Editions 00h00.com

Editions 00h00 (pronounced zero heure), an on-line publishing house based in Paris, was founded in May 1998 by Jean-Pierre Arbon and Bruno de Sa Moreira. The company, started with an investment of two million French francs, has currently eight permanent members of staff. Its ambition is to reinvent the traditional book economy through the opportunities made available by the Internet and the digital technology that makes possible very small print runs. 00h00 is therefore an attempt to overcome the constraints of production, distribution and marketing which dissuades many editors from publishing works where projective sales are below 1000 to 2000 copies. The name 00h00 consequently symbolises the new beginning this original publishing house is attempting to forge.

Editions 00h00 functions, like any other publishing house, on sound editorial choices; its difference is how it presents these choices for it is based entirely on the web. Through its web site, the reader/customer is offered two different "book" options. The first is to download a digital copy of a text to be either read on the screen or printed from a printer at home. If this option is chosen the text is sent encrypted (for copyright protection) to the reader by email, approximately 15 minutes after the order and payment have been received. The encrypted PDF file can only be opened with a password. The alternative is to order a "paper" copy of the book, which is sent by postal mail. If the title concerned is a current digital version of a text by another publisher, then a copy is sent from the stocks of the original editor and is the same price (without postage and packaging) as a copy sold in a bookshop. However, if the title is an original work edited by 00h00, a title in the public domain, or

out of print, then print-on-demand technology is used to print a single copy which is sent by post to the reader. The print-on-demand option has an added incentive as a dedication or personal inscription can be added with no extra cost.

The 00h00 catalogue

The 00h00 catalogue contains both new original titles and reprinted works. At the time of writing the catalogue contains approximately 260 titles, including several in English. A reading committee carefully selects every new original work published by 00h00. There are currently twelve original titles in the catalogue, a number which will continue to increase as the publishing house evolves. This task should not be too arduous as they receive on average two manuscripts a day. The reprinted works contain titles for which 00h00 has acquired the rights for an on-line digital edition, co-editions and titles in the public domain. The reprints on offer are essentially divided into three different collections, sub-divided into smaller categories, which are supervised by experts in each domain. These collections are classic French literature, science fiction/fantasy and essays, documents and human sciences.

The catalogue, presented on the web site, is divided into 23 collections, each collection possessing between 3 and 40 titles. Several titles appear in one or more collections, for example, the theme collection on Quebec is almost entirely made up of works already cited in other categories. The following table aims both to illustrate the variety of the 00h00 catalogue and to show the repartition of new, reprinted and co-edited titles.

Category	Number of titles	New titles	Reprints	Digital editions	Co-editions	Other
Original	12	11	-	-	1	-
Science fiction	39	-	38	-	1	-
Contemporary literature	28	5	-	21	1	1
Realism and naturalism	22	-	22	-	-	-
Essays and documents	26	1	1	24	-	-
Fantasy	6	-	-	6	-	-
Short-stories and adventure novels	10	-	10	-	-	-
Classic French theatre	25	-	25	-	-	-
French poetry	10	-	10	-	-	-
Cyberculture	14	-	-	14	-	-
Tales and fantastical stories	11	-	11	-	-	-

Antiquity	6	-	6	-	-	-
Tales and philosophical stories	11	1	10	-	-	-
Philosophy	15	-	13	1	1	-
Recollections and memoirs	17	-	17	-	-	-
Erotic	7	-	1	6	-	-
History	3	-	3	-	-	-
Tales and legends	66	1	4	1	-	-
Children's novels	6	-	6	-	-	-
Love stories	12	-	11	1	-	-
Theme: Quebec	12	-	-	11	-	1
University and professional publications	7	-	-	3	-	4
Reviews and periodical	3	-	-	3	-	-
Total	308	19	188	91	4	6

Access to the 00h00 catalogue is obtained either through the rubric *Lectures* or through *Recherche*. The heading *Lectures* lists the collections and through clicking on hyperlinks the reader can explore the titles on offer in each category. Each title is hyperlinked giving access to much more detailed information. The reader for example can obtain a description of the book itself with the possibility of reading extracts, information on the author, bibliographical details (author, publisher, price, ISBN etc.), critiques such as press reviews and readers comments, contextual information in the form of recommended links, and promotional information. The reader also has the possibility of writing his or her own commentary of the book. Finally, it is of course possible to order the book directly in either digital or paper format. The *Recherche* option gives access to a much more precise search procedure whereby in completing dialogue boxes a search engine selects a list of appropriate titles. The same information available through the rubric *Lectures* is of course also available with this option.

The price of titles on offer varies according to the format chosen: the cost of a digital version is lower than that for a paper copy. The average price for the digital format is 40 francs (6.10 Euro), compared to 60/70 francs (9.15-10.67 Euro) for the paper version. 00h00 have stated that if the paper copy were to be distributed through bookshops the cost of each copy would be nearly double.

Books are ordered directly through the web site and customers have the choice of paying on-line through a secured environment, by fax, or by cheque. As has

already been stated, the digital version can be received encrypted within approximately 15 minutes. If a paper book is ordered, this is despatched by post, directly from the printers if it is a print-on-demand copy, or from the original publisher's stocks. The paper copy is normally received within a delay of 3 to 15 days depending on the postal address. The expected delivery time is confirmed by email.

Copyright

Print-on-demand and electronic books published by 00h00 are protected by the same copyright regulations as 'normal' books published by more traditional publishing houses. No difference is made between paper and electronic formats and royalties perceived by authors are exactly the same whether they concern a digital or a paper version. Currently, the majority of titles on offer are in the public domain and therefore they are copyright free. 00h00 holds the rights of original titles first published by the publishing house and royalties are paid to the author according to sales. However, for the digital editions of current titles held by other publishing houses, 00h00 acquires the subsidiary digital reproduction rights from the original publisher. This is the element of 00h00 publishing policy that is currently causing the most noise. Indeed, the publication of a digital text by 00h00 can occur after the original publication, simultaneously and even before the book has come out in bookshops. Questions concerning the observance of the fixed book price and VAT regimes have thus been raised.

The community of readers

A major interest of 00h00 web site and their entire publishing concept is the belief that on-line editors should not stop at the creation of a catalogue, but that they should strive to create a community of readers. 00h00 therefore offers a wide range of additional services and areas of interest in order to attract and attach readers to their site. Consequently, the 00h00 web site is systematically updated daily. There are also specially conceived areas devised to create a sense of friendliness between 00h00 and their readers and between readers themselves. There are therefore forums, chat areas, meeting areas and also personal areas in which each reader can present themselves to others, express their opinions, write commentaries, recommend links and write to their friends. It is this area of discussion, a sort of reading club, that so interested the publishers *Le Seuil* when they signed agreements with 00h00 concerning the digital exploitation rights of two of their new titles *La domination masculine* by Pierre Bourdieu and *La mort opportune*, an essay on Euthanasia by Jacques Pohier. Indeed, its president, Claude Cherki stated that "we are above all interested by the interactive forum opened by 00h00 concerning books, firstly between readers, then with the authors, who have both accepted to participate in the experiment."

00h00 have sold about a hundred copies of both of these books and about 75% in digital format and 25% in paper. Interestingly about a 1/3 of these orders came from abroad and approximately half of all visits to the site are from outside France. This international aspect is particularly important for 00h00 as

the Internet provides a way for francophones and francophiles, with no specialized bookshop nearby, to obtain works in their own language, immediately or after several days if a paper copy is ordered. This principle of no international boundaries is illustrated through one of the original works in the 00h00 collection. This is the compilation of short stories entitled *Citrouille fêlée* by the Algerien writer Hamid Skif who is today exiled in Germany. Through the Internet he hopes to be able to reach his native Algerians in French when no printed copy of his work would ever make it across the physical border.

Future perspectives

00h00's principal market is those French-speaking persons connected to the Internet, currently two to three million, but continually growing. They however plan to create a niche for personalized works in partnership with several bookshops. During the first year of its existence 00h00 has concentrated on novels and works of literature which were both technically and editorially the easiest to put on line. However, in the future, they aim to build collections focusing on social and human sciences, including the publication of theses, and on art and music. These last two areas bring additional technical issues to the fore, such as the integration of sound and images into digital texts: issues which 00h00 are actively trying to resolve.

CyLibris Editions

CyLibris Editions is an on-line publishing house dedicated to first-time and young authors. It was created during the summer of 1996 and specializes in Francophone literature. The principal means of communicating and marketing their catalogue is the Internet and print-on-demand production technology is used to produce single copies when and only when ordered. CyLibris benefits from aid from the French Ministry of Culture (délégation générale de la langue française) and was awarded a Lauréate 1997 from the *Fondation 3 Suisses* for young business creators.

The CyLibris catalogue

The CyLibris catalogue contains 29 titles, which are divided into nine different literature categories. (See table below).

Category	Number of titles	Example titles	Number of copies sold (to 1 July)
Philosophical stories	2	Café-Fleur	217
Fantasy	1	Artahe	272
Youth	2		
General literature	10	La Trompette en bois	276
		La Villa de Sainte-Adresse	134
		Willer ou la Trahison	85
		L'ermite du moulin	101

Miscellaneous	2		
Poetry	1		
Detective stories	7	La Toile	301
		La Table d'Hadès	163
		Chapitre Un	94
Science-fiction	1		
Theatre	3	Le Passager clandestin / Chloé	139

Each title within the catalogue is completed with complementary information obtained through hyperlinks. This includes a short description of the book, a presentation of its author, and a critique from CyLibris' reading committee. The reader also has the possibility of downloading three passages, which give a taster of the work to come and help the reader locate the author's style. A mini-forum where other readers' opinions on the book can be consulted is also provided, as are illustrations related to each work sent in by readers, which can be downloaded for free. The editorial team also provides a "bestseller list" of the top ten titles sold from their catalogue. This lists the actual number of books sold and is seen by CyLibris as an important act of transparency even if the actual number sold is rather modest. The bestseller list for June 1999 has been incorporated into the table above.

The individual price of titles available from CyLibris ranges from 58 to 95 Francs (8.84 to 14.48 Euro). Postage and packaging must be added on, which is a further 20 to 35 Francs (3.05 to 5.34 Euro) depending on the number of books ordered. Books can either be ordered directly from the web site through a secure payment system, by post or by fax. The book, printed digitally, is then sent by post directly to the customer. All printing is carried out on Wednesdays, so depending on when the order was made the reader will receive the book within two to ten days in France and within two to eight weeks for orders from abroad, corresponding to the postal service of the country.

Copyright

All titles published by CyLibris are previously unpublished works and therefore the publishing house holds the publishing rights. Copyright and authors' royalties consequently function in exactly the same way as in other more traditional publishing houses.

Additional services

Several other services and areas of appeal are provided on the web site for those interested in literature.

There is access to three forums, one of which is managed by CyLibris and the possibility to participate in an interactive novel. CyLibris also provides a great deal of practical information for young and aspiring authors wishing to have their work published, such as a list of publishing houses, tips on how to

present the manuscript, and advice on contracts. This information is regularly revised and enriched.

An innovative aspect of the site is the section entitled exhibition (*Exposition*). In these pages young artists, photographers, and graphic artists are given the opportunity to display their work in a 'cyber' exhibition. As well as displaying and commentating a series of works, a presentation of the artist is also provided. There is a new artist every two months, although access to previous exhibitions is always possible.

Visitors to the site also have the opportunity to experiment with a literary game through which the computer generates phrases taking words at random from a database (*générateur de cadavres exquis*).

Finally, the CyLibris team has developed an extensive list of links to sites dedicated to Francophone literature. This list is constantly revised and developed and contains on the one hand details of publishing houses, bookshops, libraries/institutions, authors, literary magazines, reviews and more precise links on certain literary genres such as science-fiction and poetry and on the other, more general information on literature available on the web.

Librissimo

This web site specializing in rare and out of print French works, is born out of an association between two digital publishers: Bibliopolis and Phénix Editions (formerly Editions à la Carte). Together these two publishers aim to use their respective expertise to digitize the collections of old and rare works, managed by specialists, held in large French municipal libraries. Currently, the project works in partnership with the Municipal library of Lyon, the Library of Saulchoir and there are plans to associate a further 12 libraries. The library of Lyon holds over a million works, with 350,000 dating from the sixteenth to nineteenth centuries and 450 incunabula texts and medieval manuscripts, as well as housing the collections from the Jesuit library of Chantilly. The Dominican library of Saulchoir, managed by Brother Michel Albaris and Brother Jérôme Rousse-Lacordaire, conserves an extensive collection of spiritual and philosophical works, including 280,000 works, 2,700 periodical titles, a collection of engravings, devotional objects and religious art.

The Librissimo catalogue

The Librissimo catalogue currently contains over 500,000 title references to old, rare and out-of-print works, mainly in the public domain. The catalogue is accessed through a search engine called TREVI, developed and maintained by Bibliopolis. It is possible to research books through searching by author, by title, by publisher/printer, by date, by place of publication, by origin and by keyword. The search engine comes up with a list of works corresponding to the search details and the reader has the opportunity to order a facsimile of the original book. If the title ordered has already been digitized then it is available immediately, otherwise the work has to be reproduced in a digital form using the latest scanning technology.

All texts are digitized using image scanning equipment that has been especially adapted for fragile and bound books (Phénix Editions currently uses Xerox Digibook 5600 and Minolta PS 7000). The book is placed on a table, with equal weight distribution, and the pages are scanned individually without putting pressure on either the pages or the binding. Following this procedure, approximately 150 to 300 pages can be digitized per hour. Scanning in this way leads to the production of a curve in the pages. This is however automatically corrected through a specially devised computer programme. In the same way, the image can be reworked with a programme to take out marks, reframe the page etc in order to make the work more readable. The finished digitized work is then printed digitally using print-on-demand technology in the exact number of copies required.

The cost of reproducing a work from the Librissimo catalogue depends on whether the book has already been digitized or it is the first order for a work. The price of a work, which is to be digitized for the first time is based on the cost of the digitization and the cost of the production of the book. It is currently fixed at 3,95 Francs per page (0.60 Euro) for the very first copy. All pages in the book must be counted, including the preface, introduction, postscript, engravings, contents table, etc. Therefore, the cost of a 300 page book is 1185 Francs (180.65 Euro). However, once the initial copy has been produced and the work digitized, the cost falls to 1 Franc per page (0.15 Euro) for all future copies, that is only the costs for producing the book. Consequently, the second copy of the same 300 page book costs 300 Francs (45.73 Euro). Therefore the more copies of a work ordered the cheaper the cost per copy. This is illustrated through the example of a 300 page book in the table below.

Number of copies in the initial print run	Total cost of the print run	The cost per copy
1	1,185.00 F	1,185.00 F
2	1,145.00 F	742.50 F
3	1,785.00 F	595.00 F
4	2,085.00 F	521.25 F
5	2,385.00 F	477.00 F

Payment can either be made on-line within a secure environment, the advantage being that the order will be treated immediately, or by cheque, the order not being processed until payment has been received. The process of digitization and printing takes 20 working days and postal delivery takes between 2 and 8 days depending on the address. Postage and packaging should be added on to the initial printing and production costs.

One of the advantages of the Librissimo service is that the work can be really finished on demand. The binding, for example, can be adjusted according to the purchasers needs (i.e. a hardcover for frequent use, a leather-bound, etc.). Special paper can be used and a page can be inserted with a dedication for a real personalisation of a book.

Copyright

The majority of works reproduced by Librissimo are in the public domain and therefore copyright free. If a work does not fall into the public domain, then subsidiary rights for a digital version must be obtained from the original publisher and royalties are paid to the author. Phénix Editions hold the exploitation rights for the digitized edition and consequently once the client receives the facsimile it is for their exclusive use only and cannot be resold, nor reproduced without the agreement of Phénix Editions. Libraries benefit from this initiative by Librissimo for they receive a fee of 5% for each work ordered and profit from the free digitization of their collections. However, as far as copyright is concerned this initiative can be seen as controversial, as titles originally in the public domain effectively become private through digitization.

Public powers and print-on-demand: La Commission de réflexion sur Le Livre numérique

The French Minister of Culture and Communication, Catherine Trautmann, in response to the French governments call "to prepare France's entry into the information society", initiated, in the summer of 1998, a committee of reflection to investigate the implication of digitalization on book policy. This committee, presided by Alain Cordier and made up of specialists from the book sector, was invited to analyse the cultural, technological, economic and legal issues arising from the development of new technologies on the book sector and to propose suitable policy measures to solve the problems encountered. The mandate of this committee was extremely wide and they examined both in theory and in practice, all forms of digitalization concerning the book, including print-on-demand, electronic books and document conservation in libraries. The report was completed in May 1999 and is available for consultation on the Ministry of Culture's web site.

The nine proposals suggested by the committee are summarized below.

1. To make the reflection sketched in the report "permanent", through organizing a sphere of exchange between professionals and through introducing an international dimension;
2. To promote the creation of content developing new forms of writing favoured by the digital environment – such as through public bursaries, aid in diffusion, the creation of a web site, etc.;
3. To allow within the context of new digital technologies a satisfactory remuneration of creation – adopting international standards for digital works, paying royalties to both individuals and groups, etc.;
4. To prepare the school generation in using digital works – such as familiarization of hypertexts and reading, research techniques, creation of initiatives to train teachers in using new digital technologies, etc.;

5. To allow public reading spaces to draw the best use of new technologies and to develop access facilities to digital collections – such as through establishing a programme for digitizing documents, equipping libraries with digital facilities, training librarians to use these facilities, encouraging print-on-demand publications, simplifying the legal deposit procedure;
6. To allow the network of booksellers to draw the best from digital technologies in order to favour the diffusion of creation under all its forms – encouraging the development of web sites, developing a commercial activity on the Internet with financial aid if necessary, making available updated information on the state of secure payments and their evolution, creating partnerships between different members of the book chain, etc.;
7. To develop knowledge of new technologies for the different actors of the book chain – initial and continued professional education and training, elaborating on a European level a training plan for all of these actors;
8. To confirm attachment to the plurality of the editorial offer – through facilitating the publication of digital works for editions of limited diffusion, guaranteeing the continuation of a fixed book price for contents presented through the same medium (paper), but not extending the notion of a fixed price to different mediums (paper, digital), the necessity of the State to see to the setting up of legal and technical regulations facing the development of monopolistic businesses in the digital and communication areas;
9. To facilitate access to digital cultural products – through reducing the level of VAT on digital cultural products, facilitating the access of handicapped persons (poor-sighted and blind persons), facilitating the compatibility between reading tools and content mediums, facilitating rapid access to the network.

Conclusion

The current activities in France concerned with print-on-demand and more generally digital technology are rich and varied. Together they explore the different aspects and possibilities of print-on-demand production and offer precise models for other European countries to follow. The French government has also shown great interest in current evolutions in the area of new technologies. It aims to support developments through creating a conducive environment for the future progress of the digital book sector. The outlook for print-on-demand in France is therefore positive and it will hopefully continue to develop and grow in the months and years to come.

Further information/ addresses

Association Gutenberg XXIe siècle – Project examining the impact of new technologies on books and publishing (French/English):

<http://www.gutenberg21.asso.fr/>

Bibliothèque municipale de Lyon – Municipal library of Lyon (French): <http://www.bm-lyon.fr>

Commission de réflexion sur Le livre numérique – Government committee (French): <http://www.culture.gouv.fr/culture/actualities/rapports/cordier/cordier.pdf> or <http://www.culture.gouv.fr/culture/actualities/rapports/cordier/intro.htm>

Editions 00h00 – On-line publisher (French/English): <http://www.00h00.com>

Editions CyLibris – On-line publisher (French): <http://www.editions-cylibris.fr>

Librissimo – Digital publisher working in partnership with libraries (French): <http://www.librissimo.com>

Ministry of Culture and Communication (French): <http://culture.gouv.fr/> and more particularly <http://www.culture.gouv.fr/culture/autserv/livre.htm>

See also the [bibliography](#).

Germany

- Population: 82 million
- Official language: German
- GDP per capita 1997: \$US 25,592

Current state of the book industry

Both the overall title output and the number of book sales have continued to grow in recent years, however the general increase is small with a 1.2% growth in book sales and a 0.2% rise in title production from 1997 to 1998. Currently, overall monthly book sales are fairly static and in order to increase trade publishers have planned important new book releases from major German authors such as Günter Grass, Siegfried Lenz and Johannes Mario Simmel. In addition, in order to promote their autumn 1999 list, Bertelsmann for example, is investing 3.5 million DM (1.8 million Euro) in a major advertising campaign.

Bookstores still hold by far the largest share of books sales, however this hides a slow but steady decline of their market share during the last five years, which has dropped from 60.7% in 1994 to 59.3% in 1998. Direct sales from publishers however are continuing to grow and they have now become the second largest distribution channel. Sales from Internet bookshops have risen from 25 million DM (12.8 million Euro) in 1997 to 60 million DM (30.7 million Euro) in 1998, representing approximately 0.4% of all book sales.

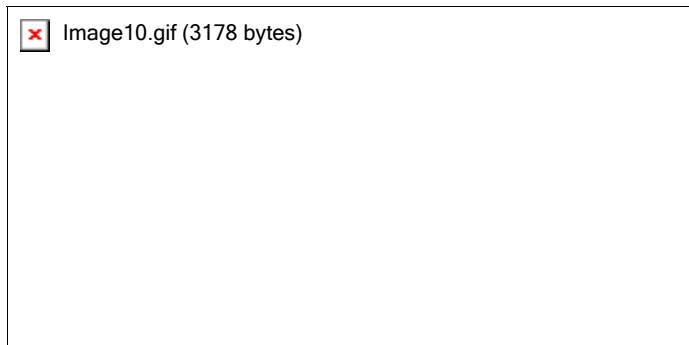
A major feature of the contemporary German book trade is publishing concentration. The great majority of previously independent publishing houses are now part of large publishing groups. The media corporation

Bertelsmann, for example, has recently taken over the scientific, technical and medical market leader *Wiss Springer-Verlag*. The new company, under the name *Fachverlagsgruppe Bertlsmann/Springer* will have combined sales of approximately 1.4 billion DM and will employ 5,000 people worldwide.

German book trade statistics

- In 1997 the total annual book title production was **77,899**: 57,680 new titles and 20,209 reprints, with book and periodical sales totalling **17.5 billion DM** (8.9 billion Euro).
- There are currently **3215** publishing houses/companies.
- There are currently approximately **7,034** bookshops and book sales outlets.

Repartition of the book market sales share (1996)



Publications by literary categories (1997)

Literature category	Number of titles	Percentage of total new production
General books	4 421	7,7
Philosophy / psychology	2 676	4,6
Religion / Theology	2 889	5
Social Sciences	13 901	24,1
Mathematics / Natural sciences	4 142	7,2
Applied sciences, medicine, technology	8 598	14,9
Arts / Photolgraphy / Music / games / Sport	4 126	7,2
Languages / Literature	9 558	16,6
Geography / History	7 369	12,8
Total	57 680	100,1

The German print-on-demand experience

The majority of experiences of print-on-demand in Germany remain at the level of digital printing technology. Numerous printers are developing to increasingly high levels "just in time" printing, however the number of publishers or booksellers which are directly involved in print-on-demand production are limited. Currently, the distribution company Georg Lingenbrink is carrying out a project concerned with print-on-demand in association with its on-line bookshop *Libri*. It is this project, *Books on Demand (BoD)* that will be examined here.

Books on Demand (BoD)

The Books on Demand project was set up by the Hamburg based media wholesaler and distributor, Georg Lingenbrink in the summer of 1999. The Internet site of the project is in German, but an English site is currently under construction. The project aims to provide print-on-demand production services for publishers, authors and academic publications. Through print-on-demand the project aims to make small quality print editions economical, providing a futuristic approach to both publishing and distribution using digital technology and the Internet. This new print-on-demand service is linked to the existing *Libri* distribution network, which connects 3,000 bookshops and distributes all over Germany.

Print-on-demand production

The *Books on Demand (BoD)* project is not a publishing house and therefore the print-on-demand production proposed by the initiative takes the form of a printing and distribution service. Service contracts are consequently passed between BoD and publishers or authors for the digital production of books by print-on-demand. The production process is made up of eight different stages. The first is the conclusion of a contract between the publisher/author and BoD. In the second the publisher/author must choose a printing format and thirdly the publication costs are worked out. The fourth step is the transfer of the manuscript from the author to BoD. The work is then printed and afterwards catalogued in BoD's electronic archives. The book can then be ordered from the *Libri* catalogue through the on-line bookshop of the same name. Once a reader orders a title from the catalogue, the book is printed on demand and delivered within 48 hours. The whole process is carried out rapidly and for manuscripts that are ready for printing this can be as little as three weeks.

The book can be produced in several different formats, such as 12x19cm, A5, 17x22 or A4. A soft, glued, four-colour cover of 200g weight paper is offered with the possibility of adding photos or images. The paper for the content is the standard 90g, in either white or off-white, no photos or images however can be included in the text. Each book must have a minimum of 50 and a maximum of 700 pages.

The cost of production is calculated according to the number of pages in a work and not according to the number of copies or the chosen format. Costs can however be broken down into three different elements. The first option consists of a once only payment for the creation of a master copy, calculated

according to the number of pages and the quality of print required. The cost for this starts from as little as a few hundred marks. To the cost of this master copy must be added the cost of actual printing, which is also calculated by the number of pages, unless the standard A4 printing format is chosen. Finally, 3 DM (1.53 Euro) per month should be added for data management storage of the manuscript in the BoD database. This is essential if the publisher/author wishes to disseminate the books produced through the Libri network. If an publisher/author only intends to print a set number of copies then only the actual printing costs are paid. A special form on the BoD web site can be completed in order to obtain an example of costs. Details of the type of manuscript (paper or electronic PDF), the number of pages, and/or the number of copies required, and the suggested shop price must be provided. In response to this data the amount of mastering costs, the printing costs and the future amount of publisher/author revenue can be calculated. For example, 100 copies of a 150 page book, sold at 15 DM (7.67 Euro) will cost 190 DM (97.15 Euro) for mastering, 825 DM (421.82 Euro) for printing and the publisher/author will receive 485 DM (247.98 Euro) in royalties if the manuscript is provided in PDF format. The mastering costs rise to 227.50 DM (116.32 Euro) if the manuscript is in written form and consequently the publisher's/author's royalties fall to 447.50 DM (228.80 Euro).

The Books on Demand catalogue

The current catalogue of the BoD project contains 25 titles from a variety of genres. This catalogue can be accessed from the category heading 'autoren', which either lists the works alphabetically according to the author or by literary genre. An illustration of the repartition of these titles between the different categories as well as an indication of average price is given in the table below.

Category	Number of titles	Average price (DM)	Average price (Euro)
Literature	11	19.29	9.86
Children & Teenage books	1	19.50	9.97
Travel	1	21.80	11.15
Professional literature	6	56.85	29.07
Humanities / arts/ music / history	4	31.85	16.28
Mathematics / natural sciences / technology / medicine	1	150.00	76.89
Social sciences / legal / economics	1	69.00	35.28
Total	25	52.61	26.93

Through clicking on a title the reader can obtain further information concerning the work on the author's homepage. A photograph and short biographical details of the author are given, followed by a short summary of

the work with an illustration of the book's jacket cover. There is also often an interview with the author. A hyperlink from this page allows an order of the book to be made through a connection to the web site of the on-line bookshop *Libri* also run by the Lingenbrink group.

The catalogue of the *Libri* web site gives further bibliographical details concerning the work as well as its price. Book prices range from 12 to 158 DM (6.14 to 80.78 Euro). This price is fixed in the publisher's/author's contract with BoD. Books can be ordered directly from the site and payment can be made by credit card through a secure environment. If the reader desires to receive the book at home then postage and package must be added. However, there is also the possibility to order the book through one of 3,000 partner bookshops located all over Germany. Through connecting to one of these bookshops, the book is ordered and payment is made on-line. The reader then has the choice of collecting the book directly from the bookshop with no extra charge or receiving the book at home. Once a work is ordered, the title will be automatically printed and due to the *Libri* distribution network, books can be received rapidly and within 48 hours (includes printing). Other bookshops, which are not part of the *Libri* partnership, can also be used however additional handling costs may be charged.

Copyright

The rights of all books and titles published through the BoD project remain with the publisher/author. The BoD project through a service contract, made between the publisher/author retains reproduction rights in order to produce copies when ordered on demand. If the publisher/author has a contract with the book trade then they receive a monthly statement from BoD outlining their royalty payments according to book sales. These are calculated according to the shop price of the book minus the wholesale book price (50%) and the printing costs. The BoD project does not look after the legal issues concerning the books it publishes and therefore it is the responsibility of the publisher/author to deal with all copyright issues. Guidance for authors is provided on the BoD web site regarding certain legal areas that can pose problems. This includes reminders to verify that titles have not already been copyrighted, to check whether royalties should be paid for the use of photographs or images included in the work and to find out whether publishing rights should be acquired for books to be reprinted. It also refers authors to three German laws concerning publishing.

Additional information

Additional information concerning the project includes several detailed examples of university lecturers who have used the technique in order to publish their theses in small numbers and to distribute them through bookshops. There is also a heading, which groups together recent press releases concerning the project and a link to the *Libri* virtual bookshop.

Two major features of the German book trade are a fixed book price agreement between publishers and booksellers and a reduced book VAT rate of 7%, which is applicable to all cultural products except sound recordings and video-cassettes.

German public book policy is in the majority defined by the private German book trade association, the *Börsenverein des Deutschen Buchhandels*. In recent years this association has achieved four major successes in defining German book policy. The *Börsenverein* was firstly instrumental in the creation of a German fixed book price in 1958. Whilst in theory, price-fixing is not possible within German law, under the *Sammelrevers* agreement individual contracts between publishers, wholesalers and booksellers allow fixed book prices. This agreement was extended in 1977 to include schoolbooks and in 1984 the German parliament designated books objects of cultural necessity and therefore endorsing the fact that prices should be fixed by law. Secondly, the *Börsenverein* helped realise the creation of a German national library and a national bibliography in 1946. The association also inaugurated the world famous Frankfurt Book Fair, which continues to be an important landmark for the book industry, in 1951. Finally, it was the *Börsenverein*, which developed a German *Books in print catalogue* in 1971, which has been available on CD-ROM since 1988.

The *Börsenverein* association is interested in the development of electronic publishing. As a consequence, German publishers produced the so-called "Leipzig Recommendation" in 1994, which clearly defines the term 'electronic publishing'. In 1998, electronic publishing is regarded by the German book industry as any digitized non-printed material that is selected, arranged and published in order to be commercially distributed.

Conclusion

Many actors in the German book chain are interested in the developments of print-on-demand. Currently, the technique is being practised by distributors as a way of encouraging the publication of new authors and specialized literature in limited numbers and for little outlay. Future niches of print-on-demand development in Germany will probably continue to be in specialized literary/academic areas and perhaps also for out of print books, as the general size of the German speaking area in Europe provides a large market for German language books.

Further information/ addresses

Books on Demand – Print-on-demand publishing project (German): <http://www.bod.de> or (English): <http://www.bod.com>

Digital PS Druck – Digital printer (German): <http://www.digital-druck-gmbh.de>

Libri – On-line bookshop (German): <http://www.libri.de>

Shaker Media – Digital printer (German): <http://www.media.shaker.de>

See also the [bibliography](#).

Hungary

- Population: 10.1 million
- Official language: Hungarian
- GDP per capita 1997: \$US 4,415

The current state of the book industry

The Hungarian book industry is currently in a process of transition from a state-controlled industry under communism to one adapted to market conditions. The collapse of the communist regime in 1989 led to an immediate publishing boom, as free from censorship and control, previously banned books or censored subjects were produced in great numbers. However, by 1991 many elements of the industry had collapsed due to market conditions and fierce competition, provoking a general crisis.

Hungarian publishing in the 1990s has therefore been marked by a reduction in the annual number of titles produced, a decrease in the average number of copies in a print run, increasing production costs and a rise in the average book price, which has risen by 3-5 times since 1989.

Under the communist regime, book publishing and distribution did not have to be economically viable as any deficits were covered by state subsidies. Most publishing houses were state owned and specialized in a certain area of publishing, where they enjoyed a monopoly. The introduction of market competition has however forced many publishers to be less specialized, above all in areas where sales are low, resulting in the decline of certain publishing sectors such as academic, research, monograph, classic literature, poetry and Hungarian fiction. Most Hungarian publishing houses are now privatized, either through employee buy-outs, businesses or foreign investors. Indeed, it is estimated that foreign companies control 50% to 60% of the Hungarian publishing market, however the Ministry of Culture has kept minority shares in many companies.

The system of book distribution was controlled until the early 1990s by three large state companies. However, this distribution system collapsed as a result of the bankruptcy of these companies unable to work in market conditions. No new national distribution system has yet replaced the old state structure, however from 1996 regional distributors have begun to appear. The number of traditional book retailers has also greatly declined during this period of transition, however street vendors have in large part replaced them. Certain book traders also refuse to take books with low sales potential. Many publishers have therefore been forced to distribute their books themselves due to the lack of wholesalers and retailers. This they have achieved either through

buying bookshops or through direct mail order sales. One current success however is the Hungarian Book Club, owned by Bertelsmann, which publishes a growing number of popular titles in large editions, distributing them to members often with discounts.

The Hungarian book industry in many ways is held back by difficult economies of scale, due to the smallness of its population and the uniqueness of its language. Nevertheless, the potential success of the industry is good if the right policies are introduced: Hungary not only possesses near universal literacy, a strong literary culture, but also a compact geography and population.

Hungarian book trade statistics

- In 1997 the total annual book title production was **8,941**. This figure is made up of titles in Hungarian and other foreign languages such as English.
- There are approximately **3000** registered publishers in Hungary, however only approximately **150** publish books on a regular basis. Occasional publishers include institutions, such as museums, libraries and universities.
- The average print run in 1994 was **7,500** copies. However, a third of titles produced are editions of fewer than 1,000 copies and a further third are between 3,000 and 10,000 copies. In 1994, the average number of copies in a print run for general fiction was 12,600. It is estimated that the average print run in 1998 is approximately **5,000** copies.
- In 1989 there were 600 bookshops in Hungary, which has fallen to approximately **250** in 1994/95. Temporary or open-air bookshops have however flourished. The **850** or so of these outlets mainly sell popular books and in the early 1990s accounted for approximately 50% of total book sales.

Publications by literature category (1994)

Literature category	Number of titles	Percentage of total production
Fiction	1905	20.3%
Non-fiction	3753	40.0%
Popular non-fiction	1070	11.4%
Textbooks	1511	16.1%
Children's books	694	7.4%
Other	450	4.8%
Total	9383	100.0%

The Hungarian print-on-demand experience

Print-on-demand and digital printing is relatively new and therefore at an experimental phase in Hungary. The two experiences that follow, that of a digital printing company and an academic publisher, are consequently in their

infancy. However, these two examples show the great potential for print-on-demand in Hungary, as well as in other central and eastern European countries where the transition from a controlled to a market economy is placing pressure on all elements of the book industry.

PXP Digital Printing

PXP Digital Printing offers the most extensive range of print-on-demand products in Hungary, producing anything from posters to short run books. The company was founded in March 1997, the initial investment coming from Hungarian private persons and companies. The original investment of 22.5 million Hungarian Florints (90,200 Euro), was extended in December 1997 to 42.7 million Florints (171,200 Euro) and again in March 1998 to 49.2 million Florints (197,200 Euro). The company has a web site, which is currently mainly used by customers for sending information and print jobs, but they aim to add more practical information soon.

Printing Technology

PXP uses Xerox printing technology, which it leases through a rental agreement. This approach has the advantage of allowing the company to keep up with technological developments and constantly improve their machines in line with these evolutions. The company currently uses three printing machines: one colour roll-feed machine; one colour sheet-feed; and a black and white sheet-feed machine. These machines are linked to a multi-platform system, which uses Macintosh and IBM PC's in a network. The company can also provide all finishing procedures, such as scoring, glue-binding, spiral binding, booklet-making, foiling, cutting, etc.

The current output of PXP is approximately 100-120,000 A4 colour pages and 2.5 million black and white A4 pages per month. The manuscripts and print jobs are usually sent electronically in a Postscript format, which greatly speeds up the work process. A single copy of a book of 250 pages, for example, with a colour cover, scoring, glue binding and cutting, takes approximately 4 hours to produce from beginning to end. An order in the region of 100 copies can usually be processed within one working day (24 hours). However, it is generally advised to telephone in advance so that the workflow can be planned and work completed as quickly as possible. The print runs carried out by PXP range from a single copy to as many as 1200 copies. The average print run however lies somewhere between 100 and 300 copies.

Customers

PXP carries out a diverse array of contracts. They can however be generally divided into three separate areas: software companies; publishers; and for the colour printing facilities, advertising agencies, reproduction houses and DTP studios.

PXP's major publishing client is Wolters Kluwer and the Hungarian

publishing houses that form part of this international corporation, Akadémiai Kiadó and KJK (Közgazdasági és Jogi Könyvkiadó). Their orders generally consist of professional books, periodicals, reprints, legal and other loose-leaf publications in short print runs of 200 to 400 copies.

Their major software client is Scala EMEA, who produces software handbooks for all over Europe, Asia and Australia. PXP have also produced car manuals for Citroën and Suzuki, design handbooks for Pepsi and product catalogues for Arena and Shell.

Distribution

The Scala software manuals are collected directly from PXP by a parcel delivery company and sent directly to their destination (France, Shanghai, Stockholm, South Africa, etc.). The customer Scala by consequence does not see the printed product.

The case of Wolters Kluwer is however different as the books are currently picked up by the companies distributor to be distributed and stored. However, plans are presently underway to create a direct invoicing and mailing system, whereby the printed book is sent directly after printing with an invoice to the individual or institution that ordered the copy/copies. In this way, printing on-demand according to the demand and not the offer (in other words, single copy print runs) will be started.

Akadémiai Kiadó

Akadémiai Kiadó is an important publisher of scientific and academic books and journals, as well as dictionaries in Hungary. The company is majority owned by Wolters Kluwer, an international corporate publisher based in Amsterdam and the Hungarian Academy of Sciences holds a minority share. Akadémiai Kiadó is a crucial outlet for the research publications of Hungary's scientists and academics and publishes in every major field of science and scholarship. A large number of their publications are produced in foreign languages, mainly English, as well as in Hungarian. Akadémiai Kiadó actively produce 60-80 new book titles every year (20-30 in English, co-edited with an International publisher) and 45 periodicals of which 36 are in foreign languages (principally English, 11 are co-edited with science publishers abroad).

Print-on-demand Projects

Akadémiai Kiadó are currently exploring the opportunities provided by print-on-demand with a view to reshaping and modernizing the entire activity and output of the company. Their projects, to date, are in an early phase and thus the future activities planned may take more time than expected to put into place. They currently plan to use print-on-demand technology to produce roughly a third of their 45 journals and approximately 25 of the 60-80 planned book titles.

Akadémiai Kiadó print-on-demand project is operating in two distinct phases.

A first phase, through which the company will use print-on-demand to adjust print runs to sales estimates and therefore to avoid stocks, is currently underway. Each print run, both for books and journals, has been a rounded up number of copies rather than a precise number calculated according to the order. These publications are at present distributed by their distribution centre and the digital printing house.

A second phase is envisaged whereby print-on-demand will serve a more conditional role. An aspect of this second phase will be the possibility to order books directly on-line and on demand, even as a single copy. Akadémiai Kiadó, are planning to carry out a first test of this procedure in the autumn 1999. Whilst on-line ordering will still not be possible, a philosophy title will be published in a total of 10 copies for the author, in place of a royalty fee. The possibility of ordering a single copy automatically implies changes in the current distribution structure. It is therefore planned that the digital printing company will take care of all distribution and invoicing. Akadémiai Kiadó also propose to involve the Internet and bookshops more closely in their marketing strategy and it is intended to install computers in major bookshops where customers can browse amongst the titles and order books directly.

Copyright

In Hungary, copyright favours the author over the publisher and therefore authors can impose a number of restrictions that govern the commercial exploitation of works. In this way, publishing rights always reverts to the author and therefore the publisher is only allowed to buy the right to exploit the work for a limited amount of time. Akadémiai Kiadó expect to draw up new contracts with authors in order to take account of the possibilities of both print-on-demand and possible electronic versions of titles. This is necessary, as the principle of storing a title digitally and only printing it according to demand considerably extends the 'life' of books and thus can lead to possible difficulties within traditional Hungarian copyright legislation.

Public powers and print-on-demand

The Hungarian book industry is currently under going transition from a state-controlled industry to a market economy. The Hungarian government has introduced several measures to structure this transition. The first in the summer of 1990 was the abolition of state subsidies and the 80% tax relief on profits that book publishers and distributors had previously enjoyed. Secondly, in 1993 was a law on privatisation. Publishing houses are no longer under the control of the Ministry of Culture, although the Ministry has kept several minority shares in different companies. A VAT charge on books was also introduced in 1993, which was raised to 12% and 0% for textbooks in 1995. There is no book price maintenance regime in Hungary.

The Hungarian government also established several funds to assist the publication of culturally important books. The first is 100 million Hungarian

Florints (755,000 Euro) from the State budget, which is allocated by a board of trustees through the Hungarian book foundation. The second is a National Cultural Fund established in 1993, which gives out grants to support publishers. This fund is raised from a cultural tax of approximately 1% which is levied on all cultural products. Thirdly, international organizations, such as the Soros Foundation, can also be approached for financial support.

The Hungarian ministry of culture and Education is also a partner in a new bibliographical and distribution service on the Internet called "Bookfinder". This service is provided for publishers, booksellers and the general public.

Conclusion

The technique of print-on-demand is still in an initial phase amongst publishers in Hungary. The technique is currently being used within the academic sector where demand is both limited and specialized, however it could also be transferred to literary projects. Nevertheless, it is progressing steadily and therefore future developments should be watched closely.

Further information/addresses

Akadémiai Kiadó – Scientific and academic publisher (Hungarian/English):
<http://www.akkrt.hu>

The European Bookseller, "Country survey: Hungary", no.15, April/May 1996, pp.24-50. (English)

KJK (Közgazdasági és Jogi Könyvkiadó) – Economic and legal publisher (Hungarian): <http://www.kjk.hu>

PXP Digital Printing – Digital printers (Hungarian/English):
<http://www.pxp.hu>

See also the [bibliography](#).

Italy

- Population: 57.5 million
- Official language: Italian
- GDP per capita 1997: \$US 19,912

Current state of the book industry

The overall number of titles on sale has increased during the 1990s from 254,000 in 1991 to 332,801 in 1997. During this same period the number of titles produced each year also augmented, stabilizing in 1996 and 1997 at around 51,000 to 52,000. Nowadays, publishers are more specialized in their editorial choices and are choosing to publish titles for specific reading sectors.

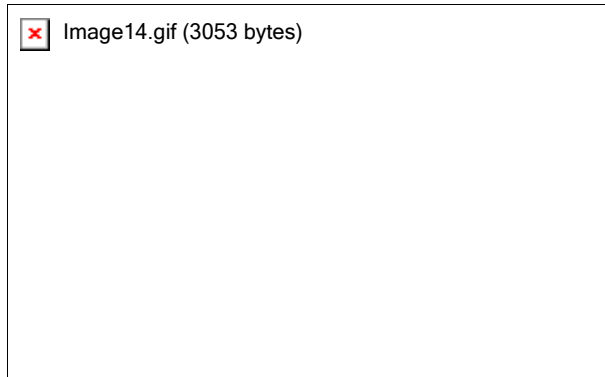
There is also a growing trend towards paperback editions and an increasing number of titles produced each year are translated from other languages. The average number of copies in a print run has also decreased throughout the 1990s. The majority of books published are new titles, first editions making up 63.1% of all titles published and 59.6% of books on sale. However, books are staying on bookshelves for increasingly shorter periods of time and the lifecycle of a book usually terminates after the first edition. In 1995, 44% of titles on sale in one bookshop only sold one copy and 15-22% of all copies produced were returned. Over the last three years, the number of titles that have fallen out of print or are no longer available has increased enormously. The figure for 1997 registers 45,000 titles. The demand for books compared to other European countries is low as according to recent figures only 43.5% of Italians read at least one book per year and 56.7% of Italians use books for different purposes (professional, school, etc.). However, interest is increasing in Italy and publishers have begun to produce new titles and new series in order to capture new readers. At the same time, due to competitive strategies based on prices, readers have become more sensitive to book prices, which remain stable or are decreasing. Consequently, the distribution sector has had to deal with a growing volume of titles, both to be put on and removed from sale. In order to improve turnover, the book industry must therefore increase book sales and carry out their operations more efficiently.

Traditionally, large Italian publishers ran their own bookshops and therefore took care of distributing their books, however many of these publishers have sold off their bookshops. Bookshops still hold the major share of book sales, due to the large number of small publishers in Italy (78.3% of publishing houses produce between 0 and 10 titles per year). However, as a result of the development of new sales channels, such as street sales, museum bookshops, "virtual" bookshops, computer and photographic stores and video-rental chains, the market share of bookshops is gradually decreasing. The level of computerization between the different stages of distribution is also low, despite the introduction of the Arianna teleordering programme, making efficient communication between actors in the book chain difficult.

Italian book trade statistics

- In 1997 the total annual book title production was **51,866**.
- There are currently **3,129** publishing houses/companies. In 1997, only 5.7% of these companies produced over 50 titles (178 companies), 16% produced from 11 to 50 titles (501), 45.3% produced from 1 to 10 titles (1,418) and 33% producing no titles at all (1,032).
- The average print run is **5,700** copies (1997).
- There are currently **2,280** bookshops with at least 50 square metres devoted to books out of 21,486 book sales outlets in Italy. On average, **1116** of these bookshops draw at least 80% of their income from books and other editorial products. Approximately 1% of bookshops have a range of over 50,000 titles and 2% cover a surface area of over 200 square metres.
- In 1997, **24.1%** of titles produced were translations (12,524). The majority of translations are from English (7,714), which alone make up **14.9%** of total production.

Repartition of book market sales (1996)



Publications by literature categories (1995)

The following table illustrates the number of titles published in separate literary categories in 1995.

Literature category		Number of titles
Fiction	Contemporary novels	6,320
	Classics	2,055
	Poetry / Theatre	1,206
Dictionaries / Encyclopedias		1,027
Non-fiction	Essays / Philosophy	3,163
	History	3,724
	Art / Architecture	2,719
	Religion	2,472
	Legal / Economics / Management	5,208
	Medicine	1,717
	Engineering / Technology	1,786
	Mathematical science / Statistics	2,274
	Geography / Tourist guides	1,373
	Media / Music	806
	Hobbies / Sport	592
	Other	4,047
Total		40,429

The Italian print-on-demand experience

Guaraldi Editori

Mario Guaraldi left traditional publishing behind in 1997 to concentrate on print-on-demand through his on-line publishing house Guaraldi Editore. He considers this printing technique to be an important new way to publish and

distribute books through the Internet. In this way, it is possible to overcome factors in the Italian book market, such as high book returns, short book shelf-lives and the phenomenon of out of print books, that make distribution and hence publishing difficult in Italy today.

Through their web site, Guaraldi Editore offers readers two different options: a digitally printed book or a PDF electronic version, which can be downloaded from the web site. The site is divided into different areas to take account of the different editorial offers, the principal headings being printed editions and on-line editions. However, a multimedia section containing several educational CD-ROM's for language teaching purposes, is also provided.

The section entitled on-line publications comprises of those books available in the electronic PDF format. The books on offer can be classified into three key categories: free books; new titles; and the main catalogue. Each month Guaraldi offers several books, which can be downloaded in PDF format for free. The idea behind these free books is that the reader will have the opportunity to try out and discover the electronic format with its in-built search tools. Secondly, in order to revolutionize the method of distribution, readers can consult and order on-line new titles in the PDF format in bookshops and libraries. They also have the possibility of acquiring their own copy either in the PDF format or a digitally printed version. The great majority of titles in the printed catalogue are also available in PDF format. Each book in PDF format costs 2,000 lire (1.03 Euro) or the reader can take out an annual on-line subscription, allowing him access to over 200 titles, for 30,000 lire (15.49 Euro).

The section entitled printed editions comprises of several catalogues and information pages. The first category heading contains new titles, which summarizes and lists the latest publications. An image of the book's cover is provided and it is possible to obtain a short summary of the book and information about the author. The second category contains the main catalogue, which is followed by a specialized catalogue consisting of out of print titles. All the titles in the sub-catalogues can be found in the main catalogue and so this is the catalogue, which we shall analyse here.

The Guaraldi catalogue

The main catalogue consists of over 224 titles, divided between 17 sub-collections. Each title however only appears in one collection, however one author may have works in several collections. The collections are extremely varied and contain a mix of new titles, reprints, and out of print titles, which will be reprinted on request. The majority of titles however are the copyright of Guaraldi Editore. The table below illustrates the repartition of the collections and the titles, along with the average price of a title in each collection.

Category	Number of titles	New titles	reprints	out of print	Average price	Average price
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				titles	(Lire)	(Euro)
Critical anthology	6	5	-	1	30 700	15,84
Upteenth time - Classics	34	-	34	-	15 060	7,7
Fastbook.net - Novels	5	5	-	-	21 000	11,05
Fastbook.net - Essays	3	3	-	-	16 330	8,35
Children's books	6	6	-	-	14 170	7,32
Handbooks	11	11	-	-	26 360	13,62
Melting pots	14	14	-	-	18 570	9,59
Fiction and literature	32	13	-	19	15 160	7,83
Twentieth century Rimini	26	26	-	-	10 510	5,43
First works	3	3	-	-	20 000	10,33
Psychology / Psychiatry	12	2	-	10	23 000	11,88
Post-books	9	9	-	-	3 000	1,55
Essays, journeys and beyond	13	-	13	-	22 000	11,36
Religion	17	15	-	2	43 530	22,48
New Years Day books	1	1	-	-	50 000	25,82
Collection on Fellini	8	8	-	-	27 880	14,4
Miscellaneous	24	1	16	7	27 540	14,22
Total / average	244	122	63	39	22 636	11,69

§ Fiction from Southern countries "the culture of those areas where economic and social marginalization is important".

Further information on the majority of titles in the catalogue is obtained through a hyperlink, where as with the new titles, a summary and details of the author are provided.

Prices for a digitally printed book range from 3,000 to 180,000 lire (1.55 to 92.96 Euro), but the average price is 22,636 lire (11.69 Euro). Books can be ordered directly from the site through an on-line form and must be paid for by credit card or by cheque sent to the publishing house. It is intended that from the end of August 1999 that a secure on-line ordering system will be in place allowing orders and payments to be made electronically. The books are then sent either by normal postal mail or express delivery. Postage and packaging for normal mail is free for orders over 100,000 lire (51.65 Euro), otherwise a charge of 5,000 lire (2.58 Euro) is made. Express delivery is possible for orders above 200,000 lire (103.29 Euro).

Editorial services

As well as editing and maintaining the Guaraldi Editore catalogue, the publishing house also provides an editorial service not only for authors who wish to personally publish their work, but also for university lecturers for

lecture notes, conference organizers, theatre companies, cultural clubs and groups and any other individual who wishes to publish a text in a limited number of copies. The cost of this editorial service depends on the work carried out but can include pre-print editorial work to be added on to fixed pre-mastering costs, printing costs calculated per page, binding all multiplied by the number of copies required. An interesting computer programme is provided on the web site under the heading print-on-demand, which allows a future customer to calculate more precisely the actual cost of printing. If the customer is an author, they have the possibility of paying a fee and having their work displayed on the Internet under a special catalogue called *Autori on demand*. The copyright for these works remains with the author and therefore if a reader wishes to order a copy of their book either in print or digitally, the conditions depend on the author concerned. Guaraldi Editore also offers special conditions for bookshops wishing to stock their titles.

Copyright

The majority of titles available in the Guaraldi catalogue are original and therefore their reproduction rights are held by the publishing house and royalties are paid in the usual way. However, Guaraldi Editore also offers a paying editorial service for interested clients. The copyright for these works remains with the author and consequently any such work sold through the Guaraldi Editore site is subject to specific clauses and conditions set by the author. Guaraldi Editore however, asks to become the author's agent if the work is to be published in the more traditional way by another publisher. Nevertheless, due to the nature of print-on-demand, different copyright possibilities are actively being explored.

Additional services

Several additional rubrics of interest are provided on the web site for the reader. The principal area is the Club Guaraldi for which the reader pays a subscription of 30,000 lire (15.49 Euro), which gives access to a special reading area and the possibility to download over 200 titles in PDF format.

Useful factual information on the concept of print-on-demand, Italian press reviews of the publishing house and a category focusing on forthcoming events concerning both the publishing house and their publications are also features of the Guaraldi web site.

Finally, the web site also supplies links to other sites and pages of interest and includes pages on Fellini, a link to the homepage of the DAMS Institute of the University of Bologna directed by Paolo Fabbri, guest pages and a link to the Publishers' Association of Romagna (an Italian Region).

Lampi di stampa

Lampi di stampa is an initiative inspired by a similar project in the United States set up by the wholesalers Ingrams and from which it derives its name (literally "lightning print"). The company was set up towards the end of 1998

with the aim of making backlist titles available, which due to their small demand are not reprinted in the traditional way by publishers. Each year approximately 30,000 titles fall out-of-print in Italy and a further 15 to 20% of titles indicated in publishers catalogues are not actually available. Print-on-demand technology will be used in order to make these out-of-print titles available through the normal channels of distribution. Lampi di stampa will therefore principally provide a service for publishers, but all actors in the book chain will benefit from the initiative. The three major partners in the project are the *Editrice Bibliographica*, *Legoprint*, and *Messaggerie Libri*.

The Lampi di stampa service

Through Lampi di stampa, Italian publishers will have the opportunity of having their out-of-print titles digitized, so that a title can be produced on the demand of a reader. The digital technology envisaged will allow a text, with black and white images, up to a maximum of 800 pages to be printed. The cover will be identical to the original, and the retail price of this print-on-demand edition will be exactly the same as that of the original editor's edition. The book will be produced in a standard format of 14x20.5cms and the paper used will be the standard 70 grams. Each book will have a softcover, which is bound and stitched in 1/16ths, guaranteeing high quality. In this way, the book will be very similar to the original edition.

Once titles have been digitized, they will be published in a catalogue, which will be updated periodically. *Messaggerie Libri* will send this catalogue to all bookshops, where it can be consulted by the reader, who has the opportunity to order books "à la carte" in the bookshop or alternatively place their order with *Internet bookshop Italia* and receive the copy demanded at home through the post.

Lampi di stampa estimated that this service should be in place by the summer of 1999, however work is currently delayed due to difficulties concerning copyright.

Public powers and print-on-demand

In the summer of 1997, the Italian government, under the Minister of Culture Walter Veltroni, set up a Book Commission to investigate and propose measures to ameliorate the Italian book industry, through the creation of a general book policy to support the industry. The conclusions so far focus on a campaign to promote reading (using the television and a National book day), direct aid to consumers such as tax deductions for bookshop expenditure, the creation of book vouchers, increasing buying credits for libraries and proposes to use a part of national lottery funds to support book projects. A national book day (*Giorno dei Libri*) was held in May 1998, with a week long series of radio and television promotions culminating in the Sunday opening of all bookshops on 17 May. The new Minister, Giovanna Melandri, is continuing this policy. In this framework a campaign through Italian trains and planes is planned, thanks to the co-operation of Alitalia and Ferrovie dello Stato, the Italian Railway company.

The government has also laid out plans for the creation of a fixed book price maintenance law and several bills are currently before the Italian parliament. The VAT rate for books is currently set at a reduced rate of 4%. The Italian government has also expressed its support for the same reduced VAT rate for all editorial products, however they believe this should be defined on a European level. In addition, the government seeks to carry out measures to promote Italian books abroad, protect authors royalties and analyse the distribution of support to authors and translators.

The Commission also considers the evolution of technology that both supports and develops the book market. However, no defined policy concerning print-on-demand has been made to date.

Conclusion

Print-on-demand is being developed in Italy as a solution to current obstacles in distribution. The average book rotation time is becoming increasingly short, hence books are rapidly returned to publishers and quickly out of print. The Lampi di Stampi project attempts to recapture the sales of those titles that would otherwise stay out of print and inaccessible to the reader. On the other hand, print-on-demand as carried out by Guaraldi Editore, revolutionizes the traditional distributive system through offering titles on demand through the Internet, consequently saving on production, storage and distribution costs. However, whether Guaraldi's model of publishing will generalize among smaller publishers all over remains to be seen.

Further information/ addresses

Guaraldi Editore – On-line publisher (Italian/English):
<http://www.guaraldi.it>

Lampi di stampa – No web site currently available. Information can be obtained from Alice.it (Italian): <http://www.alice.it/newa/primo/lampi.htm>

See also the [bibliography](#).

Russian Federation

- Population: 147.1 million
- Official language: Russian
- GDP per capita 1997: \$US 3,143

Current state of the book industry

The current situation in the Russian publishing industry is the product of both the deregulated economy and the remnants of state monopoly. Under the Soviet Union, Russia possessed a unified book system and a smooth and efficient distribution network. Although the number of titles produced

annually was often limited in number and censored, an underground black market of self-published literature developed (*samizdat*). The collapse of communism also led to the collapse of this system. Currently, the book industry is characterized by a multiplication of publishing companies and a general reduction in the size of print runs.

The Russian publishing industry today is made up of many small businesses and intense market competition. Under the Soviet system, publishing houses took little notice of the economic viability of their publications as the State or the organization, which owned the publishing house, assured their budgets. The creation of a market economy however dictates different preoccupations and many companies are obliged to produce popular books which sell quickly in order to have the means to produce more serious and less commercial literature.

There are therefore three general groups of publishers in Russia: those that concentrate on the mass production of popular "bestseller" books, those that concentrate on publications for a more restricted readership and several generalists who attempt to hold a midway position. The publishing houses specializing in 'difficult literature', such as philosophy, historical and new literature titles are usually run by university professors, writers or artists and they aim to publish books for like-minded people. They are therefore heavily dependent on subventions and the loyalty of their readers. The generalists offer a diverse selection of works, which are both serious but also offer good sales perspectives, such as encyclopaedias, dictionaries and Russian literary classics.

The present cost of production, which is concentrated in Moscow and St. Petersburg, is increasing rapidly and it is almost at the same level as other European countries. However, under the Soviet Union, books were viewed as cultural products that should be accessible to all and therefore sold at a low price. Publishers consequently, are unable to increase current book prices as many booksellers state that they will lose the majority of their customers if prices are increased. The average price of a 'bestseller' in 1998 was between 1.5 and 3 Euro and for a more intellectual book the price is between 4.5 and 7.5 Euro. This should be compared with approximate 1998 monthly salaries which for a worker or employee is between 230 and 300 Euro and for a university professor is between 120 and 150 Euro.

Publishers also work on the principle of *book release* rather than *book availability*. Book release implies that a book is published only once in a pre-determined quantity of copies. Except for certain handbooks, classic literature and reference books few reprints take place and hardly any modern literature is reprinted. During the Soviet regime print runs were consequently enormous and ran into hundreds of thousands of copies. However, within the new market economy the average print run has fallen dramatically. Books must be sold in the short term due to rampant inflation and the limited number of sales outlets, therefore print runs of even 10,000 copies may be considered too high. The average print run consequently depends on the book to be published but ranges between 3,000 and 5,000 copies.

The major issue in Russia still to be resolved however is distribution. The problem of inflation means that publishers need to produce and sell their books within a matter of weeks if they are to recover their costs. The State distribution system, which existed under communism, collapsed when State subsidies were no longer available and no large-scale book selling structure has adequately filled its place. This is seen as a major obstacle to the success of many of Russia's new publishers as it becomes difficult to manage their stocks as books are only sold when and where needed. Payments from booksellers and wholesalers can also be irregular sometimes occurring after a year or not at all. Currently, an illegal book market exists at the Olympic Stadium in Moscow where books are mainly sold cash in hand. Retailers often buy their books there to resell afterwards in Moscow or in the provincial towns. A project is planned to reorganize a central diffusion and distribution structure in Moscow. In the meantime however, several publishing houses have opened their own bookstores and sell their books through book fairs in the provinces.

Russian book trade statistics

- In 1997 the total annual book title production was **45,026**.
- In 1998 there are **11,000** registered publishers in the Russian Federation (compared to 200 in the former Soviet Union), of which 40% are considered serious publishers.
- A print run under the former Soviet Union could be as much as a million copies, average print runs in 1997 range from **3,000 to 10,000** copies.
- In 1992, 78% of the category fiction/poetry were translations. This figure has fallen to **47%** in 1996.
- During the 1990s, approximately 50 bookshops have closed in Moscow, however the number of open-air bookstalls has increased.

The Russian print-on-demand experience

New Helikon

New Helikon is the first Russian publishing house to produce print-on-demand books and to create a market strategy for selling them through the Internet. Alexander Zhitinsky, the chief-editor and founder of this publishing house, was first introduced to the concept of print-on-demand by Swedish experiences and integrated this new technology into the small family publishing house run by himself and his wife Elena since 1991. The company has rapidly expanded since its beginnings, employing 15 members of staff and is now an important printing and copying centre in St. Petersburg producing a wide variety of printed products from visiting cards, literary magazines, posters, books, badges and the company also creates Internet designs. New Helikon have to date published some 70 books, focusing on the literary prose of authors from St. Petersburg's. They started publishing and selling books through print-on-demand in 1998. The company has also moved from the centre of St. Petersburg to Vassiljevskij Island where it occupies 400 square metres of office space.

The technology currently used by New Helikon is extremely basic, consisting of a Risograph GR 2710, costing only 5000 dollars. All bindings and cuttings are carried out separately by hand, as these features are not incorporated in the machine. Overall however, production is fast due to the willingness of staff members. The total cost for setting up print-on-demand production at New Helikon was approximately 20,000 dollars. The average turnover each month, before salaries and rents have been paid, is between 3 and 4000 dollars.

New Helikon is a publishing house that appears to mix curiously the tasks of a traditional editorial house with those of self-publishing. In many ways this is not surprising as *samizdat*, or self-publishing, flourished under the Soviet Union as an attempt by Russian writers and intellectuals to get round Soviet censors. Five or six copies of a manuscript would be typed and bound by hand and then distributed amongst friends. The print-on-demand technology consequently appears to encourage a modern day *samizdat* using contemporary publishing technologies. However, New Helikon is not a pure vanity publisher, as this small publishing house seeks to create a niche for non-commercial Russian literature, such as the works of young authors and experimental writings. Secondly, Helikon actively seeks to commercialize and market the books it produces through the Internet, keeping advertising and distribution costs to a minimum, thus making publishing less unprofitable if not more profitable. The majority of Helikon's web site is in Russian, however the pages dealing with print-on-demand are also provided in English.

The Helikon catalogue

All works published by New Helikon using print-on-demand technology are diffused through the Internet and more precisely through a virtual bookshop called *Artshop*. This virtual shop holds catalogues on books, music, videos and button badges. Under the heading books is a web contents page, which provides details of how to order, a pick of the week and a book catalogue. This catalogue is divided into nine sub-catalogues, which are grouped together as a complete catalogue in a tenth subject category. There are over 130 publications currently in the *Artshop* catalogue, however not all works are produced by New Helikon. The first sub-section entitled New Helikon, contains works from the publishing house and so this catalogue only will be examined in this study. There are currently 44 books in the New Helikon section and 18 of these can be ordered and are produced on demand. The average number of copies in a print run of these books however ranges from 20 to 500 copies, depending on both the author and Zhitinsky's prospective demand. All works and the catalogue are in Russian.

The catalogue is presented in table format, providing a book code, the author's name and the title of the work, bibliographical details and the price of the book in roubles and in dollars. Through clicking on the title, further information on the book is presented, including an image of the actual cover, the title, the author, the genre, bibliographical details and a short summary of the work. Within this catalogue are several works, which are part of a collection of books from a project entitled World.Wide.Writers. Information on this project is available in English and the collection made up of works first published on the Internet, currently contains 9 titles, seven of which can

be ordered from the New Helikon catalogue. A table illustrating the information found in this catalogue is provided below.

New Helikon Catalogue		Number of titles	Average cost in roubles	Average cost in \$US
Fiction	Novels and Literature	8	23.80	2.25
	Poetry and Prose	1	25.00	3.00
	Short story collections	3	21.70	1.83
Non-fiction	Conference / seminar papers	1	30.00	3.00
	History / sociology	1	60.00	5.00
	Guide books	1	70.00	3.00
	Other	3	28.30	2.67
Total / average		18	36.97	2.96

As well as appearing in the catalogue, authors are given a homepage on the Internet in order to publicize their work. Each work published by Helikon is kept in the computer archives of the company therefore facilitating the possibility of reprinting a work on-demand, at anytime. Helikon will also take care of providing copies for libraries if the author so wishes.

Distribution of books

Information on ordering books is provided in *Artshop* and instructions are given both for ordering within and outside Russia. A special form available on the *Artshop* web site (in Russian) is filled in with the book code number, the title name/author and the number of copies required. A computerized ordering system is planned for the future, but for now the form must be sent either by e-mail or if the customer does not possess an email address, by attaching the form to a postcard, which of course takes longer.

If the order is within Russia, it is confirmed after several days and then the book is sent by post and the customer pays on delivery. The cost of the order is the price of the book in roubles, plus postage and packaging. The cost of postage depends on the distance of the delivery address from St. Petersburg and the weight of the parcel. Postage prices range from one rouble 70 kopecks for a 500 gr. Parcel within a radius of 600km to 18 roubles 60 kopecks for a 3kg parcel over 8000km. An additional three roubles should be added for the packet and finally 10% of the cost of posting must be paid in postal tax.

This procedure is slightly different for orders to be sent outside Russia. After an order has been received, the customer is informed of the cost of postage and packaging and on reception of payment by cheque in dollars, the order is sent by post. International customers are encouraged to buy their books in dollars, as the exchange rate is less variable. However, if a customer manages to deliver money in cash directly to Helikon in St. Petersburg, through friends, contacts etc. (i.e. no cheque) then a 15% discount is given. The cost of post and packaging is worked out along the same principles as for within Russia,

by distance, by weight and the form of transport desired. There are two different rates for country destinations, middle and long distance. The customer also has the choice of basic post, registered post, airmail and registered airmail. Middle distance countries will consequently pay between seven roubles for a 1kg package sent by basic post to 220 roubles 20 kopecks for a 3kg package sent by registered airmail. As with Russian orders, three roubles must be added for the cost of the package.

Copyright

Copyright of all new titles printed-on-demand by New Helikon functions in the usual way. The publishing house obtains reproduction rights and author's royalties are paid on works sold. However, due to the specificities of Russian copyright law all titles published before 1995 have fallen into the public domain.

Public powers and print-on-demand

The Russian government began to structure and legalize the book market in the early 1990s after a period of anarchy. A copyright act, for example, was issued and brought into effect in 1993 followed by Russia's adhesion to the Berne Convention in 1995. A Federal law on State Support for Book Publishers and the Mass Media was also adopted in 1995, coming into effect in 1996. As a result of this law VAT on books was attributed a 0% rate. The Ministry of Press and Information has also developed a Federal Programme of Book Support. However, the increasing deficit in the State budget and the crisis during the Summer of 1998 has reduced the means available and consequently government support of book production is relatively modest, centring on school books for the primary and secondary sector and several scientific works.

Conclusion

The development of print-on-demand in Russia has been established within the tradition of *samizdat* or self-publishing that took place in Soviet Russia. New Helikon attempts to create a publishing niche through which literary creativity can be professionally produced in limited editions that are economically viable. Whilst *samizdat* was kept within a limited circle, New Helikon aims to both widen the appeal of Russian literature and get around actual distribution constraints, through diffusing Helikon publications on the Internet and only producing copies on demand. It will however take time before it is possible to evaluate the impact and development of print-on-demand and more precisely, whether it can forge a new publishing and distributive system for those Russian publishing houses that specialize in certain difficult and less popular categories of literature.

Further information/addresses

New Helikon – On-line Publishing house (Russian/English):
<http://www.helikon.spb.ru>

Thiesse, A-M, & Chmatko, N; "Les nouveaux éditeurs russes", *Actes de la Recherche en Sciences Sociales*, Edition – editeurs tome I, mars 1999, pp.75-89. (French)

See also the [bibliography](#).

Sweden

- Population: 8,85 million
- Official language: Swedish
- GDP per capita 1997: \$US 25,735

Current state of the book industry

The Swedish book industry is characterized as one of the most de-regulated book markets in Europe. The application of free book pricing was introduced in the 1970s and booksellers have the freedom to establish a bookshop when and where they so desire. The VAT rate for books at 25% is also equal to the standard VAT rate.

Nowadays, large Swedish publishing firms "invest heavily in best-selling fiction, in cookery and in gardening books, New Age and IT literature" rather than in less commercially successful Swedish fiction or poetry. Furthermore, all works, which are unable to maintain sales of 1000 copies per year, are first remanded and then destroyed. Jan Myrdal, a Swedish author, for example, edited for his publishing house Norstedt, a new collection of translations of some major works by Balzac. However, after two years sales had dropped below the break-even point of 1000 copies and so the volumes were duly remanded and destroyed.

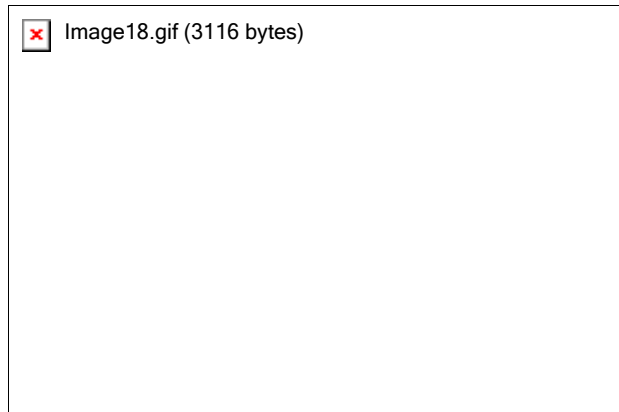
The distribution network and bookshops in particular have evolved considerably since the 1970s. In 1973/74 bookshops held 52% of the market share of sales, however in 1997 due to the rise of book clubs, department stores and kiosks, this figure has dropped to 40%. Currently, 80% of all bookshops are part of a book chain: that is they are general bookstores offering a wide selection of general literature (children's and adults' fiction and non-fiction) and do not stock purely educational publications. The remaining 20% is made up of specialist booksellers offering books to certain customer categories, such as children's books, religious literature and teaching materials.

Book clubs and book chains have the means to buy bestsellers and popular books in great quantity and at heavily discounted prices. They therefore provide fierce competition for smaller bookshops that can neither afford to sell cheap bestsellers, nor to stock all new non-mass-produced titles. Sweden is therefore encountering a phenomenon where the number of well-stocked bookshops is rapidly diminishing. Mossberg states that "one Swedish municipality in four is without a "real bookshop" and during the first quarter of 1997 there were two bookshop bankruptcies per month."

Swedish book trade statistics

- In 1997 the total annual book title production was **13,210**.
- There are currently **250** publishing houses/companies. The majority of these publishing houses are small. The 5 largest companies are Liber, Bonnierförlagen, Bra Böcker, Natur och Kultur and Verbum.
- There are currently **400** bookshops, approximately 80% of these are part of a book chain. However, the actual number of retailers who sell books is more than 5000.

Repartition of the book market share (1997)



Books published: Fiction and non-fiction 1987-1997 (number of titles and per cent)

	Number of titles		
Year	Fiction	Non-fiction	All titles
1987	3,325	8,191	11,516
1988	3,374	8,257	11,631
1989	3,063	8,134	11,197
1990	3,333	8,701	12,034
1991	3,195	8,671	11,866
1992	3,068	9,745	12,813
1993	2,988	9,907	12,895
1994	3,028	10,794	13,822
1995	2,946	9,754	12,700
1996	2,660	10,836	13,496
1997	2,676	10,534	13,210

Publication and sales by literature categories (1997)

 Image20.gif (6941 bytes)

* Only Swedish Publishers Association members (70% of total publishers).

The following table illustrates the number of titles published in separate literary categories and the amount generated, in millions of Swedish Crowns, through the sales of these titles in 1997. These statistics are not complete, as they do not include educational books or those publications by publishers outside the Swedish Publisher's Association (approximately 30% of publishers).

The Swedish print-on-demand experience

The Swedish experiment with print-on-demand has developed out of certain individuals frustration with the current book industry in Sweden.

The interest in print-on-demand began in the autumn of 1996 when Peter Curman, a Swedish writer and poet, wrote a polemic article published in the *Sydsvenskan* illustrating the revolutionary possibilities that print-on-demand could offer the Swedish book market. As a result of this article, Arkitektkopia a printing company contacted Curman to ask whether he and any other authors would be interested in publishing small editions of books themselves. Consequently, in January 1997, Curman, together with Lars Forssell a distinguished Swedish academician and poet and Jan Myrdal, printed a number of books and organized a press conference to show how it was done. The press release for this experiment entitled "Why are We Taking this Step?" described their reasons in quite radical terms: "Because chaos reigns in the Swedish book market. The situation is in fact even worse than chaotic. It amounts to no less than a crisis for the book itself. The county of Lulea has a county governor – but no bookstore! A quite unheard-of phenomenon in all of

Europe."

This press conference aroused immediate controversy, provoking a great debate on the future of the Swedish book industry and print-on-demand in particular, not only among those in publishing, but also among technicians and ordinary people interested in literature. However, the overall response to both the technique and the initiative led by writers was positive. However, several publishers refused to attend the press conference, arguing that the step taken by the writers was a deliberate attempt to open the floodgate of self-publishing and question the ability and professional competence of Swedish publishers. Nevertheless, out of this stormy beginning, developed a project uniting different actors from the traditional book chain with an aim of investigating the possibilities that print-on-demand could offer cultural policy. This project is PODIUM.

The Podium project

The Podium project seeks to stimulate through broad cultural co-operation a greater supply of Swedish and foreign literature, which is diffused through bookshops and libraries. The technique of print-on-demand is therefore used to achieve this aim. The principle actors in the Podium project, who together form a working group which guides the interests of the project, are:

- Författarcentrum Öst - Swedish Writers' Centre
- Svenska Bokhandlareföreningen – Swedish Booksellers Association
- En bok för alla – Publishing company
- Arkitektkopia Colorcenter – Printing company
- Stockholm City Library
- Författares Bokmaskin – A non-commercial production unit which specializes in books of a "literary and innovative character"
- Tidskriftsverkstaden – "Magazine workshops" which provide technical know how and equipment
- The Royal Library and the National Council for Cultural Affairs hold observer status.

Podium's objective to develop "new procedures for publishing and distributing literature" is supported by a three-year grant from the State bursary fund Framtidens Kultur. The primary aim of the project was to set up an experimental publishing house (PODIUM) through which print-on-demand titles could be produced. The writers left the development of this publishing house to experts in the field. IT should be noted that the Podium publishing house is a non-profit organization and therefore does not intend to compete with traditional book publishing, but rather to complement traditional book publishing activities. Podium's principle focus is therefore to ensure that those "Classics, children's books, poetry collections and dramas that we [Podium] believe are of high quality, and that would not be printed elsewhere, are here given the opportunity to reach their readers."

The Podium project commenced its activities in January 1998 and it was publicly inaugurated in May 1998 in the Hedengrens bookstore in central

Stockholm. As well as through the Podium web site, it will be possible to purchase print-on-demand books through traditional bookshops. Hedengrens is the first bookshop to offer and promote print-on-demand books. It is hoped that further booksellers will follow this example as they gain access to the Internet. The fact that bookshops are a fundamental part of the project is a major strength of print-on-demand in Sweden. In this way the technique seeks to revitalize weak areas of the book sector (most books are sold outside bookshops in Sweden) rather than to destroy its traditional foundation.

The Podium catalogue

The creation of a quality and varied catalogue of titles obviously takes time. The Podium catalogue is divided into two key areas: a list of titles offered by Podium and a free sector where first-time and other writers can act as their own publishers. While this first area is highly regulated and operated on similar lines to a traditional publishing house, the second area is completely open and therefore potentially exposed to all those problems that occur with self-publishing. However in this analysis of Podium’s catalogue only the first area only will be considered.

Podium currently offers 15 titles on its web site divided into four different categories: non-fiction; prose; poetry; children’s books.

Category	Number of titles	Average price in Swedish Crowns	Average price in Euro	Languages
Non-fiction	2	150	20	Swedish
Prose	4	126	17	Swedish
Poetry	6	119	16	5 Swedish, 1 Turkish
Children's books	3	131	17.5	Swedish

Print-on-demand titles published through the Podium project are sold at exactly the same price whether they are ordered from home through the Internet, or from a bookshop. Prices range from 50 to 160 Swedish Crowns (5.5 to 18 Euro). The quality of the books is similar to a high standard paperback and each cover, unless otherwise specified, has a simple black and white design.

Authors are given the possibility to promote and market their works through the Podium web site, however they retain full legal responsibility for the publication. The catalogue of titles displayed on the web site contains hyperlinks to further pages where a detailed description of the book, the author and often an image of the book sleeve can be found. A further link from this description sends the customer to a page from which an order can be made.

Print-on-demand titles ordered from the Podium project are distributed in three different ways: through booksellers connected to the Internet and

associated to the Podium project, copies of books ordered are either collected at the bookshop or sent direct to the customer; through libraries, where the customer either pays on delivery or collects the book from an associated bookshop; or over the Internet using the same payment and collection procedures as with libraries.

Copyright

The author retains full legal responsibility for works published through the Podium project.

Additional information

The Podium web site also contains further information about the project, links to project partners and other interesting or related web sites.

Future perspectives

The success of the project can be testified by the growing interest and development of print-on-demand in Sweden. During 1998 the booksellers' association organized seminars and meetings with interested members about Podium and print-on-demand; the result being 45 bookstores, from all over Sweden, joining the project by autumn 1998. The number of digital printers used by the project is also being expanded. Arkitektkopia, who has twelve print-on-demand machines throughout Sweden will be joined by the companies Parajett and Nykopia AB in order to implement fully the principle that books should only be printed when and where they are needed.

The major objective now for Podium is to put the project on a self-financing footing before the project period comes to an end, through establishing close co-operation between interested Swedish booksellers and libraries. In this way it is hoped print-on-demand will continue to flourish and grow within Sweden.

Books-on-demand

Books-on-demand is a print-on-demand business, created by the information consultant Mart Marend on the Swedish island of Gotland during the autumn of 1997. Through the web site of the same name, Marend offers a digital printing and distribution service aimed at authors wishing to publish their own works and publishing houses who wish to publish backlist titles in a limited number of copies. Several other services are also offered, such as copy editing, design and marketing for those who require these additional services. The major objective of Books-on-Demand is to provide a fast and effective service for its clients. Indeed, in close co-operation with the Nykopia Tryck AB's digital printing systems, which can produce a 300 page book in less than 2 minutes, Books-on-demand aims to send the first copy of an author's book, 24 hours after receiving the fully edited text on diskette.

The Books-on-Demand catalogue

The titles in the catalogue are divided into two key areas: titles in English and titles in Swedish. No distinction is made between different subject areas as the titles are in alphabetical order. There are currently four titles in English and 26 in Swedish. A mixture of new titles and previously published works are available.

Category	Number of titles	New titles	Re-editions	Subjects
English titles	4	4	0	2 conference/seminar proceedings 2 reports / non-fiction
Swedish titles	26	24	2	Fiction Business Reports Conference proceedings History

The price of books offered on the Books-on-demand web site varies enormously as it is the author/client that decides the selling price. The Books-on-Demand service works along the principle that on top of a basic charge, clients add the cost of additional services and the agreed unit price for each book produced. When books are ordered from the web site the customer is invoiced by Books-on-Demand, who then pays its overheads and subsequently sends a monthly statement showing the clients balance. It has been calculated that after approximately 40-60 copies of a book have been sold, initial costs will have been covered and further copies sold will be for the profit of the author.

The quality of the books is identical to that proposed by the Podium project. While design and presentation of the book depends on the individual client, several books have been given a standard cover in order to reduce the costs of the finished work. It is also possible to download from the Internet in PDF format several reports, which are free when ordered in individual copies, such as the Teldok report on Print-on-Demand.

The titles are displayed on the web site with links to a summary page of the work and information on the author. Books are ordered directly from the site and sent to the customer by postal mail. Other services are also available on the web site, which is updated regularly and the home page contains a summary of the latest titles available. Advice on how to publish your own works, a newsletter, links to other connected sites and projects on print-on-demand is also given.

Copyright

The application of copyright depends on the user of the Books-on-demand service. If the client is a publisher, then Books-on-demand is being used as a printing service. It is consequently up to the publisher to pay author' royalties. For all other individuals, self-publishing works, copyright remains with the author/ business. Royalties are perceived after enough copies have been sold

to cover the printing and production costs.

Public powers and print-on-demand

As we have already seen, public policy in Sweden since the 1970s has focused on a liberal de-regulated book market. Whilst this means that the book market is free from state interference, it has led to several problems concerning distribution and limitation of the cultural offer. Back in 1997, when the three Swedish writers held their press conference on print-on-demand, the Swedish Minister of Culture had already appointed Ms Anna-Greta Leijon to investigate the current state of the Swedish book market and to suggest measures in order to strengthen the overall position of the book. They hoped that their experiment with digital printing technology could offer something new to this cultural policy debate.

Currently, the Swedish State supports the publication of quality literature through the allocation of grants and bursaries. These grants are allocated by the National Council for Cultural Affairs after publication for works judged of high quality by a working group made up of scholars, critics, authors, librarians, teachers and experts depending on the subject matter. The allocated support is versed to publishers in order to cover the costs of producing the book. These bursaries are also conditional on a minimum print run of approximately 1,500 copies, due to the fact that with traditional printing technology the higher the print run the more cost-effective the individual book. Support is allocated accordingly and is in the region of 30,000 to 40,000 Swedish Crowns (3400 to 4600 Euro).

Barbro Thomas, Principal Administrative Officer at the National Council of Cultural Affairs and expert adviser to the 1997 Book Commission, saw in November 1997, the most important aspect of print-on-demand from a cultural policy viewpoint to be backlist publishing "Because there *is* a dilemma in keeping a wide range of publications in stock in a small language area like ours. We simply can't do it"

The place of print-on-demand in Swedish public policy is therefore still open. Whilst writers and other actors in the book sector are actively exploring the possibilities offered by this technique, the central protagonists, that is publishers are less willing to get involved. Until they are more favourable and centrally concerned, print-on-demand will remain marginal and classed as vanity publishing. However, in the words of Peter Curman, "Print on Demand will never replace the traditional way of printing, nor will it become a main source for those strictly seeking big profits. But as a practical and economical way to keep old titles in stock and as a tool to introduce new literature, Print-on-Demand technology will become indispensable – a worldwide movement restricted only by our lack of imagination."

Further information/ addresses

Books-on-demand – Print-on-demand publishing and distribution (Swedish/English): <http://www.books-on-demand.com/index-int.htm>

Hedengrens – Major bookstore, Stockholm (Swedish): http://www.hedengrens.se/liston/2632_1.xml

Nykopia AB – Digital printer (Swedish/English): <http://www.nykopia.se/>

Podium Project (Swedish/English): <http://www.swepod.com>

See also the [bibliography](#).

United Kingdom

- Population: 59 million
- Official language: English
- GDP per capita 1997: \$US 21,823

Current state of the book industry

From 1900 to September 1995, publishers fixed book prices in the United Kingdom under the Net Book Agreement. However, this regime was effectively abolished on 30 September 1995 when the retailer WH Smith came to an agreement to sell at discount a number of major publisher's lead titles. The established agreement consequently broke down signifying that fixed priced books were no longer protected. In the period immediately after this break down, an increase in book sales was not reported as a result of free pricing. Moreover, the beginning of 1996 was marked by rising book prices and falling sales. Publishers therefore began to increase the initial price of their lead titles so that they could offer a special discount to those chains who wished to discount books further. It has been suggested that to revert to a fixed price regime, entirely new legislation must be drawn up, however this depends on the British government's attitude to free trade. The current VAT rate for books in the United Kingdom is 0%.

The current fear is that bookshop chains will grow stronger, at the detriment of independent bookstores, due to deliberate price wars launched in order to gain the competitive advantage. It is estimated that 34% of all books bought in the United Kingdom in 1997 were sold cheaply at reduced prices. Moreover, a third of all books sold and 54% of children's books cost less than £3 (4.5 Euro).

British book trade statistics

- In 1997 the total annual book title production was **98,477**.
- There are currently **3413** publishing houses/companies.
- There are approximately **3520** bookshops in the United Kingdom and Ireland. On average a third of all sales are made in bookshops, divided between specialised chains, independent bookshops and discounters. The rest of book sales take place through bookshop/newsagents, book clubs and supermarkets.

Publications and sales by literary categories (1997)

Literature category		Number of titles	Sales of publications in millions of £s
Consumer	Adult fiction	8,869	1,930
	Adult non-fiction	27,654	
	Children's	8,049	
School		3,022	210
Academic Professional		50,883	720
Total		98,477	2,860

The British print-on-demand experience

Searching on the Internet for print-on-demand experiences in Britain generally draws a blank. While there are several digital printing companies, there are no on-line publishers offering print-on-demand services and scanning the web pages of major publishers leaves no mention of print-on-demand. There are however a few initiatives taking place. The developments are usually quite recent and they are hidden away, resulting in very little information being actually available on the web. Three different initiatives will be briefly examined here: projects developed for academic publishing, by wholesalers and *On-line originals* an on-line publisher specializing in electronic formats.

Academic publishing

Several British publishers are starting to use print-on-demand production for some of their publications. Currently, the major publishers Macmillan and John Wiley have started to use digital presses for some of their production.

Macmillan announced in November 1998 that they plan to set up print-on-demand production facilities for its academic titles section. Macmillan Press publishes textbooks, academic and professional books, journals and reference works in print and electronic form. Their speciality is undergraduate level social science and humanities books and also monographs and major contributions by the world's leading scholars in these two subject areas. Macmillan plan to use a print-on-demand service in order to provide single copies of titles when needed without having to keep an enormous stock or reprint a large number of copies to make a print run viable. In this way, they aim to make works for specialized sectors, which are not diffused in large numbers, available on demand.

The publishers John Wiley introduced plans to develop print-on-demand production back in March 1997, arranging print-on-demand facilities with a digital publisher. This publishing house specializes in both print and electronic formats for educational, professional, scientific, technical, medical, and consumer markets on a world-wide basis. As with Macmillan, print-on-demand is used by John Wiley for specific sectors where the demand is both

specialized and limited or where the content is liable to change rapidly.

Wholesalers

The newest print-on-demand initiative to take place in the United Kingdom was announced in early July 1999 by the wholesaler Bertrams. Due to the fact that this project was only made known recently and that discussion of the proposed plans are still taking place, information is extremely limited at the time of writing. It has however been stated that if discussions between Bertrams and other members of the book trade are fruitful and the project deemed viable then it could begin before the end of the year. Currently, Bertrams are considering along with publishers and agents, the implication of print-on-demand on both contracts and copyright, as several issues, such as how the reversion of copyright to authors for out-of-print books will be affected, are still unresolved. It is however possible to imagine that the print-on-demand service offered by Bertrams will be very similar to that of Lightning Print, a subsidiary of the Ingrams book group in the United States.

On-line Originals

The publishing house *On-line Originals* came into the news in June 1998, as one of its publications, "The Angels of Russia" by Patricia le Roy, had been nominated for the Booker Prize shortlist. The reason for all this controversy was the fact that the work had only been published on the Internet and was only available in electronic form. Therefore, could it be actually described as a book? While this on-line publishing house, based in London, does not offer a print-on-demand production facility, its founders David Gettman, Doug Alexander and Christopher Macann, share many of the same concerns of other on-line publishers illustrated in these country studies. Through using the Internet as an alternative vehicle of distribution they endeavour to "promote literary, philosophical and other work which its founders feel would not necessarily find a home in the increasingly finance-driven, conglomerate-owned world of conventional publishing." It is for these reasons that the company will be analysed below.

The on-line Originals catalogue

All works in the catalogue are published exclusively by On-line Originals and must not have been published before (even on the Internet). The publishing house does not however prevent the author from carrying out a traditional print run if there is the demand. The works must also be book-length and original and fulfil certain criteria concerning high quality which have allowed the publishing house to gain critical recognition. On-line Originals currently offer over 40 titles and 3 more will be published soon, made-up of a mixture of fiction and non-fiction. A synopsis of each work and information about the author is available and sample chapters can be studied before an order is made. One title is offered free each month as a trial.

The electronic books are both ordered and received by email. The cost of each book is £4 (6 Euro) and payment is made by credit card through a securized

form on-line, which is forwarded by email. Once an order has been received the book is sent as an email attachment in PDF format. The book can then be read on a PC or a PalmPilot, printed, searched and indexed.

Copyright

The publishing house Online Originals holds the digital exploitation rights for titles in their collection. No title in the collection has been previously published in any format. Copyright however remains with the author, who is not prevented from publishing their work in the traditional paper format later on. The author receives as payment/ royalties 50% of every order for a book placed (that is £2 or 3 Euro). The customer/ reader is not authorized to distribute further the book.

Additional information

The web site also contains additional rubrics of interest for the reader, such as a list of events, press reviews about the publishing house. It is also possible to exchange emails with the author of the work.

On-line Originals is a publishing house, which has already gained critical acclaim, confounding critics believing that the Internet is only a medium for vanity publishing. Whilst the company does not currently produce print-on-demand titles, its experience dealing with electronic formats provides a basic structure on which it is perhaps possible to integrate print-on-demand production.

Public powers and print-on-demand

There is no central government body which groups together book policy measures in the United Kingdom. Currently, within the Department for Culture, Media and Sport, literature is placed under the Arts section and libraries are considered under a separate section. British public book policy is therefore fairly deregulated. There is no binding legislation on fixed book prices, although the government supported the fixed book price between booksellers and publishers until it broke down. There are also no major subsidies for publishing houses to support the publication of important literary or academic works. It is however possible for writers, translators and small independent publishers to apply for a limited number of small grants through the Regional Arts Boards. These grants are allocated on a regional basis. The British government however, recognizes the important role of public libraries in the United Kingdom as this extensive network is greatly frequented by all members of the community. Legislation concerning a public lending right is therefore in place, which compensates publishers and authors for works read free of charge.

Conclusion

Print-on-demand in the United Kingdom is currently being implemented by large established publishing companies for difficult and specialized categories

of literature, such as academic titles. Future developments appear to be focused on the resurrection of out of print catalogues. It is perhaps difficult to imagine the development of print-on-demand in order to produce small economical print runs within small and medium sized publishing companies in the United Kingdom, as the internationalization of the English speaking market immediately imposes different market criteria.

Further information/addresses

The Arts Council (English): <http://www.artcouncil.org.uk>

The British Publishers' Association (English): <http://www.publishers.org.uk>

John Wiley – Major publishing house (English): <http://www.wiley.co.uk>

Macmillan – Major publishing house (English): <http://www.macmillan.co.uk>

On-line Originals – On-line electronic publisher (English/French): <http://www.onlineoriginals.com>

John Wiley – Major publishing house (English): <http://www.wiley.co.uk>

See also the [bibliography](#).

United States of America

- Population: 267.6 million
- Official language: English
- GDP per capita 1997: \$US 30,197

Current state of the book industry

In a recent book published on the American book publishing industry, the industry was characterized as big business, "a frenetic, fast-paced world of thousands of publishing companies employing 77,000 thousand individuals, issuing more than 40,000 new titles annually, keeping over 1.5 million distinct titles in print, and generating approximately \$19 billion annually in sales." The number of titles produced annually over the 1990s in the States has increased steadily after a sharp decrease in 1993. It is now approaching 60,000 titles per year. Book sales are also continuing to expand across the sector with an overall sales figure of \$23.03 billion in 1998, a 6.4 percent increase over 1997. The trade, education market, professional/STM, mass-market paperbacks, university presses are all showing signs of sales growth. The only sector where sales decreased during 1998 were mail order sales, continuing a slide, which had already begun in 1997.

Most American readers, despite the vast array of books available read popular titles and mainly bestsellers. During July 1995, the majority of titles on the

bestseller hardcover fiction and non-fiction, as well as the paperback fiction and non-fiction lists were written by so called "brand name" or popular authors, such as John Grisham, Robert James Waller, Stephen King, Mary Higgins Clark, Michael Crichton and Tom Clancy or celebrity authors. In the fiction category in 1995, Grisham, Clancy, Steel, Crichton and King held between them 11.5 million unit sales out of a possible 15.77 million units.

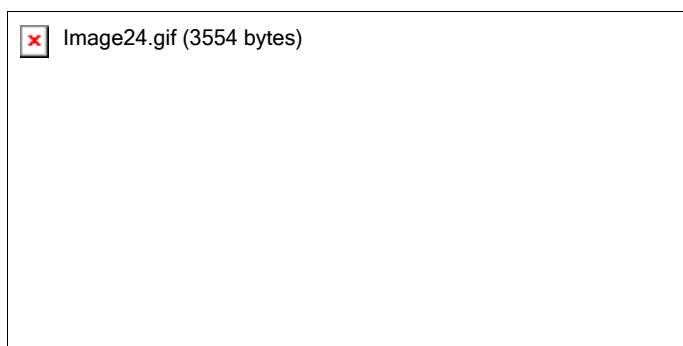
A major consideration of book professionals during the 1980s and 1990s is the issue of book returns. In the period from 1984 to 1989 \$7.88 billion worth of book returns were recorded in the United States. The largest category of book returns was mass-market paperbacks, which alone generated \$2.9 billion, that is 36.83% of all returns, followed by the college market, which accounted for \$1.36 billion and the adult hardbound sector at \$1.25 billion.

The main issues confronting American publishers today are copyright and in particular the protection of intellectual property, education and intellectual freedom. The president of the Association of American Publishers indeed states that the most significant challenge for publishers "is the need to protect their investment in the face of new technologies" and consequently "how the industry meets this challenge will profoundly affect readers well into the twenty-first century."

American book market statistics

- In 1996 the total annual book title production was **58,465**.
- There are approximately **2,298** publishing houses/companies (1987).
- The four largest book chains are Barnes & Noble, Borders Group, Crown Books and Books-A-Million. Together they took 45.2% of all book sales in 1997.

Repartition of the adult book market sales share (1993-1994)



Publication by literary category (1994)

The following table illustrates the number of titles published by literary category and the percentage of total production in 1994.

Category	Number of new titles	Percentage of total

General Literature	Fiction	4,765	11.74
	Literature	1,854	4.57
	Poetry & drama	776	1.91
	Biography	1,758	4.33
Non-fiction	Agriculture	401	0.99
	Art	1,131	2.79
	Business	1,294	3.19
	Education	1,041	2.57
	General works	1,666	4.10
	History	1,899	4.68
	Home economics	768	1.89
	Juveniles	4,271	10.52
	Language	544	1.34
	Law	836	2.06
	Medicine	2,515	6.20
	Music	271	0.67
	Philosophy / Psychology	1,445	3.56
	Religion	2,148	5.29
	Science	2,234	5.50
	Sociology / economics	6,232	15.35
	Sports & recreation	882	2.17
	Technology	1,523	3.75
	Travel	340	0.84
		Total	40,594

The American print-on-demand experience

In the United States, the most common signification of print-on-demand is the basic digital printing process. Indeed, any web search of print-on-demand or on-demand production produces a list of thousands of printing companies. There is however no obvious information about publishing developments. Nevertheless, with all those digital printing presses available it is surprising that no print-on-demand publishing is taking place. In fact, the print-on-demand technique has been pioneered in the United States by those publishers in the school and college textbook sector, in the hope of recovering some of their market lost to second-hand book sales. In this way, teachers and lecturers were invited to select chapters and sections from various books appropriate for their courses to be published in one volume, allowing for as many or for as few copies as needed. In the last eighteen months however, a flourishing initiative using print-on-demand technology has been created between Ingrams Book Group and American publishers. It is this interesting experience that will be analysed in this study.

Lightning Print

Lightning Print Inc, a division of Ingrams Book Group, was launched in May 1998 after a very successful pilot project. This new division aims to provide printing and distribution services for the book industry in order to lengthen the life of books, using digital on-demand printing technology. The company received the "1998 Innovator of the Year Award" at Xplor International's 19th global electronic document systems conference and exhibition in Nashville, Tennessee, for its innovative use of technology in on demand printing. The principle behind Lightning Print Inc. (LPI) is that it stores books electronically on a huge database and prints them out, individually on demand, when ordered by booksellers and libraries through book wholesalers. The company specializes in bringing out of print titles back into print, but also provides short print runs for publishers wishing to try out new titles and galley printing for review copies of books. In this way, LPI intends to provide a greater selection of titles for the consumer and additional revenues for publishers, booksellers and authors through allowing new books to stay in print and through reprinting old titles demanded in low numbers.

The procedure

The LPI printing and distribution service works in the following way. A publisher or a wholesaler receives an order for an out of print book contained in the LPI database. This order is sent via the Internet to LPI, who proceeds to print the order using an IBM printing system. If the order is for less than one hundred copies, the printing is carried out in less than 48 hours. LPI then sends the order directly to the customer, which can be a bookshop, a library or even an individual. This procedure of dispatching books in small numbers directly to the customer is only available if the publisher concerned has over 25 titles in the database. Otherwise, books are held back for larger multiple shipments, thus saving on freight costs. In this way, publishers save time and money, as processing orders, delivery and warehousing costs are carried out by LPI and not the publisher.

The actual cost of putting books in the LPI database has in general been reduced in order to encourage publishers to take part. The more titles that are put into the database the cheaper it is and there is often no immediate outlay, as set-up charges are deducted from the sales of titles reproduced. Once a title has been chosen to be included in the LPI virtual library, this book must be digitized. Consequently, the text of the work is either scanned from the original hardcover book or the publisher sends an already processed digital file. LPI even provides in one of its newsletters, information on how to set up and design digital documents with links to appropriate web pages.

The publisher retains the copyright and therefore sets the suggested retail price for each book and receives a payment from LPI for each unit sold. Currently, the publisher is paid the wholesale price less a printing fee for each net sale, which is paid on a monthly basis by Lightning Print Inc.

The book produced is of high quality. The content is black and white with a four colour soft cover or a hardcover either in cloth-style and stamped or in four colours. A range of paper sizes is available depending on the

requirements of the publisher. Each book must be between 108 and 740 pages in length. The average number of pages in books produced is 294. There is no minimum print-run except when a short run or galley printing service is offered. In this case, the initial order must be a minimum of one hundred copies and reprints must be of 25 copies or more.

The Lightning Print catalogue

The catalogue contains over 10,000 titles in a database whose contents is provided by over 180 publishers including such names as Random House and New York University Press and approximately 2718 titles are supplied by LPI everyday. A recent survey of 2,388 titles placed the sample number of titles in 39 different subject categories. The top eight categories each possess over 100 titles, the next nine contain between 26 and 99 books, the final 22 containing between five and 25 titles. The first twenty categories will be illustrated below.

Category	Number of titles
Fiction	340
Religion	311
History	257
Politics - Current events	171
Biography / Autobiography	136
Literature - Classics / criticism	135
Sociology	108
Business / Economics / Finance	103
Psychology	78
Philosophy	75
Theology	62
Poetry	52
Science	46
Computer books	39
Reference / Language arts / Literacy	37
Music	27
New age / Parapsychology	27
Travel / Transportation	25
Diet / Health / Fitness	24
Legal reference / Law profession	24
Total	2077

On average only a third of titles ordered from the database are returnable and two-thirds are non-returnable. A different survey sampled the repartition of book prices amongst 2,645 titles found in the LPI database.

Price range	Average price	Percentage of
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	in Euro	titles
<\$15	15	24%
\$15>\$19.99	17.5	36%
\$20>\$24.99	22.5	19%
\$25>	25	21%

Titles can be searched for on the Lightning Print web site by title, publisher and category. Once a search has been carried out a list of titles appears with individual web addresses, which must be pasted into the URL in order to procure a specific title's details. A spreadsheet file is also available for more detailed research. However, the web site seems to be conceived in such a way as to encourage individuals to go through bookstores and wholesalers rather than to order their chosen books directly.

Copyright

Lightning Print Inc. provides a digital storage, printing and distribution service. The original publisher retains the rights to all titles stored in the database and it is therefore their responsibility to pay authors' royalties as a result of sales.

Additional information

As well as general information for booksellers and publishers, the Lightning Print web site provides a regular newsletter entitled News flash with up to date information about LPI developments and special offers.

Public powers and print-on-demand

The possibility of establishing a fixed price regime in the United States is strictly forbidden, however the book industry is regulated through legislation, such as the Robinson-Patman Act. This act ensures regulation of the margins given to retailers by suppliers. Consequently, bookshops generally receive at least 40% of a book cover price. Breaches of this legislation in recent years persuaded the American Booksellers' Association to take successfully legal action against erring publishers. The American equivalent of VAT, the U.S. sales tax is levied at the normal rate on books, which is between 1 and 5 %.

Conclusion

The development of print-on-demand in the United States occurred primarily within the school/college book textbook area as an interesting marketing strategy, which allowed teachers and lecturers to produce unique textbooks for their courses, recapturing part of the textbook market for these publishers. Print-on-demand is however now being used as a tool to keep books permanently available without huge stocks. The success and size of the Lightning Print Inc. operation poses the question whether any further print-on-demand initiatives will arise in the United States. The market for small print runs, like in the United Kingdom, is perhaps not a major area of development

given the enormous potential of the English speaking market. However, extremely specialized areas of the market may be able to develop through print-on-demand.

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See also the [bibliography](#).

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