



The Association for the  
Export of Canadian Books

2008  2009  
Annual Report

# A E C B   A n n u a l   R e p o r t

2 0 0 8 - 2 0 0 9

AECB Annual Report  
2008 – 2009

© Association for the Export  
of Canadian Books 2009

Association for the Export of  
Canadian Books  
1 Nicholas Street, Suite 504,  
Ottawa, Ontario K1N 7B7

Tel: (613) 562-2324  
Fax: (613) 562-2329  
E-mail: [aecb@aecb.org](mailto:aecb@aecb.org)  
Website: [www.aecb.org](http://www.aecb.org)

## List of Acronyms

ACP	Association of Canadian Publishers
ACSUS	Association for Canadian Studies in the United States
ACUP	Association of Canadian University Presses
ANEL	Association nationale des éditeurs de livres
BEA	BookExpo America
BEC	BookExpo Canada
BIBF	Beijing International Book Fair
BPIDP	Book Publishing Industry Development Program
CPC	Canadian Publishers Council
DCH	Department of Canadian Heritage
DFAIT	Department of Foreign Affairs and International Trade
EMAP	Export Marketing Assistance Program
FBF	Frankfurt Book Fair
FRMAP	Foreign Rights Marketing Assistance Program
ICCS	International Council for Canadian Studies
IMA	International Marketing Assistance
LBF	London Book Fair
LPG	Literary Press Group
PEMD	Program for Export Market Development (DFAIT)
PMA	Publishers Marketing Association
RÉCF	Régroupement des éditeurs canadiens-français

Canada

# Contents

The AECEB	5
Report of the Chair	6
Report of the Programs Manager	9
Programs and Activities	12
International Marketing Assistance	13
Export Marketing Assistance Program	14
Foreign Rights Marketing Assistance Program	15
Mentoring – Funding Support	16
Observed results and impacts	16
Building Export Expertise	17
Market Intelligence	18
Seminar	22
Mentoring Program	22
Professional Book Fairs – the Canada Stand	24
Bologna Children’s Book Fair 2008	24
London Book Fair 2008	25
BookExpo America 2008	25
Beijing Book Fair 2008	26
Frankfurt Book Fair 2008	26
Bologna Children’s Book Fair 2009	28

<b>Promotion and Information</b>	29
AECB Website	30
AECB News	31
Rights Canada	31
Canadian Studies Flyers	32
Directories of Canadian Publishers	32
Travelling Trade Collections	32
<b>Board and Staff of the AECB</b>	34
<b>Financial Statements</b>	37
Auditor's Report	38
Statement of Financial Position	39
Statement of Operations	40
Statement of Changes in New Assets	42
Statement of Cash Flows	43
Notes to Financial Statements	44
<b>International Marketing Assistance</b>	49

# The AECB

Established in 1972, the mandate of the Association for the Export of Canadian Books is to foster and facilitate the growth of Canadian book publishers' export sales.

Export remains an essential growth area for Canadian publishers, enabling them to build capacity at home and abroad while contributing to Canadian stories and Canadian content being read and enjoyed around the world. Over a period of 10 years Canadian book publishers more than doubled the number of countries where their books were sold. Canadian book publishers have expanded the presence of Canadian authors and titles to over 105 countries. While English- and French-language publishers that received support from AECB programs achieved an average *annual* growth rate of 15% for their total export sales over the last 10 years, recent developments in terms of technology and a dramatically changing environment – such as digital publishing and new technologies – have caused significant consequences in terms of export results.

Canadian publishers continue to demonstrate how their strategic and sophisticated approach to export – attending international book fairs and conventions, and sustaining promotional, research and development activities in international markets – has resulted in a positive impact on Canada's trade and cultural fronts. Their outstanding successes were made possible by the ingenuity and professionalism of Canadian book publishers themselves. And these successes could not have been achieved without the support provided to the industry by the Association for the Export of Canadian Books, in partnership with the Department of Canadian Heritage, the Department of Foreign Affairs and International Trade, Canadian embassies and consulates around the world, and other crucial cultural and governmental organizations.

The majority of AECB Board members are experienced exporting publishers, nominated by four national trade associations: the Association of Canadian Publishers, the Association nationale des éditeurs de livres, the Association of Canadian University Presses, and the Canadian Publishers Council. Their contributions are complemented by the work of knowledgeable representatives from the Department of Canadian Heritage and the Department of Foreign Affairs and International Trade.

As a result of its insightful governance and rigorous administration, the AECB is recognized in Canada and internationally as a model for program and service delivery.

# Report of the Chair



The Association for the Export of Canadian Books is a unique, bilingual book-industry organization promoting and fostering the export of books originated in Canada by English and French-language publishers. Since its inception, aided by government grants and publishers' contributions, the Association has been able to put in place enlightened programs, along with providing direct grants (EMAP, FRMAP and Mentoring - Funding Support ), market intelligence, and mentorship, which have enabled Canadian-owned publishers not only to become export ready but, subsequently, to also dramatically increase their export sales in the form of finished books, rights, and translations.

The driving force of the Association is its energetic Board of Directors, whose membership is made up of ten senior, export- savvy publishers, named by Canada's four publishing associations, along with



two non-voting members: one from the Department of Canadian Heritage; the other from Department of Foreign Affairs and International Trade. In this regard, I should like to warmly thank my colleagues René Bonenfant (Presses de l'Université de Montréal), Gilles Herman (Éditions du Septentrion) and Brian Lam (Arsenal Pulp), whose terms ended in 2009, for their valued and excellent

work, which they provide freely and enthusiastically while serving on the Board or on its committees. I should also like to welcome to the Board the newly appointed members: Sara MacLachlan (House of Anansi) and Louise Alain (Éditions Alire). Since their election in June 2009 they have brought new and imaginative insights to the Association's programs and direction. I would be remiss if I did not thank Rob Sanders, the Association's past-President, who during his two year tenure set the bar high for us all and provided sterling leadership.



As I had served as President of the Association for three terms in the early 1990's, I have a historical perspective of the workings of the Association. On assuming office this year, I could not help but notice how much the Association and its programs have evolved and how much more the Canadian publishing industry has matured as book exporters. There are today a good number of publishing houses whose export sales exceed their sales in the domestic market. Needless to say that their dramatic increase in book sales outside Canada would not have been possible to the same degree had it not been for the AECB. Two other observations over the past fifteen intervening years: 1) although the number of services and programs of the AECB have dramatically increased, the staff component for delivering them did not; and 2) I could not but notice how much staff time and energy today has to be dedicated to reporting to our government funders on the use of the grants they make to the AECB. What one person could then do in a week's work, takes her/him a full year's work.

Among the many services and programs the AECB provided during the year, one has to be the Canada/Australia/New Zealand Summit, which the Association organized last October at the start of the Frankfurt Book Fair. The Summit was well attended and it was deemed by all to have been a resounding success. Many trade ideas were presented and a good number of business connections were made among the three countries at the Summit. We will follow the results with interest and further action.

In January 2009, the Association's Executive Director, Suzanne Bossé, gave notice that she would be leaving the Association to pursue employment elsewhere. For eleven years, as Executive Director, and eight years before that in various positions from Assistant to the Board, Associate Director and Programs Manager, she served the Association with hard work, dedication and distinction. She will be missed by the members of the Board and publishers alike and we wish her well in her new posting. In her absence, while the Association



searched for a new Executive Director, the Board of the Association entrusted François Charette, who has been with the Association for five years, with leading and supervising the work of the staff. He was delegated to execute the more challenging duties and the others tasks were divided among the rest of the staff. On behalf of the Association, I should like to thank François Charette and the rest of the staff, Christy Doucet (International Events Officer), Danielle Fauteux (Administrative Assistant), Julie Goguen (Programs Assistant), Pierrette Boulerice (Manager, Finance and Operations) and Rebecca Ross (Coordinator, Communications and Marketing) for not holding the AECB fort, but also for adding a few more towers to it.

As we enter the 2009-2010, the digital revolution is making its way felt in book publishing. The way a book is delivered in the home and export markets is radically changing, as a result, and the AECB is well

placed to respond to the shifting needs of Canadian book exporters and provide publishers with the needed tools to expand their markets even further than today.

Philip Cercone

# Report of the Programs Manager



The year 2008–2009 was marked by the departure of our Executive Director Suzanne Bossé, which resulted in an increased workload for the AECB Secretariat. In spite of a difficult financial situation, we are very proud to have implemented new initiatives and taken a proactive approach to achieving our goals. The AECB Secretariat has accomplished excellent work in many areas. The following is an overview of activities:

Receipt and evaluation of funding requests made by 173 publishers for the 2009–2010 IMA; staff presence alongside publishers at the Canada Stand at two Bologna Children's Book Fairs, the Frankfurt Book Fair and the London Book Fair; Mentoring Program - Paris 2009; receipt and evaluation of more than 137 final reports submitted under the 2008–2009 Export Marketing Assistance Program (EMAP) and



the Mentoring–Funding Support Program; planning of the “Comment vendre aux bibliothèques françaises” seminar; coordination of the Canada–Germany Symposium at the 2009 Frankfurt Book Fair; production of two *Rights Canada* catalogues for spring and fall; publication of Canadian Studies flyers; France and U.S. digitization blogs; reports on digital publishing in the

United Kingdom and the United States; publication of a database of American reviewers; and, finally, publication of a second edition of the Spain market guide.

## New initiatives

In addition to the achievements mentioned above, the AECB Secretariat moved forward on a number of new initiatives.



- The Canada-Australia-New Zealand Summit was a resounding success! The event was full to capacity and some 120 publishers took part. The goal of the event was to enable publishers to exchange information about the three markets and to discuss common challenges. By unanimous vote, the publishers of Canada, Australia and New Zealand agreed on closer ties and cooperation among the three markets.
- The AECB was invited to work in partnership with the Canadian Embassy in Rome to coordinate a round table on rights and distribution focusing on Spain, Brazil and Italy. This round table was held during the Bologna Children's Book Fair 2009. A contest held in schools was also a big success.
- The AECB website was revised and improved to enable Canadian book exporters to take full advantage of new technologies and developments in digital publishing.

## Finances

The AECB faced financial challenges in 2008–2009. The funding agreement for 2008–2009 was signed with BPIDP only in October, and it was in November that the AECB received the first instalment and was able to make the first payments to publishers eligible under the Export Marketing Assistance Program (EMAP) and Mentoring–Funding Support Program, as well as contributions under the Foreign Rights Marketing Assistance Program (FRMAP).

## Staff

For several months in 2008–2009, the AECB Secretariat was short one staff member, despite this, the staff worked hard and admirably in this difficult situation.

The coming year will offer more excellent opportunities for the AECB Secretariat to continue its efforts to help publishers with their export initiatives, improve



exporting knowledge, increase its value-added presence at book fairs in Bologna, Frankfurt and London, improve communications and update its website, prepare a three-year business plan, re-brand its image (including its website, logo, Canada Stand and catalogues) to effectively promote Canadian books, coordinate the Canada-Germany Symposium at the 2009 Frankfurt Book Fair and continue to implement procedures and operations that will make the administration of AECB's programs and services and tracking of results more efficient.

Digital publishing and its impact on exports is an issue in which the AECB continues to assume a leadership role. In order to ensure that Canadian publishers have a competitive edge in export markets, the AECB continues to consider the transition to digital publishing and new technologies when updating its programs and services. Being a successful exporter in this new environment is an ongoing and complex process.

In spite of various internal changes during the past year, the AECB Secretariat is proud to have offered value-added programs and services that are highly professional.

I would like to thank the members of AECB's Board of Directors for their unfailing support and contribution, especially the Chair, Philip Cercone, and the Chair of the Finance Committee, Rob Sanders. Without their support, it would have been very difficult for me to ensure a smooth transition at the AECB over the two months of my mandate. Finally, I would like to extend a heartfelt thanks to the AECB's dedicated staff whose professionalism has helped the Association continue to surpass its goals.

François Charette



# Programs and Activities

Montreal, Canada

The AECB is extremely proud of its achievements over the past 20 years. On several occasions, Canadian publishers have expressed their satisfaction with the Association's programs and services. The outstanding results achieved by Canadian publishers and the AECB would not have been possible without the partnership between the AECB and the Department of Canadian Heritage (especially the BPIDP), the Department of Foreign Affairs and International Trade, Canadian embassies throughout the world and the industry's national associations.

## International Marketing Assistance (IMA)

Acting as a third party, the AECB has been administering the International Marketing Assistance (IMA) component of the BPIDP since 1985 on behalf of the Department of Canadian Heritage. The objective of the AECB is to develop and sustain export sales and expand export markets for Canadian publishers. By updating and offering these programs, the AECB's Board of Directors is committed to ensuring an efficient and flexible response to the export needs and priorities of Canadian publishers and thus enabling them to succeed in the constantly evolving export field. The AECB also prioritizes the collection and analysis of results of programs so that they remain

relevant to publishers and benefit Canadians. By creating and administering programs, the AECB carries out its commitment to:

- Allocating funding support based on cost-sharing with participating publishers
- Allocating funding support according to a funding formula rewarding increases in export sales and/or to project-based applications
- Respecting individual corporate objectives and international marketing strategies
- Managing funds in a manner that is fair, accessible and effective for all involved, and that respects sound stewardship and the highest level of integrity, transparency and accountability.

In 2008–2009, the AECB provided support through three programs: the Export Marketing Assistance Program (EMAP), the Foreign Rights Marketing Assistance Program (FRMAP) and the Mentoring–Funding Support Program. More than 82% of the BPIDP's contribution to the AECB in 2008–2009 was paid out directly to 160 publishers and 4 national industry associations.

The remainder of the \$4.8 million of BPIDP's contribution was allocated to initiatives to strengthen the exporting knowledge of publishers, increase their visibility in export markets and offset part of the AECB's operating costs.

The table on page 15 summarizes the applications received and funds allocated. A complete list of IMA recipients, broken down by program, can be found on pages 50 to 55 of this report.

---

The financial aid offered through AECB for Weigl's export program provides valuable monetary assistance. By applying funding to the ongoing costs of producing and selling titles in the export market, Weigl continues to gain recognition within the international market.

*- Weigl Education Publishers*

---

## Export Marketing Assistance Program (EMAP)

The objective of this program, based on formula-funding, is to assist Canadian publishers in their efforts to develop and strengthen their sales to foreign markets and to expand foreign markets for their Canadian titles. EMAP operates on a principle of cost sharing between the AECB and eligible publishers. The AECB's contribution is determined by the costs incurred by eligible publishers for export and marketing activities abroad, as well as the level of net export sales of eligible titles.

The AECB received a total of 144 requests. Of these, 132 publishers and 4 associations were deemed eligible and received EMAP funding assistance totalling \$3,190,179. Due to the AECB's outreach efforts and cooperation with the industry's national associations, the AECB was able to attract 6 new publishers to EMAP (12 new publishers in 2007–2008). EMAP's budget was \$3.2 million and the maximum contribution made under the program was \$54,600. It is worth noting that a major portion of the funds normally allocated to EMAP (\$25,000) was transferred to the budget of the Mentoring Program, which allowed the AECB to provide funding support to publishers who were enrolled in the Mentorship Program for the first time (see details below).

---

Je tiens à remercier vivement l'AELC (PAE) pour l'aide accordé qui me permet d'accroître le chiffre d'affaires à l'étranger ainsi qu'une visibilité accrue sur le marché international.

*- Louise Courteau Éditrice*

---

## AECB's International Marketing Assistance (IMA) for 2008–2009

	Applications submitted	Applications approved	Funding allocated	Maximum contribution
Export Marketing Assistance Program	144	136	\$3,190,179	\$54,600
Foreign Rights Marketing Assistance Program	158	154	\$758,321	n/a
Mentoring–Funding Support	10	9	\$18,000	\$2,000

Nous estimons que l'aide de l'AELC est indispensable à la poursuite de nos objectifs. Il serait difficile en effet pour le *Noroît* d'assumer 100% des coûts.

Ainsi, bien que les chiffres paraissent modestes, nous constatons une légère augmentation des ventes au cours des dernières années, si bien que nous pouvons espérer, pour 2008, presque doubler nos ventes annuelles en Europe.

*- Éditions du *Noroît**

In 2007–2008, the AECB decided that eligible companies could claim up to 50% of the total amount of salaries paid toward international marketing activities for the current year. The AECB has continued with this decision and established a maximum amount that can be claimed for salaries, based on a company's export sales.

### Foreign Rights Marketing Assistance Program (FRMAP)

The AECB received a total of 158 requests, of which 154 were eligible. Amounts paid to eligible publishers were \$758,321. Funds allocated under the FRMAP went toward 746 individual trips, compared with 707 trips in 2007-2008. Publishers attended 404 international trade events and 83 export sales trips for a grand total of 487 claims. The program welcomed 9 new participants, another sign of the growing importance of book exports and participation in international book fairs as effective ways to reach target markets.

The objective of FRMAP is to foster Canadian publishers' export sales by providing funding for export sales trips and participation in international trade events. The program operates on a cost-sharing basis between the AECB and eligible publishers. The

program also has a Sunset Clause that stipulates that any company that has not fulfilled the conditions outlined in the provisions of the program after 3 consecutive years will no longer be eligible for FRMAP funding. The third condition of the Sunset Clause is replaced by the following:

After three years of consecutive funding under FRMAP, a company that does not meet one of the two conditions stipulated in the Sunset Clause will be eligible for a contribution for only one international trade event during the fourth year. However, the recipient will first have to consult with an industry professional in order to submit to the AECB an action plan after this consultation (stating the firm's objectives, anticipated results, etc.). The industry professional and the action plan need to be approved by the AECB. After the Sunset Clause has been applied, the company will be readmitted into the program for the fifth year at the eligible number of events for its Export Sales Level.

In addition, all claims submitted after an event is held that was not pre-approved by the AECB will not be eligible for funding under FRMAP.

### **Mentoring–Funding Support**

The Mentoring–Funding Support Program was launched in 2007 and designed to give publishers the opportunity to benefit from the knowledge and

expertise gained from their participation in the AECB's Mentoring Program. This support allows them to implement a marketing strategy targeted to the United States and France. The objective is to help new and small exporting publishers increase their export sales and become eligible for EMAP.

In 2008–2009, Mentoring–Funding Support enabled 9 eligible publishers to receive \$2,000 in assistance.

Mentoring–Funding Support ensures continuity of mentoring services while helping new and small export publishers to develop their own network of potential partners. The AECB has been working to provide support to a greater number of publishers who can benefit from a more targeted approach.

### **Observed results and impacts**

In order to monitor results and be proactive in presenting the most complete performance reports possible to the industry and stakeholders, the AECB devotes a great deal of time and effort to improving its performance evaluation framework.

As announced at meetings with several publishers in Montréal, Toronto and Vancouver, funding applications must now provide the number of units sold per country (only for finished products and not for rights), in addition to the dollar amounts. While this performance indicator was added to give the AECB

another tool to assess a publisher's growth in foreign markets, the number of units sold in a given market also enables the AECB to keep better track of the growing presence of Canadian titles in international markets and helps solidify the contents of the reports prepared for its various partners.

Due to fluctuations in the exchange rate of the U.S. dollar and the Euro, the AECB also made the decision to request that funding applicants submit their export sales figures as shown in the original estimate (for both rights and finished products). This information enables the AECB to assess the growth of eligible export sales based on data that is not affected by fluctuating exchange rates.

It will take at least 3 years before the AECB and its partners can confirm that these indicators provide a better overview (or not) of the effect of AECB funding programs on export sales of Canadian publishers, as well as on the broader international presence of Canadian titles and authors. This time period will also enable the AECB to demonstrate the efforts and investments made by publishers in achieving these results.

The AECB continues to work to ensure that the information collected does not place an administrative burden on publishers, the AECB Secretariat or BPIDP.

## Building Export Expertise

This year has seen great change within the publishing industry as a whole. With the widespread adoption of new technologies, the idea of export expertise has shifted, and as a result, the AECB has shifted and updated its intelligence provided to meet the changing needs of publishers. As in the past, the AECB continues to emphasize its focus on expanding Canadian publishers' expertise in international trade and their knowledge of export markets. New this year is the leadership the AECB has taken in providing export expertise not only in territorial markets but in developments that effect markets individually and as a whole, such as digital publishing and new technologies. Learning from industry experts, the AECB has established itself as a leader for Canadian publishers in digital publishing as it relates to export. With this new information Canadian publishers are able to continue to be at the forefront of the publishing industry worldwide and the promotion and sale of Canadian books will continue to strive.

Past efforts of the AECB to disseminate up-to-date and relevant information on various markets to Canadian publishers, paired with new expertise in the field of digitization will allow both the AECB and Canadian publishers to adapt, grow and flourish in this ever-changing industry. In 2008-2009, the



AECB provided market intelligence to Canadian book exporters through its website and publication of reports, conducted a seminar, provided advice and training to publishers about technological developments, provided mentoring services to small and new exporters specifically geared to distribution mechanisms in France, and continued to develop new ways of expanding Canadian publishers' network of potential trade partners.

### Market intelligence

Over the years, the AECB has produced over 20 market guides and market profiles available to Canadian book exporters on the U.S., U.K., France, Spain, Poland, Australia, China, Japan, and Korea.

In 2008-2009, market intelligence at the AECB focused on the ever-changing world of new technologies and digital publishing. The AECB has positioned itself as a leader in providing information to Canadian publishers regarding digital publishing as it relates to

export. While only one new market guide (Spain) was produced in 2008-2009, the AECB found various methods of communicating updated market intelligence to its publishers via new features on the AECB website, blog postings and reports produced by industry experts.

As in the past, the AECB has continued to focus on publishers' priority markets. In addition, we are constantly exploring emerging markets that present great potential for Canadian publishers' authors and titles.

---

Nous tenons à remercier l'AEC pour le soutien qu'elle nous apporte à chaque année dans la poursuite de nos objectifs de développement international.

*- Éditions de la courte échelle*

---



**Canada-Australia-New Zealand Summit (October 14, 2008, Frankfurt Book Fair)** – This annual event was a new initiative for the AECB in 2008, resulting with tremendous success for the AECB, Canadian publishers and our international partners in Australia, New-Zealand and elsewhere.

On October 14, 2008, the eve of the Frankfurt Book Fair, 120 publishers took part in the Summit which was designed to facilitate the exchange of information between publishers in 3 markets and provided a forum for discussion. The Summit offered detailed information on the markets and provided analysis of recent trends. During a panel discussion on the topic of areas in which Canadian, Australian and New-Zealand publishers could strengthen ties, participants were challenged by speaker Mr. Chapman to “start taking ourselves seriously and stop ignoring each other”. As a result, participating publishers voted unanimously to pursue closer cooperation between the 3 markets. This successful event brought together

publishers and high officials from embassies and the Department of Canadian Heritage and also raised the profile of both the AECB and Canadian publishers by extensive media coverage before, during and after the fair. Based on comments and feedback during and after the event, publishers were especially pleased with the opportunity to learn more about Australia and New Zealand markets and to connect with new potential partners.

The Canadian Ambassador to Germany, H.E. Peter Boehm was in attendance, as well as the Australian Ambassador to Germany, Ian Kremish and New Zealand’s Deputy Head of Mission, Jocelyn Woodley. A networking was held following the Summit.

**Digitization and its impact on export** - Based on discussions with French and English national trade associations, the AECB has taken the lead in compiling and distributing information on digitization and its status in priority or emerging markets as well as identifying potential business opportunities. In November

2008, the AECB Board of directors nominated a Digitization Committee of the Board. This committee held its first meeting in January 2009, determining a course of action for the remainder of the financial year as well as developing an outlook for the future.

The AECB first commissioned marketing and digitization expert Jack Illingworth to write a report called 'The Creation, Management, and Export of Digital Books'. This report was translated into French and posted on the AECB website. The purpose of this paper was to provide background information regarding the business of assembling and monetizing digital book content and provide a summary of developments in the market place since 2007. Considering the varying levels of expertise within the Canadian publishing industry, this paper provided an excellent overview of the digital marketplace focusing on formats, business models, export sales opportunities, challenges and concerns.

This overview paper was followed by blogs and reports written by digital experts. The AECB commissioned experts on digitization from the U.K., the U.S. and France. U.K. expert Peter Kilborn wrote 2 articles based on the U.K. digital publishing scene. Peter Kilborn is a book industry consultant and Executive Director of Book Industry Communication (BIC), the U.K.'s standards and supply chain organization. Peter Kilborn's expertise in the U.K. market with regards to

digital publishing allowed Canadian publishers the unique opportunity to understand this market's status with regards to digitization. The U.K. is an immensely important market for Canadian publishers and understanding how digital books are created, sold and distributed in this market is of the utmost importance to Canadian publishers.

Michael Jensen, the consultant for the U.S. provided an overview report on the state of digitization in the U.S., helping Canadian publishers effectively position themselves to take advantage of the increasingly borderless world of ebook publishing. Michael Jensen is among the earliest digital specialists in publishing. He teaches courses in electronic publishing for the Master's in publishing program at George Washington University and speaks widely in the publishing sector on digital issues. Mr. Jensen highlighted topics such as developing trends in ebook consumer technologies, digital standards and formats, digital rights management, promotion and marketing in a digital world, developing business models and a forecast of the marketplace in the next one to ten years, all within the context of the American market. The forecast of developments and trends to come provided Canadian publishers with a glimpse into the future, allowing them to position themselves to be prepared for changes expected in the future.

Consultants Marie-Anne and Isabelle Lambert provided reports and blog articles on the state of digital book publishing in France. With more than 20 years of experience with specializations in digital publishing, the consultants provided Canadian publishers with an overview of the business models and experiences of French publishers working within the spectrum of digitization. Digitization has been a focus in France for the last 15 years, but with great disparity among the industry. Canadian publishers had the opportunity to understand the status of digitization within the France publishing industry allowing them to better position themselves when selling and distributing into France.

As digital publishing develops, new technologies, business and distribution models and export strategies will change and expand. Providing a context of recent developments regarding digitization allows Canadian publishers to be at the forefront of receiving and understanding developments as they happen. It is imperative that Canadian publishers continue to be up-to-date and competitive in the world of digital publishing and export.

**United States** – In early December, a database of U.S. reviewers (in English only) was posted to the password protected section of AECB website. This database allowed Canadian publishers to access an updated list of various publications and contacts that

often review Canadian titles. Obtaining reviews in American publications is an excellent and effective way to penetrate this market.

---

We again had a good year in the US and in other foreign markets and saw significant sales increases over the year before. I anticipate that this year will also see increases in the US and our other foreign initiatives should bear fruit. The EMAP and FRMAP programs have allowed Orca to become a very successful exporter over the last few years and we are very grateful for the support.

- Orca Book Publishers.

---

**United Kingdom** – Publishers were given the opportunity to hold individual meetings with consultant Peter Kilborn during the 2008 London Book Fair. Eight publishers took advantage of this opportunity and discussed with Mr. Kilborn how to effectively be recognized in the overcrowded U.K. market. Mr. Kilborn provided publishers with information outlining the advantages of, and how to expand rights sales rather than physical distribution in the U.K. All publishers were extremely pleased with having access to such expertise.



**Spain** – The updated edition of the Spain Market guide, *Selling Canadian Books in Spain* was available in February 2009.

**China** – The AECB made a presentation about its programs and services to a delegation of 21 publishers from Shanghai in Ottawa on December 8, 2008, during the same meeting as BPIDP and the Canada Council for the Arts.

### Seminar

In 2008-2009, the AECB held a seminar titled: *Vendre aux bibliothèques françaises: à quelles conditions est-ce possible?* The decision to hold only one seminar this year was based on the recommendation to hold 2 seminars on digitization in 2009-2010 after publishers had access to all blog postings and reports provided by AECB consultants on the topic.

*Vendre aux bibliothèques françaises: à quelles conditions est-ce possible?* - This seminar held in French in Montréal on February 17, 2009, was designed to raise

awareness of the market potential and acquisitions policies of public and university libraries in France, enabling informed publishers to set realistic targets for sales to this market and acquire the know-how to achieve their goals. Topics included: a map of libraries in France, acquisition budgets and their evolution over the last 3 years, first hand accounts of acquisition policies and practices of municipal and university libraries, options for selling to French libraries from Canada and finally, a question and answer period.

### Mentoring Program

The Mentoring Program consists of a consultation with an expert on the eligible publishers' list potential in the U.S. or France; a one-day workshop on distribution in the US or France and on how to access the market (looking at basics such as title potential, promotional documents, etc.); and a one-day guided tour of BEA or the Salon du livre de Paris (including meetings with booksellers, distributors and/or wholesalers at the fair).



Aiming to respond to the specific needs of small and new exporters, the AECB launched the Mentoring Program in November 2005. Six publishers benefited from the Program in 2005-2006 (Paris), 8 publishers benefited from the Program in 2006-2007 (Paris and BEA), 6 in 2007-2008 (Paris and BEA) and 4 publishers in 2008-2009 (Paris).

The BEA 2008 Mentoring Program was cancelled due to a lack of participants. The AECB is continuing to work with the Programs Committee in revising the program for the market in the U.S.

In Paris 2009, 4 publishers benefitted from the mentoring programs, attending first the AECB seminar held in Montréal and then meeting individually with consultants Isabelle and Marie-Anne Lambert to discuss the export potential of their list as well as the issue of adaption promotional material for the French market. On March 13, 2009, mentoring recipients

held group meetings with agents, distributors and publishers, followed by a guided tour of the Salon du livre du Paris 2009. This year, the AECB did not accompany the publishers to Paris. All participants voiced their appreciation for the dynamic presentations and professional advice offered by the consultants and the success of this program was evident in the comments and evaluations.

The formula for the Paris Mentoring Program remains a huge success and continues to show positive results. Publishers participating in the Mentoring Program have been very generous in providing feedback to the AECB as to how the Program could be improved in order to better respond to their specific needs and the AECB will take these recommendations into account in revising the Program for 2008-2009, especially regarding the formula for the U.S. market.

---

Je suis très satisfaite de ma participation au mentorat. J'ai trouvé l'expérience enrichissante et très stimulante. Cet appui m'a été fort utile dans mes démarches. C'est un début très encourageant, je dirais même que les résultats ont dépassé mes attentes. Je sais toutefois combien il est important de maintenir, de façon permanente, des liens avec ces partenaires pour s'assurer des résultats, et j'ai la ferme intention de m'occuper des suites à donner à ce mentorat.

*- Éditions de la Pleine Lune*

---

## Professional Book Fairs – the Canada stand

The network of major international book fairs and salons remains the driving force for the development of Canadian book exports. In organizing the collective Canada stand at major international professional book fairs, the AECB provides administrative, logistical and promotional support before, during and after the fairs.

The AECB organizes collective stands ranging in size from 20 square meters to more than 280 square meters at some of the world's major book fairs, including the London Book Fair, the Bologna Children's Book Fair, BookExpo America, the Beijing International Book Fair and the Frankfurt Book Fair.

Publishers can choose from two levels of service: a complete turnkey package with fully equipped collective stands and services or a pied-à-terre option for publishers who want to conduct meetings on the collective stand but not display books.

In coordinating the Canada stand at these major professional fairs, the AECB must deal with a number of significant challenges: healthy financial position while keeping a strategic location on the ground floor in addition to keeping building costs at reasonable levels to foster the participation of a growing number of publishers (including small and emerging exporters). The AECB succeeded in achieving these objectives in 2008-2009 and publishers exhibiting on the Canada stand have indicated they were very pleased with a smooth and well-managed organization of the stand and overall logistics of their participation.

### Bologna Children's Book Fair 2008 (March 31 – April 3)

The Canada stand was 32 m<sup>2</sup> and included an interpreter and pied-à-terre options. Six publishers registered (2 of which took advantage of the pied-à-terre option). An additional 12 publishers exhibited on their own stand. One of the registered publishers took advantage of additional AECB services, requesting that the AECB organize their stand reservation and coordination at the fair. Canadian publishers attending were

very pleased with meetings and business. There were an increased number of cold calls turning out to be potential serious leads.

Exceptionally in this year, the AECB organized two Bologna Fairs for 2008-2009.

François Charette, AECB's Programs Manager staffed the Canada Stand this year.

### **London Book Fair 2008 (April 14-16)**

The Canada Stand at the 2008 London Book fair was 120 m<sup>2</sup>. Fifteen publishers reserved display and meeting space on the stand while 7 other publishers benefitted from the pied-à-terre option. Our travelling collection of general interest books was displayed on the stand and attracted many visitors and colleagues interested in rights. A reception sponsored by the Canadian High Commissioner in London on opening day was well attended by Canadian publishers allowing those publishers to meet with the High Commissioner before and during the reception. In fostering relationships initiated during the AECB's scouting mission to New Delhi, the AECB met with many contacts and agents. One contact in particular requested reading copies of two titles displayed on the stand.

Suzanne Bossé, AECB's Executive Director and ACP's Executive Director, Carolyn Wood staffed the Canada Stand this year.

---

This is just to say thank you very much for all the work you put into preparing the Canada stand in London, and for your efforts on our behalf during and after the fair. We appreciate it a great deal. We barely had to think about anything while we were there and that shows what a good job you did. So, thanks 1,000,000.

*- House of Anansi*

---

### **BookExpo America 2008 (Los Angeles, May 30 – June 1)**

For a fourth consecutive year, the Canada stand occupied 200 sq. ft. One publisher benefited from the pied-à-terre option. Twenty-three Canadian publishers choose to exhibit on their own stand or the stand of their distributor at BEA 2008.

The AECB once again advised publishers of the possibility of obtaining additional funding support in order to benefit from seminars and workshops conducted before BEA, particularly those offered by the Publishers Marketing Association. The AECB indicated that publishers could claim a per diem for additional days at the time of submitting their FRMAP claim.

François Charette, AECB's Programs Manager staffed the Canada Stand at the fair this year. Kate Edwards, ACP's Administrative Assistant assisted François on the stand.



### **Beijing Book Fair 2008 (September 1 – 4, Tianjin, China)**

Although the BIBF continues to represent an important annual international book fair for publishers targeting the Chinese market, factors including the decision to hold the fair in Tianjin due to the Beijing Olympics, and reduced participation by other influential countries (U.S., U.K. and France), interest shown by Canadian publishers to attend the fair in 2008 was low. In response to our invitation to participate on the Canada Stand at the BIBF, we received only 2 registrations, resulting in the AECB having to cancel participation at this fair. The 2 interested publishers were directed to the Trade Routes office in Shanghai for additional information and support. The AECB maintained close contact with fair authorities, allowing us to relay any pertinent information to Canadian publishers. The AECB worked with the Blue Metropolis Festival in Montreal, who submitted a proposal to BPIDP regarding China/Canada activities as well

as with the office of the Director, International Policy, Planning, Programs and Outreach, to maximize exposure for publishers at the fair.

In maintaining our positive relationship with fair representatives, the AECB met with authorities from the BIBF at the 2008 Frankfurt Book Fair to discuss future fairs.

### **Frankfurt Book Fair 2008 (October 15-19)**

The 2008 Frankfurt Book fair hosted 7,373 exhibitors from more than 100 countries as well as an outstanding 299,112 visitors. Participating in this highly anticipated event is a cornerstone of many Canadian publishers' export strategies. With the impressive attendance from Canadian publishers, both on the Canada Stand and elsewhere at the Frankfurt Book Fair, the 2008 fair has once again increased international exposure for Canadian titles.



In 2008, 43 publishers exhibited on the Canada Stand, in Hall 8. Two publishers benefitted from the pied-à-terre option offered by the AECB.

The Canada Stand was staffed by Suzanne Bossé, AECB's Executive Director, François Charette, AECB's Programs Manager the ACP's Marketing Technology Consultant Jack Illingworth. The AECB hired Gina Wambersky once again this year to assistant staff.

Being that Frankfurt is the biggest and most important fair for Canadian publishers, the AECB works hard to ensure an ideal location for the Canada Stand. Exhibiting in Hall 8.0 ensures maximized visibility for participating publishers. In addition to the Canada Stand, the AECB is committed to promoting the Canadian publishing industry by strengthening its network of contacts worldwide and initiating, facilitating and fostering relationships between international publishers, national associations and other trade partners. For the first time in 2008, the AECB organized

participation of Canadian publishers in an exhibit and guided tour of children's books available at the fair. On October 16, 2008, the AECB exhibited its travelling collection of children's books, highlighting a total of 130 titles in French and English.

Additional events included the opening reception hosted at the Canada Stand on October 15, 2008 hosted jointly by the Canadian Embassy in Berlin and the AECB. As each year, this event is a great success, with a large turnout of Canadian publishers, partners and representatives from nearby stands. This professional and social event is anticipated by both Canadian publishers and fair attendees each year and allows an excellent opportunity for networking and relationship building in a relaxed setting. Invitees included representatives from India, Australia and New Zealand. Stéphane Charbonneau, Counsellor, Culture, Public Affairs and Academic Relations for the Canadian Embassy in Germany was in attendance and spoke with publishers on the Canadian Stand.

## Bologna's Children's Book Fair 2009 (March 23-26)

The Canada Stand at the 2009 Bologna's Children's Book Fair measured 32 m<sup>2</sup>. Five publishers displayed on the Canada Stand including 1 who chose the pied-à-terre option.

For the first time this year, the Canadian Embassy in Rome invited the AECB to collaborate in the coordination of a roundtable and reception during the fair. The objective was to showcase Canadian excellence in this sector; take advantage of a large Canadian presence at the Fair in order to offer greater exposure for Canada; strengthen our partners' network and cooperation; and, to generate commercial deals. Panellists from Canada, Spain, Brazil and Italy met with Canadian publishers the morning before the fair's opening day to provide intelligence about their respective market as well as host a networking event. Discussion topics included trends, import/export opportunities and challenges in respective markets. Following the roundtable, and with the objective of fostering business development and commercial agreements, all participants and attendees were invited to stay for a cocktail reception. Canadian companies signed several deals including an agreement with an Italian company in the following days at the Fair.

Christy Doucet, AECB's International Events Officer staffed the Canada Stand.



# Promotion and Information

Frankfurt, Germany



## Expanding the visibility of Canadian titles and authors in export markets

In 2008-2009, the AECB succeeded in accomplishing a great number of new initiatives and achieved success with programs, publications and marketing. The AECB's collective promotion programs contribute to the success of Canadian books on the world stage. The AECB's website, our *Rights Canada* catalogue, the *Canadian Studies* flyers, and fair directories introduce Canadian books to publishers, literary agents, distributors, booksellers, librarians, book reviewers and academics around the world. The AECB continually promotes its website in all its publications and on the Canada Stand at major international fairs, affording Canadian books unparalleled exposure to readers everywhere. The AECB works with trade and cultural officers at Canadian embassies and consulates around the world to promote Canadian publishing through its travelling book collections.

All these efforts and initiatives have experienced very positive results. In looking forward the AECB will continue to improve and update all its publications and marketing efforts to continue to promote Canadian titles and publishers on the world stage.

## AECB Website

As the face of any association, a website speaks to the effectiveness of an association and the services provided. In 2008-2009, the AECB worked endlessly to make improvements to its website to best promote Canadian publishers and titles. The AECB website has two main functions 1) as a point of contact between the international community and Canadian publishers and 2) as a point of contact between the AECB and Canadian publishers and other partners. This year, improvements were made to help Canadian book exporters take full advantage of the many new

developments in technology. Redevelopments of the website feature a publisher profile management section that allows Canadian publishers to update their own profile and better market their titles for export sales. The AECB website will continue to market and promote Canadian titles and publishers, aiding the international community in finding Canadian publishers and titles worldwide. Directly on the homepage of the AECB website, visitors will notice a tab for digital publishing where intelligence, links, reports and other information are posted.

Looking forward, the AECB will continue to make improvements to its website and continue to post regular updates, providing information to both the international community and Canadian publishers.

## AECB News

The AECB Newsletter is sent to over 800 Canadian publishers and contacts every three weeks. AECB events and activities are promoted in the newsletter as well as deadlines, program information and success stories. This effective marketing tool keeps publishers up-to-date on all AECB news and services allowing the AECB to maintain communication with the industry.

---

Grâce à votre appui, nous avons réalisé un éventail d'activités promotionnelles de qualité destinées à assurer le rayonnement de nos œuvres à l'étranger. Nous tenons à vous en remercier. Par ailleurs, nous reconnaissons le rôle crucial de votre organisme pour la promotion de l'exportation du livre canadien, tout particulièrement durant cette période de crise économique.

- Éditions Médiaspaul.

---

## Rights Canada

The Fall 2008 edition featured 103 titles from 43 publishers and was distributed at the Liber Book Fair (at the Québec Stand), at the Frankfurt Book Fair and the Belgrade Book Fair. The Spring 2009 edition featured 71 titles from 37 publishers and was distributed at the Bologna Children's Book Fair and at the London Book Fair.

In addition to being distributed at international fairs and events, the catalogue is mailed to over 2,300 international agents and publishers in advance of major international book fairs where the AECB coordinates a collective Canada Stand (where we also distribute printed copies of the catalogue).

We continue to receive requests by email on an ongoing basis for updates and additions to our mailing lists. Many international colleagues request to receive a PDF of the Rights Canada catalogue via email or download from the AECB website. Do to this fact; the AECB is investigating options for a targeted digital distribution of the Rights Canada catalogue as well as improvements to the PDF version including live links.

## Canadian Studies Flyers

In 2008-2009, the AECB produced 4 Canadian Studies Flyers resulting in an 8 page with 2 inserts brochure highlighting titles in social sciences, history, geography, native studies, science, nature and environment, business, economy and law with a total of 135 participating titles. The AECB worked with the International Council for Canadian Studies for the print distribution of the Canadian Studies flyers to various Canadian Studies organizations and events around the world. Electronic (PDF) versions of the catalogue were distributed to member list of l'Association Française d'Études Canadiennes (AFEC), the British Association for Canadian Studies (BACS) and the Association for Canadian Studies in German-speaking countries (GKS)

## Directories of Canadian publishers at international fairs

AECB directories compliment other promotional activities in advance of major international book fairs. This publication is available at each international book fair where the AECB coordinates a collective stand. The directories includes publishers who exhibit on the Canada Stand and those who exhibit on their own or their foreign distributor's stand, as well as those publishers who attend the fair without exhibiting material. The directories are used by the staff at the Canada Stand as a reference and distributed to international colleagues who are interested in contacting publishers. For those publishers not actually at the fair, the AECB relays all messages upon return.

## Travelling Trade Collections

The Travelling Trade Collection is no longer active due to a lack of funding and budget cuts. Despite its inactivity, the AECB travelling trade collection initiative remains an excellent example of a successful partnership between the AECB, DFAIT, and Canadian posts around the world in attaining a common objective: helping Canadian exporters compete and succeed in international markets and, in more general terms, promoting Canada's image and Canadian culture around the world.

---

The collections were also displayed at the 2008 Belgrade Book Fair. Canada's participation in the Belgrade International Book Fair continues to provide excellent exposure for Canadian publishers and titles in Serbia and South-Eastern Europe. Throughout the event, Canadian participation received extensive media coverage by over 10 daily newspapers and magazines with over 30 articles on the Canadian participation. Four hundred and fifteen Canadian titles, including over 150 translated in Serbian were presented at the fair. Seven newly translated Canadian titles were promoted through events organized with Canadian authors, their Serbian publishers, translators and literary critics.



## Board and Staff of the AECB

Staff Photo

## Board of Directors

The AECB's 12-member board represents the Canadian publishing industry and federal government, who work hand in hand in policy and program development to expand the presence of Canadian books on the world stage, and to build the Canadian book publishing industry's viability and capacity. Members

include publishers affiliated with the Association of Canadian Publishers (ACP), the Association nationale des éditeurs de livres (ANEL), the Association of Canadian University Presses (ACUP) and the Canadian Publishers' Council (CPC), as well as representatives of the departments of Canadian Heritage (DCH) and Foreign Affairs and International Trade Canada (DFAIT).

---

### Executive Committee

Chair	Philip Cercone	Executive Director and Senior Editor, McGill-Queen's University Press (ACUP)
Vice-Chair	Brian Lam	President and Publisher, Arsenal Pulp Press (ACP)
Vice-Chair	Ginette Tremblay	President and Executive Director, Éditions l'Artichaut (ANEL)
Secretary-Treasurer	Rob Sanders	Publisher, Douglas and McIntyre/Greystone Books (ACP)
Members	René Bonenfant	Foreign Rights Director, Presses de l'Université de Montréal (ACUP)
	Antoine Del Busso	Executive Director, Presses de l'Université de Montréal (ACUP)
		<b>replaced René Bonenfant</b>
	Jordan Fenn	Publisher, H.B. Fenn and Company (CPC)
	Jean-Marc Gagnon	President, Éditions Multimondes (ANEL)
	Annette Gibbons	Associate Director General, Department of Canadian Heritage (DCH)
	Gilles Herman	Director, Éditions du Septentrion (ANEL)
	Robert Laurence	Deputy Director, Cultural Industries, Foreign Affairs and International Trade (DFAIT)
	Max Permingeat	President, Éditions de Mortagne (ANEL)
Margie Wolfe	President-Publisher, Second Story Feminist Press (ACP)	

---

## Secretariat

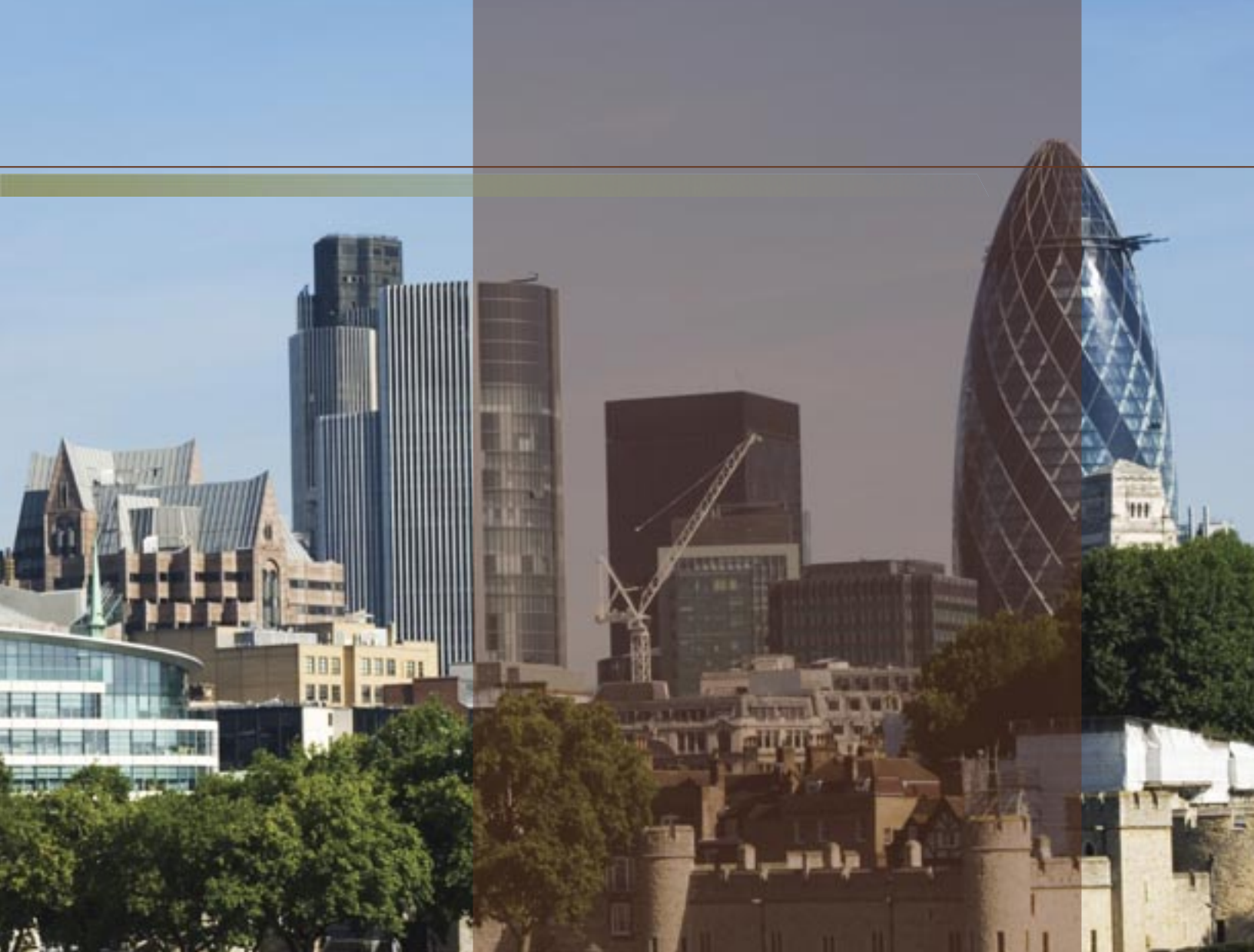
In 2008 – 2009, the AECB employed an efficient, knowledgeable and responsive staff of eight individuals who administered programs, developed and delivered market intelligence and professional development, and provided promotional and logistical support to publishers.

---

Executive Director	Suzanne Bossé
Programs Manager	François Charette
Finance and Operations Manager	Pierrette Boulerice
International Events Officer	Christy Doucet
Coordinator, Communications and Promotions	Rebecca Ross
Administrative Assistant	Danielle Fauteux
Programs Assistant	Julie Goguen
Coordinator, Operations and Administration	Lucette Ouellette

---

\*\* Please note that Suzanne Bossé, Julie Goguen and Lucette Ouellette are absent from the staff photo.



# Financial Statements

London, England

# Auditor's Report

To the Members of the Association for the Export of Canadian Books

We have audited the statement of financial position of the Association for the Export of Canadian Books (the "Association") as at March 31, 2009 and the statements of operations, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Association. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Association expenses property and equipment. Canadian generally accepted accounting principles require that property and equipment be recorded at cost on the statement of financial position and amortized over their estimated useful lives. If the Association had recorded property and equipment as required, the statement of financial position, statement of operations and the statement of changes in net assets would be affected. We have not quantified the effects of this departure from Canadian generally accepted accounting principles as management does not want to change their previous accounting policy for property and equipment as disclosed in Note 1.

In our opinion, except for the effects of the failure to properly record property and equipment as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2009 and the results of its operations and changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Licensed Public Accountants

Ottawa, Canada

May 27, 2009

# Statement of Financial Position

as at March 31, 2009

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 392,821	\$ 331,866
Accounts receivable	125,574	95,889
Government grants receivable	1,155,366	1,316,071
Goods and Services Tax receivable	9,799	9,854
Prepaid expenses (Note 3)	97,363	162,168
	<u>\$ 1,780,923</u>	<u>\$ 1,915,848</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 1,080,144	\$ 1,166,804
Revenue received in advance (Note 3)	87,205	169,916
	<u>1,167,349</u>	<u>1,336,720</u>
<b>NET ASSETS</b>		
Unrestricted	288,574	254,128
Internally restricted for contingencies	325,000	325,000
	<u>613,574</u>	<u>579,128</u>
	<u>\$ 1,780,923</u>	<u>\$ 1,915,848</u>

Economic capacity (Note 1)  
 Commitments (Note 4)  
 Financial instruments (Note 6)

ON BEHALF OF THE BOARD



Rob Sanders, Director



Philip Cercone, Director

# Statement of Operations

## Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
<b>REVENUE</b>		
Department of Canadian Heritage (“DCH”) contribution (Note 2)	\$ 4,742,400	\$ 4,825,000
Foreign Affairs Canada (“FAC”)	12,412	15,000
Program for Export Market Development (“PEMD”)	16,507	100,721
Trade Routes	30,159	-
Publishers - Canada Stand	319,915	293,523
- Marketing	41,016	26,900
- Seminars	1,600	7,133
- Market research	230	875
Other	45,718	78,793
<b>TOTAL REVENUE</b>	<u>5,209,957</u>	<u>5,347,945</u>
<b>EXPENDITURES</b>		
Operating:		
Rent (Note 4)	69,602	69,188
Board	72,286	60,659
Annual report	16,621	7,997
Strategic review/business plan (Note 7)	38,323	44,631
Database	2,815	405
Travel	3,297	4,019
Salaries and professional development	320,996	379,022
Professional fees	56,186	49,935
Office and general	39,460	47,297
Bad debts (recovery)	(13,352)	4,332
Interest recovery on prior year's DCH funding (Note 5)	22,551	2,982
Foreign exchange loss	28	3,269
Total operating expenses	<u>628,813</u>	<u>673,736</u>
Programs:		
Administration	<u>25,044</u>	<u>11,987</u>
Export Marketing Assistance Program		
Export Marketing Assistance Program (“EMAP”)	3,190,179	3,251,514
Export Expertise Development Fund (“EEDF”)	-	1,958
	<u>3,190,179</u>	<u>3,253,472</u>

	<u>2009</u>	<u>2008</u>
<b>EXPENDITURES</b> (continued)		
Foreign Rights Marketing Assistance Program (“FRMAP”)		
Major fairs contributions	360,699	324,402
Other fairs contributions	397,622	345,179
Canada Stand	469,177	459,399
Administration and staff travel	25,121	33,318
	<u>1,252,619</u>	<u>1,162,298</u>
Total programs	<u>4,467,842</u>	<u>4,427,757</u>
Promotion / information	<u>77,031</u>	<u>66,038</u>
Market Intelligence and Professional Development		
Publications and subscriptions	4,476	7,016
Professional development and seminars	14,453	25,798
Mentoring	41,941	57,719
Market research and development	31,088	66,136
Trade missions	35,823	52,880
Total	<u>127,781</u>	<u>209,549</u>
Capital assets		
Property and equipment (Note 1)	<u>4,413</u>	<u>4,055</u>
<b>TOTAL EXPENDITURES</b>	<u>5,305,880</u>	<u>5,381,135</u>
<b>EXCESS OF EXPENDITURES OVER REVENUE,</b> before other item	(95,923)	(33,190)
Other item		
Reversal of prior years’ contributions		
payable	<u>130,369</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b> <b>(EXPENDITURES OVER REVENUE)</b>	<u>\$ 34,446</u>	<u>\$ (33,190)</u>

# Statement of Changes in Net Assets

## Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
<b>UNRESTRICTED</b>		
<b>BALANCE AT BEGINNING OF YEAR</b>	<u>\$ 254,128</u>	<u>\$ 287,318</u>
Net excess of revenue over expenditures (expenditures over revenue)	34,446	(33,190)
Internal restriction for contingencies	<u>-</u>	<u>-</u>
	<u>34,446</u>	<u>(33,190)</u>
<b>BALANCE AT END OF YEAR</b>	<u><u>\$ 288,574</u></u>	<u><u>\$ 254,128</u></u>
 <b>INTERNALLY RESTRICTED FOR CONTINGENCIES</b>		
<b>BALANCE AT BEGINNING OF YEAR</b>	\$ 325,000	\$ 325,000
Internal restriction from Unrestricted Net Assets	<u>-</u>	<u>-</u>
<b>BALANCE AT END OF YEAR</b>	<u><u>\$ 325,000</u></u>	<u><u>\$ 325,000</u></u>

# Statement of Cash Flows

## Year Ended March 31, 2009

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures (expenditures over revenue)	\$ 34,446	\$ (33,190)
Changes in non-cash operating working capital balances:		
Accounts receivable	(29,685)	34,594
Government grants receivable	160,705	100,523
Goods and Services Tax receivable	55	(550)
Prepaid expenses	64,805	(43,730)
Accounts payable and accrued liabilities	(86,660)	61,690
Net revenue received in advance	<u>(82,711)</u>	<u>(62,516)</u>
<b>INCREASE IN CASH</b>	60,955	56,821
Cash at beginning of year	<u>331,866</u>	<u>275,045</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 392,821</u></u>	<u><u>\$ 331,866</u></u>

# Notes to Financial Statements

Year Ended March 31, 2009

## GENERAL

The Association for the Export of Canadian Books (the “Association”) was incorporated under the Canada Corporations Act on November 15, 1972 as a non-profit corporation without share capital to foster and facilitate the continued growth of export sales by Canadian publishers.

In 1985, the Association agreed to administer the International Marketing Assistance component of the Department of Canadian Heritage’s (“DCH”) Book Publishing Industry Development Program (“BPIDP”). Funding is allocated by DCH for the delivery of financial assistance and value-added services to Canadian book publishers. The Export Marketing Assistance Program (“EMAP”) and the Foreign Rights Marketing Assistance Program (“FRMAP”) are the programs to which Canadian publishers can apply for funding of their international marketing activities.

Ad hoc contributions from the Program for Export Market Development (“PEMD”), Foreign Affairs Canada (“FAC”), and revenue received from publishers participating in the Association’s initiatives provide additional revenues for the Association to deliver enhanced support to the industry: coordination of the Canada Stand at international book fairs; promotion of

Canadian titles through the Association’s catalogues, travelling book displays and website; preparation and distribution of market reports to the industry; and, conducting seminars on foreign markets.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Economic Capacity

DCH allocates a contribution to the Association on an annual basis for the delivery of BPIDP funding assistance to individual publishing companies and to assist the Association in providing value-added services to the industry. Should DCH terminate or not renew its contribution to the Association, the Association would need to re-examine its priorities, risk of financial viability, and to identify new resource generation in order to pursue its delivery of value-added services currently provided to the industry. The current agreement expires June 30, 2009 and represents activities up to March 31, 2009.

DCH has indicated that it intends to renew the agreement for the fiscal year 2010.

### Property and Equipment

The Association expenses property and equipment in the year of acquisition.

## Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Association to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting periods. Actual results could differ from these estimates. The estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

## Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

## Foreign Currency Transactions

The Association uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities are translated at the rate of exchange in effect at year end. Other assets and liabilities are translated at their historic rates. Items appearing in the statement of operations are translated at average year rates. Exchange gains and losses are included in the statement of operations.

## Adoption of New Accounting Standard

The Association implemented the Canadian Institute of Chartered Accountants (“CICA”) Handbook section 1535, Capital Disclosures, which establishes standards for disclosing information about an entity's capital and how it is managed. Implementation of these recommendations had no effect on the financial statements for the year ended March 31, 2009, except for the additional disclosure in Note 8.

## Future Accounting Pronouncement

In September 2008, the CICA issued Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations. This new section establishes disclosure requirements for not-for-profit organizations that report expenses by function and allocate expenses to a number of functions to which the expenses relate. These not-for-profit organizations will be required to disclose additional information regarding their accounting policies adopted for the allocation of expenses among functions, the nature of these expenses, the basis on which the allocations are

being made, and the value of the allocations. This standard will come into effect for the Association's fiscal year beginning on April 1, 2009.

The Association is currently assessing the impact of this new accounting standard on its financial statements.

## 2. MEMORANDUM OF AGREEMENT

Under the terms of the Memorandum of Agreement between the DCH and the Association, if, upon fulfillment of the terms and conditions of the agreement the Association has been paid an amount that, in the opinion of the Minister, exceeds the value of the activity performed, the Association shall refund the excess upon demand by the Minister.

## 3. PREPAID EXPENSES AND REVENUE RECEIVED IN ADVANCE

These represent funds paid out or received prior to the year end, which pertain to fiscal year 2010 activities and programs.

## 4. COMMITMENTS

The Association has a lease commitment for office premises which expires November 30, 2011, as well as various equipment under operating leases. Future minimum payments to expiry are approximately as follows:

	Premises	Equipment
2010	\$ 69,546	\$ 3,296
2011	69,546	3,836
2012	46,364	3,240
2013	-	3,240

## 5. INTEREST REIMBURSEMENT ON DCH FUNDING

The Association must reimburse the estimated interest it earns on the cash flow generated from its funding from BPIDP. For the current year, the Association has accounted for the estimated interest it earned on its cash flows generated from its funding from BPIDP for the fiscal year 2009.

## 6. FINANCIAL INSTRUMENTS

### Fair Value

The Association's financial instruments consist of cash, accounts receivable, government grants receivable, Goods and Services Tax receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Association is not exposed to a significant credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, due to the short term nature of these instruments, as well as the capacity for prompt liquidation.

### Currency Risk

The Association holds activities in foreign countries and as such is exposed to the fluctuations of the foreign and Canadian currencies.

### Interest Rate Risk

The Association's line of credit bears interest at a variable rate. Accordingly, the Association is subject to interest rate risk. The risk arises from changes in the interest rate and the degree of volatility of these rates.

### Credit Facility

The Association has available a \$350,000 credit facility with a chartered bank, which remained unused as at March 31, 2009. The credit facility bears interest at the chartered bank prime rate of interest plus 0.25% and is guaranteed by a General Security Agreement.

## 7. STRATEGIC REVIEW/ BUSINESS PLAN

During the year, the Association incurred costs of \$38,323 (2008 - \$44,631) for a Strategic Review of the AECB. The consulting firm selected to undertake the Review was mandated to focus on specific areas with the objective of maximizing cost-efficiencies at the Association: identify strongest export program needs for publisher members; identify effectiveness and value of current programs and delivery for publisher members; examine structural alternatives for AECB (governance models, staff size and skill requirements) in relation to contextual climate and program needs; recommend financial resources required to achieve required programs; identify security of financial resources as far as is possible, and propose branding recommendations appropriate with program and structural recommendations.

## 8. CAPITAL DISCLOSURES

The Association's objective when managing capital is to maintain its ability to continue as a going concern in order to deliver the services to its members under its bi-laws. The Association includes net assets in the definition of capital. The Association's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to continue to fulfill its mandate and to broaden the spectrum under which its mandate is delivered. To secure the additional capital necessary to pursue such plans, the Association continuously attempts to identify potential new services and/or sources of revenue. The Association is not subject to externally imposed capital requirements other than the conditions outlined in the various contribution agreements and there has been no change with respect to the overall capital risk management strategy during the current year.

## 9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in order to conform with the financial statement presentation adopted for the current year.



# International Marketing Assistance

Toronto, Canada

## Funding by recipient 2008-2009

Recipient	EMAP	FRMAP	Mentoring	Paris 2009
400 Coups, Éditions	\$21,439.00	\$6,359.75		
Alire, Éditions	\$4,796.00	\$5,980.45		
Alliage Éditeur	\$3,010.00	\$4,586.07		
Allusifs, Les		\$8,736.65		
Anne Sigier, Éditions	\$10,158.00	\$4,848.46		
Annick Press	\$49,140.00	\$13,834.40		
Anvil Press		\$571.97		
Arsenal Pulp Press	\$45,869.00	\$8,353.32		
Artichaut, Éditions L	\$54,600.00	\$12,986.49		
Association nationale des éditeurs de livres (ANEL)	\$14,925.00	\$20,996.22		
Association of Canadian Publishers (ACP)	\$8,531.00	\$4,998.04		
Bayard Canada Livres	\$1,546.00	\$5,100.23		
Bayeux Arts	\$8,208.00	\$8,755.50		
Beauchemin International, Éditions	\$25,939.00	\$9,721.63		
Béliveau Éditeur	\$8,804.00	\$1,963.06		
Berger, Éditions	\$2,971.00			
Between the Lines	\$4,530.00			
Boomerang éditeur jeunesse	\$2,489.00	\$8,145.42		\$1,072.58
Boréal Express, Le	\$14,148.00	\$6,141.68		
Boston Mills Press	\$2,881.00			
Bouton D'or Acadie		\$8,776.24		\$1,663.22
Brault et Bouthillier, Éditions	\$4,106.00			
Breakwater Books		\$2,631.24		
Brick Books		\$1,995.34		
Broadview Press	\$54,600.00	\$4,956.33		
Broquet	\$40,624.00	\$2,712.50		
Canadian Scholars' Press	\$14,832.00	\$1,960.71		
Captus Press	\$3,443.00			

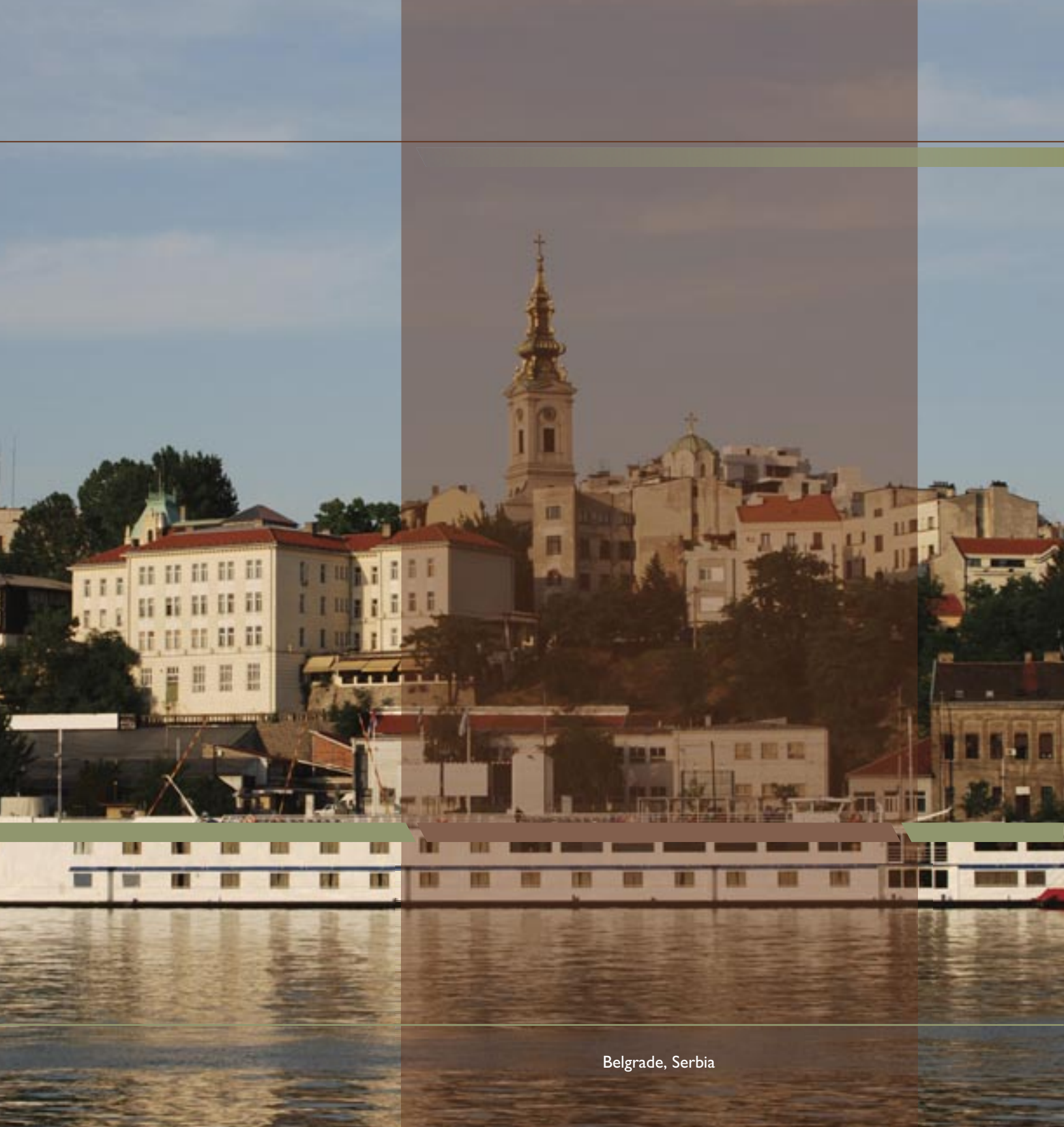
<b>Recipient</b>	<b>EMAP</b>	<b>FRMAP</b>	<b>Mentoring</b>	<b>Paris 2009</b>
CCI Learning Solutions	\$33,613.00			
Chenelière, Éditions de la	\$53,071.00	\$7,631.65		
Chouette, Éditions	\$49,140.00	\$10,141.92		
Coach House Books	\$5,050.00	\$2,991.23		
Collector's Guide Publishing	\$46,373.00	\$2,763.02		
Company's Coming Publishing	\$54,600.00			
Cornac, Éditions	\$3,232.00	\$1,230.01		
Coteau Books/Thunder Creek Co-op	\$5,468.00			
Courte échelle, Éditions de la	\$9,429.00	\$7,379.58		
Crabtree Publishing Company	\$49,140.00	\$8,951.42		
David, Éditions		\$3,199.99	\$2,000.00	
DC Books		\$3,877.55	\$2,000.00	
Detselig Enterprises	\$12,730.00			
Douglas & McIntyre	\$49,140.00	\$10,572.67		
Dundurn Group	\$21,175.00	\$3,631.68		
Écosociété, Éditions	\$5,698.00	\$1,937.49		
Écrits des Forges, Éditions	\$16,518.00	\$7,683.20		
ECW Press	\$54,600.00	\$8,336.14		
Édimag, Éditions	\$5,361.00	\$1,209.14		
Fernwood Publishing Co.	\$3,954.00	\$4,773.79		
Fiddlehead Poetry Books & Goose lane Editions	\$7,778.00			
Fides, Éditions	\$19,535.00			
Fifth House Publishers	\$3,419.00	\$2,331.45		
Firefly Books	\$35,137.00			
Fitzhenry & Whiteside	\$42,476.00	\$4,873.94		
Flanker Press		\$1,780.85		
Folklore Publishing	\$2,470.00	\$4,246.89		

<b>Recipient</b>	<b>EMAP</b>	<b>FRMAP</b>	<b>Mentoring</b>	<b>Paris 2009</b>
Formac Publishing/ James Lorimer & Company	\$28,779.00	\$8,470.66		
Frederick Harris Music Co.	\$54,600.00	\$11,512.85		
Goulet, Éditions Reynald	\$36,420.00	\$1,550.00		
Groundwood Books	\$46,216.00	\$12,234.87		
Groupe Librex	\$49,140.00	\$13,313.91		
Guérin Éditeur	\$3,313.00			
Guides de voyage Ulysse	\$37,729.00	\$10,405.14		
Guy Saint-Jean Éditeur	\$20,878.00	\$7,433.95		
Hancock House	\$23,159.00	\$6,133.41		
Harbour Publishing Co.	\$30,639.00	\$1,242.67		
Heritage House Publishing Co.	\$9,150.00	\$3,059.86		
Héritage, Éditions	\$17,727.00	\$12,897.03		
House of Anansi Press	\$8,384.00	\$8,653.41		
Hurtubise HMH, Éditions	\$23,245.00	\$9,289.97		
Insomniac Press	\$12,925.00	\$805.31		
Instant même, Éditions de l'	\$2,909.00	\$1,210.93		
International Self-Counsel Press	\$43,609.00	\$2,762.95		
Intouchables, Éditions des	\$10,632.00	\$9,057.47		
J.C.L., Éditions	\$39,282.00	\$2,164.22		
Key Porter Books	\$48,191.00	\$6,948.44		
Kids Can Press	\$49,140.00	\$12,961.87		
Leméac Éditeur	\$50,331.00	\$2,435.73		
Lingo Media	\$54,600.00	\$13,182.65		
Literacy Services of Canada	\$7,790.00			
Literary Press Group (LPG)	\$13,050.00			
Lone Pine Media Publishing	\$49,140.00	\$6,700.12		
Louise Courteau Editrice	\$26,513.00	\$894.84		
Loup de Gouttiere, Le		\$370.00		

<b>Recipient</b>	<b>EMAP</b>	<b>FRMAP</b>	<b>Mentoring</b>	<b>Paris 2009</b>
Lux Éditeur	\$10,957.00	\$6,951.18		
Manor House Publishing Inc.		\$2,535.46		
Maple Tree Press	\$28,689.00	\$1,989.66		
Marie-France, Éditions	\$2,607.00			
Master Point Press	\$35,882.00	\$6,479.36		
McArthur & Company Publishing	\$2,470.00	\$6,094.57		
McGill-Queen's University Press	\$49,140.00	\$10,199.87		
Médiaspaul, Éditions	\$21,238.00	\$3,163.90		
Mediscript Communications	\$8,907.00	\$4,379.88		
Modus Vivendi, Publications	\$54,600.00	\$8,773.14		
Monde Différent, Éditions Un	\$39,479.00	\$4,112.36		
Mortagne, Éditions de	\$38,202.00	\$6,288.28		
Multimondes, Éditions	\$5,552.00	\$2,650.59		
New Society Publishers	\$44,662.00	\$6,691.96		
New Star Books		\$6,796.46		
Newest Press		\$7,124.07		
Nimbus Publishing	\$8,426.00			
Noroit, Éditions du		\$2,423.75		
Nouvelles, Éditions/ASMS	\$11,941.00	\$803.26		
Novalis, Éditions	\$53,054.00	\$7,892.86		
Orca Book Publishers	\$54,600.00	\$12,073.65		
Owlkids Books		\$7,668.18		
Passage, Éditions du		\$1,186.09	\$2,000.00	
Pembroke Publishers	\$36,199.00	\$8,822.77		
Perce-Neige, Éditions		\$2,309.89	\$2,000.00	
Phidal, Éditions	\$54,600.00	\$12,419.57		
Plaines, Éditions des		\$1,391.99		\$1,749.01
Planète Rebelle, Éditions		\$3,280.96		
Playwrights Canada	\$4,525.00	\$392.88		

<b>Recipient</b>	<b>EMAP</b>	<b>FRMAP</b>	<b>Mentoring</b>	<b>Paris 2009</b>
Pleine Lune, Éditions de la		\$2,109.12		
Polytechnique Presse	\$10,606.00			
Porcupine's Quill	\$3,780.00			
Portage & Main Press	\$40,016.00	\$1,931.97		
Presses de l'Université de Montréal	\$12,133.00	\$3,524.79		
Presses de l'Université du Québec	\$19,713.00	\$1,391.30		
Presses de l'Université Laval	\$24,460.00	\$4,737.28		
Prise de Parole, Éditions		\$1,358.72	\$2,000.00	\$2,010.22
Quarry Press		\$2,528.61		
Québec Amérique, Éditions	\$54,600.00	\$10,512.34		
Raffin Publications	\$46,335.00			
Red Deer Press	\$8,705.00	\$3,917.40		
Regroupement des éditeurs canadiens-français (RÉCF)	\$12,375.00			
Remue-Ménage, Éditions du		\$4,218.38	\$2,000.00	
Robert Rose	\$16,582.00			
Rocky Mountain Books	\$5,946.00	\$2,583.42		
Saint-Martin, Éditions	\$10,789.00			
Sara Jordan Publishing	\$23,023.00	\$8,172.23		
Second Story Press	\$25,472.00	\$9,590.09		
Septentrion, Éditions du	\$3,845.00	\$6,112.06		
Simply Read Books	\$12,377.00	\$5,664.58		
Sogides, Groupe	\$54,600.00	\$10,574.33		
Solski Group	\$42,368.00	\$2,090.94		
Sylvain Harvey, Éditions		\$1,313.66	\$2,000.00	
Talon Books	\$13,216.00	\$3,396.76		
Theytus Books			\$2,000.00	
Thomas Allen Publishers		\$988.50		

<b>Recipient</b>	<b>EMAP</b>	<b>FRMAP</b>	<b>Mentoring</b>	<b>Paris 2009</b>
Thompson Educational Publishing	\$2,759.00	\$4,482.79		
Tormont, Éditions	\$49,140.00	\$9,511.00		
Touchwood Editions	\$3,802.00	\$4,702.21		
Tradewind Books	\$9,426.00	\$4,466.90		
Tralco Educational Services Inc.		\$4,661.89		
Transcontinental, Éditions	\$4,556.00	\$1,550.00		
Triptyque, Éditions	\$2,483.00	\$6,521.05		
Tundra	\$14,098.00	\$10,346.74		
University of Alberta Press	\$11,328.00	\$4,289.35		
University of British Columbia Press (UBC Press)	\$49,140.00	\$4,143.60		
University of Calgary Press	\$22,853.00			
University of Manitoba Press	\$3,443.00	\$2,035.09		
University of Toronto Press	\$40,502.00	\$10,755.05		
Vanwell Publishing	\$2,470.00	\$2,336.58		
Véhicule Press	\$4,944.00			
Vermillon, Éditions du		\$2,130.83	\$2,000.00	
Ville-Marie Littérature, Groupe	\$14,813.00	\$5,289.86		
Weigl Educational Publishers	\$54,600.00	\$12,341.46		
Whitecap Books	\$49,140.00	\$1,980.72		
Wilfrid Laurier University Press	\$24,157.00	\$8,540.21		
Wilson & Lafleur	\$3,515.00	\$1,267.50		
Wood Lake Books	\$27,381.00			
XYZ Éditeur	\$5,685.00	\$4,105.51		



Belgrade, Serbia