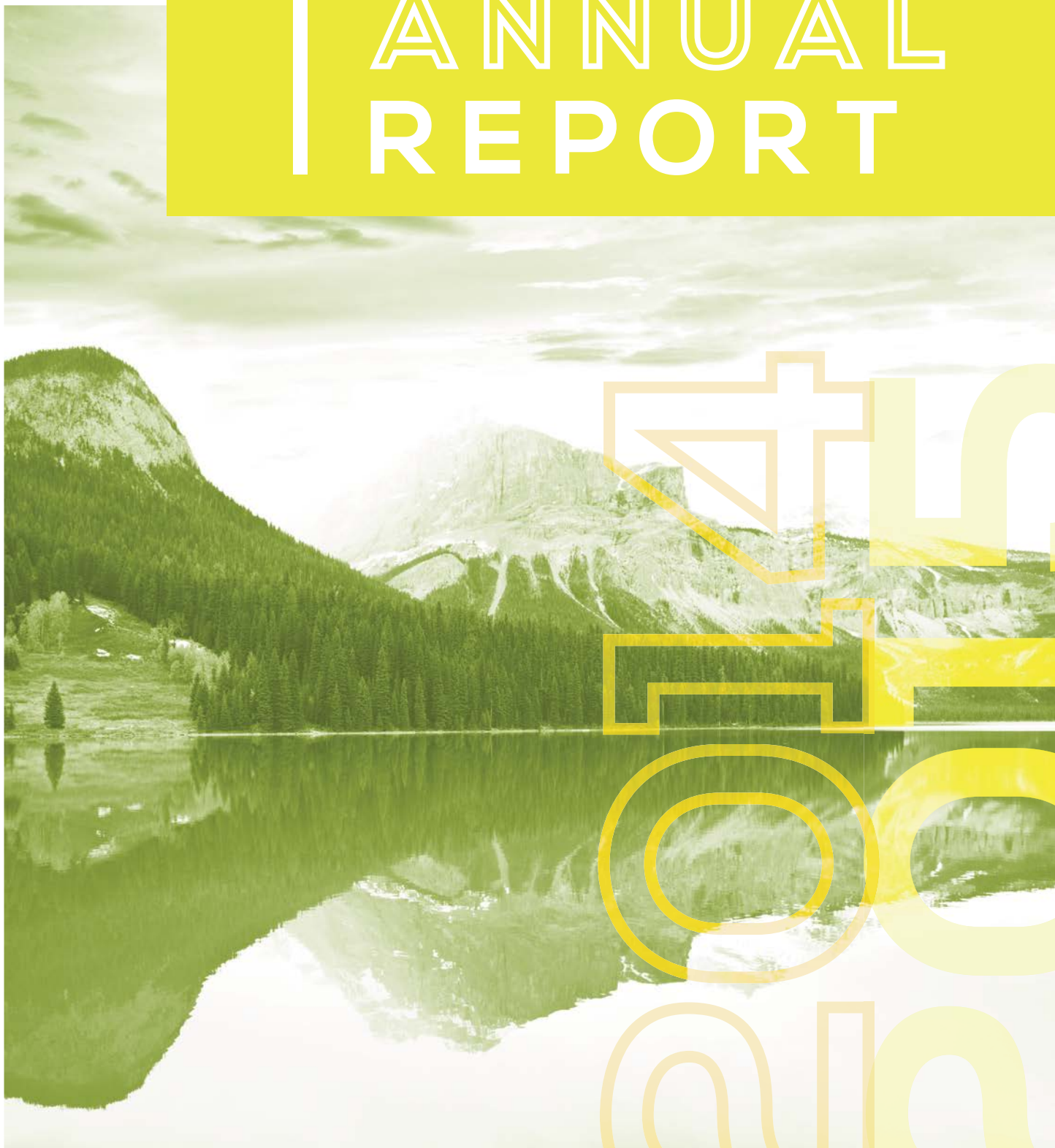


2014  
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# | ANNUAL REPORT



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### LIVRES CANADA BOOKS

2014–2015 Annual Report

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*Français au verso*

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## CHAIR'S MESSAGE

Since assuming my position as Chair in September 2014, I have had the pleasure of observing Livres Canada Books in action on the national as well as the international stage. I have been impressed not only by the relevance of our work, but also by the extent of its influence. For 43 years Livres Canada Books has worked tirelessly on behalf of the Canadian publishing industry to increase its visibility worldwide.

In order to properly fulfill our mission and expand our outreach, we must be at the forefront of digital publishing, constantly funnelling emerging market intelligence to Canadian publishers to help them increase their export sales. We have made significant inroads, but much more remains to be done. We are committed to forging new partnerships to help fund and carry out this work.

The Board of Directors plays a pivotal role in enabling Livres Canada Books to carry out its mandate. We are responsible for developing and modifying the programs and services offered by Livres Canada Books in ways that maximize present and future opportunities. Collaborating with the Board of Directors and Livres Canada Books' team, we have

made great strides this year by simplifying the administration of our programs and services. It has been a pleasure working alongside this very talented and experienced group of people from within the Canadian publishing sector. I would also like to acknowledge the passion, loyalty and professionalism of the Livres Canada Books staff and, of course, the leadership of François Charette, our Executive Director.

The scope and impact of the work carried out by Livres Canada Books is extraordinary. Today our national and international reputation is firmly established, and we are the envy of many countries for what we have accomplished for Canadian publishers. Next year will bring new changes, but I believe that these represent opportunities for growth.

I look forward to our continued learning and success in 2015-2016.



Robert J. Dees  
Chair



**ROBERT J. DEES**

CHAIR

## EXECUTIVE DIRECTOR'S INTRODUCTION

Over the past year, Livres Canada Books supported and informed Canadian publishers. Livres Canada Books offered quality services to Canadian publishers by managing funding programs, coordinating the Canada Stand, providing training, support for expansions into new markets, as well as increasing publisher familiarity with the challenges of digital marketing and exports sales.

Through it all, Livres Canada Books has succeeded in offering support and information to Canadian publishers year-round. Livres Canada Books continued to manage the Foreign Rights Marketing Assistance Program (FRMAP) as well as the Mentoring programs targeted to emerging exporters.

We continued to ensure the presence of the Canada Stand at book fairs in London, Beijing, Frankfurt, and Bologna. Livres Canada Books also created and published the *Rights Canada* catalogue and the *Canadian Studies Collection*, which were distributed at fairs, shared on social media, and sent by targeted mailings to promote Canadian titles to literary agents, distributors, booksellers, librarians, and researchers worldwide.

This year, we offered webinars on Finland and Mexico to better prepare publishers attending the Frankfurt and London book fairs. We also published a guide on *Using Audience-Centric Digital Marketing to Drive Global Book*

*Sales*, and offered a very well-received webinar on this same topic. Moreover, we updated three of our market guides and published one new guide on Germany. Following a successful scouting mission in Istanbul, Livres Canada Books published a guide about the Turkish publishing market. We have also published several blog posts on topical issues, including digital publishing conferences that Livres Canada Books attended, as well as excerpts from our market guides.

Once again, it is important to highlight that Livres Canada Books' accomplishments would not have been possible without our partnerships with the Department of Canadian Heritage through the Canada Book Fund, the International Council for Canadian Studies (ICCS), the Ontario Media Development Corporation (OMDC), the Société de développement des entreprises culturelles (SODEC), the Association of Canadian Publishers (ACP), the Association nationale des éditeurs de livres (ANEL), the Association of Canadian University Presses (ACUP), the Canadian Publishers' Council (CPC), the Regroupement des éditeurs canadiens-français (RÉCF), the Literary Press Group of Canada (LPG), the Union des écrivaines et des écrivains québécois (UNEQ), The Writers' Union of Canada (TWUC), TD Bank Group, The Canadian Children's Book Centre and the Canadian embassies in Germany and South Korea, as well as the High Commission of Canada in the United Kingdom. Their support has enabled us to refine our international marketing activities to meet publishers' needs in a professional manner.

I would like to acknowledge the unwavering support from the Board of Directors in the management of Livres Canada Books. These industry professionals are invaluable advisers who contribute to good governance and support the efforts of Canadian exporting publishers.

I would like to sincerely thank the staff at Livres Canada Books, who serve our clientele in both official languages. These dedicated professionals carefully develop and administer our programs and services while maintaining excellent relationships with publishers, associations, governments, and their partners. I am proud of them!



FRANÇOIS CHARETTE

EXECUTIVE DIRECTOR

A handwritten signature in black ink, reading "F. Charette" in a cursive style.

François Charette  
Executive Director



## SUPPORTING CANADIAN PUBLISHERS' EXPORTS FOR OVER 40 YEARS

Founded in 1972, Livres Canada Books is a not-for-profit organization based in Ottawa with over 40 years' experience.

Livres Canada Books supports Canadian-owned book publishers in their export sales activities and in developing international partnerships; assists publishers in improving their overall results through a range of services, including financial support, promotion, research, training, and a collective presence at major international book fairs; and provides a unique forum for collaboration between English- and French-language publishers in Canada. As a national association for both French- and English-language Canadian book publishers, Livres Canada Books connects all publishers across Canada, acts on their behalf, and provides services to Canadian book publishers in both official languages.

In its first 13 years of operation, Livres Canada Books, then known as the Association for the Export of Canadian Books, provided expert advice on book publishing export to a number of federal departments responsible for book publishing. In 1985, Livres Canada Books agreed to take

on the responsibility for administering the International Marketing Assistance (IMA) component of the Department of Canadian Heritage's Book Publishing Industry Development Program (BPIDP), now known as the Canada Book Fund. The two major components of IMA were the Export Marketing Assistance Program (EMAP) and the Foreign Rights Marketing Assistance Program (FRMAP). For 30 years, Livres Canada Books has managed the IMA component of the Canada Book Fund in a transparent, accountable, and fiscally responsible manner, taking the lead in the development and implementation of policies, programs, and services in support of publishers' book export activities.

In addition to providing financial assistance for publishers to attend international book fairs and other export sales events, Livres Canada Books provides a range of services to maximize publishers' presence at key international book

“Livres Canada Books provides world-class intelligence about foreign markets, develops collective initiatives to sell Canadian books in international markets, and works closely with other publishing industry associations to ensure that publishers are strongly positioned to expand into essential-for-survival export markets.”





**“ Livres Canada Books advocates for support of the book publishing industry as a means of promoting Canada’s diversity, values, and identity through the world. ”**

fairs, such as organizing the Canada Stand and developing targeted publications for the fairs. In 2006, Livres Canada Books launched a Mentoring - Coaching program that has helped 65 publishers take their first steps into export markets. Publishers who have taken part in this program credit their success to support from this innovative Livres Canada Books initiative.

In 2009, Livres Canada Books updated its brand, taking advantage of global digital interconnectedness to enhance discoverability of Canadian books and publishers, and to increase their visibility and exposure to international buyers. In early 2012, the new bilingual Livres Canada Books trademark became official. Major upgrades to the Livres Canada Books website and development of collective interactive promotional activities for digital distribution have also been undertaken in the last several years, using new technologies to reach Canadian publishers coast-to-coast.

Livres Canada Books provides world-class intelligence about foreign markets, develops collective initiatives to sell Canadian books in international markets, and works closely with other publishing industry associations to ensure that publishers are strongly positioned to expand into essential-for-survival export markets.

Core to its mandate, Livres Canada Books continues to raise awareness of Canadian book publishers’ export priorities, needs, and interests with industry and government stakeholders. Livres Canada Books advocates for support

of the book publishing industry as a means of promoting Canada’s diversity, values, and identity through the world. Combining efforts and financial resources with other industry associations and partners has enabled Livres Canada Books to develop and deliver new and expanded services and programs.

Livres Canada Books’ strength can be found in its capacity to support the diverse needs and priorities of Canadian book exporters’ publishing programs and international marketing strategies and in its ability to anticipate and adapt to economic and structural changes in the book publishing industry. Livres Canada Books keeps Canadian publishers abreast of evolving technologies and new initiatives in digital publishing through forward-looking research and by offering webinars on the opportunities and challenges of exporting digital content.

Livres Canada Books is governed by an experienced and representative group of exporting publishers and professionals from the industry who provide essential advice and direction, thus enabling Livres Canada Books to continue to meet the evolving needs of Canadian publishers. Best practices in program review, long-term business planning, and association management ensure that Livres Canada Books is successful in obtaining long-term funding and in developing new and strategic programs and services to support publishers’ book export initiatives into the future.

# STRATEGIC DIRECTIONS

## MANDATE

The mandate of Livres Canada Books is to support Canadian-owned book publishers in their export sales activities and in developing international partnerships, and to assist publishers in improving their overall results through a range of services, including financial support, promotion, research, training, and a collective presence at major international book fairs, and by providing a unique forum for collaboration between English- and French-language publishers in Canada.

## GOALS



Canadian book publishers maintain and increase their export sales.



Canadian book publishers' research and development, promotions, and ongoing sales activities in international markets are sustained and expanded.



Government policies and programs are better adapted to the needs of publishers.



## TARGETED OBJECTIVES

- Canadian book publishers have access to financial resources and targeted services that enable them to compete effectively in the international marketplace.
- Canadian book publishers receive world class information on international book publishing markets.
- Canadian book exporters have opportunities to network and exchange information with each other, and their export-related priorities and needs are effectively communicated nationally and internationally.
- The diversity of Canadian book publishers—in language, genre, size, and years of export experience—is recognized.
- Exchanges between publishers from across Canada are valued and strengthened.
- Policy-makers have a better understanding of the needs of book exporters.

## ACTIVITIES

- Provide direct funding to Canadian exporters.
- Facilitate participation in international book fairs and other events.
- Create collective promotional materials and activities.
- Gather intelligence on different markets and key export partners.
- Provide professional development regarding export and digital publishing.
- Create opportunities for professional networking and information sharing.
- Communicate and share information and good practices with publishers.
- Develop and manage Livres Canada Books' resources.

## SUPPORTING CANADIAN PUBLISHERS

Over the past 43 years, Livres Canada Books has played a key role in developing and delivering programs and services to Canadian publishers.

THROUGHOUT THE YEARS, LIVRES CANADA BOOKS HAS MAINTAINED ITS COMMITMENT TO:



allocating funding support based on cost-sharing with participating publishers;



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.

Programs are continually updated, ensuring an efficient and flexible response to the export needs and priorities of Canadian publishers, thus enabling them to succeed in a constantly evolving export environment. Livres Canada Books prioritizes the collection and analysis of program data so that its activities remain relevant.

In 2014–2015, 160 publishers and two national publishing associations were eligible for direct funding through two programs, the Foreign Rights Marketing Assistance Program (FRMAP) and the Mentoring - Funding Support program.

The table below summarizes the applications received and funds allocated in 2014–2015. A complete list of funding recipients, including a breakdown by program, can be found at the end of this report.

**IN 2014–2015**

**\$758,000**

**TOTAL FUNDS ALLOCATED**



### APPLICATIONS RECEIVED AND FUNDS ALLOCATED, 2014–2015

Applications	Submitted	Eligible	Amount
Foreign Rights Marketing Assistance Program (FRMAP)	159	158	\$750,000
Mentoring - Funding Support	4	4	\$8,000

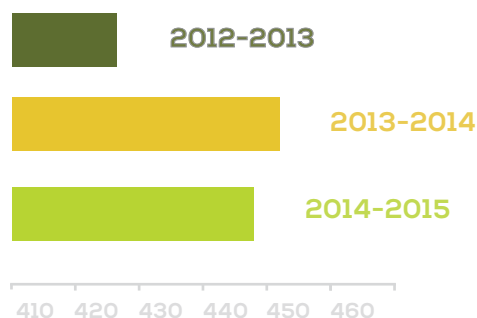
## FOREIGN RIGHTS MARKETING ASSISTANCE PROGRAM

Livres Canada Books has administered the Foreign Rights Marketing Assistance Program (FRMAP) on behalf of Canadian Heritage since 1985. The objective of this program is to develop and sustain export sales by Canadian publishers and expand their export markets by providing funding for export sales trips and participation in international trade events, such as book fairs. The program operates on a cost-sharing basis between Livres Canada Books and eligible publishers.

In 2014–2015, of the 158 eligible publishers and national publishers' associations, 128 received funding for export-related expenses through FRMAP.

FOREIGN RIGHTS MARKETING ASSISTANCE PROGRAM (FRMAP) CONTRIBUTIONS			
	2014–2015	2013–2014	2012–2013
Total claims	448	452	428
International trade events	357	345	319
Export sales trips	91	107	109
Number of delegates	673	697	626

### TOTAL CLAIMS



STAFF MEMBER

**CHRISTY DOUCET**  
PROGRAMS MANAGER

## MENTORING - FUNDING SUPPORT

IN 2014-2015, MENTORING - FUNDING SUPPORT ALLOWED



4 ELIGIBLE PUBLISHERS

TO EACH RECEIVE UP TO \$2,000



IN ASSISTANCE

The Mentoring - Funding Support program was launched in 2007 to give publishers an opportunity to benefit from knowledge and expertise gained through their participation in Livres Canada Books' Mentoring-Coaching program. Funding support allows publishers to implement marketing strategies targeted at their selected export markets. The objective is to help small and emerging exporting publishers increase sales to these markets and become eligible for higher levels of funding through the Canada Book Fund.

Mentoring - Funding Support ensures the continuity of mentoring services while helping participating publishers develop their own networks of potential partners. Livres Canada Books has been working to provide support to a greater number of publishers who can benefit from a more targeted approach.



# PROMOTING CANADIAN PUBLISHING

## THE CANADA STAND

International book fairs are meeting places for publishers, rights agents, literary agents, scouts, and other publishing professionals from around the world to build relationships and exchange ideas. The network of major international book fairs remains the driving force for the development of Canadian book exports.



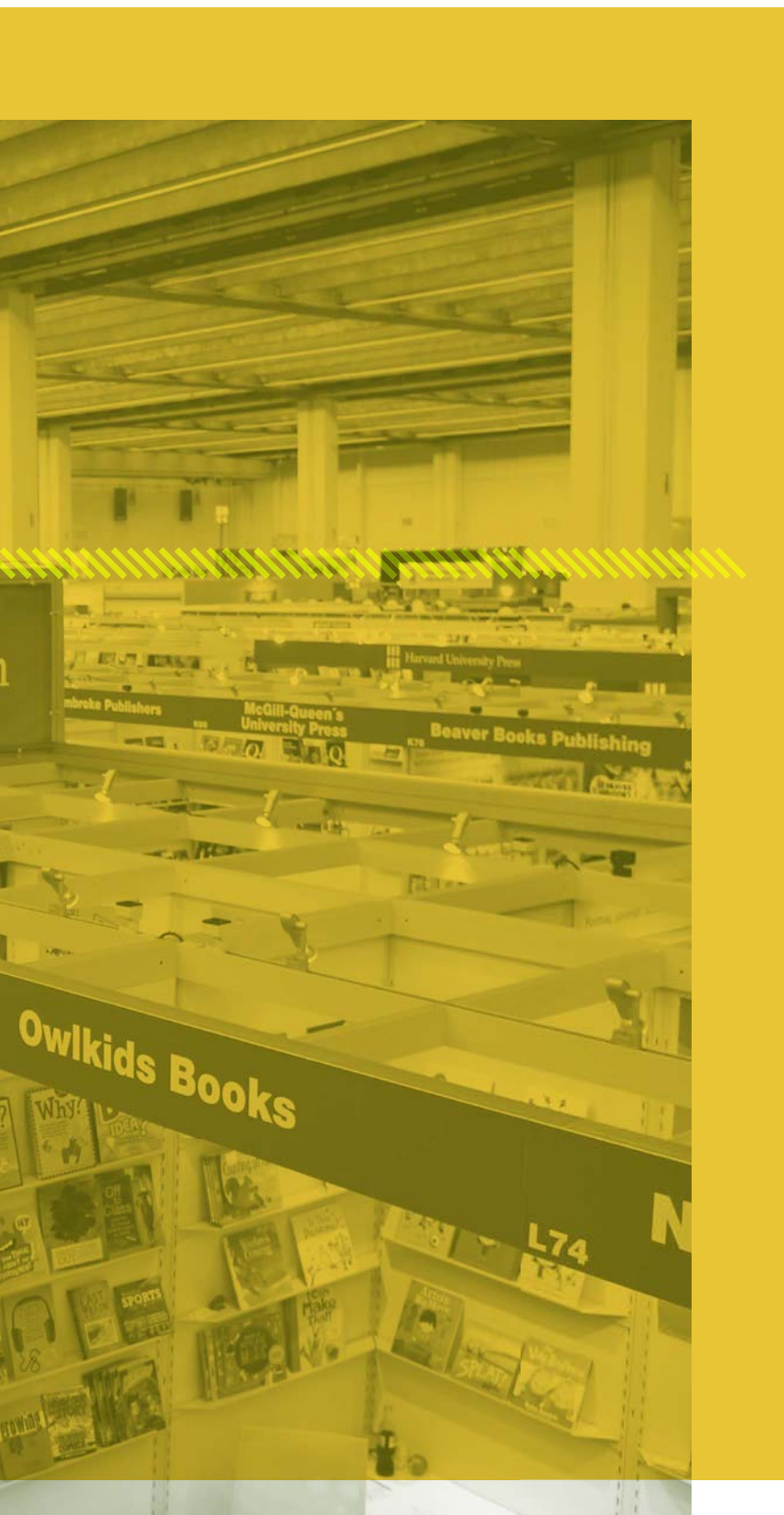
STAFF MEMBER

**PRIYA RAMJUTTUN**  
PROGRAMS OFFICER



STAFF MEMBER

**NATALIE MCMULLEN**  
PROGRAMS OFFICER



Livres Canada Books organizes collective stands at several of the major international book fairs, providing a comprehensive range of services at the lowest possible cost to foster the participation of a growing number of publishers, including small and emerging exporters.

The Canada Stand ranges in size from 18 square metres to nearly 300 square metres at some of the world's largest book fairs. Publishers can choose from an all-inclusive package with fully equipped booths and support services, a pied-à-terre option to conduct meetings on the collective stand but not display books, or a cost-effective pay-per-title service that allows publishers to exhibit titles without attending the fair in person.

Livres Canada Books also provides the administrative, logistical, and marketing support that ensures publishers can concentrate on business, including correspondence with fair organizers, ordering exhibitor passes, customization of furnishings and electrical installations, shipment and delivery of materials to publishers' stands, customs clearance, set-up and tear-down, and inclusion in the show catalogue and in Livres Canada Books' own print and online directories of exhibitors on the Canada Stand.

In addition to organizing the Canada Stand, Livres Canada Books promotes the Canadian publishing industry at international book fairs by strengthening its network of worldwide contacts and fostering relationships between international publishers, national publishers associations, and other trade partners. Livres Canada Books also collects leads on publishers' behalf and visits other stands to track industry trends and uncover new opportunities for Canadian publishers.



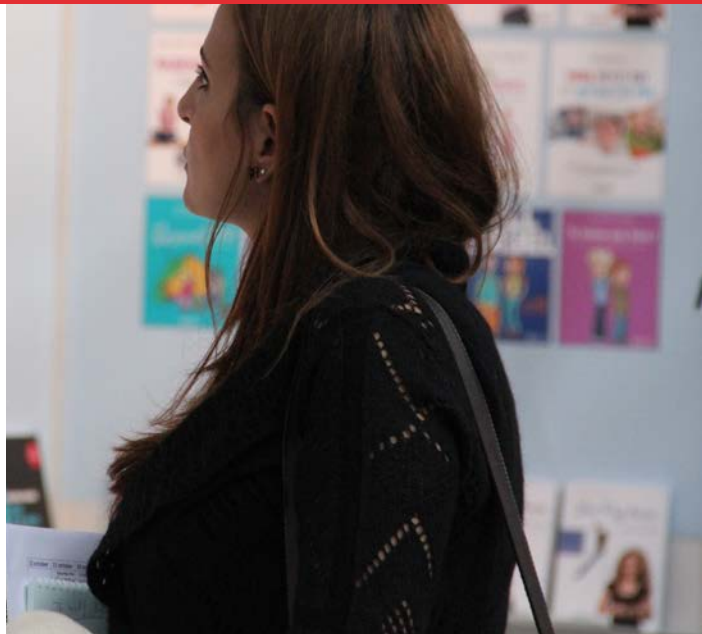
LONDON BOOK FAIR  
(APRIL 8 TO 10, 2014)



BEIJING INTERNATIONAL BOOK FAIR  
(AUGUST 27 TO 31, 2014)



FRANKFURT BOOK FAIR  
(OCTOBER 8 TO 12, 2014)



BOLOGNA CHILDREN'S BOOK FAIR  
(MARCH 30 TO APRIL 2, 2015)



## LONDON BOOK FAIR (APRIL 8 TO 10, 2014)

The London Book Fair (LBF) is the major trade book fair for the spring season.

The 2014 LBF, which was held in the historic Earls Court Exhibition Centre, a favourable location for its proximity to other areas of the city, hosted 1,500 exhibitors from 114 countries and welcomed over 25,000 visitors.

The Canada Stand at the 2014 LBF once again held an excellent central location. Thirteen publishers were registered on the 60 m<sup>2</sup> stand; eight reserved display and meeting space and an additional five chose the pied-à-terre option. Livres Canada Books also offered the pay-per-title option for publishers who wished to exhibit one or more titles rather than attend the fair in person; three publishers took advantage of this option. Some 10 other Canadian publishers exhibited on their own stands, on their distributor's stand, or at the Rights Centre. The Canada Stand was abuzz with productive meetings and was a hub for all members of the Canadian publishing industry, both on stand and off.

Again this year, Livres Canada Books offered the following services to publishers on the Canada Stand: high-speed wireless Internet, and consolidated shipment to offer low-cost shipping for publishers unable to meet the minimum weight requirements established by the freight forwarder.

Once again, the generous sponsorship of the Ontario Media Development Corporation (OMDC) allowed Livres Canada Books to host a successful networking reception on the Canada Stand on the first day of the fair. This event was an opportunity for Canadian publishing professionals to network with their foreign counterparts, to strengthen existing partnerships and look into future ones. Additionally, the High Commission of Canada in the United Kingdom hosted a reception the day before the fair's opening.

THE 2014 LBF HOSTED

1,500

EXHIBITORS



FROM



114

COUNTRIES

AND WELCOMED OVER

25,000

VISITORS



THE 2014 BIBF HOSTED

2,162

EXHIBITORS



FROM



COUNTRIES

AND WELCOMED OVER

200,000

VISITORS



## BEIJING INTERNATIONAL BOOK FAIR

(AUGUST 27 TO 31, 2014)

Since its inception in 1986, the Beijing International Book Fair (BIBF) has grown into a major international publishing event, incorporating copyright trade, book trade, cultural events, displays, consultation services, and professional networking.

The 2014 BIBF hosted 2,162 exhibitors from 78 countries and welcomed some 200,000+ visitors.

Busier than in previous years, the 18 m<sup>2</sup> Canada Stand hosted five Canadian publishers and attracted a number of potential Chinese trading partners, who were greeted by Mandarin-English and Mandarin-French interpreters hired to assist those Canadian publishers present. The promotional tools put out by Livres Canada Books were quickly depleted by visitors to the stand, including a Mandarin-English directory, the fall 2014 *Rights Canada* catalogue and the *Canadian Studies Collection*. Even publishers who were not able to attend the fair in person benefitted from a robust presence via the pay-per-title option.

Livres Canada Books retained the services of Xinyi Tan, a Chinese publishing consultant, to assist Canadian publishers in advance of the fair by analyzing publishers' catalogues and identifying titles or series with potential on the Chinese market, as well as providing Mandarin translations of publishers' rights sheets for two titles. Ms. Tan contacted potential Chinese partners and scheduled meetings with Canadian publishers during the fair. Livres Canada Books also offered the consolidated shipping option.

## FRANKFURT BOOK FAIR (OCTOBER 8 TO 12, 2014)

The Frankfurt Book Fair (FBF) is the largest and most important international fair of the fall season.

Participating in this highly anticipated event is a cornerstone of many Canadian publishers' export strategies. The 2014 FBF hosted 7,103 exhibitors from 106 countries and welcomed 269,534 visitors.

Livres Canada Books works diligently to ensure an ideal position for the Canada Stand, ensuring maximum visibility for participating publishers. Located in the centre of Hall 8, the main international English-language publishers' hall, the 272 m<sup>2</sup> stand ensured international exposure for Canadian titles. The Canada Stand was overflowing, with 50 publishers represented. In all, 44 publishers reserved display and meeting space on the stand this year; an additional six publishers chose the pied-à-terre package. All reported positive and productive meetings with their foreign counterparts.

Once again, Livres Canada Books offered high-speed wireless Internet and consolidated shipping services to publishers on the Canada Stand.

An opening night networking reception on the Canada Stand was hosted in collaboration with the Ontario Media Development Corporation (OMDC). As in previous years, this highly anticipated professional and social event was a great success, with a large turnout of Canadian publishers as well as international partners.

THE 2014 FBF HOSTED

7,103

EXHIBITORS



FROM



106

COUNTRIES

AND WELCOMED

269,534

VISITORS



THE 2015 BCBF HOSTED

1,200

EXHIBITORS



FROM



77

COUNTRIES

AND WELCOMED OVER

35,000

VISITORS



## BOLOGNA CHILDREN'S BOOK FAIR

(MARCH 30 TO APRIL 2, 2015)

The Bologna Children's Book Fair (BCBF) is the world's leading event for children's publishing professionals. This must-attend fair is complemented by a series of events that make it a truly unique cultural experience.

The 52<sup>nd</sup> edition of the Bologna Children's Book Fair drew record numbers: 1,200 exhibitors from 77 countries and over 35,000 visitors.

The 32 m<sup>2</sup> Canada Stand was fully booked with a total of nine publishers: eight exhibitors and one who chose the pied-à-terre option. Some 20 more Canadian publishers exhibited on their own stands or on the stands of their distributors, which contributed to a strong Canadian presence. Livres Canada Books also offered the consolidated shipping option.

On the first day of the fair, Livres Canada Books and the Canadian Children's Book Centre held a networking reception celebrating Canadian children's publishing, generously sponsored by TD Bank Group.

## FRANKFURT 2017

It is with great disappointment that we learned in the fall of 2014 that the project to support Canada as the guest of honour at the 2017 Frankfurt Book Fair would not be actualized. This honour would have coincided with celebrations of the 150<sup>th</sup> anniversary of Canadian Confederation.

Livres Canada Books would like to thank ANEL, ACP, ACUP, UNEQ, TWUC, and SODEC who have greatly supported us throughout the planning of this wonderful project.



## COLLECTIVE MARKETING

Livres Canada Books produces two major catalogues to promote Canadian publishers, authors, and books internationally.

These highly anticipated publications are made available digitally and also in print at international book fairs. The collective marketing of Canadian books to an international audience increases the visibility of publishers who exhibit on the Canada Stand, but also gives a voice to beginner exporters. Livres Canada Books also arranges collections of books for specific events.

In addition, all titles submitted to these publications are also included in the Livres Canada Books web database, a comprehensive online resource for information about Canadian publishers.

## RIGHTS CANADA

*Rights Canada* is Livres Canada Books' collective rights catalogue that promotes the sale of foreign rights.

*Rights Canada* is marketed digitally to a list of foreign publishers, distributors, and rights agents prior to the major international book fairs, where it is also available in print on the Canada Stand. A comprehensive social media campaign follows the publication of the catalogue on Livres Canada Books' social media platforms.

Published in the spring and fall of 2014-2015, *Rights Canada* featured 141 unique titles by 60 publishers. In addition to being advertised to international publishing contacts, the catalogues are available for download from the Livres Canada Books website. These digital catalogues include live links to participating publishers' websites and email addresses to obtain more information on listed titles. Print copies of the fall and spring editions were distributed at the major book fairs in Seoul, Beijing, Frankfurt, Istanbul, Bologna, and London.



## CANADIAN STUDIES COLLECTION

The *Canadian Studies Collection*, formerly the *Canadian Studies* flyer, promotes Canadian books, authors, and publishers of interest to Canadianists, librarians, academics, and buyers around the globe.

The print *Collection* is distributed at Canadian Studies association meetings, events, and conferences around the world. The *Collection* is also distributed digitally, with help from the Ottawa-based International Council for Canadian Studies (ICCS), as well as to Livres Canada Books' database of Canadian Studies scholars. The *Collection* is available for download from the Livres Canada Books website.

In 2014–2015, the *Canadian Studies Collection* highlighted a total of 83 titles from 28 publishers in aboriginal studies, arts and culture, economics, environment and geography, history, literature and literary criticism, political science, science and technology, and the social sciences.



## BOOK COLLECTIONS

Working with cultural and trade officers in Canada's embassy in Seoul, Livres Canada Books arranged one special book collection in 2014–2015.

In the spring, the Embassy of Canada to Korea invited Canadian publishers to exhibit books on a stand it organized at the 20<sup>th</sup> Seoul International Book Fair (June 18 to 22, 2014).

The Canada Pavilion promoted 230 titles from 20 Canadian publishers and included winners of the Governor General's Literary Award, the Canadian Library Association Award, and the Canadian Children's Book Award. Interest from Korean

publishers was high, with many rights deals reported in recent years and 12 Canadian publishers receiving special attention from 18 South Korean companies. More than 40 local publishing companies visited the Canada Pavilion and showed great interest in the Canadian titles. Livres Canada Books sent books on behalf of Canadian publishers to the embassy by the Department of Foreign Affairs, Trade and Development.



STAFF MEMBER

**CLAIRE FARLEY**  
COMMUNICATIONS OFFICER



## BUILDING EXPORT EXPERTISE

### MENTORING - COACHING

Aimed at the specific needs of emerging exporting publishers, Livres Canada Books' Mentoring - Coaching program helps eligible publishers become familiar with export sales strategies, meet with stakeholders in target markets, and properly evaluate the efforts needed to penetrate these markets.

The program is open to publishers with eligible export sales of less than \$50,000 and who require additional support—beyond financial assistance—geared to their specific circumstances. Alternating yearly between the United States and France, the 2014–2015 program focused on France. This year, the program on France was offered to both Francophone and Anglophone participants for the first time. Five publishers benefitted from the program in 2014–2015.

Participating publishers attended a two-day workshop in Montreal in November, which included an overview of the French book market and one-on-one meetings with an expert to review their export strategy and provide tailored recommendations based on their catalogue. In March,

participants traveled to France to attend the Salon du livre de Paris, where the consultant provided a guided tour of the fair and arranged for meetings with potential partners.

Livres Canada Books called on Literary agent Nickie Athanassi of Mon Agent et Compagnie in Chambéry, who shared knowledge and advice acquired through extensive professional experience in rights sales at Denoël, an imprint of Gallimard, one of the leading French publishing houses.

The Mentoring Program formula continues to show positive results. Participants appreciated the clear, concrete advice and presentations tailored to address the needs and concerns of emerging exporters.

### EXPERT PROFILES

#### NICKIE ATHANASSI CHAMBÉRY

After legal studies specializing in copyright, as well as vocational training for careers in publishing, Nickie Athanassi managed rights sales at Denoël (Groupe Gallimard) for ten years. An active participant in cross-industry arts organizations, she has also taught at universities and in adult education. After reflecting on the cultural sector's situation and needs, she created Mon Agent et Compagnie in October 2010.

## MARKET GUIDES

Over the years, Livres Canada Books has produced and continues to update more than 20 market guides and reports aimed at Canadian book exporters.

These guides provide intelligence about specific foreign markets, including the United States, United Kingdom, France, Spain, China, Japan, Korea, Australia, and Germany, as well as market segments such as children's books, retail, wholesale, and libraries.

### IN 2014-2015, LIVRES CANADA BOOKS PUBLISHED FOUR MARKET GUIDES:

- *Selling Canadian Books in Germany* (new)
- *Selling Canadian Books in Spain* (update)
- *Exporter le livre canadien en France : Tome 1* (update)
- *Exporter le livre canadien en France : Tome 2* (update)

Livres Canada Books' market guides are written by industry experts, aimed at Canadian publishers, and provide the best and most up-to-date information on export markets. Market guides continue to be go-to references for Canadian publishers and are an essential component of their export strategies.

Offered for sale on the Livres Canada Books website, the guides are available free of charge to eligible recipients of the FRMAP and the Mentoring programs. Market guides are also available as EPUB and MOBI files.



#### STAFF MEMBER

### REBECCA ROSS

MANAGER, DIGITAL PUBLISHING  
AND INTERNATIONAL MARKETS

#### EXPERT PROFILES

### SILVIA MAS & ARANTXA MELLADO

#### BARCELONA

Silvia Mas and Arantxa Mellado are co-founders of The Spanish Digital Link, a publishing service and advising company focused on the Spanish-speaking markets.

**SILVIA MAS** was director of the Liber Spanish Book Fair in Barcelona from 2007 to 2010. She has extensive experience as a director of international marketing, sales, and innovation, always as related to the provision of services to the business segment. Sylvia holds an MSc in Anglo-Germanic Philology from Universitat Autònoma de Barcelona and speaks six languages fluently. At present, she manages Business Development and Strategic Alliances at The Spanish Digital Link.

**ARANTXA MELLADO** has more than 15 years' experience in the book industry. She has been chief editor at Editorial Emecé and Editorial Salamandra—both reputed independent Spanish Publishing Houses—owner of a publishing services company, and founder and CEO at Ediciona, a social networking site for publishing industry professionals and companies. Arantxa is also a teacher of Digital Publishing at Universidad Autónoma de Madrid and Universidad de Alcalá. She has worked as a consultant for the Spanish and Catalan governments, producing several reports on publishing. She manages and writes for Actualidad Editorial, one of the most followed blogs on digital publishing and international publishing trends in the Spanish-language market. At present, Arantxa is CEO at The Spanish Digital Link.

“ Livres Canada Books’ market guides are written by industry experts, aimed at Canadian publishers, and provide the best and most up-to-date information on export markets. ”

#### EXPERT PROFILE

### MARIE-ANNE LAMBERT

PARIS

Marie-Anne Lambert has been the head of Publistorming, a consulting and strategy agency for more than ten years. She co-hosted the Livres Canada Books mentoring program on Exporting to France, Belgium and Switzerland for a number of years and has assisted many Canadian publishers in building their export strategies in Europe. Previously, she was the editorial director for several international publishing houses over fifteen years, including Wolters Kluwer and John Libbey Eurotext. She has also co-published many titles in collaboration with Canadian publishers.

#### EXPERT PROFILE

### ULRICH SPILLER

HAMBURG

Ulrich Spiller studied business administration and in 1977 began working in the publishing industry where he has remained since. After ten years with Gruner + Jahr, and as an executive in a smaller publishing company, he went into the consulting business. He became managing partner at Heinold, Spiller & Partner Unternehmensberatung GmbH in 1995. Spiller’s areas of focus are strategy, controlling, distribution, as well as interim management. In 2005–2006, he taught for two terms as a substitute professor in the Faculty of Media at HTWK Leipzig, and was a visiting lecturer until 2013.

## ANEL’S PROJECT

### EXPORT OF FINISHED PRODUCTS TO ALGERIA, MOROCCO, TUNISIA, AND SENEGAL

Livres Canada Books is proud to have contributed financially to this project, which has had very positive results. Livres Canada Books will investigate how this project can be adapted to the English market.



## DIGITAL PUBLISHING

Livres Canada Books continues to provide essential information to Canadian publishers on the subject of digital publishing as it relates to exports.

As digital publishing continues to evolve, technologies, business and distribution models, and export strategies continue to develop and change. Providing a regular, updated context for these changes allows Canadian publishers to be at the forefront of developments as they happen.

This year, Livres Canada Books published *Using Audience-Centric Digital Marketing to Drive Global Book Sales*. Written by expert consultants from the Logical Marketing Agency in New York City, this report aims to provide a holistic view of digital marketing and the process by which it can be applied to books and authors, through the specific lens of English- and French-language Canadian publishers seeking to maximize their reach and sales in global markets. The report shows that digital marketing is about tools, and that it is also a repeatable process. This process places particular emphasis

on identifying and understanding audiences, wherever they might be, to identify efficient ways of reaching the right readers and optimizing that outreach for conversion to sales. This is about using all the key levers within digital marketing (including social media, search engine optimization, and retail) to understand and watch how consumers behave—what they do, what they’re interested in—and to sell more books.

Digital publishing, distribution and sales, and the opportunities and challenges that accompany them, are now part of a publisher’s everyday reality, and for that reason Livres Canada Books works to integrate digital into every aspect of our programs and services. We are proud to be a leading source of advice and material on digital exporting and selling digital books in international markets.



The guide is available for sale on the Livres Canada Books website. Like all market guides published by Livres Canada Books, it is available free of charge to eligible recipients of the FRMAP and the Mentoring programs. Market guides are also available as EPUB and MOBI files.

“ Digital publishing, distribution and sales, and the opportunities and challenges that accompany them, are now part of a publisher’s everyday reality, and for that reason Livres Canada Books works to integrate digital into every aspect of our programs and services. ”

## WEBINARS

In an effort to reach a greater number of publishers by eliminating travel costs, Livres Canada Books has been offering professional development webinars since 2011. This online training is delivered by industry experts who address topics of interest to both veteran and emerging exporters of print and digital titles. Additionally, to better help publishers prepare for international book fairs, a new series of webinars focusing on export markets was launched in 2011–2012.

### EXPERT PROFILE

#### THE LOGICAL MARKET AGENCY NEW YORK CITY

The Logical Marketing Agency is a data-driven marketing agency focused on audience-centric book and author marketing. The founding partners, Peter McCarthy and Mike Shatzkin, bring together decades of experience in the book publishing industry with cutting-edge marketing strategy, data analysis, and consumer insight.

**PETER MCCARTHY** is a multi-channel marketer and digital strategist with more than 15 years' experience in publishing. A former VP of Marketing Innovation for Random House and VP of Penguin Group (USA) Online, he leads Logical Marketing's efforts to help clients define and realize their marketing and overall business strategies. He has worked with stakeholders across

the publishing value-chain, including authors, agents, marketing and advertising agencies, social networks, physical and digital retailers, software developers and service providers, and, of course, publishers. He frequently writes, speaks, teaches, and comments on the latest developments in trade publishing, technology, and marketing.

**MIKE SHATZKIN** is a widely-acknowledged thought leader about digital change in the book publishing industry. In his more than 50 years in publishing, he has played almost all the roles: bookseller, author, agent, production director, sales and marketing director, and for the past 35 years, consultant. He shares his insights about how the industry functions and how it accommodates digital change on his *Shatzkin Files* blog.

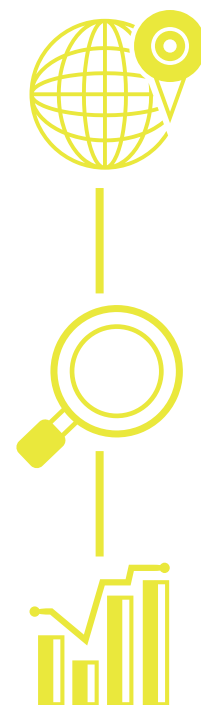
## PROFESSIONAL DEVELOPMENT WEBINAR

In December 2014, Peter McCarthy and Mike Shatzkin from the Logical Marketing Agency, and Jonathan Nicolas from Substance Stratégies, presented in English and French, respectively, a webinar on *Using Audience-Centric Digital Marketing to Drive Global Book Sales*.

Webinar participants were given an advanced copy of the digital report on the same topic, which allowed the webinar to cover advanced questions and issues.

The webinar taught publishers how to increase discoverability and impact in key international markets and make more global sales with a focus on topics such as:

- Understanding the marketplace and new opportunities
- The digital marketing process
- Gathering, analyzing and using consumer data
- Ongoing measurement and optimization
- Key marketing channels
- Title metadata optimization
- Author/brand optimization
- Global book marketing strategies and best practices
- Key tools and resources



## EXPERT PROFILE

### JONATHAN NICOLAS MONTREAL

Jonathan Nicolas is passionate about the transformation of marketing. Formerly a web entrepreneur, he is currently a Strategic Planner and an Associate at Substance Stratégies and a co-founder of Radiance Media. As a specialist in web analytics, digital and media strategies, he helps businesses to strengthen their performance by taking advantage of new consumer purchasing methods and innovative marketing technology. Clients who have benefited from his expertise include Tremblant, Blue Cross, LaSalle College, V, Gaz Metro, and TV5. As a speaker and trainer, he was awarded a *Flèche d'or* prize for relationship marketing as well as six web certifications and over ten academic distinctions.

## EXPORT MARKET WEBINARS

## FINLAND

In September, in preparation for the Frankfurt Book Fair at which Finland was the Guest of Honour, Dr. Iris Schwanck, Director of FILI – Finnish Literature Exchange presented a webinar on the Finnish publishing market. With a stable book market, a trilingual population, and a culture of strong readers and writers, Finland represents an interesting market for export. Finland's book industry publishes over 10,000 new releases a year, while 2012 book trade sales amounted to around 500 million euros.

This webinar was held in both English and French.

## MEXICO

Mexico's dynamic publishing industry has been on a strong rebound with a book market worth \$938 million and sales growth of over 13% since 2010. As the 15<sup>th</sup> largest economy in the world, it is becoming the dominant force in Spanish-language publishing. Mexico's rich literary tradition combined with government investment into the educational and cultural sectors, provides perfect conditions for an exciting glimpse into this growing export market.

This webinar was held in February by founder of the literary agency LadyBooks, Piedad Saenz, in both English and French.

In total, 65 publishers registered for these three webinars, which included interactive question and answer sessions with the hosts. Evaluations for all were overwhelmingly positive. Video recordings of the webinars are available on the Livres Canada Books website, as are downloadable versions of the presentations, in both official languages.

## EXPERT PROFILE

DR. IRIS SCHWANCK  
HELSINKI

Dr. Schwanck holds a PhD from the University of Helsinki and also studied in Paris and Brussels. She worked as the Deputy Director at the Centre of International Mobility CIMO and as Director for the Finnish Cultural Institute in Paris. Since 2001 she has been the Director of FILI – Finnish Literature Exchange. She was President of the Mikkola International Writers' Reunion in 2001 and worked as Director of a cultural cooperation project in France between 2005 and 2008, *100% Finlande en France*. She directed *Les lettres Nordiques* project at the Salon du Livre de Paris in 2011 and led Finland as Guest of Honour at the Frankfurt Book Fair in 2014. The President of France awarded her the *Chevalier de la Légion d'honneur* distinction in 2011.

## EXPERT PROFILE

PIEDAD SAENZ  
MONTREAL

Founder of the literary agency LadyBooks, Piedad Saenz has built on more than seven years of publishing experience in South and North America, having worked for a Canadian children's publisher and at Fondo de Cultura Económica. With branches in Argentina, Brazil, Chile, Colombia, Spain, Guatemala, Peru, and Venezuela, Fondo de Cultura Económica is one of the largest publishers in the Spanish-language market.

Piedad Saenz has vast and diverse experience in marketing, business development, contract negotiation and rights, as well as a strong understanding of digital challenges facing publishers. Her excellent publishing contacts in both South and North America and continuous travel between the two countries have given her an authentic view of the cultural particularities and the knowledge of the three main languages: English, French and Spanish.





## SCOUTING MISSIONS

Through Scouting Missions, Livres Canada Books continues to explore emerging markets that hold potential for Canadian publishers.

### EXPERT PROFILE

#### AMY SPANGLER

ISTANBUL

Amy Spangler is a graduate of Bryn Mawr College, with B.A. degrees in Near Eastern and Classical Archaeology and German Language and Literature. After four years as rights and acquisitions manager and editor for the Istanbul-based publisher Çitlembik, in 2005 Spangler left her position to found AnatoliaLit, together with Dilek Akdemir. In addition to being an agent, Spangler is also a translator from Turkish into English. Her published book translations include *The City in Crimson Cloak* by Asli Erdogan (Soft Skull, 2007) and *One Midday in Yenisehir* by Sevgi Soysal (Milet, 2014). Co-editor and co-translator of *Istanbul Noir* (Akashic Books, 2008), Spangler's English translations of Turkish short stories have been published in various books and magazines.



Information gathered during the missions helps Canadian publishers diversify their export markets by improving their knowledge of these markets and how to access them. Past missions have included Japan (2005), India (2008), Brazil (2010), Scandinavia (2011), Russia (2012), and South Korea (2013). Publishers have reported deals with new partners as a direct result of these missions.

In November of 2014, Livres Canada Books traveled to Istanbul to lead a Scouting Mission on the Turkish book publishing market. A four member delegation chosen to represent adult trade books, children's books, scholarly publications, and French-language books, as well as the Canadian book industry as a whole, traveled to Turkey to meet with key industry stakeholders and to visit the International Istanbul Book Fair that took place from November 8 to 12, 2014. The delegation consisted of Carole Boutin (Groupe Librex/ANEL), John Yates (University of Toronto Press/ACUP), Judy Brunsek (Owlkids Books/ACP) and Livres Canada Books Executive Director, François Charette. As a whole, the delegation held over 40 meetings on the Canada Stand at the book fair, and at publishing houses. The delegation also made a presentation about the Canadian book market to over 15 Turkish publishers. Special thanks to the staff at AnatoliaLit Agency and to Amy Spangler, who helped make our scouting mission a success.

Following the Scouting Mission, the delegation wrote a detailed report with recommendations for Canadian publishers on the best ways to build business relationships with this market. The bilingual report is available as a free download on the Livres Canada Books website.



# INFORMING AND INVOLVING PUBLISHERS BUILDING OUR COMMUNITY



## WEBSITE

The Livres Canada Books website functions not only as a hub of information for Canadian publishers about our services and programs, but also as a point of contact between the international community, Canadian publishers, and other partners. The site attracted visitors from major markets for Canadian books, including the United States, France, India, the United Kingdom, Germany, Belgium, Morocco, Algeria, and Turkey. These visitors are interested in connecting with Canadian publishers and learning more about the Canadian books that are available for rights sales.

The Livres Canada Books website continues to be an essential component of our communication efforts with Canadian publishers. Publishers can download market guides, register for webinars and fairs, and learn more about services and programs.

## BLOG

Livres Canada Books posted blogs on topics of export and international markets, as well as summaries of events and professional development attended by the staff.

Events included:

- Digital Minds Conference, at the London Book Fair
- The IDPF Digital Book Conference, New York City
- Book Summit, Toronto
- CONTEC Conference, at the Frankfurt Book Fair
- Digital Book World, New York City
- BookNet's Tech Forum, Toronto

To date, Livres Canada Books is very pleased with the results of our efforts on the blog and with social media, and we look forward to continuing to engage with publishers through these platforms. As part of our social media content strategy to generate more traffic on our website, our blog posts include extracts and highlights from market guides published in the preceding and current years.



## SOCIAL MEDIA

Livres Canada Books was very active on social media in 2014–2015, with regular posts to our Twitter, Facebook, and LinkedIn pages. Posts included information on digital and international publishing news, promotion of Livres Canada Books' programs and services and, of course, promotion of Canadian publishers and their titles. Each email campaign to promote a Livres Canada Books collective marketing publication is now followed by an extensive social media campaign, linking Livres Canada Books followers and fans directly to Canadian publishers and authors. Livres Canada Books is pleased that its social media efforts have resulted in increased dialogue with Canadian publishers and the international community.



## NEWSLETTER

Livres Canada Books continued publishing its monthly online newsletter for Canadian publishers. The newsletter is sent to nearly 600 subscribers each month, keeping publishers up-to-date on news, export markets, fairs and events, promotional opportunities, programs and deadlines, and export success stories. Livres Canada Books News is an essential part of our communication efforts.



## GOVERNANCE

The Association for the Export of Canadian Books (AECB), now known as Livres Canada Books, 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.



“ The Livres Canada Books Board is composed of seasoned business professionals of organizations and enterprises representing all sectors of the Canadian publishing industry. ”

In 2012, the AECB legally changed its name to Livres Canada Books. Livres Canada Books also revised its bylaws to comply with the new *Canada Not-for-Profit Corporations Act*.

Livres Canada Books is governed by a Board of Directors, chosen for their ability to contribute experience and expertise to the conduct of the policy and affairs of the organization. The Board is composed of seasoned business professionals (owners, executives, or senior staff) of organizations and enterprises representing all sectors of the Canadian publishing industry. Equally divided between English- and French-language publishers, members of the Board are 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). Two professional advisors who are not publishers but are familiar with the Canadian publishing industry also sit on the Board.

The term of appointment to the Board is two years, with the possibility of renewal for an additional two years. Members of the Board serve without remuneration. Expenses incurred by members in the performance of their duties as directors are reimbursed. Bylaws require members to declare any interest that may conflict with their responsibilities as Board members. The Board has three committees—Executive and Finance, Export Expertise, and Nominating and Governance—to which it delegates certain responsibilities. The Board also delegates certain authorities to the Chair and to the Executive Director.

## BOARD OF DIRECTORS

OFFICERS		
CHAIR		
Robert J. Dees	President, Robert Rose	ACP
VICE-CHAIRS		
Antoine Del Busso	Executive Director, Presses de l'Université de Montréal	ACUP
Olivier Gougeon	Director of Sales and Marketing, Guides de voyage Ulysse	ANEL
SECRETARY - TREASURER		
Susan McIntosh	Associate Press Director & Marketing Director, McGill-Queen's University Press	ACP (for CPC)
EXECUTIVE DIRECTOR		
François Charette		
DIRECTORS		
Lynn Fisher	Vice-President, University of Toronto Press	ACUP
Caroline Fortin	Publisher and Vice-President, Québec Amérique	ACP
David G. Friesen	Chairman, Friesens Corporation	Professional Advisor
Louis-Frédéric Gaudet	Publisher, Lux Éditeur	ANEL
Frédéric Gauthier	Publisher, Éditions de la Pastèque	ANEL
Sandra Gonthier	International Rights Manager, Éditions du Boréal	ANEL
Gillian Fizet	Rights Manager, House of Anansi/ Groundwood Books	ACP
Stéphane Labbé	Consultant	Professional Advisor



## COMMITTEES

EXECUTIVE AND FINANCE COMMITTEE	EXPORT EXPERTISE COMMITTEE	NOMINATING AND GOVERNANCE COMMITTEE
The Executive and Finance Committee is responsible for providing guidance and decisions regarding all aspects of strategic direction and financial matters, including internal controls, independent audit, and financial analysis.	The Export Expertise Committee helps the Board fulfill its oversight function by monitoring trends and issues in the export of Canadian books to foreign markets.	The Nominating and Governance Committee recommends nominees for election to the Board at each annual general meeting or to fill vacancies on the Board, and makes recommendations to the Board with respect to corporate governance practices.
CHAIR	CHAIR	CHAIR
Robert J. Dees	Lynn Fisher	Caroline Fortin
MEMBERS	MEMBERS	MEMBERS
Antoine Del Busso	Gillian Fizet	Lynn Fisher
Olivier Gougeon	Caroline Fortin	Louis-Frédéric Gaudet
Susan McIntosh	David G. Friesen	
	Louis-Frédéric Gaudet	
	Frédéric Gauthier	
	Sandra Gonthier	
	Stéphane Labbé	
	Susan McIntosh	

## FRANKFURT 2017 SUB-COMMITTEE

The Frankfurt 2017 Sub-Committee was created in order to conduct a feasibility study in the project of Canada as Guest of Honour at the 2017 Frankfurt Book Fair. Representatives of the Sub-Committee are not necessarily members of the Board.

### CHAIR

Caroline Fortin (ACP)

### MEMBERS

Louise Alain (ANEL)

Lynn Fisher (ACUP)

François Charette (Livres Canada Books)

Louis-Frédéric Gaudet (ANEL)

Robert J. Dees (ACP)

Sarah MacLachlan (ACP)

John Degen (TWUC)

Richard Prieur (ANEL)

Antoine Del Busso (ACUP)

Rob Sanders (ACP)

Francis Farley-Chevrier (UNEQ)

Carolyn Wood (ACP)

## CANADA STAND SUB-COMMITTEE

The Canada Stand Sub-committee was formed to re-evaluate the aim and objectives of the Canada Stand.

### MEMBERS

Gillian Fizet (ACP)

Frédéric Gauthier (ANEL)

Caroline Fortin (ACP)

Olivier Gougeon (ANEL)

## SECRETARIAT



François Charette	Executive Director
Francine Bélec	Manager, Finance and Operations (consultant)
Christy Doucet	Manager, Programs
Priya Ramjuttun	Programs Officer
Natalie McMullen	Programs Officer
Rebecca Ross	Manager, Digital Publishing and International Markets
Claire Farley	Communications Officer

*Note: Rebecca Ross and Priya Ramjuttun are absent from the photo*

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIVRES CANADA BOOKS

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Livres Canada Books (the "Organization"), which comprise the statement of financial position as at March 31, 2015, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## AUDITORS' RESPONSIBILITY

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the

Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## BASIS FOR QUALIFIED OPINION

As discussed in Note 1 to the financial statements, the capitalization policy of the Organization with respect to the property and equipment is to expense items in the year purchased. In this respect, the financial statements are not in accordance with ASNFPO.

## OPINION

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2015, and its results of operations and its cash flows for the year then ended in accordance with ASNFPO.



Chartered Professional Accountants  
Licensed Public Accountants  
Ottawa, Canada  
June 18, 2015

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2015

ASSETS	2015	2014
<b>CURRENT ASSETS</b>		
Cash	\$512,952	\$632,595
Accounts receivable	\$55,677	\$30,895
Government grants receivable	\$157,750	-
Harmonized Sales Tax receivable	\$37,551	\$17,504
Prepaid expenses (Note 3)	\$139,359	\$139,850
	\$903,289	\$820,844

LIABILITIES AND NET ASSETS	2015	2014
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 4)	\$293,298	\$215,483
Deferred revenue (Note 3)	\$31,400	\$27,400
	\$324,698	\$242,883

<b>NET ASSETS</b>		
Unrestricted	\$253,591	\$252,961
Internally restricted for contingencies	\$325,000	\$325,000
	\$578,591	\$577,961
	\$903,289	\$820,844

Economic capacity (Note 1)  
 Commitments (Note 5)  
 Financial instruments (Note 6)

ON BEHALF OF THE BOARD,



**ROBERT J. DEES**  
 CHAIR



**SUSAN MCINTOSH**  
 SECRETARY-TREASURER

## STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2015

REVENUE	2015	2014
Department of Canadian Heritage ("DCH") contribution (Note 2)	\$1,577,502	\$1,620,134
Publishers		
Canada Stand	\$307,463	\$295,397
Marketing	\$23,767	\$27,788
Webinars	\$2,000	\$1,775
Export Market Webinars	\$900	\$1,200
Other	\$40,782	\$29,621
<b>TOTAL REVENUE</b>	<b>\$1,952,414</b>	<b>\$1,975,915</b>
EXPENDITURES	2015	2014
<b>OPERATING (SCHEDULE):</b>		
Rent	\$68,134	\$67,178
Board	\$37,591	\$41,165
Annual Report	\$7,267	\$6,196
Employee related costs	\$1,283	\$1,153
Salaries and benefits	\$355,232	\$336,419
Professional fees	\$57,090	\$58,640
Office and general	\$36,389	\$42,330
ANEL project	\$10,000	-
Networking reception	\$26,685	\$12,040
Bad debts	\$3,163	\$21,907
Interest recovery on prior year's DCH funding	\$20	\$168
Special project - Frankfurt Guest of Honour	\$40,718	\$885
Property and equipment (Note 1)	\$1,057	\$3,952
<b>TOTAL OPERATING EXPENSES</b>	<b>\$644,629</b>	<b>\$592,033</b>



	2015	2014
<b>PROGRAMS (SCHEDULE):</b>		
Foreign Rights Marketing Assistance Program ("FRMAP")		
Contributions	\$750,000	\$746,452
Logistics and support	\$16,288	\$16,546
	\$766,288	\$762,998
<b>PROJECTS (SCHEDULE):</b>		
Canada Stand	\$358,783	\$357,460
Business Plan/Strategic Review	-	\$72,436
Publications	\$30,696	\$27,099
Mentoring	\$25,501	\$21,886
Export Market Webinars	\$10,060	\$9,917
Webinars	\$7,857	\$8,519
Market Guides	\$31,476	\$32,333
Exploratory Mission	\$29,220	\$35,769
Report	\$40,788	\$36,848
Website	\$6,486	\$17,544
<b>TOTAL PROJECTS</b>	<b>\$540,867</b>	<b>\$619,811</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,951,784</b>	<b>\$1,974,842</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$630</b>	<b>\$1,073</b>

## STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2015

	2015	2014
<b>UNRESTRICTED</b>		
BALANCE AT BEGINNING OF YEAR	\$252,961	\$251,888
Excess of revenue over expenditures	\$630	\$1,073
<b>BALANCE AT END OF YEAR</b>	<b>\$253,591</b>	<b>\$252,961</b>
<b>INTERNALLY RESTRICTED FOR CONTINGENCIES</b>		
BALANCE AT BEGINNING OF YEAR	\$325,000	\$325,000
Internal restriction from unrestricted net assets	-	-
<b>BALANCE AT END OF YEAR</b>	<b>\$325,000</b>	<b>\$325,000</b>

## STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2015

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$630	\$1,073
Changes in non-cash operating working capital balances:		
Accounts receivable	\$(24,782)	\$72,838
Government grants receivable	\$(157,750)	\$325,781
Harmonized Sales Tax receivable	\$(20,047)	\$2,774
Prepaid expenses	\$491	\$(64,806)
Accounts payable and accrued liabilities	\$77,815	\$(11,144)
Deferred revenue	\$4,000	\$(111,680)
(DECREASE) INCREASE IN CASH	\$(119,643)	\$214,836
Cash at beginning of year	\$632,595	\$417,759
<b>CASH AT END OF YEAR</b>	<b>\$512,952</b>	<b>\$632,595</b>

# NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

## GENERAL

The Organization 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 2012, the Organization legally changed its name to Livres Canada Books (the "Organization"). Livres Canada Books also updated its statutes in accordance with the Canada Not-for-Profit Corporations Act, SC 2009.

In 1985, the Organization agreed to administer the International Marketing Assistance component of the Department of Canadian Heritage's ("DCH") Canada Book Fund ("CBF"). Funding is allocated by DCH for the delivery of financial assistance and value-added services to Canadian book publishers. The Foreign Rights Marketing Assistance Program ("FRMAP") is a program to which Canadian publishers can apply for funding of their international marketing activities. Value-added services include: coordination of the Canada Stand at international book fairs; promotion of Canadian titles through the Organization's catalogues; website; preparation and distribution of market reports to the industry; and, conducting webinars on foreign markets.

Revenue received from publishers participating in the Organization's initiatives provide additional revenues for the Organization to deliver enhanced support to the industry.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO") and include the following significant accounting policies:

### ECONOMIC CAPACITY

DCH allocates a contribution to the Organization on an annual basis for the delivery of CBF funding assistance to individual publishing companies and to assist the Organization in providing value-added services to the industry. Should DCH terminate or not renew its contribution to the Organization, the Organization 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 March 31, 2015 and represents activities up to March 31, 2015.

DCH has not yet indicated whether it intends to renew the agreement beyond 2015.

### PROPERTY AND EQUIPMENT

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

### FINANCIAL INSTRUMENTS MEASUREMENT

#### *Measurement of financial instruments*

The Organization initially measures its financial assets and liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and government grants receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

### *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations. The accounts receivable balance is net of an allowance for doubtful accounts of \$5,000 (2014 - \$5,000).

### *Transaction costs*

Transaction costs are comprised primarily of legal, accounting, underwriters' fees and other costs directly attributable to the acquisition, issuance or disposal of a financial asset or financial liability. Transaction costs related to other liabilities are netted against the carrying value of the asset or liability and are then recognized over the expected life of the instrument using the effective interest method.

### *Effective interest method*

The effective interest method is used to recognize interest income or expense which includes transaction costs or fees, premiums or discounts earned or incurred for financial instruments.

## **USE OF ESTIMATES**

The preparation of financial statements in accordance with ASNFPO requires the Organization 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 significant estimates in the financial statements include the allowance for uncollectable accounts receivable and certain accrued liabilities.

## **REVENUE RECOGNITION**

The Organization 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.

Revenue and expenditures related to attendance at fairs and events are recorded in the period during which the event is held. Revenue received and expenditures paid prior to the start of those events are reported as deferred revenue and prepaid expenses, respectively. If a fair is held over a period that overlaps two fiscal periods, revenue and expenditures are recognized as if the entire event was held in the period in which the event began.

## **FOREIGN CURRENCY TRANSACTIONS**

The Organization 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.

## ALLOCATION OF EXPENDITURES

The Organization allocates certain expenditures to the applicable projects using the following functions: third party direct funding, marketing, professional development, and technology infrastructure.

Salaries and benefits are allocated specifically to projects on the basis of the estimated time spent on the projects, as defined by the Organization and position profiles. Management estimates the cost of administration for each project to be 15% of direct costs and salaries.

## 2. MEMORANDUM OF AGREEMENT

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

## 3. PREPAID EXPENSES AND DEFERRED REVENUE

These represent funds paid out or received prior to the year end, which pertain to fiscal year 2016 activities and programs.

## 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Organization does not have any government remittances owing at year end.

## 5. COMMITMENTS

The Organization has a lease commitment for office premises which expires November 30, 2016, as well as various equipment under operating leases. Future minimum payments under these leases to expiry are approximately as follows:

	PREMISES	EQUIPMENT
2016	\$67,404	\$4,437
2017	\$ 44,936	\$3,926
2018	-	\$336
2019	-	\$336
2020	-	\$336



## 6. FINANCIAL INSTRUMENTS

### RISKS

The Organization is exposed to various risks through its financial instruments, without being exposed to concentrations of credit risk. The following analysis provides a measure of the Organization's risk exposure at the balance sheet date:

#### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Organization provides credit, in particular to publishers, in the normal course of its operations. For accounts receivable, the Organization sets up a provision for bad debts based on the estimated realizable value on an account by account basis.

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market rates.

The operating credit line facility bears interest at a variable interest rate and, accordingly, the Organization is exposed to fluctuating interest rates.

#### *Currency Risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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

### CREDIT FACILITY

The Organization has an operating credit line facility of \$250,000 which bears interest at a chartered bank prime rate plus 0.25% per annum. The credit line remained unused as at March 31, 2015, and is secured by a general security agreement.

The Organization has access to unsecured credit of \$25,000 on credit cards, bearing interest at 19.75% per annum. The credit used as at March 31, 2015 amounted to \$4,398 and is shown as part of accounts payable and accrued liabilities.

## 7. COMPARATIVE FIGURES

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

# SCHEDULE - SUMMARY OF CANADA BOOK FUND EXPENDITURES

YEAR ENDED MARCH 31, 2015

2015				
	Direct project costs	Salaries	CBF Administration	Total
THIRD PARTY DIRECT FUNDING				
Foreign Rights Marketing Assistance Program ("FRMAP")	\$766,288	\$56,663	\$100,000	\$922,951
TOTAL THIRD PARTY DIRECT FUNDING	\$766,288	\$56,663	\$ 100,000	\$922,951
MARKETING				
Canada Stand	\$358,783	\$75,825	\$65,191	\$499,799
Publications	\$30,696	\$31,197	\$9,284	\$71,177
TOTAL MARKETING	\$389,479	\$107,022	\$74,475	\$570,976
PROFESSIONAL DEVELOPMENT				
Mentoring	\$25,501	\$12,494	\$5,699	\$43,694
Export Market Webinars	\$10,060	\$15,615	\$3,851	\$29,526
Webinars	\$7,857	\$15,496	\$3,503	\$26,856
Market Guides	\$31,476	\$19,438	\$7,637	\$58,551
Exploratory Mission	\$29,220	\$18,502	\$7,158	\$54,880
TOTAL PROFESSIONAL DEVELOPMENT	\$104,114	\$81,545	\$27,848	\$213,507
TECHNOLOGY INFRASTRUCTURE				
Report	\$40,788	\$20,130	\$9,138	\$70,056
Website	\$6,486	\$18,385	\$3,731	\$28,602
TOTAL TECHNOLOGY INFRASTRUCTURE	\$47,274	\$38,515	\$12,869	\$98,658

	Direct project costs	Salaries	CBF Administration	Total
OTHER COSTS				
Livres Canada Books	-	\$71,487	\$46,463	\$117,950
Networking reception - Canada Stand	-	-	\$26,685	\$26,685
Capital expenditures	-	-	\$1,057	\$1,057
TOTAL OTHER COSTS	-	\$71,487	\$74,205	\$145,692
<b>TOTAL EXPENDITURES</b>	<b>\$1,307,155</b>	<b>\$355,232</b>	<b>\$289,397</b>	<b>\$1,951,784</b>

## FUNDING BY RECIPIENT

(YEAR ENDED MARCH 31, 2015)			
Recipient	FRMAP	Mentoring	
		Funding Support	Coaching France
400 coups, Éditions Les	\$3,898.32		
AdA, Éditions	\$11,638.07		
AIM Language Learning	\$1,613.43		
Alire, Éditions	\$5,404.77		
Alto, Éditions	\$6,590.83		\$1,435.33
Annick Press	\$8,413.76		
Apprentissage Illimitée	\$5,422.54		
Arsenal Pulp Press	\$8,080.96		
Artichaut, Éditions L'	\$11,713.11		
Association nationale des éditeurs de livres (ANEL)	\$17,795.04		
Association of Canadian Publishers (ACP)	\$4,640.77		
Bayeux Arts	\$9,584.47		
Beauchemin International, Éditions	\$12,133.32		
Béliveau Éditeur	\$2,931.61		
Between the Lines	\$2,986.02	\$2,000	
Biblioasis	\$4,498.93		
Blue Bike Books	\$5,608.15		
Bookland Press	\$3,317.35		
Boomerang éditeur jeunesse	\$2,550.97		
Boréal Express, Le	\$10,033.49		
Boulder Publications	\$2,628.68		

FUNDING BY RECIPIENT (YEAR ENDED MARCH 31, 2015)			
Recipient	FRMAP	Mentoring	
		Funding Support	Coaching France
Bouton d'or Acadie	\$3,863.50		
Breakwater Books	\$1,528.26		
Brick Books	\$909.67		
Broadview Press	\$6,142.15		
Broquet	\$5,074.06		
Caractère, Éditions	\$1,842.93		
CCI Learning Solutions	\$9,198.19		
Charron Éditeur	\$3,772.28		
Chouette, Éditions	\$9,122.98		
Coach House Books	\$4,514.78		
Company's Coming Publishing	\$3,472.42		
Coteau Books	\$883.04		
Crabtree Publishing	\$10,150.97		
Curriculum Plus Publishing	\$826.79		
David, Éditions	\$1,316.89	\$2,000	
DC Books	\$2,874.33	\$2,000	
DC Canada Education Publishing	\$3,977.60		
Drawn & Quarterly	\$8,728.04		
Dundurn Press	\$11,199.20		
Écosociété, Éditions	\$5,712.02		
Écrits des Forges, Les	\$7,100.36		
ECW Press	\$10,881.15		
Fernwood Publishing	\$5,791.91		

FUNDING BY RECIPIENT (YEAR ENDED MARCH 31, 2015)			
Recipient	FRMAP	Mentoring	
		Funding Support	Coaching France
Fiddlehead Poetry Books & Goose Lane Editions	\$1,578.83		
Fides, Groupe	\$4,039.23		
Fifth House Publishers	\$912.08		\$1,585.68
Fitzhenry & Whiteside	\$3,372.47		
Folklore Publishing	\$4,856.98		
Formac Publishing / James Lorimer & Company	\$8,490.62		
Goélette, Éditions	\$4,258.35		
Governors of Athabasca University	\$3,720.74		
Greystone Books	\$8,040.09		
Groundwood Books	\$4,990.45		
Guides de voyage Ulysse	\$1,415.75		
Guy Saint-Jean Éditeur	\$9,312.35		
Héritage, Éditions	\$5,998.74		
House of Anansi Press	\$7,811.90		
Hurtubise, Éditions	\$6,495.72		
Intouchables, Éditions des	\$1,188.61		
Isatis, Éditions de l'	\$4,268.72		
J.C.L., Éditions	\$4,781.39		
Kids Can Press	\$11,065.63		
Leméac Éditeur	\$5,745.81		
Liber, Éditions	\$2,284.80		
Librex, Groupe	\$5,225.76		
Lingo Learning	\$8,191.69		
Lone Pine Media Productions	\$6,121.95		



FUNDING BY RECIPIENT (YEAR ENDED MARCH 31, 2015)			
Recipient	FRMAP	Mentoring	
		Funding Support	Coaching France
Lux Éditeur	\$9,066.46		
Malins, Éditions les	\$6,262.14		
Marcel Didier	\$1,587.44		
Master Point Press	\$4,061.84		
McGill-Queen's University Press	\$11,642.35		
Médiaspaul, Éditions	\$5,610		
Mémoire d'encrier	\$8,055.63		
Michel Quintin, Éditions	\$5,039.56		
Modus Vivendi, Publications	\$13,960.86		
Montagne Verte, Éditions de la	\$4,814.64		
Mortagne, Éditions de	\$7,385.93		
Mosaic Press	\$7,018.14		
MultiMondes, Éditions	\$2,662.13		
New Society Publishers	\$11,457.41		
New Star Books	\$3,883.50		
NeWest Press	\$5,200.82		
Noroît, Éditions du	\$2,162.77		
Novalis, Éditions	\$2,807.39		
Orca Book Publishers	\$3,668.58		
Owlkids Books	\$10,508.94		
PAPP International	\$10,469.75		
Passage, Éditions du	\$1,448.26	\$2,000	\$1,073.33
Pastèque, Éditions de la	\$11,600.88		
Pembroke Publishers	\$5,999.04		

FUNDING BY RECIPIENT (YEAR ENDED MARCH 31, 2015)			
Recipient	FRMAP	Mentoring	
		Funding Support	Coaching France
Peuplade, Éditions La	\$1,276.46		
Phidal, Éditions	\$6,517.92		
Plaines, Éditions des	\$7,917.31		
Planète rebelle, Éditions	\$6,779.36		
Playwrights Canada Press	\$856.02		
Presses internationales Polytechnique	\$1,384.48		
Production Édition ASMS	\$1,444.44		
Quarry Press	\$2,490.74		
Quartanier, Le	\$4,490.70		
Québec Amérique, Éditions	\$11,257.05		
Rainbow Horizons Publishing	\$5,309.87		
Red Deer Press	\$1,765.11		
Remue-ménage, Éditions du	\$2,545.91		
Réunis, Éditeurs			\$955.09
Robert Rose	\$9,427.41		
Rocky Mountain Books	\$5,999.37		
Sara Jordan Publishing / Jordan Music Productions	\$6,424.95		
Second Story Press	\$7,377.18		
Self-Counsel Press	\$2,558.94		
Sémaphore, Éditions	\$1,259.75		
Septentrion, Éditions du	\$5,604.25		
Simply Read Books	\$12,249.43		
Sogides, Groupe	\$4,611.64		
Solski Group, The	\$2,941.89		

FUNDING BY RECIPIENT (YEAR ENDED MARCH 31, 2015)			
Recipient	FRMAP	Mentoring	
		Funding Support	Coaching France
Soulières éditeur	\$1,126.45		
Sylvain Harvey, Éditions	\$5,131.51		
Talon Books	\$5,374.95		
TC Média Livres	\$8,561.53		
Thompson Educational Publishing	\$2,368.62		
Touchwood Editions	\$2,516.85		
Tradewind Books	\$1,685.34		
Tralco Educational Services	\$1,972.40		
Triptyque, Éditions	\$3,363.85		
Université de Montréal, Presses de l'	\$2,936.37		
University of Ottawa Press / Université d'Ottawa, Presses de l'	\$3,470.34		
Université Laval, Presses de l'	\$3,067.46		
University of Alberta Press	\$8,072.90		
University of British Columbia Press (UBC Press)	\$7,202.98		
University of Manitoba Press	\$3,897.11		
University of Regina Press	\$5,153.94		
University of Toronto Press	\$11,256.48		
Vermillon, Éditions du	\$1,357.39		
Ville-Marie Littérature, Groupe	\$2,453.97		
Weigl Educational Publishers	\$5,987.25		
Whitecap Books	\$3,072.20		
Wilfrid Laurier University Press	\$4,192.11		
Z'ailées, Éditions	\$2,376.59		