

---

## The State of Books: BEA 2013 Shows Industry Still Reeling

Posted: 06/03/2013 2:12 pm

---

The Book Expo America is an annual gathering of everyone in the book industry: publishers, librarians, authors, editors, agents, major chains, small independent bookstores, journalists and -- increasingly -- even readers. Of course, major national and regional events take place all year, like get-togethers focused on libraries and librarians, book fairs and much more. But the BEA is the big kahuna, the one event that gives you a snapshot of the past year and a glimpse into the next.

So how does the book world look? A little uncertain, I'd say. Approaching the Javitz Convention Center in New York City, you get the delicious feel of being in an alternate universe. Billboards tower over the far west side of Manhattan touting new releases from Stephen King, Vince Flynn, the Penguin label and more. It's as if books were suddenly as widely advertised and anticipated as the latest summer movie blockbuster.

Inside for the four day event, that wonderful feeling continues. Row after row of small publishers and start-ups, big booths for the major players, author signings, roundtables and everywhere you look top people meeting and chatting, getting business done and getting reacquainted with contacts they only see once a year. People glance at your badge before they glance at your face, just like conventions everywhere: who are you, how powerful are you, what can you do for me? The only thing missing from BEA? More people, a sense of excitement or at least a sense of purpose. Compared to many events I've attended at the Javitz Center, including past BEAs, this was positively mellow.

The BEA and the industry as a whole have been roiled by change. The second largest bookstore chain in the country (Borders) has disappeared. The largest (Barnes & Noble) might sell off its stores to its chairman. Under the rosier scenario, it plans to shut down 1/3rd of all its mega-stores, shrinking from about 600 to 400 stores in the next few years. That's their *plan*, mind you: if they're lucky and things go well, one-third of all B&N stores will disappear. Two of the largest publishers are merging and no one knows what that means. When Random House and Penguin merge, they claim their scale will finally allow them to compete with Amazon, as if "really, really big" would somehow make them more competitive and nimble than just "really big."

Authors know that merger means one less house to bid for their titles, but everyone wants to hope for the best. Books are a massive industry dominated by conglomerates. Yet it's driven to an almost delightful degree by people who are truly passionate about books and authors. With the Apple anti-trust trial beginning today (the Monday after BEA ends), everyone is holding their breath wondering what's next: more mergers, more dominance by Amazon, ebooks shrinking their margins even further and driving indie stores out of business? (Indies can't really compete on ebooks either technically or on price.) Or maybe some start-up will prove an out-of-left-field savior?

For the organizers, the big question is what BEA should be? As the industry continues to change dramatically, the BEA must change as well. It's just that no one knows what's needed because no one knows what the industry is becoming. Here are some observations from wandering the aisles, meeting with industry pros and taking the pulse of the industry.

**BOOKSTORE OWNERS ARE FANS** -- The BEA is not ComicCon, though it might become that in the future. This year, fans -- dubbed Power Readers -- were invited again to buy a ticket for the final Saturday. But long before the fans showed up, the fans were already here. While major players and mid-level execs had meetings both planned and casual all day long, the owners and employees of independent bookstores had a field day foraging for book galleys, attending workshops and lectures, meeting one another and standing in line to meet authors who in turn urged them to support his or her new book. The numbers say that independent bookstores are holding steady after years of decline. People in NYC point to a string of indie bookstores opening in Brooklyn and elsewhere as a positive sign. That's wonderful, of course. But you'd need 20 or 30 or more of these tiny, narrowly focused bookstores to match the lost sales of the Barnes & Noble flagship store that disappeared across from Lincoln Center. So don't let the numbers fool you that book sales are flourishing

for these indies. The truth is that no one ever opened an independent bookstore to make a lot of money. They do it for the love of books. Seeing these owners, these businesspeople, these *fans* happy to be at BEA and taking in all the events on what is probably their big annual outing is inspiring. Books may be going digital -- just like music and movies -- but the stores won't disappear without a fight.

**BOOK GALLEYS THE ULTIMATE FREEBIE** -- Those bookstore owners, not to mention journalists and other industry figures, rush the BEA each morning. Why? To grab galleys of all the hot upcoming releases. It's the big freebie and it's not just for fun: the more galleys you grab, the more likely you are to find a title you're passionate about and can enthusiastically hand-sell to your customers/readers. So in years past, seeing people stagger under mountains of free galleys was the signature image of the BEA. Not anymore. Not really. Oh people still rushed for galleys. In fact, the more intrepid brought wheeled carry-on luggage they could fill up and roll around with ease, then take back to their hotel rooms and start all over again without breaking a sweat. But the growing presence of e-galleys made the desperate need to snag a must-have book almost unnecessary. I wandered through the BEA with an e-reader that's loaded with more than 600 titles, almost all of them current and upcoming releases from 2013 and into the early months of 2014. Some die-hards hate ebooks but the sheer convenience (and lower cost) make physical galleys almost superfluous. They will surely fade in importance in a few years for any titles not graphically driven. That's clearly the case with catalogs. Another big grab at BEAs in the past, the fall and winter catalogs of publishers large and small were almost an afterthought for many now that publishers finally have online versions. Why lug home a physical copy?

**START-UPS** -- BEA is still a great way for smaller companies and start-ups to introduce their services to the industry. With the merging of Random House and Penguin, some imagine a subscription service for book reading where people pay a monthly fee rather than buy individual titles is the Next Big Thing. If Random House/Penguin signed on, you'd already have enough titles, enough scale to make it appealing. That's certainly the dream of **Librify, a new website that wants to be the Netflix for Books** that everyone has been envisioning for a while. The staff at their booth (the best-looking group at any booth, by the way) was a little short on specifics. But the site is launching in beta this summer with an undisclosed number of publishers signed on and an undisclosed number of titles available at an uncertain price. (**The beta stage is free for those who sign up and are accepted.**) They tout social media and features like friends being able to place books they love on your shelf, everyone in a group reading a book able to share notes left on a certain page of the book for all to see and so on. But the basic appeal is simple: instead of buying books one by one, you pay say \$10 a month and have access to an entire catalog of titles on your computer, tablet or smart phone. The more current the books are, the more appealing the site will be. Publishers would of course take a cut based on how much their books were read. The idea is so obvious that someone will eventually succeed at it in some form or another. Start-ups like Librify dream they can create the platform that turns the idea into a functioning reality. Certainly it's smarter for publishers to experiment with any and all comers, with the hope that several will flourish a la Netflix and Hulu in film and tv, providing new revenue streams and the competition that keeps one of them from becoming too dominant.

Countless other opportunities abound as books go digital. (They're 20% of the trade business and almost 50% of all units sold in the North American market. When Barnes & Noble shrinks its size, that's certain to accelerate.) That's where **99 Designs** steps in. This site brings together freelance designers and people who need artwork and logos. They've been active for years, mainly in the creation of logos and the like. But their book cover business has exploded as digital and self-publishing catch on, so 99 Designs set up a booth at this year's BEA. Here's how it works: for a set fee ranging from \$300 to \$800 depending on your needs, you launch a contest on the site that gets submitted to their network of freelancers. You need a logo? You need a sign? Or more often now, you want a cover for that thriller you've been writing in your spare time and want to self-publish? Within the blink of an eye (ok, a few days or weeks at most), you receive a string of submissions and choose a winner, getting full rights to use the cover of your choice. Authors happy with the winner can choose to work with the artist directly on future projects. Naturally, a slightly higher fee gets you access to the best designers. Anyone who has seen the amateurish covers created for many self-published titles (probably created by a friend or relative of the author) knows how often we do judge a book by its cover. So a growing number of authors are paired with the world of freelance designers looking to expand their portfolios or establish themselves in a new area (or maybe just have a little fun) and **a company like 99 Designs** becomes the link. Countless start-ups with ideas clever and suspect can be found at BEA, a sure sign that with turmoil comes opportunity.

**BEA V COMICCON** -- Saturday at BEA was the grand experiment where they would allow actual readers to flood into the convention. Five hundred to two thousand people of various stripes were given access. I'm sure they had fun and certainly the Neil Gaiman reading was jammed full. But one wonders why the BEA bothered in a way since so many industry booths seemed confused or indifferent about the appearance of actual fans. The final day was set to end at 4 pm but many booths

were half empty of employees or packing up by noon. All the top players seemed to have disappeared and why not; what would they say to individual fans? So after a few hours, the BEA felt more like a ghost town. Fans wandered the aisles surely intrigued to see all the booths and displays of upcoming titles, all manned by interns or the newest employees who had to keep a presence of some sort. But since so much of the BEA is geared towards the industry anyway, fans had the sense of intruding on territory where they didn't really belong. Physical galleys were on hand and regular folk eagerly waited in line for signings. But the overall feel was like being invited to a party long after everyone else had gone home. They just wandered around, imagining what it was like to be there on Thursday or Friday.

The book industry can and indeed probably should create a fan friendly event a la ComicCon. They've got enough superstar authors to draw big crowds and garner the media attention such an event would generate. Countless movies and TV shows are based on books (and not just comic books) so the cross-over of those mass appeal attractions would add to the glamor of the industry, just as it does at ComicCon. Reluctantly letting fans peek at a trade show floor after the trade show is over is not the answer. Creating a genuine event geared towards fans of books from the top down surely is the answer. Whether it's paired with BEA or established on its own, it would be a great way to generate publicity and goodwill throughout the entire media. BEA is the industry talking to itself, an essential part of the year even when people aren't sure what to talk about, what to fear and what to be excited over. A BookCon would be the industry talking to the rest of the country. It's long overdue, fans are clearly ready for it and in an industry increasingly going digital, it would be a great way to put a human face on the passion people have for books of all sorts.

*Thanks for reading. Michael Giltz is the founder and CEO of [BookFilter](#), a website in beta mode that provides info on new book releases in every category, gives readers a peek into upcoming releases and provides savvy, passionate recommendations every step of the way. it's like a fall book preview or holiday gift guide, but every week in every category. [BookFilter is a book lover's best friend](#). Giltz is also the co-host of [Showbiz Sandbox](#), a weekly pop culture podcast that reveals the industry take on entertainment news of the day and features top journalists and opinion makers as guests. It's [available](#) for free on iTunes. Visit Michael Giltz at his [website](#) and his [daily blog](#). Download his podcast of celebrity interviews and his radio show, also called [Popsurfing](#) and also [available](#) for free on iTunes. Link to him on Netflix and [gain access to thousands of ratings and reviews](#).*

**Follow Michael Giltz on Twitter: [www.twitter.com/michaelgiltz](http://www.twitter.com/michaelgiltz)**