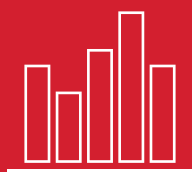
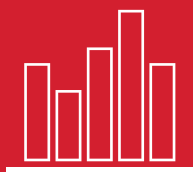
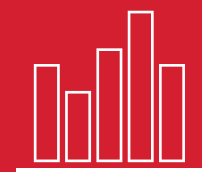
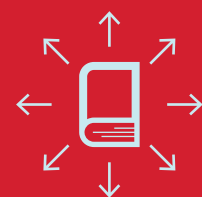


LIVRES CANADA BOOKS®

# Distribution and Sales in the US

A Guide for Canadian Publishers

## Part 1: The US Marketplace



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# The US Marketplace

It is useful to think of the US as a series of markets. According to Statista's most recent *Book market in the U.S. dossier*,<sup>3</sup> the total figure for 2020 US book sales, all in for all markets, was \$USD26 billion. This number represents a period of flat growth from the previous year. When one considers the overall negative economy due to COVID-19, flat is being viewed as “the new up.” This is especially true since the forward projections, as mentioned earlier, are for modest increases in the coming years.

The sales of trade titles increased by over \$USD400 million, moving from \$USD16.23 billion to \$USD16.67 billion, a growth of approximately 3%. However, higher education sales dropped by over \$USD100 million. While the education markets, both higher education and K-12, continue to erode, the positive movement of print trade titles, ebooks, and digital audiobooks present a far more promising picture. While some genres may do better in certain parts of the US, ebooks, digital audiobooks, and print-on-demand (POD) allow you to sell titles on just about any subject to people anywhere in the country.

When this report was last revised, there was a comment about the “Big 6” becoming the “Big 5” when Penguin and Random House merged to form Penguin Random House (PRH). In this report, we can comment on the stalled effort to turn the “Big 5” into the “Big 4” with PRH's attempts to buy Simon & Schuster currently blocked on antitrust grounds by the US Department of Justice. This matter was still unresolved at the time of writing. Regardless of the machinations of the “Big X” publishers, there is still plenty of room for new and varied voices in the US book market. This is especially true when one considers the growth of independent bookstores.

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3 Statista, *Book market in the U.S.* (2021), <https://www.statista.com/study/12702/book-market-in-the-united-states-statista-dossier/>.

The spending in K–12 libraries is still overwhelmingly on print, with some estimates<sup>16</sup> running as high as 90%. While several factors play into this, chief among them are the lack of quality ebook content for schools and the confusion around business models and lending practices for schools as customers and students as readers.

Reference content is primarily digital in K–12. Items like encyclopedias or other fact-based content in the sciences, medicine, and history are sold, on a subscription basis, to the institution (or perhaps the entire district) for online access at school and home.

While public library spending on ebooks is much stronger than in K–12, the general market consensus is that ebooks represent less than 25% of total book buying. This estimate is slightly higher than in the general population and it illustrates the strength of ebook sales in the detective/mystery, sci-fi, and romance categories, which are always strong in public library book buying. As with K–12 libraries, reference content in public libraries is primarily digital. Long gone are the days when patrons went to the public library to look up facts and figures.

In the academic segment, it is helpful to separate the buying based on the type of publication and then review the media type. For monographs (books), the purchases in academic libraries run very similar to those of public libraries, with about 25% being digital and 75% being print. For journals, those numbers are closer to 90% digital and 10% physical. Even 10% may be high since many providers are now bundling in the print version along with the digital subscription. JSTOR and Project Muse are excellent examples of services that provide consolidated journal subscriptions to libraries. Reference in academic libraries is over 90% digital with the remaining 10% being primarily obscure items purchased for a particular professor or department.

While there is some category overlap, each of these markets has a distinct purpose and buying perspective. Academic libraries exist to serve the curriculum and research needs of their students and professors. Many academic libraries also serve as intellectual archives and acquire certain titles to ensure that they are preserved over time. Academic libraries do not face the circulation pressures that public libraries do, so they tend to buy books to serve collection development needs rather than patron demand. Many academic libraries will purchase any book requested by a member of the faculty. These two factors lead academic libraries to consider and purchase a wide breadth of titles. Scholarly and reference titles do especially well in these buying conditions. Academic library buyers have the greatest freedom with title purchases, but they rarely order more than a few (often just one) copies of a title.

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<sup>16</sup> Estimates based on confidential conversations with K–12 library booksellers who represent 85+% of all K–12 sales in the US.

As previously mentioned, ebooks accounted for over 20% of all books sold in the US during the reporting period. A particular point of interest is that over 60% of ebook buyers earn over \$USD50,000 a year. This is the largest percentage of any book buying format.

While pricing is an ever-changing issue, the general direction of ebook pricing was slightly lower for 2020 versus 2019. Regardless of changes over the years, ebooks are now established as the third preferred “binding” after hardback and paperback. They are ahead of special bindings, mass-market paperbacks, and both physical and digital audiobooks.

## Accessibility

An additional element to consider is the accessibility of digital content for readers with print disabilities. Print disability, as a category, covers readers who are blind, low-vision, dyslexic, or any other physical challenge that prevents a reader from successfully reading a print book. There is a common misconception that when a file is digital, it is automatically accessible. This is far from true. In fact, the most common ebook format, PDF, is the antithesis of accessibility.<sup>28</sup>

There are three main reasons why publishers should consider making their ebooks fully accessible. First, this is a social justice and human rights issue. Readers with print disabilities deserve to have access to your content and you should ensure that your workflow allows them to have a great reading experience with your books. You should not discriminate against these readers.

Second, the market itself is large. This is true all over the world. Yale University reports that 20% of the population has dyslexia,<sup>29</sup> and this is just one of the types of print disability. Print-disabled people rarely buy books since they cannot use them. A fully accessible ebook would allow you to tap into this significant underserved market.

The third main reason is legal issues. Governments around the world have written, or are in the process of writing, laws aimed at ensuring that print-disabled readers have equal access to content.<sup>30</sup>

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28 eBOUNDCanada is an excellent place to begin inquiries on this topic: <https://www.eboundcanada.org/>.

29 The Yale Center for Dyslexia & Creativity, “What is Dyslexia?” (2020), <http://www.dyslexia.yale.edu/dyslexia/what-is-dyslexia/>.

30 See Livres Canada Books’ 2021 report, “The European Accessibility Act and Its Impact on the Publishing Industry: A Guide for Canadian Publishers,” for example: <https://www.livrescanadabooks.com/Reports/Digital-Publishing/The-European-Accessibility-Act-and-Its-Impact-on-the-Publishing-Industry-A-Guide-for-Canadian-Publishers-2021>.

# About the Author

**Michael Johnson** has been in the book distribution business for almost 40 years. Eighteen of those were at Follett Corporation where he had a variety of jobs across several divisions, including running Follett Digital Resources. Michael also has a long history in the creation and distribution of digital content, both ebooks and e-textbooks. Michael's first ebook delivery platform was deployed in 2001, and that system is still in use today.

In 2008, Michael founded the strategic consulting firm Full Potential Associates, which focuses on the blend of publishing/technology/education. Michael spent six years on the Board of Directors for the Association of Educational Publishers. His consulting puts him in an excellent position to keep tabs on all aspects of the publishing and sales ecosystem.

Michael is currently the Director of Content Partnerships at Benetech, an international non-profit that focuses on helping publishers create and distribute fully accessible digital content for readers with print disabilities.

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