

# RALLYING CRY OF THE REMAINDER:

*Bestow upon books a new life and fresh audience, while reaping the rewards of high margins and increased traffic.*

By Mark Leslie Lefebvre

In my travels and talks with various booksellers across Canada, I've discovered an underlying sense of hesitancy and resistance to carrying remainders, or bargain books. Part of this might be due to the belief that they are only offered to mega-chains with massive buying power. Another reason might be their perception of the books being, for lack of a better term, "icky."

Remainders are books that publishers have too much stock of and clear out of their warehouses at liquidation prices. This excess stock is often the result of a book that didn't sell-through as well as initially expected, or one that has been returned to the publisher because the same title is now available in another for-

the life-cycle of a book as well as breathing new life into your bottom line. Look at it this way: A book is published, bought by a bookstore, merchandised on the shelves, and if it doesn't sell, is shipped back to the publisher for a credit. But the life-cycle doesn't need to end there. Instead of getting pulped, a remaindered book gets another chance to be discovered by readers. And it fits nicely into the green movement of re-using and recycling.

In the past couple of years at my campus bookstore I have experimented with both the selection of titles as well as their placement in the store. While our store caters to a distinguished crowd demanding an eclectic complement of books in

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mat (i.e., a hardcover that is now in paperback, or a trade paperback that is now in mass market).

That might be part of how remainders got their bad rap.

However, in my own experience, remainders, or Bargain Books, have merely been the misunderstood and under-appreciated cousins of regular books. Booksellers without 'mass' buying power can easily get them through remainder wholesalers as non-returnable and at incredibly high margins.

Over the years I have come to see remainders as actually helping expand

various categories, I have found that the types of remainders that sell best are not unlike the ones that sell best in other general book markets—fiction (particularly thrillers, literary fiction and chick-lit), cookbooks and children's books.

Having a central display in the middle of a high traffic intersection in the store increased the browse-factor, but the sales *doubled* with a display near a cash register at the front of the store where customers encountered them upon walking in and perused them while waiting in line. A hardcover for \$4.99 might certainly catch your eye. And that's half the price of a



# "I'm Not Dead Yet!"

typical mass market paperback, so what's not to love about a deal like that?

Remainders must, of course, get noticed in order to have that appeal. Something I have found works nicely is putting a price sticker right on the front cover of the book—preferably something bright that captures their attention and lets them know, immediately, that *this* is a great deal.

Tables seem to work most effectively to merchandise bargain books. Small stacks of neatly piled titles laid out in a mosaic of contrasting colour covers, rather than alphabetical order, seems to do the trick. The serendipity of discovering a book you weren't looking for is part of the wonder and joy for customers who browse through remainders.

The economics of remainders make good sense for any store. I can bring in most of my remaindered titles usually for a minimum margin of 50 per cent. My average margin on these bargain books is 60 per cent and I can reach upwards of 80 or 90 per cent margin. I know I can set price points a bit higher on some titles, but have found that customers are *most* receptive (at least in my market), to titles that range in price from \$2.99 to \$6.99—once a title creeps too much past that, the sales volume begins to slide.

Similarly, because they are purchased non-returnable and the margins are high, you can often blow remaining stock of them out after a few months without actually losing profit. Here's an example: I bring in ten copies of a book that I purchased for \$0.60. I sell them for \$3.99. After I sell two of them, I have already covered my cost to buy all ten and am dealing with pure profit for each one sold. Once I sell half of them, I'm

sitting at a 75 per cent margin of profit. If a few months have passed and I'm still sitting on the remaining five copies, I can reduce the price using the handy SALE, 20%, 25%, 30% off price stickers available through Bookseller Service House, knowing that every single penny brought in at that point is pure gravy.


my name or the names of one of the authors whose stories appear in that book, which might translate into future sales and future royalties.

So, at the end of the day, it's all good. Customers get a great deal, booksellers get a great margin, and authors potentially gain a larger readership.

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And one last note for those booksellers who feel that remainders cheat authors. Yes, based on typical contracts, authors tend to not get any royalties for books that are remaindered by the publisher. But their books are given new life and customers are given a new chance to discover them. As a reader, over the years I have purchased many bargain book titles from authors whom I had never heard of, only to go and buy their next title at full price. And, as a writer, I have had a book remaindered and actually been pleased to know that the book (an anthology I edited) would be read by a larger audience than it had as a regular trade title. Those readers might recognize

So the next time you see someone's face begin to sour when bargain books or remainders are mentioned, just smile and ask yourself the following: Do you like having access to a low cost, high margin product line that ties in perfectly to your existing product mix, delightfully surprises customers and adds strength to your bottom line?

If the answer to that question is yes, let them go ahead and scowl while you enjoy the benefits of this often misunderstood product. 

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