



LIVRES CANADA BOOKS®

# Selling Canadian Books in Mexico

A Guide for Canadian Publishers

## Selling Canadian Books in Mexico

© Livres Canada Books, 2016  
All rights reserved.

ISBN 9781927784747

Published by Livres Canada Books, the national association of the Canadian book publishing industry for promoting export sales.

Prepared for Livres Canada Books by Javier Celaya and René López-Villamar. While every effort has been made to report information correctly, the publisher assumes no responsibility for the accuracy of the information supplied by the author, and disclaims any liability for loss or damage caused by errors or omissions. The opinions expressed in this report are those of the author.

Livres Canada Books  
1 Nicholas Street, Suite 504  
Ottawa, Ontario  
K1N 7B7  
CANADA

[www.livrescanadabooks.com](http://www.livrescanadabooks.com)

# Table of Contents

<b>OVERVIEW OF THE MEXICAN BOOK MARKET . . . . .</b>	<b>1</b>
General Context: Market Status . . . . .	1
A Note on Sources and Forecasts . . . . .	4
Demographics and Reading Habits . . . . .	4
The Status of Print and Digital Books . . . . .	7
<b>MEXICAN PUBLISHERS. . . . .</b>	<b>8</b>
The Main Market Players. . . . .	8
Multinationals and Major Mexican Publishers . . . . .	9
Medium-Sized Publishers. . . . .	11
Independent Publishers. . . . .	12
<b>FORMATS AND PRICING . . . . .</b>	<b>14</b>
Trade Books . . . . .	14
Children’s and Young Adult Books. . . . .	15
Academic and Scholarly Books . . . . .	15
Educational Books and Enhanced Language Training (ELT) . . . . .	15
Digital Books . . . . .	16
The Popularity and Role of E-Books. . . . .	17
The Role of E-Readers, Tablets, and Smartphones. . . . .	18
Demographics of the E-Book Market . . . . .	19
<b>SALES CHANNELS . . . . .</b>	<b>20</b>
Brick-and-Mortar Bookstores . . . . .	21
State Bookstores . . . . .	22
Department Stores and Shopping Malls. . . . .	23
Libraries . . . . .	23
Schools and Universities . . . . .	24
Direct Sales . . . . .	24
Online Retailers. . . . .	25
Book Fairs . . . . .	26
Other Sales Channels. . . . .	27

<b>DISTRIBUTION CHANNELS . . . . .</b>	<b>28</b>
Publishing Capacity . . . . .	28
Choosing a Distributor: A Step-by-Step Guide . . . . .	29
Who Are the Key Distributors? . . . . .	30
E-Book Distribution . . . . .	31
Print-on-Demand . . . . .	31
<b>RIGHTS SALES . . . . .</b>	<b>33</b>
Why Sell Rights? . . . . .	34
General Licence Terms . . . . .	34
The Role of Sub-Agents . . . . .	35
Co-Publication . . . . .	36
The Guadalajara International Book Fair (FIL) and Other Events . . . . .	37
<b>MARKETING. . . . .</b>	<b>38</b>
How Canadian Publishers Can Reach Mexican Readers . . . . .	38
Digital Marketing: New Ways of Reaching Readers . . . . .	39
The Role of Social Media. . . . .	41
<b>CONCLUSION . . . . .</b>	<b>43</b>
<b>REFERENCES . . . . .</b>	<b>45</b>
<b>APPENDICES . . . . .</b>	<b>48</b>
Appendix 1: Selected Mexican Publishers . . . . .	48
Appendix 2: Mexican Wholesalers. . . . .	55
Appendix 3: Distributors . . . . .	62
Appendix 4: Selected Literary Agents . . . . .	71
Appendix 5: Selected Bookstores . . . . .	72
Appendix 6: Selected Book Fairs . . . . .	74
Appendix 7: Selected Publishing Associations and Organizations. . . . .	75
Appendix 8: Selected Print-On-Demand Facilities . . . . .	76
<b>ABOUT THE AUTHORS . . . . .</b>	<b>77</b>

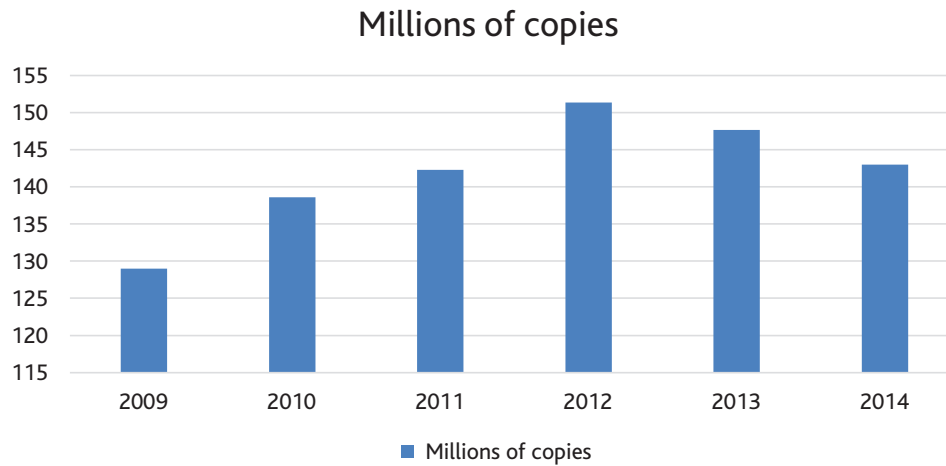
# Overview of the Mexican Book Market

## General Context: Market Status

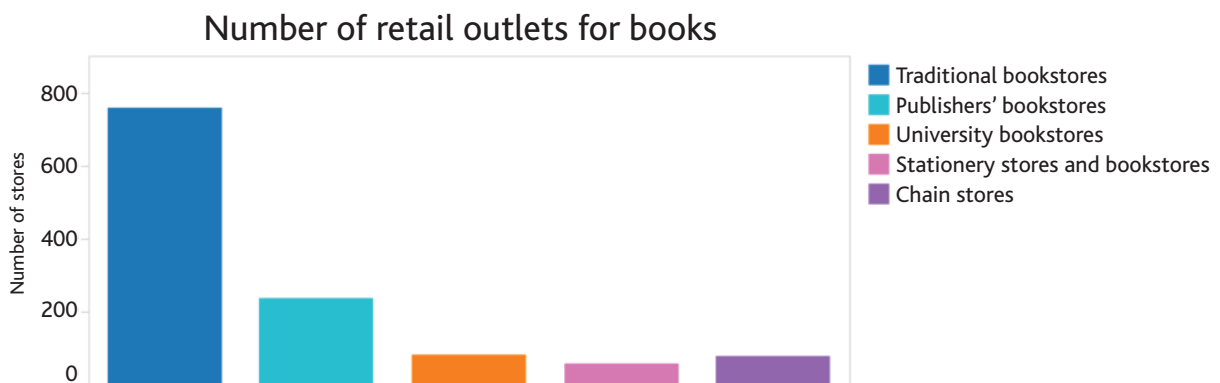
Spanish is the third most spoken language in the world after English and Chinese, and the revenue potential from a market made up of 550 million Spanish speakers across all continents should not be overlooked by the publishing sector. With over 120 million Spanish speakers, Mexico is the largest Spanish-language market in the world. This is followed by the United States, where the latest census counted more than 57 million people of Hispanic or Latino origin who regularly speak Spanish at home. Spain comes in third place with over 45 million speakers. Although it is still not possible to talk about a single digital Spanish market—since each country moves at its own pace and has its unique characteristics—there are general digital trends throughout the Spanish markets that should be analyzed to determine what the best business opportunities are in each market.

Following years of uncertainty, the general outlook for the Mexican book market is beginning to look cautiously optimistic. The number of retail points for books, particularly within bookshops and in department stores, is increasing after having declined for years. Although the industry's total annual turnover, estimated to be MXN 10,889,836,226 (CANIEM, "Indicators for Private Publishing Sector in Mexico" 2014), or about USD 670 million, by the National Chamber for the Mexican Publishing Industry (CANIEM), does not appear to have increased significantly, its relative stability amid the recurring global and regional financial crises points to an increase in the number and capacity of readers in the country. The figures revealed by the *National Survey of Reading and Writing 2015*, commissioned by the National Council for Culture and Arts (Conaculta – Consejo Nacional para la Cultura y las Artes) (now the Secretaría de Cultura [Ministry of Culture]), are encouraging: the yearly average of books read by each person in Mexico has increased from 2.4 books in 2006 to 5.3 books annually in 2015, although the most relevant discovery of the survey may be that among Mexicans, reading for entertainment surpassed reading for academic development as the main reason for reading (Conaculta 2015).

This change is due to both the creation of new points of sale and the implementation of programs encouraging reading and literacy within all levels of government and in the private sector, supported by the Law for the Encouragement of Reading and the Book enacted in 2008, despite the fact that the price of books increased by 8% on a yearly basis (CANIEM, "Indicators for Private Publishing Sector in Mexico" 2014).

**Figure 1. Book sale trends in Mexico**

Source: Data from CANIEM ("Indicators for Private Publishing Sector in Mexico", 2014).

**Figure 2. Number of retail outlets: traditional bookstores**

Source: Data from CANIEM ("Bookstore Statistics Report", 2014).

Another encouraging sign is that while the federal government continues to be the major printer, distributor, and purchaser of books and e-books in the country, with almost 60% of the market share, this percentage will slowly decrease each year and be replaced by the open market (CANIEM, "Indicators for Private Publishing Sector in Mexico" 2014). According to the *Bookwire Spanish and Portuguese Digital Markets Report* (Celaya 2015), all Latin American governments in the region will continue to play an important role in promoting digital content creation and demand. Data indicates that there is a direct relationship between reading and levels of social and economic development. The emergence of the digital era offers governments and publishers a new opportunity to increase the number of readers in the region. Public library e-lending will be key to achieving an increase in the number of readers, as it will provide free access to e-books across the region.

These signs of positive growth have led major multinational publishing groups, as well as medium-sized and independent European publishers, particularly those from Spain and the United States, to focus their interest on Mexico. The market is perceived as a gateway into Latin America and within the next decade may soon become the regional leader in terms of the production, distribution, and marketing of both printed and digital books. In a recent interview for *Publishing Perspectives* (Nawotka, “Why Mexico” 2015), the publisher Turner in Mexico referred to the country as the new “El Dorado” for Spanish publishers seeking to increase sales or simply survive the crisis in their country. Ricardo Nudelman, who was recently appointed the Mexican representative for the prestigious publisher Anagrama, has managed to supervise the “expansion and growth [of Anagrama] in Mexico and the rest of America” (Maristain 2015).

One of the reasons for this optimistic outlook is that the statistics surrounding reading and book sales are beginning to improve, due to the shifting composition of the country. Traditionally, Mexico has seen a link between the areas of education, purchasing power, and reading habits. From 2013 to 2014, more than half a million young Mexicans became college graduates, a number that continues to grow year-on-year. These young professionals seek new alternatives to entertainment and education in order to continue the learning process, and these typically include reading books and magazines in both print and digital format.

However, this optimistic outlook must be taken with a grain of salt. Mexico is currently experiencing a period of economic slowdown, influenced by the effects of the global economic crisis and decreasing oil prices, oil being the basis of the country’s income. As a result, the same young graduates have difficulties finding a stable job and are consequently rarely subject to credit approval. Less than 3% of young people under the age of 29 have access to payment instruments such as credit or debit cards, one of the main factors curbing the e-commerce of both print and digital books.

Physical distribution of books bought online is also a costly and inefficient process, prompting an increase in the cost of imported books and adding another hurdle to the possibility of creating more retail outlets for books. This is also one of the main reasons obstructing the purchase of books via e-commerce platforms such as Amazon.

The adequate dissemination and promotion of books is another pending issue. Faced with the dissolution of many print media and designated areas to promote book culture, digital media have tried to take over these areas, but with little success. There are, however, interesting possibilities for publishers to promote their titles via social networks, particularly through Facebook and other social networks focused on reading and writing, such as El Placer de la Lectura, Me gusta leer, Libros Mexico, and Wattpad. Mexico has also witnessed a resurgence of radio and television programs promoting reading.

The forecast for the book market in Mexico over the next five years appears promising, although there remain challenges to be faced that in many cases transcend the current market. Nevertheless, there is an increasingly mature publishing industry that appears ready to face those challenges. However, the Mexican industry will require business and

technology partners as well as alliances both within and outside the country in order to realize its full potential.

### **A Note on Sources and Forecasts**

According to various sources, including the Mexican Internet Association (AMIPCI 2015), in 2015, Mexico achieved an Internet penetration of more than 50%. This coincides with the existence of two surveys whose results were published in November 2015: the *National Survey of Reading and Writing 2015*, assessed by CERLALC (El Centro Regional para el Fomento del Libro en América Latina y el Caribe), and the *First National Survey on Consumption of Digital Media and Reading* (IBBY Mexico and Banamex 2015), which focused on young people in urban areas with access to the Internet. Both surveys reveal a change in reading habits and cultural consumption among Mexicans that had not been witnessed in previous studies. As the findings of these surveys are still quite recent, from a publishing standpoint there is still no current consensus on the implications these studies will have. As these were the first Mexican surveys about reading to take digital developments into consideration, the results may be surprising for those unfamiliar with the technological trends in this market. In any event, had this report been drawn up the previous year, when technology was much less widespread, it would have presented a very different perspective.

The figures and statistics provided by CANIEM are also invaluable when examining the Mexican publishing market. The recent figures were published at the end of November 2015, during the Guadalajara International Book Fair, and will be referred to throughout this report.

Finally, the November 2015 monthly exchange rate has been used to convert US dollars (USD) into Mexican pesos (MXN) throughout the report. However, since the US dollar exchange rate is somewhat volatile in the Mexican market, the current values may no longer continue to be relevant if this report is read some years after 2015.

### **Demographics and Reading Habits**

Mexico has an estimated population of 125.4 million, making it the largest Spanish-speaking country in the world. The capital, Mexico City, has more than 8.8 million inhabitants, although the population has increased to about 22 million people in the suburban areas. Almost 80% of Mexico's population lives in urban areas, and 55% live in one of 55 metropolitan areas (Banco Mundial 2014).

Mexico is a young nation: 28% of the population is under 15 years of age and 26% are between the ages of 15 and 29, although this number is expected to decline within the next 25 years. While there may be a decrease in population growth, the average age of the population is expected to increase. The average level of education for people over the age of 15 is 8.6 years (which equates to the second year of high school according to the Mexican education system).



According to the *National Survey of Household Income and Expenditure 2014* (INEGI 2015), the average income is MXN 39,719 per quarter, or about USD 2,300. This matches the figures provided by the Mexican Social Security Institute (2015), which show the average daily salary of the population, of which the highest was USD 20, or MXN 350.90, in the central area of the country.

Official figures from the *National Survey of Reading and Writing* (Conaculta 2015) revealed that Mexicans read an average of 5.3 books a year, and that most readers come from the younger generations. If the survey were to cover only the percentage of the population that is aged over 25, that same number drops to an average of 3.8 books per year. Although these figures are a great improvement on the 2.9 books average from the 2006 edition of the *National Survey of Reading and Writing* (Conaculta 2006), it nevertheless reveals contrasting results, showing that only 57% of Mexicans claimed to currently read books.

**Figure 3. What do Mexican readers actually read?**

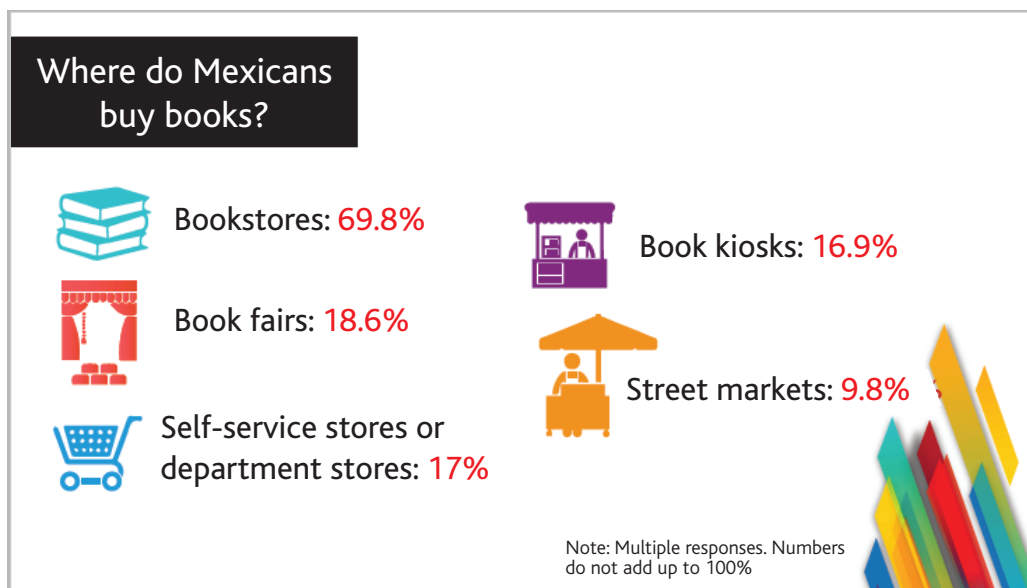


Source: Data from Conaculta (*National Survey of Reading and Writing 2015*, 2015).

According to the results provided in the *National Survey of Reading and Writing 2015* (Conaculta 2015), Mexican readers can be divided into six categories, three of which are of particular interest to book publishers. The first are the Book Readers, who account for 15.3% of the population and are primarily adults aged 24 years and over living in urban centres. These individuals have a high level of education and a disposable income that they prefer to spend on printed books and magazines rather than on a digital format. The second are the Eclectic Readers, who also have a high level of education and live in urban centres, and who prefer to read both in print and digital format. Among the Eclectic Readers, there are also those who enjoy reading comics and graphic novels. Lastly, there are the Young Readers, who can be defined as young people currently enrolled in secondary school or university, and who are avid readers of all kinds of

printed and digital materials, including books. However, Young Readers also have a special interest in reading comic books and graphic novels.

**Figure 4. Where do Mexicans buy books?**



Source: Data from Conaculta (*National Survey of Reading and Writing 2015, 2015*).

The survey also indicates that 11.6% of Internet users download free e-books from the Internet. According to IBBY Mexico and Banamex (2015), 86% of young Mexicans living in urban areas download e-books—59.1% purchase e-books online and 46.2% receive them as gifts. As noted in the table above, although 69.8% of book buyers purchase books in bookstores, also important for book publishers are book fairs, book kiosks, and department stores. According to CANIEM (Santiago 2015), as bookstore sales have been relatively stable in recent years, it is possible to speculate that the increase in readership figures revealed by this survey may be caused by alternative bookselling channels where, it should also be noted, online purchasing does not have a prominent role.

The *National Survey of Reading and Writing* reveals that 44.3% of readers read for entertainment, while 30.5% read for education, and 11.8% for information. Here, we see a significant shift from the results of a previous edition of the survey, in 2006, when people revealed that their primary reason for reading was out of a sense of obligation (Conaculta 2006). It is also important to highlight that the most recent survey indicated that 10.9% of the respondents read books to their children as a way of motivating them, which also reflects the new value felt by the Mexican population towards reading.

In contrast, the main reason provided by Mexicans for not reading was lack of time (79.9%). According to the Organisation for Economic Co-operation and Development (OECD) (*El Informador 2015*), Mexicans have longer working hours per year (2,327) when compared to other countries such as Spain (1,638 hours) or Iceland (1,835), both of which have a higher proportion of readers. Another point to bear in mind, according

to a report by Regus (2013), is that Mexicans have an average commute of 1.5 hours (Forbes 2015). On further consideration of these conditions, it is interesting to note that only 14.6% of respondents claimed they did not read because they disliked doing so.

In examining these results, we can gain an understanding of Mexican readers. They are an extensive and varied group of increasingly eager readers, and they benefit from the new reading possibilities offered by the emergence of social networks. Although time, space, and means continue to be obstacles against satisfying their reading tastes, there is certainly a new appetite for literacy and reading among the Mexican population.

## The Status of Print and Digital Books

According to reports by CANIEM, sales and billing turnovers for the Mexican publishing industry have been stagnant for many years. The production of copies in the private sector decreased 3.2% (to 143 million in about 24,000 titles) from 2013 to 2014; parallel to this process, turnover dropped 2.9% (to MXN 10,639 million, about USD 660 million). In other words, the Mexican publishing industry has managed to remain relatively stable during a period of international financial and political instability, and while Mexico will continue to face these elements of uncertainty, the local publishing industry is becoming more solid and mature, and Mexican readers themselves are becoming more diverse. There is also ongoing growth in the sales and distribution channels for printed books.

While the print market is experiencing healthy growth, the digital book market is a different story altogether. In a recent radio interview on the status of the publishing industry, the president of CANIEM, José Ignacio Echeverría, claimed, “Although there has been a slight increase in the sale of ebooks, sales scarcely reached last year’s MXN 150 million [2014] and cannot even be plotted on a graph” (Excélsior 2015). Echeverría’s comments summarize the status of the Mexican e-book market, which continues to be very small. Nevertheless, this statement conflicts with figures referring to Mexican readers’ habits in the *National Survey of Reading and Writing* (Conaculta 2015), which indicated that 11.6% of readers download e-books from the Internet, and 86% of young urbanites prefer digital to print. However, many issues need to be addressed before Mexico can achieve a robust e-book market. There are many Mexican publishers who have yet to begin the process of digitizing their catalogues. In addition, when publishers begin turning their attention to the ongoing question of digital books, it is likely that they will face many technological hiccups and copyright issues for which they will require external advisory services.

Although there are both Mexican and foreign companies who are ready to provide appropriate advice in this area, the solution is somewhat more complicated insofar as copyright is concerned. While literary agents are common in English-speaking markets, in Mexico most authors negotiate directly with publishers, and consequently many digital rights fall by the wayside.